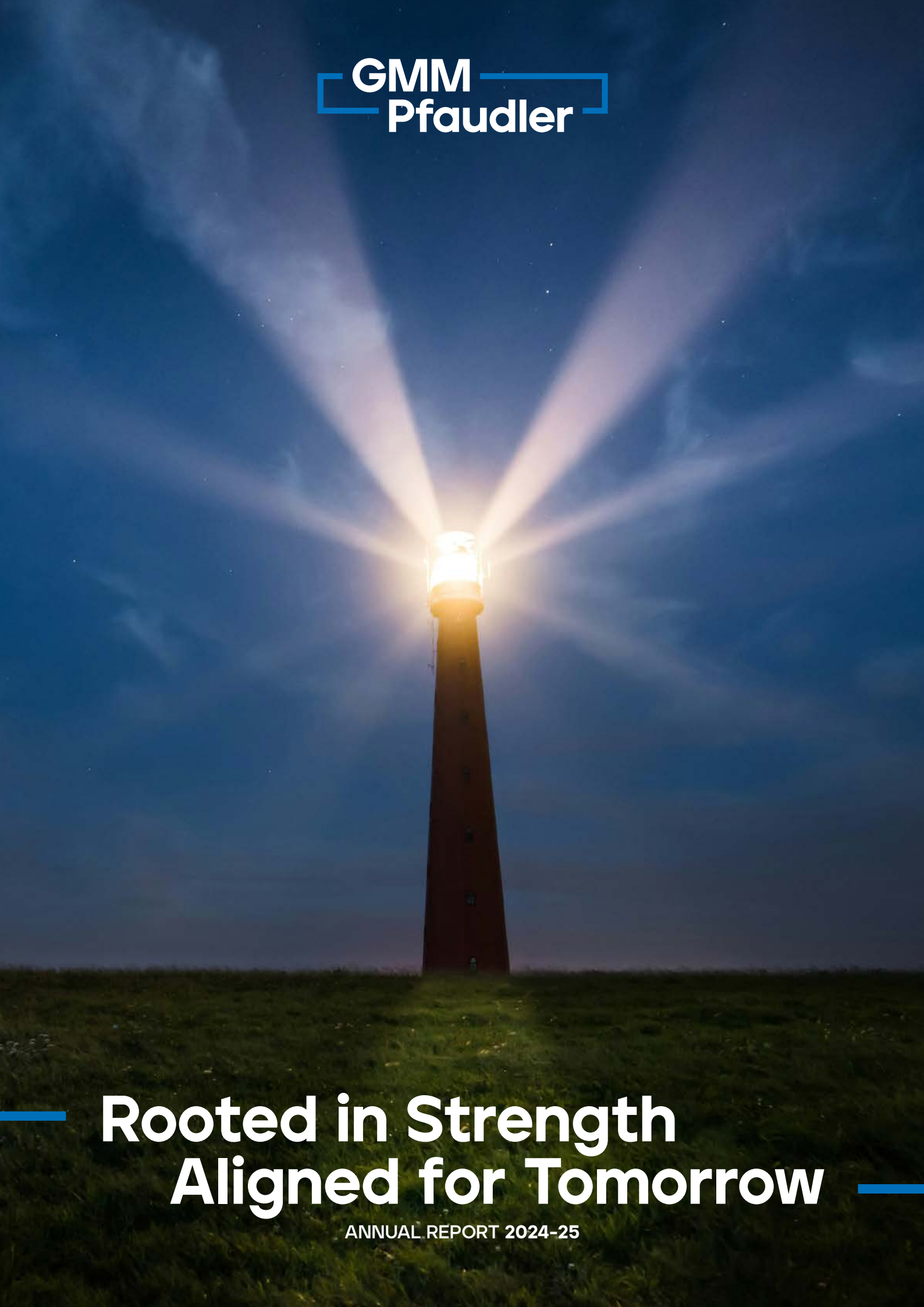


A tall, dark red lighthouse stands on a green grassy field at night. The lighthouse is illuminated from within, and its light shines outwards in several beams, creating a starburst effect against the dark blue sky. The foreground is a dark, grassy field.

Rooted in Strength Aligned for Tomorrow

ANNUAL REPORT 2024-25

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Investor Information

CIN:	L29199GJ1962PLC001171
BSE code:	505255
NSE code:	GMMPFAUDLR
Bloomberg code:	GMM IN Equity
Dividend for FY25:	₹2 per equity share (Subject to approval of the members at the AGM)
AGM date:	August 1, 2025
Venue:	Through Video Conference

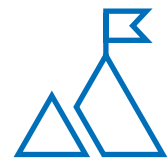
We are
dedicated to
creating lasting
value for all our
stakeholders
and will
continually strive
for **excellence**
in all our
endeavours.





Our Vision

To become the preferred partner for critical process technologies, systems, and services for the pharmaceutical and chemical industries by delivering high quality and sustainable solutions.



Our Mission

We use our corrosion-resistant expertise as a cornerstone to develop a broader portfolio offering, while respecting the environment, uniting our people, and creating value for all our stakeholders.



Our Values

Innovative

We provide unique and innovative technologies, systems, and services that deliver high-value solutions to our customers.

Inclusive

Our people are the force driving our ability to do and achieve more. We value diversity and provide a real opportunity to cultivate meaningful relationships.

Reliable

We are committed to consistently delivering on our promise of expertise in the technologies, systems, and services we offer.

Dynamic

We are always on the move, anticipating technology and customers' needs as they change.

Respectful

We use our expertise to strengthen our product portfolio while respecting our people, our communities, and the environment, creating value for all our stakeholders.

Creating behaviours and mindsets that are dynamic, being innovative with our offerings, putting inclusivity at the heart of our people practices, and being a trusted and respected partner are values that drive us at GMM Pfaudler.



**Rooted in
strength, our
journey has
been defined
by resilience,
innovation,
and purposeful
growth**



Rebranded to 'GMM Pfaunder' consolidating operations under a single, unified brand



Realigned international sales network to foster global collaboration and build a unified sales strategy



Scaled Services business by shifting from an OE-centric model to a service-focused model



Diversified product and industry mix through bolt-on acquisitions



Innovation continues to drive our progress, marked by the new state-of-the-art test center in Karamsad for pilot trials in molecular distillation and acid concentration

Created new a business platform - Mixing with a focus to fast-track the Mixing business



Initiated operational excellence across the organization including right sizing and relocating to low cost manufacturing centres



Increased revenue to ₹3,199 cr in FY25 from ₹1,001 cr in FY21, CAGR of 34%



Glass-Lined

- Technology Leader
- Largest Capacity



For over 130 years, Pfaudler is the leader in developing new technologies to meet chemical processing needs



Global leader with strong brand



Modernized manufacturing footprint



Unmatched expertise and global technology, supported by a broad sales and service network



1200+ customers served across industry segments



Non Glass-Lined

- Adjacent Industries
- Cross Selling

MIXION MIXEL MIXPRO

Mixing Technology Mixing Technology Mixing Technology

Diversifying into new industry segments

EQUILLOY

Alloy Process Equipment

Offering alloy equipment to existing glass-lined and other customers in US & Europe

MAVAG

Filtration & Drying

New product development to provide innovative, cost-effective options

INTERSEAL

Sealing Technology

Using of Interseal as the default seal for glass-lined, alloy reactors, filters and dryers



Systems

- Reactor Systems
- Distillation Systems
- Continuous Flow Reactor Systems

Modular & Skid Based Solutions

Hydrogenation

GMM
Pfaudler
Systems

Acid Recovery Systems

NORMAG

— Lab & Process Glass

Fermentation Broth Separation

HYDROAIR

— Membrane Separation Systems

Pilot Trial Based Approach

- Distillation & Acid Recovery Trials
- Scale up Calculations
- Solutions with Process Guarantee

Application Know-How

- Biodiesel & Biofuels
- Continuous Chemistry
- Fischer Tropsch Reaction Systems



Services

- Local Presence
- Improved Customer Experience

Local Presence



Spare Parts
Stocking



Improving
Man Days



End of life
Refurbishment

Improved Customer Experience



Service
App



Annual
Maintenance
Contracts



24/7 Customer
Support

Mergers & Acquisitions

Bolt On Acquisitions Since 2021



*Joint Venture

Global Footprint

 **Manufacturing
Facilities**



2000+
Employees



35+
Nationalities



08
Complementary
Brands



19
Facilities
As on May 2025

Key Performance Indicators

In this challenging environment with rising political tensions, lack of clarity on tariff situations, and slowdown in global economy, we achieved a stable business performance.

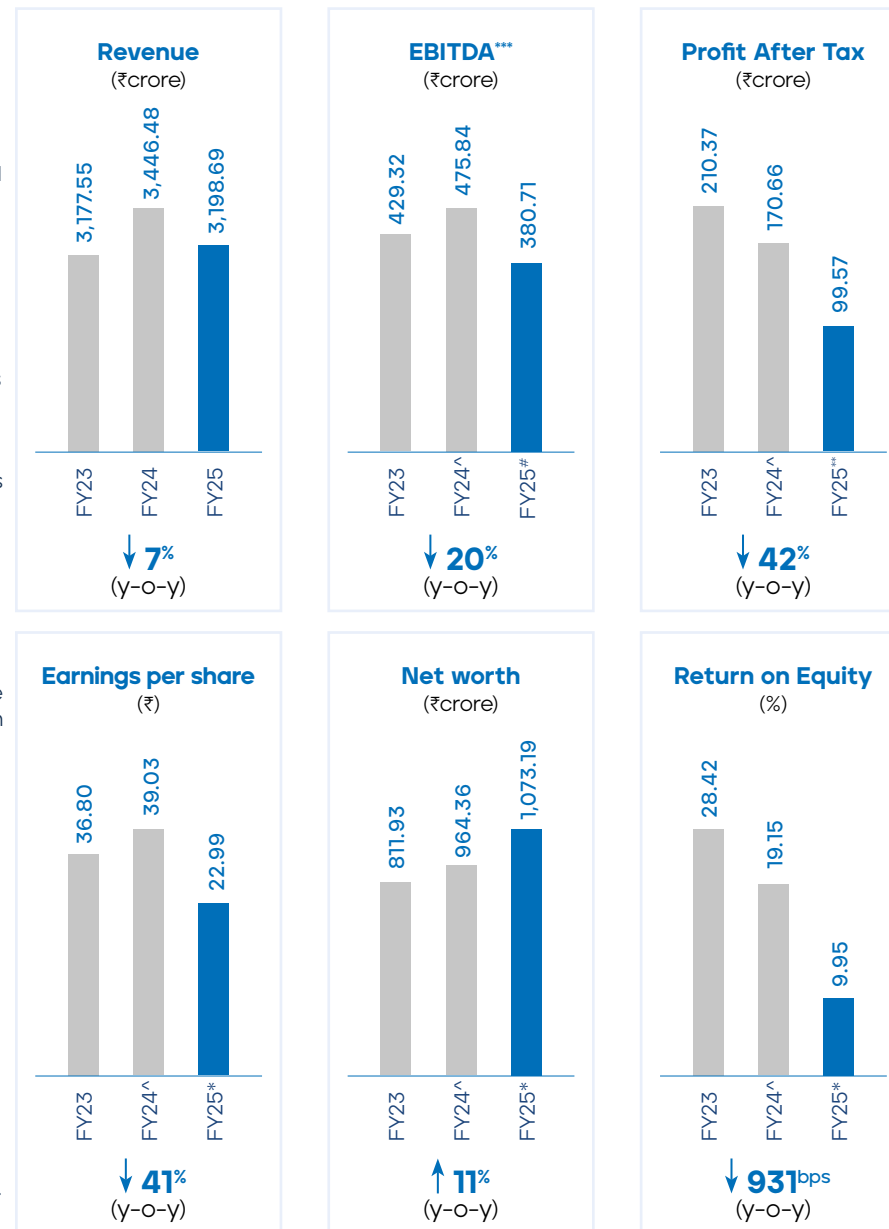
Our diversification strategy with a stronger performing non-glass lined business compared to our glass lined business supports our increased resilience. Also, we utilised this slowdown to focus on operational improvement initiatives like consolidating our glass lined footprint with site closures in India and UK, investing into low-cost manufacturing capabilities in Poland (non-glass lined), initiated an EBITDA transformation program in India and continued focus on working capital management.

We further strengthened our balance sheet, and the free cash flows generation has improved significantly. As we have paid ₹116 crores in Long Term debt, the Net Debt to EBITDA metric improved. Driven by improved working capital days (33 days in FY25), we generated significant cashflow of about ₹318 crore during the year, which corresponds to more than 80% of the Adjusted EBITDA of ₹381 crore.

We believe to be well positioned to manage upcoming challenges or benefit from opportunities.

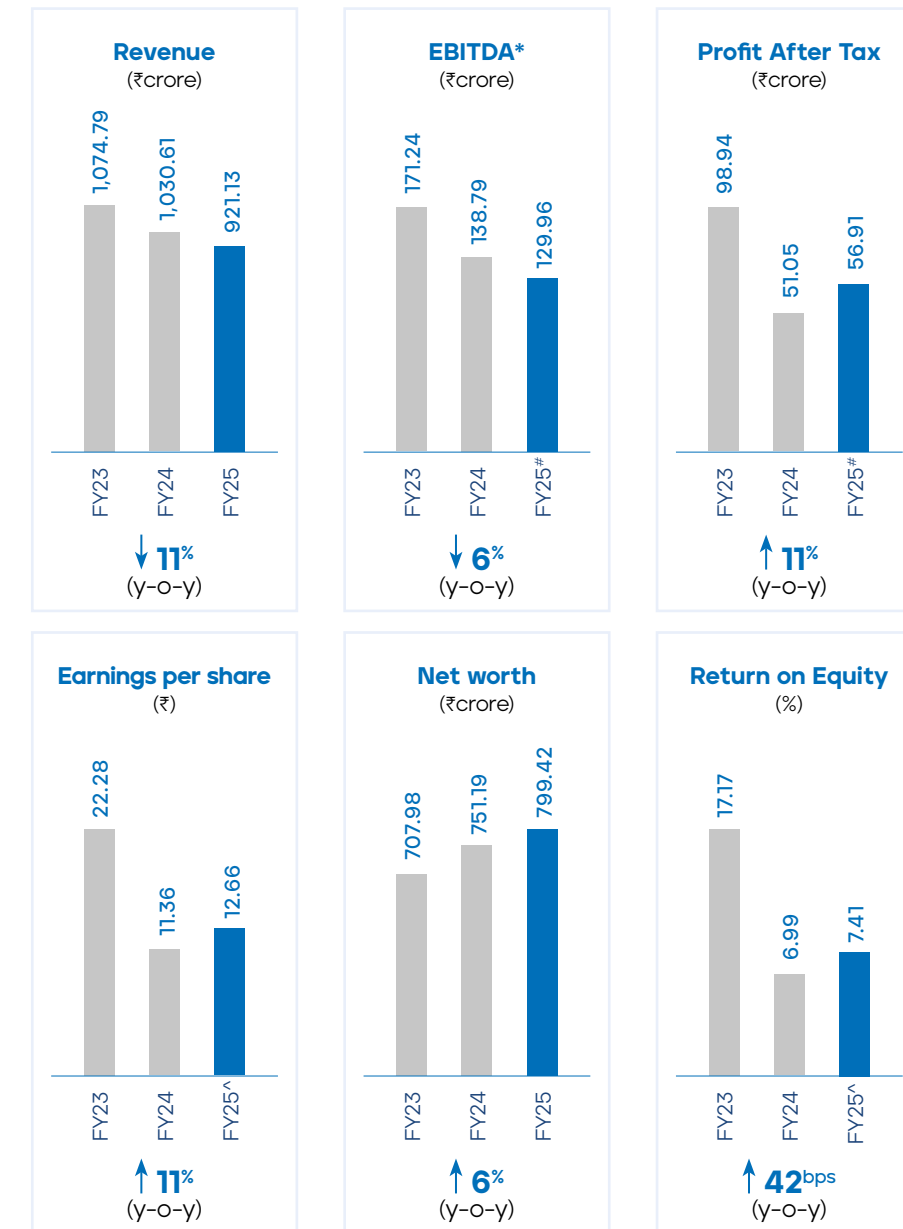
Alexander Pömpner
Group CFO

Consolidated Financial Performance



*EBITDA is before considering one-time costs for the India EBITDA transformation program and Hyderabad, India site closure amounting to ₹19.59 crores
 **PAT is before one-time costs for the India EBITDA transformation program and Hyderabad, India site closure amounting to gross value of ₹19.59 crores and before one-time exceptional costs pertaining to Leven, UK site closure consisting of severance pay, inventory write-offs, asset impairment and other closure costs amounting to gross value of ₹47.66 crores (Total net of tax ₹50.40 crores)
 ^Restated for final fair values of Purchase Price Allocation for MixPro acquisition. For further details kindly refer 'Note 45: Business Combination' of the Consolidated Financial Statements
 *EPS, Net Worth & Return on Equity is calculated considering the PAT as explained in note above
 ***EBITDA excludes other income

Standalone Financial Performance



*EBITDA excludes other income
 *EBITDA & PAT is before considering one-time costs for the India EBITDA transformation program and Hyderabad, India site closure amounting to gross value of ₹19.59 crores (net of tax ₹14.66 crores)
 ^ EPS, Net Worth & Return on Equity is calculated considering the PAT as explained in note above

Management Comments

Dear Shareholders

The fiscal year 2024–25 was a time of transition, recalibration, and resilience for GMM Pfau

In a complex global environment characterised by geopolitical tensions, shifting trade dynamics, and a sluggish investment climate in the chemical industry, the company remained committed to long-term value creation, operational excellence, and strategic transformation.



Tarak Patel
Managing Director

Despite facing significant headwinds, we achieved consolidated revenues of ₹3,199 crore and a consolidated EBITDA of ₹381 crore. Additionally, we generated strong free cash flows of ₹318 crore in FY25, an improvement of nearly ₹100 crore compared to the previous year, resulting in an 80% conversion of EBITDA and significantly strengthening our balance sheet.

The prolonged downturn in the chemical sector has negatively impacted our overall business. However, our ongoing diversification strategy has helped lessen some of these effects. Our Glass-Lined business was the most affected, primarily due to the global slowdown in the agrochemical sector. Despite this, we saw promising growth in our other product lines, especially those serving adjacent industries. Our Heavy Engineering, Mixing, Filtration & Drying, and Systems businesses performed well, receiving orders from a wide range

of sectors, including Oil & Gas, Petrochemicals, Mining, Semiconductors, Water Treatment, and Defence, among others. These successes highlight our ability to adapt, innovate, and create a more balanced and resilient portfolio. Additionally, notable breakthrough orders from new sectors further demonstrate the strength and effectiveness of our diversification efforts.

From an operational standpoint, we implemented several key initiatives designed to significantly enhance our efficiency and agility. A major highlight was the successful completion of Project Shikhar, an EBITDA transformation program in India focused on improving profitability through operational efficiencies, cost reduction, and process optimisation across the organisation.

As part of our footprint optimisation strategy, we successfully completed the closure of our facility in Hyderabad, India, while the closure of our facility in Leven, UK will be completed by Q2 FY26. This rationalisation of Glass-Lined manufacturing footprint will significantly increase our capacity utilisation and strengthen our cost structure for the future.

To support global expansion and further optimise costs, we established a manufacturing facility in Poland through a joint venture. This development marks a significant step toward establishing a low-cost manufacturing base

in Europe. Our facility in Poland is becoming a crucial strategic asset for our European operations, and we will continue to invest in this initiative.

Our service business, though impacted this year by cautious spending from customers, remains a crucial part of our strategy. We have expanded our global service network and established several service centres in India, the US, and Europe. We expect this segment to recover as customer budgets stabilise and capital expenditure cycles resume.

In recent years, we have consistently showcased our global leadership in glass-lined technologies and our ability to diversify across various business sectors and industries. While some sectors, such as the chemical industry, have faced challenges, we see significant opportunities to fully leverage the potential of each of our business lines. To prepare for our next phase of growth, we have launched a Global Transformation Program. This program aims to unify our operations, speed up decision-making,

A major highlight was the successful completion of Project Shikhar, an EBITDA transformation program in India

To prepare for our next phase of growth, we have launched a Global Transformation Program.

drive growth, and enhance profitability.

We recently inaugurated a state-of-the-art test centre in Karamsad, India, specifically designed to conduct pilot trials for molecular distillation and acid concentration technologies. In addition, we introduced several new technologies and products, including Glass-Lined Heat Exchangers tailored for the Indian market. We also successfully commercialized a patented filtration and drying technology that reduces both process time and costs.

Recognizing the growing importance of continuous processing, we are actively investing in flow chemistry through collaborations with the Centre for Process Innovation (CPI) in the UK

and the National Chemical Laboratory (NCL) in India. This strategic move positions us well to support the industry shift toward continuous processing as it gains momentum. These achievements have established new standards of innovation in the chemical and pharmaceutical industries.

Our commitment to Environmental, Social, and Governance (ESG) principles remains strong and is integrated into our business operations. We have continued our efforts in sustainability, employee engagement, and community development through partnerships with organisations such as ReefWatch, Shree Krishna Hospital and JV Patel ITI.

Additionally, we are actively developing green equipment solutions and exploring emerging markets, including bio-proteins, electric vehicles (EVs), and bioplastics.

As we look ahead to FY26, we enter with a strong backlog and renewed momentum in the pharmaceutical and chemical sectors. We remain confident in our ability to navigate uncertainties while seizing emerging opportunities across various industries and geographies.

I sincerely thank our Board of Directors for their ongoing guidance and oversight. I would also like to express my gratitude to our employees, customers, partners, and shareholders for their trust and commitment to GMM Pfau



Thomas Kehl
CEO - International Business

The past year has been challenging for our international business, with prolonged decision-making cycles and cautious customer spending across key markets. Despite these headwinds, we've used this period wisely to optimize our operations—consolidating capacity, improving efficiencies at our German plant, and expanding our low-cost manufacturing base with the investment in Poland. These strategic moves, combined with a robust project pipeline, point to an improving outlook. As global markets stabilize, I believe we are well-prepared to regain momentum and drive sustainable growth across our international operations.



Aseem Joshi
CEO - India Business

FY25 was a pivotal year for our India business. Through the successful execution of our transformation program, we not only improved our cost structure and operational efficiency but also significantly enhanced the flexibility and scalability of our manufacturing footprint. With the consolidation of operations, strategic investments in capacity, and a sharp focus on customer-centricity, we are now better positioned than ever to respond to evolving market demands. As we step into FY26, I am confident that the foundations we've laid will enable us to sustain strong margins, capitalize on the encouraging demand environment, and continue driving long-term growth for GMM Pfau



Through Project Shikhar, we completed our transformation initiative in India, successfully driving growth while reducing costs—benefits that will continue to strengthen our operations going forward.



Growth was achieved through pipeline enhancement across key verticals including glass-lined, mixing, and heavy engineering businesses.



The project emphasized on commercial excellence by improving key account management, pricing strategies, and sales effectiveness.



Significant cost reductions were realized by implementing new ideas in design, procurement, and manufacturing.



Project Shikhar reflects GMM Pfautler's commitment to continuous improvement, innovation, and operational efficiency.

Through a Global Transformation Programme, we align efforts to realize the Company's new vision and drive sustainable growth



The GTP is a comprehensive initiative to strengthen GMM Pfautler's global positioning and unlock the full potential of each business line.



It focuses on strategic planning, digitalisation, automation, and diversification through targeted acquisitions.



The programme aims to drive growth, enhance financial performance, and align long-term vision across geographies and product lines.



A dedicated Chief Transformation Officer leads the GTP, ensuring coordination, consistency, and communication across global teams.

Environmental, Social & Governance

Environmental, Social, and Governance (ESG) responsibility has emerged as a powerful driver of positive change across all sectors worldwide. Embracing ESG is not just essential—it's a strategic opportunity to build long-term resilience, foster environmental sustainability, empower communities, and strengthen trust with stakeholders.

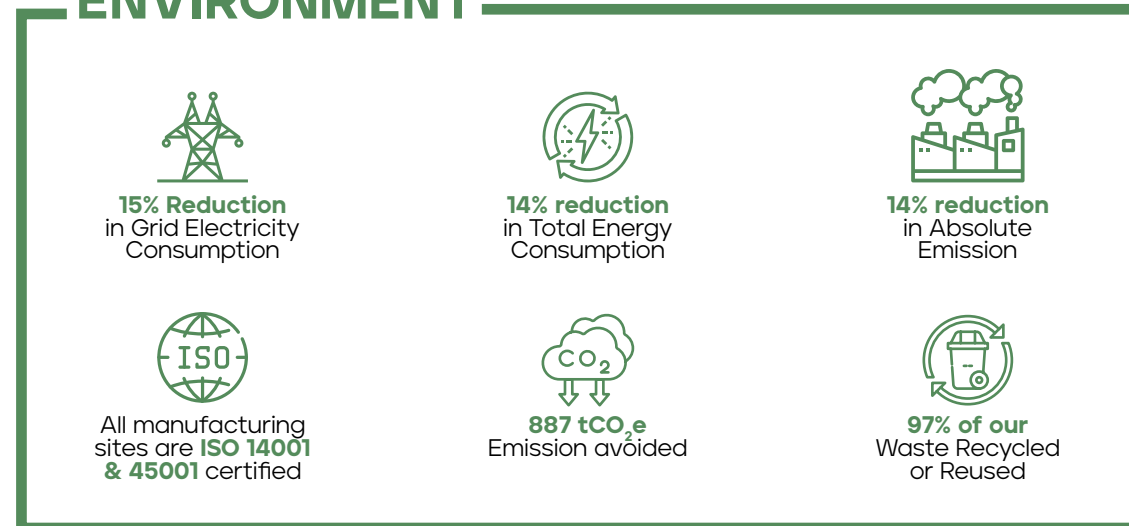
Our ESG vision: "To emerge as an industry leader promoting responsible manufacturing, employee safety, environmental and social welfare with effective corporate governance practices to nurture long-term business sustainability."

At GMM Pfaudler, we recognize that ESG performance requires a structured and strategic approach. Our ESG initiatives and focus areas are guided by the SMART framework—Specific, Measurable, Achievable, Relevant, and Time-bound—ensuring clarity of purpose and accountability in execution.

We invite you to join us on our journey towards a more sustainable and responsible future. This report outlines our key initiatives, performance, and progress in advancing our ESG goals.

Highlights of the Year*

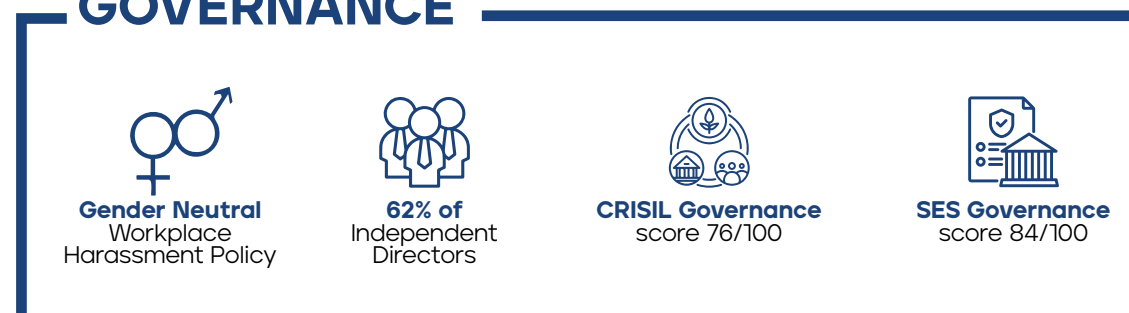
ENVIRONMENT



SOCIAL



GOVERNANCE



*The highlights and ESG report pertains to India business only

OUR PURPOSE

ESG serves as the foundation of GMM Pfaunder's long-term strategy, reflecting our commitment to creating lasting value for our people, communities, and the planet.

OUR APPROACH

GMM Pfaunder remains firmly aligned with the sustainability principles set out in our ESG Policy. We integrate environmental stewardship, social responsibility, and strong governance practices into our business operations and strategic vision to support sustainable growth and generate long-term stakeholder value.

We have implemented several ESG-driven initiatives that support our long-term business objectives while advancing responsible practices across our value chain. These efforts are guided by a structured framework that emphasizes on compliance, innovation, transparency, and ethical conduct.

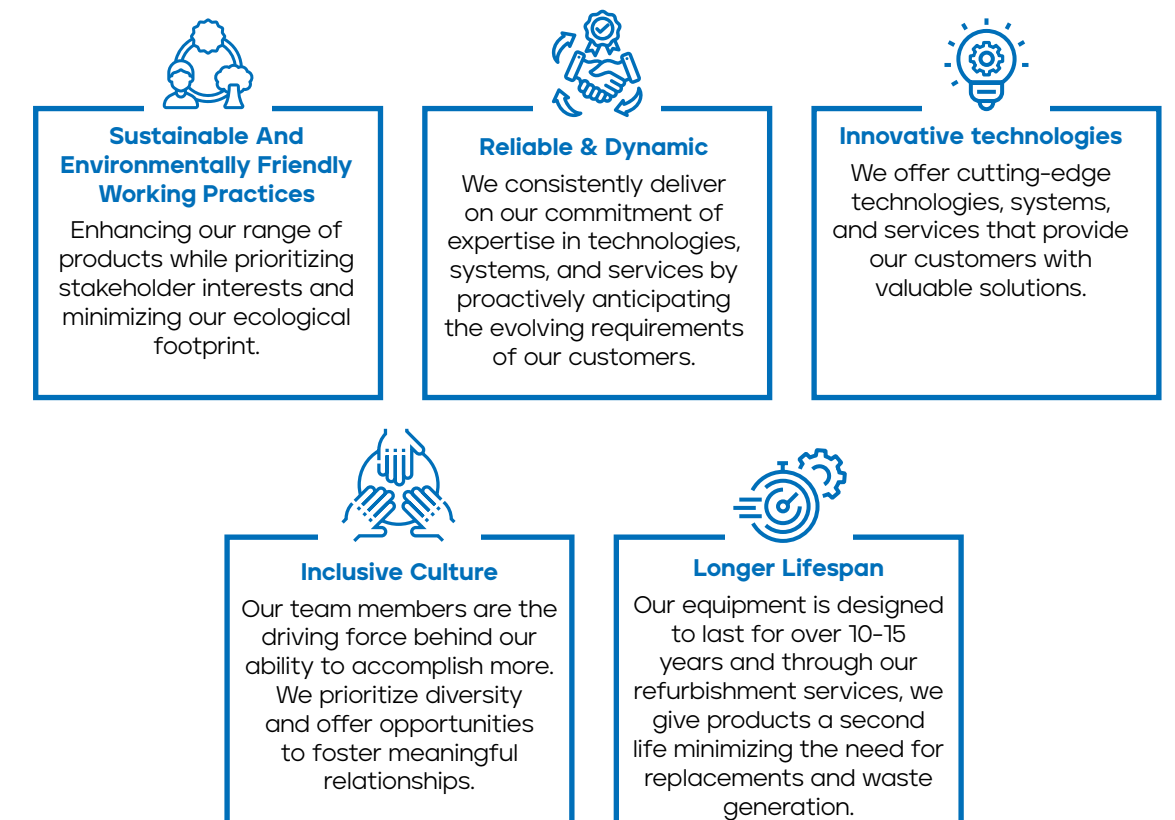
Our focus on environmental sustainability is reflected in the development of products and services that contribute to resource efficiency, climate resilience, and environmental protection. We are equally dedicated to upholding human rights, ensuring

workplace safety, promoting employee well-being, and fostering diversity and inclusion.

Strong corporate governance underpins all our actions. We maintain rigorous oversight, ensure accountability at all levels, and promote ethical business conduct in line with applicable laws, regulations, and internal standards.

We have consistently published our annual ESG Report prepared in accordance with the GRI Standards to ensure transparency and keep stakeholders informed of our progress and performance.

CREATING A SUSTAINABLE FUTURE FOR OUR COMPANY AND OUR STAKEHOLDERS



ESG POLICY

Our ESG policy is a cornerstone of our commitment. It addresses the environmental and social impact of our operations. It identifies mitigation measures and prioritizes responsible practices throughout our business and supply chain, laying the groundwork for a sustainable future.

The United Nations adopted Sustainable Development Goals (SDGs) which were formalised in 2015 as an approach to end poverty, protect the planet, and ensure peace and prosperity by 2030. The 17 SDGs are integrated, balancing social, economic, and environmental sustainability. We at GMM

Pfauder have aligned our ESG strategy with the global SDGs.

We are dedicated to driving meaningful progress towards the United Nations Sustainable Development Goals, with our initiatives aligned to 13 of these goals.

GMM Pfauder supports the U.N. Sustainable Development Goals



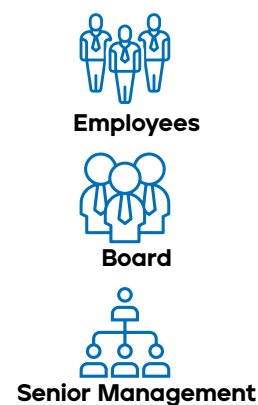
STAKEHOLDER APPROACH

At GMM Pfauder, we recognize that meaningful stakeholder engagement is fundamental to driving our ESG vision forward. To ensure effective communication and collaboration, we categorize

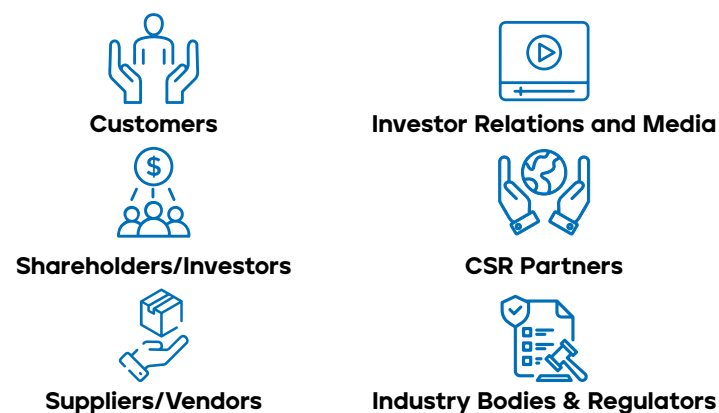
our stakeholders as internal and external. This distinction allows us to tailor our engagement strategies based on the unique expectations and influence of each group. Internally, we prioritize

connecting with employees and senior management through initiatives that promote learning, fair compensation, performance feedback, and an inclusive workplace culture.

Internal Stakeholders



External Stakeholders



Our stakeholder engagement is carried out through a variety of channels, including meetings, surveys, digital platforms, and formal reporting. These interactions are maintained on a regular basis, from ongoing communication through digital tools and social media to scheduled reviews, evaluations, and events. This structured and consistent approach supports our commitment to transparency, proactive engagement, and alignment with our long-term sustainability objectives.

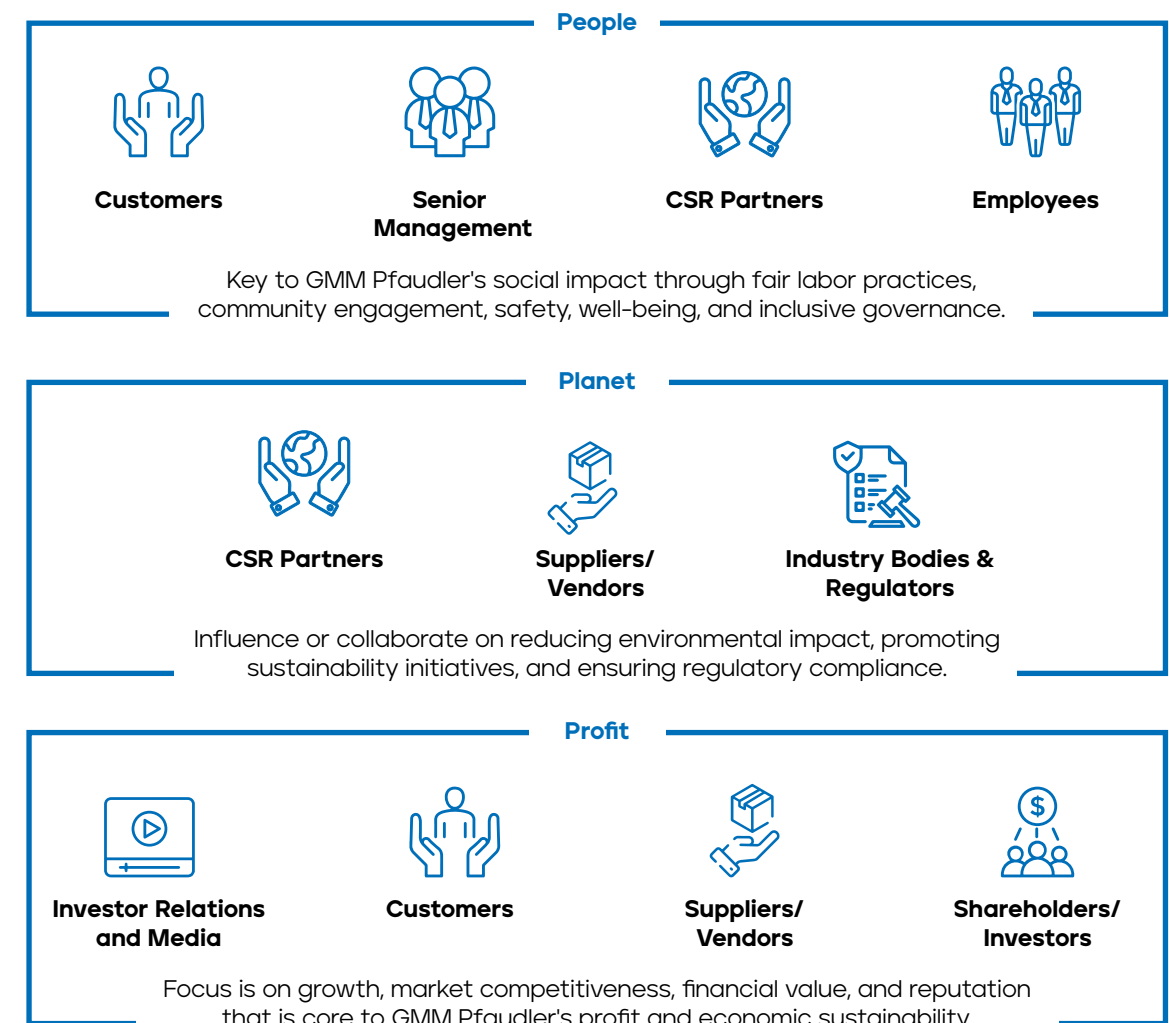
TRIPLE BOTTOM LINE

Supporting our commitment to sustainability, we follow the Triple Bottom Line (TBL) —People, Planet, and Profit to systematically map out our efforts across our stakeholders. The People dimension includes Employees & Senior Management, CSR Partners, and Customers—highlighting our focus on well-being, equity, and community development. Planet dimension represents our environmental responsibilities, engaging Suppliers, CSR Partners, and Regulators. The final Profit

component encompasses financial performance and ethical governance, involving Shareholders, Investors, Media, Customers, and Suppliers.

By collaborating with stakeholders, we gain critical insights that help us improve our operations, reduce environmental impact, and drive long-term business resilience. This engagement approach builds trust and ensures our actions align with stakeholder expectations and sustainable development goals.

Our Stakeholders mapped across the TBL:



STAKEHOLDER ENGAGEMENT

In order to keep our stakeholders well-informed, we regularly share updates on important matters through the relevant communication channels listed below:

Stakeholders	What can we offer them?	Why are they important to us?	How do we engage with them?	Frequency of engagement	Key ESG concerns
 Employees & Senior Management	- Emphasizing growth and improvement through learning and development opportunities - Ensuring fair and competitive compensation based on industry standards - Providing objective and timely feedback for performance reviews - Supporting and encouraging career advancement - Fostering a welcoming and inclusive work environment - Cultivating a culture that promotes innovation	- Having a skilled workforce is essential for achieving business goals and ensuring long-term sustainability. - Engaged employees enhance efficiency and strengthen competitive advantage	- Internal communication is facilitated through various channels, such as leadership messages, town halls, shop floor meetings, and newsletters. - Internal network - Channels for addressing complaints	Continuous: Website, Employee portal, HR helpdesk, Rewards & Recognition programs & employee engagement survey, Webinars, and awareness sessions Quarterly: GMM Pfaunder's Newsletter Annual: Townhalls	- Health and Safety - Training & Development - Product Quality and Customer Satisfaction - Corporate Governance - Responsible Supply Chain - Climate Change, Emissions, and Waste
 Customers	- High-quality products - Offering seamless and hassle-free pre-sales and after-sales service - Opportunity to provide feedback about products and services - Excellent value for money	- Our recurring revenues are driven by satisfied customers - Word of mouth and recommendations from satisfied customers can help attract new customers.	- Personalized interactions and meetings - Surveys to gauge customer satisfaction - Websites - Helpline numbers and a system to record grievances	Continuous: GMM Pfaunder's website social media (LinkedIn, Twitter, YouTube) sponsored events, mailers, newsletters, brochures Half-yearly: Relationship meetings, customer satisfaction surveys & customer visits Annual: Events and Exhibitions	- Product Quality - Customer satisfaction - Material Sourcing
 Shareholders / Investors	- Updates on the latest company developments - Information about long-term plans - Clarifications regarding any potentially concerning events	- Shareholders provide the company with its capital - As part owners, it is only fair that they have a voice in the tactical and strategic plans of the Company	- Website - Media - Email - Quarterly conference call - Analyst & Investor meetings - General meetings - LinkedIn - Investor day	Continuous: Investors page on the GMM Pfaunder's website, social media (LinkedIn, Twitter, YouTube) Quarterly: Financial statements earnings call, press conferences, investor calls Annual: Annual General Meeting, Annual Report	- Corporate governance, Ethics & Integrity - Climate change, Emissions - Water usage and waste disposal - CSR

Stakeholders	What can we offer them?	Why are they important to us?	How do we engage with them?	Frequency of engagement	Key ESG concerns
 Suppliers / Vendors	- Revenue generation - Driving business growth - Fostering innovation - Cultivating brand loyalty - Essential for meeting the demand for a sustainable supply of equipment and materials	- An effective tool for improving operational and cost efficiencies - Ensuring high-quality deliverables - Completing both new and ongoing projects promptly and within budget - Embracing and advancing technology throughout the value chain - Incorporating ESG parameters into operations - Minimizing carbon emissions	- One-to-one discussions - Online surveys - Supplier meets - Review and Audits - Contractual Agreements - Capacity building and training	Quarterly: Meetings/calls, Half-yearly: Assessments, Site visits and inspections	- Product Stewardship - Responsible Sourcing
 Investor Relations and Media	- Latest updates on company developments - Providing transparent and timely information on events that may raise concerns	- Improving financial and brand reputation - Increasing visibility among potential customers and investors - Making a lasting impact	- One-to-one discussions - Online surveys - Quarterly Investor Meets - Media announcements - Interviews - Annual Events	Quarterly: Financial statements earnings call, press conferences	- Ensuring high-quality products and happy customers - Prioritizing the well-being and safety of our employees - Implementing strong corporate governance practices
 CSR Partners	We prioritize partnerships that contribute to the sustainable development of the communities surrounding our operations, creating a positive ripple effect for the ecosystem	- Enhancing societal support for operations - Building a strong sense of community is essential for conducting business smoothly and without any interruptions - Develop an ecosystem that is more environmentally friendly and can be maintained for the long term	- CSR programs - Face-to-face meetings - Online surveys - Community meets - Review & Impact studies	Quarterly: Project Progress Annual: Review Need-based	- Community Development - Training & Education - Occupational Health & Safety
 Industry bodies, Regulators	- Sustainability - Make in India	Ensuring compliance, interpreting regulations and maintaining uninterrupted operations while obtaining/ granting permissions are key factors	- Discussions on applicable regulations - Making necessary changes and conducting routine inspections	Need-based	- Timely approvals - Adapting to evolving regulations - Corporate Governance

MATERIALITY ASSESSMENT:

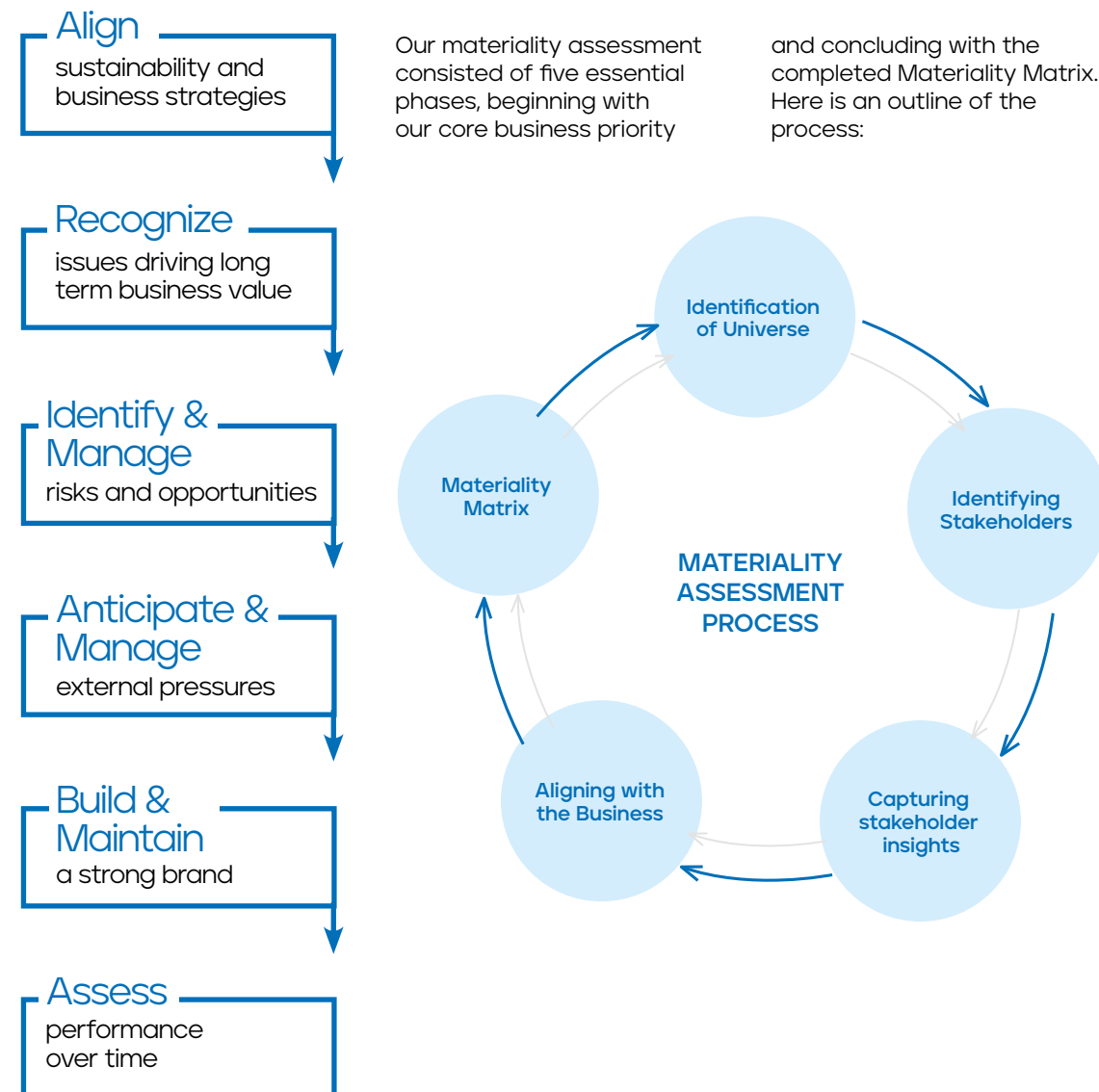
To identify the ESG issues that best align with our stakeholders' interests, global trends and sectoral need, we conducted an in-depth materiality assessment in FY22 i.e. initiation of our first ESG Strategy. Using a structured engagement process, we gathered key

insights from both internal and external stakeholders through individual discussions and online surveys. This enabled us to evaluate potential ESG risks and their influence on our value creation.

Alongside stakeholder

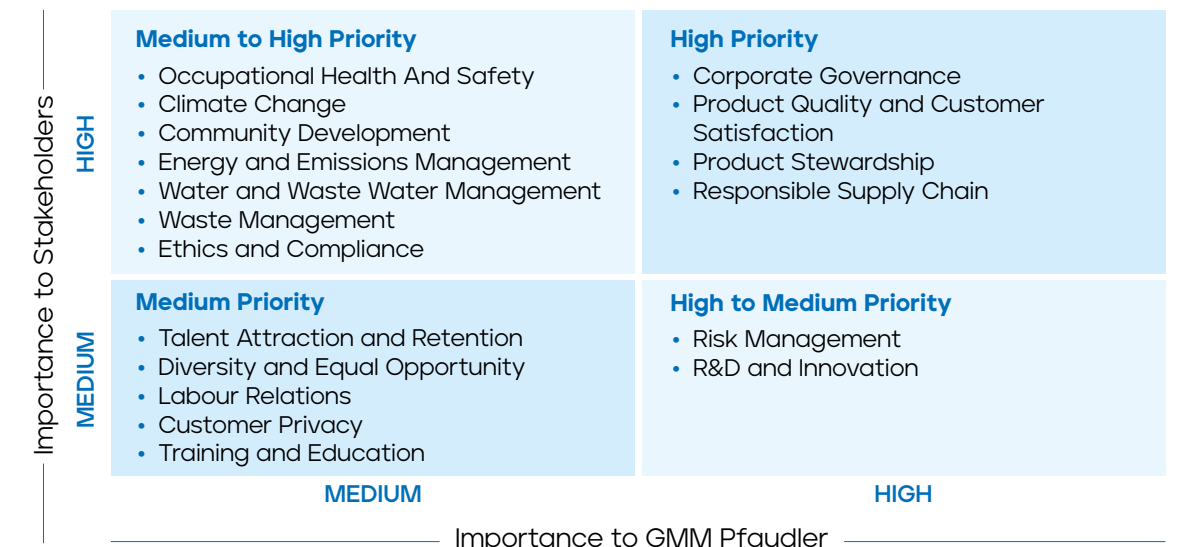
input, we conducted a peer analysis of industry trends, along with a desk review of sustainability topics to ensure a well-rounded understanding of material issues. This integrated approach gave us a clear perspective on the future of our sustainability roadmap and ESG priorities.

Our Materiality Assessment aimed to:



GMM Pfaunder Materiality Matrix

We illustrate the relative importance of issues using the materiality matrix. Based on our analysis, we have identified the material issues that will help us determine our ESG priorities. These issues are categorized in the High and High to Medium priority quadrants in the matrix provided below:



Every year, we conduct an internal review of our material issues within the business environment. After careful review, we have determined that the 12 material issues listed below are relevant and applicable for the current reporting period.

GMM Pfaunder Material issues



The alignment between our key topics and business priorities has successfully advanced our sustainability goals and economic aspirations.

ESG STRATEGY 1.0

In FY22, we made a pivotal advancement in our sustainability journey by developing an ESG-driven growth roadmap for the financial year 2023-2025. This roadmap integrates the key sustainability priorities identified through our materiality assessment and is designed to be both flexible and scalable. It offers a clear framework for translating our ESG commitments into actionable strategies that support financial performance and build a resilient business model. The roadmap also emphasizes developing future-ready talent, safeguarding employee well-being, and protecting the environment

Our ESG strategy is centered around four key pillars:



ESG Strategic Pillar 1: Environmental Protection and Climate Resilience

Our pillar for environmental protection and climate resilience is focused on the reduction of the environmental impact and carbon emissions caused by our operations. Our

goal is to enhance resource efficiency, minimize water consumption and waste generation, as well as secure our organization’s success amid climate challenges.

The key focus areas for this pillar during the reporting period, along with the actions we have taken, are summarized below:

Focus Area	KPI	3 Year Target	Target Status (FY 2025)
 Low Carbon and Climate Resilient Operations	Low Carbon and Climate resilient operations	To reduce energy intensity	Energy intensity has improved from 297.74 GJ/Core in FY22 to 226.12 GJ/Core in FY25, reflecting a 24% overall reduction
	Decarbonization (SBTi)	To increase the share of renewable energy	Initiated the Wind-Solar Hybrid Group Captive Plan
	Climate Risk Analysis	Conduct Climate risk and opportunity analysis	The Climate Risk Analysis is completed and forms part of this ESG report
 Water and Waste Management	Zero Waste to Landfill	All the manufacturing sites to achieve the Company’s standard for zero disposal	Generated 10.55 MT of landfill waste in FY25 compared to 0 MT in FY22 due to Hyderabad factory closure activities
	Water Recycling	To decrease total water consumption by a substantial percentage	Water intensity in FY25 is 42.86 KL/Crore, a 31% increase from FY22 (32.60 KL/Crore) due to bulk orders in HE business

This year, we made significant progress in advancing our environmental responsibility. Absolute emissions and total energy consumption were both reduced by 14%, including a 15% decrease in grid electricity usage. We are also exploring renewable energy alternatives to further accelerate our shift towards cleaner

energy sources. On waste management, we achieved a 93% recycling rate, with an additional 4% of waste reused, reinforcing our commitment to resource efficiency. Beyond this, we are actively working on projects to recycle landfill-bound waste, aiming for Zero Waste to Landfill in the coming years. In water stewardship, we

have established Zero Liquid Discharge at one plant, while at another, we have installed an STP and launched water recycling initiatives to reduce overall consumption. These steps reflect our broader dedication to sustainability and responsible resource management.

ESG Strategic Pillar 2: Responsible Business Conduct

Our business objectives are closely aligned with our vision to become the industry leading provider of high-quality engineered products and services to valued customers. In order to achieve

this aspiration, we have maintained our commitment to conducting our operations with the highest standards of ethics and transparency, fostering stakeholder trust, enhancing brand reputation,

and strengthening customer loyalty.

The primary focus area for this pillar along with the actions taken, are outlined below:

Focus Area	KPI	3 Year Target	Target Status (FY 2025)
 Responsible Supply Chain Management	Sustainable Procurement	Increase the score in Procurement section under Eco Vadis assessment	Achieved a procurement score of 80% under Eco Vadis
	Responsible Sourcing	Increase the use of recycled packaging material	- Adopted recycled LDPE film, reduced plastic and thermocol use and reused wooden waste for transport supports - Suppliers encouraged to use recyclable packaging materials through updated guidelines
 Ethics and Compliance	No of breaches / non-compliances	- Identify and disclose the number of breaches or non-compliances with the Code of Conduct 100% Training Compliance on Ethics (Code of Conduct)	- Breaches & Non-Compliance declared YoY - Training on Ethics now conducted through LMS
 ESG Communication	Internal Communication	- Half-yearly ESG newsletters - Conduct Quiz/competitions on ESG issues. - Celebrate ESG/Safety Week	- Increased awareness on ESG through internal communication - CSR activities shared via GMM Pfau - dler foundation page Celebrated ESG and Safety Week across its factories
	External Communication	- Develop and Disclose a Sustainability report or Integrated Report - Develop a micro site on the website and disclose the sustainability updates / progress every quarter	- BRSR & ESG Report published as the part of the Annual Report - Article on Re-glassing & sustainability published in Dunn & Bradstreet ESG Champions of India - Launched LinkedIn page for CSR initiatives - CSR Newsletter published and uploaded on the website of the Company

In FY25, GMM Pfau

environmental governance across its supply chain, achieving an 80% procurement

score and earning a Bronze Medal in the EcoVadis Sustainability Rating. The

company enhanced supplier engagement through structured assessments, eco-friendly packaging mandates, and support for MSMEs (29.7% sourcing in FY25 vs. 18.76% in FY24). It also emphasized sustainable practices like recycled LDPE film use and thermocol elimination. The

Supplier Code of Conduct ensures compliance with ESG standards, supported by regular audits and risk assessments. An e-learning module on the Code of Conduct was launched alongside increased awareness through flyers, ESG newsletters, factory

safety week events, and contributions like an ESG article in Dun & Bradstreet. All FY25 complaints on the Code of Conduct were effectively addressed, underscoring the company’s commitment to transparency and responsible business practices.

ESG Strategic Pillar 3: Workplace Symphony

Our continued business success and the trust we have built amongst our stakeholders is a testament to the skills, expertise, and commitment of our employees. We at GMM Pfau

a safe and inclusive work environment that protects and empowers our valued workforce. Additionally, we encourage inclusion of diverse perspectives, fairness across gender and age, and support professional growth of our

employees as well as our workers.

The key focus areas for this pillar during the reporting period, along with the related actions, are outlined below:

Focus Area	KPI	3 Year Target	Target Status (FY 2025)
 Human Capital Development	Diversity and Inclusion	Increase the existing women workforce by substantial percentage	- Identified suitable roles - Conducted specific recruitment drive - Developed Retention Strategy for existing Women workforce
	ESG Training	All the employees to comply with the minimum ESG training as per Company’s Learning & Development guidelines	Cumulative average training time is > 4 manhours
	Employee Engagement Survey	Conduct employee engagement survey annual basis	Engagement score maintained above 80%
 ESG Communication	ISO 45001 Alignment and Certification	All manufacturing sites to be ISO 45001 certified	Successful completion of Surveillance Audit of ISO 45001
	Zero Accident and Zero Injury	Zero Accident and Zero Injury (Reportable)	Maintained Zero Accident and Zero Injury

We are committed to fostering a safe, inclusive, and empowering work environment, and promote equal opportunity through competency-based hiring, pay equity, and targeted initiatives to increase female representation in leadership. In FY25, we recorded 744 permanent employees, with 184 new hires and a 100% return-to-work rate post-

parental leave. Comprehensive benefits include health, life, and accident insurance, maternity support, daycare, and structured retirement assistance. Our training programs delivered over 4,300 man-hours in FY25, including ESG and safety training for all employees. Engagement initiatives like Parivartan Survey, "Chai Pe Charcha," and wellness seminars drive

motivation and continuous improvement. Our unwavering focus on safety—supported by ISO certifications, medical infrastructure, proactive training, MI Safe app reporting, and rigorous audits—has led to zero reportable accidents or injuries in FY24-25, reinforcing our culture of care, ethics, and operational excellence.

ESG Strategic Pillar 4: Social Stewardship

We are committed to improving the well-being and prosperity of the marganised communities, especially those within which we work. GMM Pfau

der believes in compliance to Human Rights Policies community welfare and socioeconomic progress

of all. We prioritize the promotion of human rights in all aspects of our operations and value chain. We aim to act with fairness, transparency, and without any form of discrimination or prejudice, in accordance with applicable regulations.

The focus areas within this pillar extends beyond our CSR activities, by fostering social change among our employees through volunteering programs and Human Rights Due Diligence (HRDD) assessments.

Focus Area	KPI	3 Year Target	Target Status (FY 2025)
 Community Development	Need Assessment	Community need assessment for all new CSR projects	Conducted need assessment for all new Projects
	Social Impact Assessment	Impact assessment for medium/ long-term CSR	Conducted Social Impact Assessment for all medium and long term projects
 Human Rights	Employee Volunteering	Encourage employees to engage and participate in community volunteering services	600+ Employee volunteering hours recorded
	Human Rights Due Diligence	Conduct human rights due diligence at all operational facilities	Internal Audit covering various Human Rights aspects completed in May 2024. Relevant improvement areas were identified and implemented.

In FY25, GMM Pfau

der advanced its commitment to human rights, and community welfare through a range of targeted initiatives. Following a comprehensive internal human rights audit in May 2024, the company implemented key actions such as human rights training, supplier code of conduct integration, grievance redressal mechanisms, and is enhancing accessibility for

differently abled individuals. Policy development on Human Rights, Equal Opportunity, DEI, and People's Philosophy is underway. In healthcare, Project SPARSH 2.0 supported over 8,000 patients through 300+ camps, while infrastructure upgrades were completed at ESIC Hospital, Hyderabad and Shree Krishna Hospital, Karamsad. The JV Patel Industrial Training

Institute saw infrastructure enhancements, high student placements, and expanded skilling programs. Community efforts included supporting 65+ children through "Project Adopt a Home," preserving cultural heritage via the Sardar Patel exhibit, funding an animal rescue center, and engaging employees in over 600 hours of volunteering.

ESG STRATEGY 2.0

GMM Pfau

der's ESG Strategy 1.0, implemented from FY23 to FY25, established a structured approach that laid the groundwork for our ongoing sustainability journey. This framework guided our efforts across environmental, social, and governance dimensions, aligning with stakeholder expectations and enabling us to make measurable progress. Over these three years, we focused on embedding ESG into our core operations, driving improvements in areas such as emissions reduction,

waste management, safety, and responsible governance.

As the current ESG strategy reached its conclusion in early 2025, we began the process of shaping the next phase—ESG Strategy 2.0. This new strategic framework is being designed through a comprehensive review of our existing goals and performance, while also incorporating insights from global and sector-specific ESG trends. We are engaging with key stakeholders to evaluate emerging priorities

and identify areas where we can expand or enhance our commitments.

The formulation of ESG Strategy 2.0 is currently underway and in its final stages. Our next ESG report will introduce the full strategy, along with a new set of clearly defined targets and the first-year progress update. This forward-looking plan will serve as our roadmap for FY2026–FY2028, reinforcing our commitment to long-term sustainability and meaningful impact.



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Environmental responsibility is central to our operations and embedded in our ESG approach. This focus drives concrete measures to reduce our environmental footprint. We integrate renewable energy into our operations where feasible, decreasing dependence on conventional energy sources. Our manufacturing processes are designed for efficiency, aiming to make optimal use of resources. We have also introduced water conservation initiatives and established strong programs for waste reduction and recycling. Beyond implementation, our practices are aligned with internationally recognized environmental standards. We conduct regular environmental reviews to identify potential risks and areas where performance can be strengthened.

Environment

ENERGY AND EMISSIONS

GMM Pfau

dler promotes an energy-efficient culture through a series of targeted initiatives. These include enhancing operational efficiency, implementing

energy-saving measures, and steadily increasing the use of renewable energy sources. Our energy consumption includes a mix of fuels such as liquefied petroleum gas, high-

speed diesel, petrol, and piped natural gas. In addition to grid electricity, we also utilize solar power generated through our on-site installations.

Energy Consumption

(Units-GJ)

Source	FY22	FY23	FY24	FY 25
Total Grid Energy (as grid electricity)	74,926	90,934	68,807	58,542
Total Renewable Energy (as electricity)	9,476	6,472	4,337	4,392
Total Electricity (A)	84,402	97,406	73,144	62,934
Total Fuel Energy (B)	1,58,206	1,45,308	1,62,199	1,40,576
Total Energy (A+B)	2,42,608	2,42,713	2,35,343	2,03,510

In FY25, our total energy consumption decreased by 14% compared to FY24, driven by a 15% reduction in grid electricity usage and a 13% decline in fuel consumption. This improvement resulted from our continued emphasis on energy efficiency, including the implementation of targeted conservation measures and process enhancements that helped reduce both electricity and fuel use.

GHG Emissions

(Unit-tCO₂e)

Scope	FY22	FY23	FY24	FY 25
Scope 1 Emissions	8,933	8,518	9,930	8,589
Scope 2 Emissions	16,442	20,460	13,685	11,822
Total	25,375	28,978	23,614	20,411

In FY25, our total GHG emissions declined by 14% compared to FY24, with decrease in Scope 1 emissions by 13% and Scope 2 emissions by 14%. This reduction was achieved through a strategic focus on energy efficiency, including targeted energy-saving initiatives and process optimizations that led to lower electricity consumption and improved operational performance.

Reducing Impact

Over the past year, GMM Pfau

dler has actively advanced sustainability across its operations. We have made meaningful progress in offering more environmentally responsible products and services. By adopting energy-efficient technologies, upgrading equipment, and retrofitting existing systems,

we have reduced energy consumption and improved operational efficiency. We have fully embraced ISO 50001 to prioritize energy management. We have also identified additional opportunities to expand renewable energy usage at our facilities, reinforcing our focus on sustainable energy solutions.

We adopted a comprehensive strategy aimed at significantly reducing our energy use and environmental footprint. We remain committed to continuing this approach, ensuring steady progress toward our targets for lowering energy consumption and emissions throughout the year.

 Energy Efficiency	We achieved significant energy savings through targeted efficiency measures, resulting in a total reduction of 249,480 kWh of electricity and the avoidance of 181.37 tonnes of CO₂ equivalent emissions. Key initiatives included the replacement of an OCTC transformer and older air conditioning units with eco-friendly models, helping reduce overall energy load. We also retrofitted high-energy equipment—such as the plate rolling machine, lathe, boring machine, and three EOT cranes—leading to improved operational efficiency. To reduce unnecessary energy consumption in non-production areas, we installed daylight-controlled timers for workshop wall fans and deployed timer-based LED lighting systems, ensuring optimal use based on actual demand. Additionally, plant-wide measures were implemented to maintain a power factor of 0.995, contributing to more efficient electricity usage across the facility. We also achieved a temperature reduction of up to 9°C during operations by optimizing heat retention, further reducing heating requirements and energy use.
 Process Improvement	As part of our ongoing efforts to enhance operational efficiency, we carried out focused process improvement initiatives aimed at reducing energy usage and emissions while sustaining high-quality output. Key improvements included the optimization of compressed air systems through line merging and the scheduled operation of air compressors, both of which helped reduce unnecessary energy consumption during non-operational periods. Additionally, targeted efforts in furnace fuel efficiency led to the optimization of the air-fuel ratio, resulting in a saving of approximately 1.01185 lakh SCM of natural gas. Further enhancement was achieved through the installation of a fuel enrichment catalyst, which helped reduce fuel consumption by another 7,960 SCM. Together, these interventions contributed to a total energy saving of 521,927 kWh, helping us avoid approximately 603.19 tonnes of CO₂ equivalent emissions.
 Renewable Energy	In FY25, our 1 MW rooftop solar plant at the Karamsad manufacturing facility generated 1,220,115 kWh of clean energy, resulting in the avoidance of 887.02 tonnes of CO₂ equivalent emissions. To build on this momentum, GMM Pfau dler has taken a significant step forward by signing a Power Purchase Agreement for a 3.3 MW wind-solar hybrid group captive project in Gujarat. Developed under an open access model, this project is expected to commence operations in FY26. The initiative will supply renewable energy to our operations, with an annual contracted generation of approximately 14.1 million kWh, further supporting our shift toward cleaner energy sources and reinforcing our long-term sustainability goals.

Re-glassing Service

India's steel sector contributes approximately 12% of the country's total CO₂ emissions, highlighting the urgent need for sustainable and innovative solutions such as low-carbon technologies and resource reuse. Our Re-glassing service directly addresses

this challenge by refurbishing old or damaged equipment, extending its operational life by 10–15 years through a multi-step process of repair and glass lining reapplication. In FY25 alone, we re-glassed over 479 tons of

steel, eliminating the need for equivalent new steel production and preventing an estimated 1,222 tonnes of CO₂ emissions—delivering measurable and meaningful environmental impact.

Benefits of Re-glassing



Before Reglazing



After Reglazing

Driving Decarbonization Through Innovation in Continuous Manufacturing

The Centre for Sustainable Continuous Manufacturing is a public-private initiative launched to address the high carbon footprint of the Indian pharmaceuticals, fine, and specialty chemicals industries—sectors that collectively contribute to nearly 30% of the total emissions from the Indian chemical industry. These industries are facing increasing pressure to decarbonize, not only due to domestic environmental concerns but also because a significant share of their products is exported to markets with stringent sustainability expectations. Traditional manufacturing methods in these sectors are often energy-intensive and resource-inefficient, prompting the need for solutions such

as continuous manufacturing, process intensification, and solvent minimization. To accelerate this transition, the centre has been established by the Council of Scientific and Industrial Research – National Chemical Laboratory (CSIR-NCL), India and the Centre for Process Innovation (CPI), United Kingdom.

As a Core Member of this pioneering initiative, GMM Pfaudler is actively supporting the development and adoption of technologies that can fundamentally reshape manufacturing practices. Our efforts are focused on enabling continuous manufacturing—also known as flow synthesis—which significantly reduces energy consumption, emissions, and waste. Through our

involvement, we contribute to research and demonstration projects that explore new reactor designs, digital twins for real-time process monitoring, and modular systems for efficient scale-up.

These innovations bring tangible environmental benefits, such as improved reaction selectivity (leading to fewer byproducts), lower downstream purification demands, reduced solvent usage, and enhanced operational safety. By helping develop platform chemistries and decision frameworks for choosing between batch and flow processes, GMM Pfaudler is not only advancing its own sustainability goals but also supporting the decarbonization journey of the broader industry.



Value Engineering Program

In FY25, GMM Pfau

One key initiative was the optimization of the length-to-diameter ratio in our glass-

lined reactors across various capacities. By redesigning the inner vessel and jacket dimensions, we aligned the design with process and fabrication efficiencies—resulting in reduced material usage and improved structural performance.

Further refinements were made to the designs of glass-lined baffles and bottom outlet valves, shifting from traditional tantalum-tipped components to flat-bottom glass-lined alternatives. This change helps prevent glass

chipping and gasket leakage, reduces operational steps during manufacturing, and improves long-term reliability. Importantly, it also eliminates the need for rare metals, aligning with our goals for more responsible material sourcing.

In addition, the transportation frames used for moving reactors were redesigned to reduce structural weight by 25–30%, lowering material consumption and improving fuel efficiency during logistics.



CLIMATE CHANGE RISK ASSESSMENT

In FY 2024-25, we undertook a Climate Change Risk Assessment (CCRA) for our manufacturing sites located in Gujarat (Karamsad and Vatva). This assessment reflects our recognition of the growing importance of climate resilience in safeguarding operational continuity. The objective was to evaluate how ever-changing climatic conditions influence our physical assets, processes, and site-level sustainability over time.

The assessment was focused on physical climate risks; the core parameters assessed being the increasing incidence of extreme heat, variability in rainfall, probability of floods, water stress, and the likelihood of extreme weather events. These impacts were selected based on their relevance to our geographical location

along with their capacity to impact both short- and long-term business integrity. We used internationally recognized tools such as the World Resources Institute's Aqueduct platform and Think hazard. The evaluation incorporated two Representative Concentration Pathway (RCP) scenarios – RCP 4.5 and RCP 8.5, allowing us to assess risk exposures under multiple scenarios.

The findings from the TCFD Risk Assessment highlight growing physical climate risks at our operational sites, including water scarcity, flooding, extreme heat, and cyclonic events. These insights from the CCRA form the basis for developing targeted mitigation and adaptation strategies. By integrating these measures into our operational planning,

we can proactively address vulnerabilities, allocate resources efficiently, and enhance preparedness. This approach not only strengthens the resilience of our facilities but also advances our broader sustainability goals.

We recognize that climate risks are uncertain and may intensify over time. Accordingly, we are dedicated to regularly updating this assessment in line with the latest climate data, ensuring that appropriate measures are implemented to address any emerging risks. By embedding climate risk awareness into our operational strategy, we aim to enhance the long-term resilience of our facilities whilst reinforcing our role as a responsible and forward-thinking industrial organization.



WATER MANAGEMENT

Water plays an essential role in our operations, supporting activities across our manufacturing facilities, offices, and other functional areas. At GMM Pfaudler, we are committed to managing this critical resource responsibly and efficiently.

To meet our operational needs, we source water both

from on-site groundwater and authorized third-party suppliers. We also recognize that our manufacturing processes generate wastewater, making efficient water use and conservation a priority across all locations.

To promote responsible water management, we have adopted protocols in line

with the guidelines set by the Pollution Control Board of India. These measures ensure that wastewater is treated, recycled, and disposed of in an environmentally sound manner, helping us reduce our ecological footprint and support broader sustainability goals.

Total Water Withdrawal & Consumption

(Units-KL)

Type of source (e.g. groundwater, surface water, tankers etc.)	FY22	FY23	FY24	FY 25
Groundwater	14,735	25,685	20,595	20,537
Third-party water	15,811	18,985	13,563	18,176
Total water withdrawal	30,546	44,670	34,158	38,713
Total Water Discharge	3,980	5,190	420	135
Total Water Consumption	26,566	39,480	33,738	38,578

In FY25, our Total Water Consumption increased by 14.35% to 38,578 KL compared to FY24, which led to increase in our water intensity by 31%. The increase in consumption is due to increase in in-house hydro testing activity and construction activity in our manufacturing plants

Reducing Impact

We are committed to reducing water consumption across our operations by adopting sustainable water management practices and investing in efficient infrastructure, in line with ISO 14001 standards. We have implemented measures such as installing and

commissioning a Sewage Treatment Plant (STP) at Vatva, reusing 25 KL of water from our frit plant, and operating 180 KL recycling tanks to reuse hydro test water. Additional initiatives include using recycled water for equipment testing, monitoring water use with

flowmeters, utilizing RO system wastewater for gardening, and capturing rainwater through our 170 KL harvesting system. Through these efforts, we continue to minimize our water footprint and build a more sustainable future.

WASTE MANAGEMENT

Our operations and manufacturing activities generate both non-hazardous and hazardous waste. Non-hazardous waste includes materials such as paper, food waste, metal scrap, rubber, and wood, while hazardous waste primarily consists of substances like aluminium

oxide, used oil, and paint sludge.

To address this, we are actively refining our processes and adopting measures aimed at reducing waste at the source. This includes implementing operational controls, enhancing infrastructure for safe

handling and storage, and collaborating with authorized agencies for the responsible disposal of waste. These steps are part of our broader efforts to ensure environmentally sound waste management across all our facilities.

Total Waste Generated

(Units-MT)

Parameter	FY22	FY23	FY24	FY 25
Plastic waste	-	1	-	-
E-waste	-	3	-	-
Bio-medical waste	-	-	-	-
Construction and demolition waste	94	310	33	80
Battery waste	1	0.04	1	-
Radioactive waste	-	-	0.14	0.07
Hazardous waste	0.29	22	9	65
Non-hazardous waste	2,305	4,450	2,812	1982
Total	2,401	4,787	2,855	2127

In FY25, our Total Waste Generation is reduced by 26% to 2,127 MT compared to FY24, which led to a 17% decrease in waste intensity.

Waste Diverted

(Units-MT)

Category of waste	FY22	FY23	FY24	FY 25
Recycled	2,306	4,455	2,776	1,983
Re-used	94	310	71	80
Incinerated	-	-	-	-
Landfill	-	20	8	11
Other Disposal	-	-	-	54
Total	2,400	4,785	2,855	2,127

Reducing Impact

In FY25, we continued to advance our efforts in responsible waste management, achieving a total waste recycling and reuse rate of 97%. Of this, 93% of the waste generated was recycled, and an additional 4% was successfully reused across our operations.

Our Waste Management Initiative is built on a structured approach focused on reducing, reusing, and recycling waste throughout our facilities. We have implemented a series of operational practices and infrastructure upgrades to support efficient waste handling. These practices are aligned with key regulatory

frameworks, including the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, Battery Waste Management Rules, E-Waste Management Rules, and Plastic Waste Management Rules, ensuring full compliance while minimizing environmental impact.

ENVIRONMENTAL SUSTAINABILITY

GMM Pfau

der is committed to maintaining environmental responsibility and protecting biodiversity. We are fully aware of the environmental impact of our operations and are committed to being

a positive force for change. Our proactive approach in mitigating risks and protecting biodiversity is evident through projects like Urban Afforestation, Marine Megafauna Rescue, and coral



Urban Afforestation

The GMM Pfau

der Foundation is committed to expanding urban green spaces and supporting India's national objective of achieving 33% forest cover. Our ongoing

Urban Afforestation initiative in Secunderabad, Telangana, reflects this commitment and highlights the long-term benefits of focused greening efforts. The saplings planted

Total saplings
Planted : 2000

Number of
species : 50+

Area covered :
750 sq. mt.

Survival rate :
90%

We have introduced a wide variety of native and adaptive species to ensure ecological resilience and sustained growth. The project's progress is closely monitored, including survival rates, plant development, and changes in local biodiversity. Our focus

goes beyond tree planting—we also work to improve soil health and support biodiversity, helping establish a balanced urban ecosystem.

Additionally, the tree plantation drive at JV Patel ITI complements our broader

afforestation efforts by extending green coverage into educational campuses. This initiative not only contributes to environmental sustainability but also enhances the learning environment for students.

Urban Afforestation Program in Secunderabad, Telangana



Before



After

Restoration of Coral Reefs in Andaman Island



Restoration of Coral reefs

Since 2018, the Re(ef) Generate initiative to restore and protect coral reefs in the Andaman Islands, a region rich in biodiversity yet increasingly vulnerable to climate change and human activity. In FY25, the project faced intensified challenges, including the impact of the fourth global coral bleaching event, which severely affected shallow reef zones. Rising sea temperatures, fluctuating weather conditions, and limited operational windows for restoration work made this a particularly demanding year.

Restoration activities were adapted to suit turbulent marine conditions, including redesigning mineral accretion floats with semi-spherical bottoms and deploying four 300 kg anchors to improve structural stability. These enhancements helped maintain the resilience of the artificial reef infrastructure despite operational setbacks.

Monitoring efforts during FY25 revealed an average coral growth rate of 6.8 cm/year, with a branching coral growth rate of 1.5 cm/month over the December 2024–March 2025 period. While certain grids

demonstrated encouraging growth, others were impacted by sponge and algae overgrowth. The coral survival rate stood at 36%, affected in part by rising sea surface temperatures (peaking at 30.9°C in May 2024) and the limited operation of mineral accretion systems.

Despite these challenges, biodiversity within the reef ecosystem improved. The Shannon-Wiener Biodiversity Index rose from 2.14 in December 2024 to 2.27 in March 2025, and the number of observed non-cryptic species increased from 25 to 42, with over 1,500 individual specimens recorded by the

end of the period. Resident species included Blennies, Damselfish, Glassfish, Wrasses, and Surgeonfish, among others, demonstrating the reef's continued ecological importance.

Community engagement remained a cornerstone of the initiative. Through 13 themed Ocean Arts Sunday sessions, local students explored marine ecosystems and their unique adaptations. As part of these sessions, two beach clean-up drives were conducted—one at Grub Island and another at Chidiya Tapu—collectively removing over 12 bags of plastic waste and promoting environmental stewardship among youth.

Looking ahead, preparations are underway for a new large-scale reef restoration project at Swaraj Dweep (formerly Havelock Island). This upcoming effort will integrate mineral accretion technology with 3D-printed calcium carbonate structures, engage local dive centers and communities, and cover six new reef sites. By combining scientific innovation with grassroots participation, the initiative continues to evolve as a model for collaborative marine conservation in India.



Coral growth on an artificial reef structure

Marine Megafauna Rescue at Karnataka Coast

GMM Pfaudler has partnered with ReefWatch Marine Conservation to support the Karnataka Marine Megafauna Stranding Program, a critical initiative aimed at protecting whales, dolphins, sea turtles, and other large marine species along the state's 320-km coastline. These animals face increasing threats from fishing activities, plastic pollution, and habitat degradation—making coordinated conservation efforts more urgent than ever.

In FY25, the program responded to 70 marine megafauna strandings, bringing the total number of documented cases since inception to 394. This year's cases included 24 Olive Ridley, 27 Green, and 3 Hawksbill sea turtles, as well as 14 Indian Ocean humpback dolphins and a Cuvier's beaked whale. Of the 70 strandings, 8 animals were found alive, and 5 of them received veterinary treatment before some were successfully released.

The project also continued its focus on sea turtle nesting conservation. A total of 14 Olive Ridley nests were identified and monitored at Kodi Beach, with 694 hatchlings released into the ocean. In some cases, nests

had to be relocated due to threats from human activity or environmental conditions. The effort was carried out in close collaboration with the Karnataka Forest Department and supported by 13 dedicated volunteers.

Community involvement and awareness remained a central part of the program. During the year, 15 educational sessions were conducted, reaching 969 students across schools and colleges. These sessions introduced students to the importance of marine biodiversity and the threats posed by pollution and unsustainable fishing.

The team also participated in outreach events such as the Sea Turtle Festival, which engaged 233 participants and helped promote conservation awareness across coastal communities.

The initiative continued to gain visibility with signboards installed along key beaches and coverage in local and national media. These efforts have contributed to a growing marine rescue network supported by forest officials, fishermen, coastal police, and local citizens—strengthening the foundation for long-term protection of Karnataka's marine life.



Rehabilitating an injured sea turtle

Environment Compliances

At GMM Pfaudler, we maintain a strong focus on regulatory compliance across all our operations. All necessary approvals from local authorities have been secured at each of our sites, and we are pleased to report that there were no incidents of non-compliance or penalties during the reporting year. Additionally, our manufacturing facilities are ISO 14001 certified, reflecting our structured approach to environmental management and our ongoing efforts to integrate sustainability into day-to-day operations.

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At GMM Pfaudler, our vision is to create a better future for all our stakeholders. Our commitment to sustainability goes beyond delivering exceptional products and services to our customers. We understand the importance of promoting comprehensive and inclusive development for all our stakeholders to ensure the ongoing prosperity of our company. Ensuring active participation and collaboration from our employees, supply chain partners, customers, and the community is a fundamental aspect of our commitment to sustainable growth.

Social

EMPLOYEES

Our success at GMM Pfaudler is built on the talent and dedication of our employees. We foster a meritocratic workplace that offers equal opportunities and rewards excellence, regardless of background. We attract top talent by providing competitive salaries and benefits, alongside a range of professional development opportunities.

Through comprehensive people policies, we strive to create a secure and supportive environment for all our employees. Given the nature of our work, safety is paramount, and we implement rigorous measures to ensure the well-being of our workforce. Furthermore, a well-defined Code of Conduct promotes ethical and inclusive behaviour throughout

our entire organization, including subsidiaries and across the value chain. Our Whistleblower Policy empowers employees to report any suspected wrongdoing without fear of retaliation. In essence, we invest in our people, who in turn, are the driving force behind our achievements.



Employee Break-up:

Year	Employee Type	Employee (nos.)	Age Group (nos.)			Gender (nos.)	
			<30 Years	30-50 Years	>50 Years	Male	Female
FY 22	Permanent	743	171	521	51	707	36
FY 23	Permanent	809	194	567	48	779	30
FY 24	Permanent	784	158	585	41	755	29
FY 25	Permanent	744	110	582	52	712	32

Hiring and Turnover:

Year	New Hires (nos.)	Age Group (nos.)			Gender (nos.)	
		<30 Years	30-50 Years	>50 Years	Male	Female
FY 22	201	67	129	5	194	7
FY 23	183	95	88	0	179	4
FY 24	165	106	55	4	161	4
FY 25	184	114	66	4	175	9

Attrition:

Year	Attrition (nos.)	Gender (nos.)	
		Male	Female
FY 22	74	67	7
FY 23	122	112	10
FY 24	124	119	5
FY 25	161	155	6

Workforce Diversity

At GMM Pfaudler, we are committed to fostering a diverse, inclusive, and equitable workplace. As of the reporting period, we have ensured to expanding our female leadership by employing more women in the positions of KMPs and BoDs contributing to strategic decision-making and governance. We recognize that diverse leadership teams bring broader perspectives, drive innovation, and strengthen organizational resilience

To further promote gender inclusion, we conduct quarterly online meetings for women employees, creating a

platform for open dialogue, redressal of concerns, idea-sharing, and discussion of relevant topics. We actively promote awareness and leadership development through initiatives such as the book review session of How Women Rise by Sally Helgesen and Marshall Goldsmith, and a Leadership Talk held in celebration of International Women’s Day, aimed at inspiring and empowering our women workforce.

Our workplace is designed with accessibility in mind. A majority of our premises are equipped with ramps and even surfaces

at gates and office entrances to ensure ease of access for differently abled employees and workers.

We uphold a strong commitment to equal opportunity and non-discrimination. As outlined in our Code of Conduct & Ethics Policy, all directors and employees are expected to maintain a work environment that is free from discrimination on the basis of color, race, religion, national origin, gender, sexual orientation, disability, age, or any other status protected by law.

Equal Opportunities & Pay

Our hiring practices are rooted in Competency-Based Interviewing, ensuring that all candidates are assessed solely on their skills, experience, and potential—promoting equal opportunity from the outset. Our compensation framework

is designed to reward both performance and long-term commitment. Salaries are determined through clear, objective criteria such as qualifications, experience, and individual contributions, with additional benefits including performance-linked bonuses,

stock options, and competitive remuneration. We go beyond statutory requirements by ensuring that all on-roll employees are paid above minimum wage standards, supporting a dignified standard of living.

Ratio of Basic Salary and Remuneration of Women to Men

Employee Category	Officer
Ratio of Basic Remuneration of Women to Men	1.30

As part of our efforts to enhance equal opportunities for our future employees, we have cultivated an Employee Referral Policy which places special emphasis on increasing female representation across the organization, reflecting our broader commitment to equity and inclusive growth.

Employee Benefits

Our comprehensive benefits program goes beyond compensation, offering extensive support at every stage of the employee lifecycle. We provide 100% of our permanent employees and workers with health, life, and accident insurance coverage, along with statutory benefits such as provident

fund and gratuity. Additionally, recognizing the unique needs of working parents, we offer maternity & paternity benefits and on-site daycare facilities for female employees.

Our inclusive approach is reflected in our 100% return-to-work rate for employees availing parental leave, reinforcing our commitment

to work-life balance. Furthermore, to support smooth career transitions for our workforce, we offer structured transition assistance programs for those approaching retirement or separation from the organisation.

Training and Development

At GMM Pfau

Our training initiatives span a wide spectrum—from leadership development and functional skills enhancement to behavioural training that fosters a positive and collaborative work environment. In addition, operational training focuses on improving efficiency and

minimizing losses. We also partner with reputed external trainers to deliver a mix of self-paced and instructor-led sessions, covering key areas such as leadership, critical thinking, and personal effectiveness.

In FY25, we delivered approximately 2,000 e-learning hours and 2,300+ classroom learning hours dedicated to skill-building and employee development.

We remain firmly committed to safety, ensuring that 100% of our permanent and contractual workmen receive safety training, contributing to a secure and healthy workplace.

Beyond technical and safety training, we also emphasize ESG awareness as a core

component of employee learning. In FY25, employees received an average of 4 hours of ESG training. To further strengthen our efforts, we have launched new Learning Management System under the NEEV initiative, which was available to all employees. These modules cover critical topics such as workplace discrimination, equal opportunity laws, diversity and inclusion, unconscious bias, and legal frameworks. Through these efforts, we continue to invest in our people—empowering them to grow, adapt, and contribute meaningfully to the organization's long-term success.



Employee Engagement

Our employee engagement framework is focused on encouraging open communication, recognition, and performance alignment. We conduct annual performance reviews for all employees and run the Parivartan Employee Engagement Survey, which helped improve our engagement score from 83.74 to 85 year-on-year. This improvement in our result is due to progress across several key areas. Notable score improvements were observed in Commitment (10%), Learning from Mistakes, New Ideas (7%), and Manager Behavior Matching Their Words (5%). Additionally, two new

statements targeting Diversity, Equity & Inclusion (DEI) were introduced in this year's survey and received an encouraging average score of 82%. As the next step, an organization-wide analysis and presentation will be conducted. This will be followed by department-wise action planning workshops. These initiatives are aimed at fostering continuous improvement and aligning team efforts with the company's strategic priorities.

Initiatives like Chai pe Charcha—a monthly face-time session with the CEO—and the iAppreciate Rewards and Recognition Portal help reinforce transparency,

motivation, and a culture of continuous feedback. Additionally, we conducted an employee culture survey to gather insights and improve the workplace environment. Together, these programs ensure that employees remain connected, valued, and aligned with the company's growth vision. To contribute towards the betterment of our employees' mental health, we organised seminars on stress management and health, our seminar was attended by 300+ employees.

Workplace Health and Safety

GMM Pfau

an Occupational Health Centre, Employee Health Care Scheme, company ambulance services, and partnerships with hospitals. This coverage extends to employees' parents, reflecting the Company's holistic approach to family health. Employee fitness is ensured through rigorous pre-employment

medical screenings and annual health checkups. Contractor safety is also prioritized through dedicated induction programs and an EHS training card system to ensure compliance with the Company's safety standards.

Zero Accident & Zero Injury

We actively reinforce safety through regular communication, toolbox talks, Gemba Walks with Shop HODs, and National Safety Week celebrations, all contributing to maintaining zero high-consequence work-related injuries and fatalities on year on year basis.

A series of proactive safety initiatives were undertaken to strengthen workplace safety and foster a robust safety culture. Gemba Walks with Shop HODs helped identify and address potential

hazards, while targeted safety awareness trainings covered EOT crane operations, material handling, firefighting, work permits, health, and electrical safety. Critical improvements included the installation of fall protection systems, enhanced crane and equipment safety features, upgraded gas cutting trolleys, and certified safety valves. The Mi Safe App facilitated real-time reporting of unsafe acts, and third-party audits ensured 5S implementation. New safety guidelines were rolled out, and LOTO procedures were

strictly followed. Infrastructure upgrades, such as a new PDB with MCCB and overhead cabling, were completed, and medical checkups for plant employees ensured health monitoring. Safety orientation programs were conducted for new contract staff and visitors, and Safety Week was celebrated with awards.

GMM Pfau

Human Rights

An internal audit covering various Human Rights aspects was completed in May 2024, with relevant findings and suggestions being incorporated. Key actions completed in FY25 includes Human Rights training, inclusion of a Code of Conduct clause in supplier agreements, establishment

of a Grievance Redressal Mechanism, and addressing the capping of overtime hours. Accessibility improvements for differently abled individuals are underway and expected to be completed shortly. Additionally, the development of three separate policies on Human Rights, Equal Opportunity, and DEI, along

with a People's Philosophy Policy, is currently in progress. Comprehensive human rights assessments have been conducted at 100% of our plants covering key areas such as sexual harassment, workplace discrimination, child labor, forced or involuntary labor, and wages.

Key Human Rights Elements:

Respect for Human Dignity

We uphold human dignity and promote human rights in line with the UN's Universal Declaration of Human Rights. We strictly prohibit unlawful child labor and exploitation of children and adolescents. We respect employees' rights to join labor unions and ensure fair compensation, benefits, reasonable working hours, and paid leave.

Equal Opportunity and Prohibition of Discrimination

We provide equal opportunities to all our employees and to all eligible applicants for employment in our company, without discriminating based on race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability, or any other legally protected category.

Non-Harassment

We do not tolerate harassment of any kind. Harassment can unreasonably interfere with an individual's work performance and create an intimidating or offensive work environment. Our commitment is to ensure a safe and respectful workplace for everyone. Any behavior that undermines this standard is addressed promptly and effectively.

SUPPLIERS

At GMM Pfau

der, we prioritize ethical, social, and environmental responsibility across our entire supply chain. We work closely with suppliers to ensure compliance with our standards and promote sustainable practices that align with our company values. We have structured screening tools and detailed checklists to carefully evaluate suppliers and identify potential social and environmental risks.

Supplier communications are maintained through regular site visits, inspections, meetings, and performance assessments conducted quarterly or half-yearly

The Company received a Bronze Medal in the EcoVadis Sustainability Rating in May 2024, placing it in the top 35% of assessed companies, and achieved a score of 80 in the procurement section.

Additionally, suppliers are encouraged to use recyclable packaging materials. We prioritize support for local vendors and MSMEs, promoting local sourcing while ensuring timely and cost-effective delivery of critical materials.

Type of Supplier	FY25	FY24
Directly sourced from MSMEs/small producers	29.7%	18.76%
Directly from within India	77.04%	92.72%



As part of our responsible and sustainable sourcing efforts, we have adopted the use of 50+ micron stretch film for durable and minimal-waste wrapping. Recycled LDPE film is used for wrapping drive units and equipment nozzles, significantly cutting down plastic usage. Our suppliers are informed and encouraged to follow eco-friendly practices. Additionally, we have eliminated thermocol sheets by implementing a new packing method for quality dossier files and repurpose wooden waste into saddle supports for transportation, thereby minimizing waste and promoting resource efficiency.

Our Supplier Code of Conduct clearly outlines expectations, requiring compliance with applicable laws and standards related to governance, social responsibility, and environmental management. This policy extends to value chain partners and mandates responsible and sustainable use of natural resources. Suppliers are expected to minimize or eliminate adverse environmental and climate impacts and are encouraged to adopt eco-friendly products, processes, and technologies. All major suppliers must review, accept, and confirm compliance with the Supplier Code of Conduct. To uphold sustainable

procurement principles, GMM Pfau

der conducts Supplier Sustainability Risk Ratings and facilitates Supplier Self-Assessments covering environmental and social criteria. This process helps evaluate supplier alignment with sustainable practices and enables the Company to identify and mitigate potential risks, thereby strengthening the overall sustainability of the supply chain.

For further details about our supplier code of conduct, please refer to the link below: https://www.gmmpfau.com/file/Suppliers_Code_of_Conduct.pdf

CUSTOMERS

At GMM Pfau

der, we are dedicated to building strong, value-driven relationships with our customers. By combining our technological expertise, manufacturing excellence, global presence, and trusted brand, we engage deeply with customers to understand their operations and challenges. This enables us to address not only expressed needs but also

anticipate and solve unspoken ones. Our collaborative approach leads to tailored solutions that support customer success and drive innovation within our business.

We continuously improve through multiple feedback channels such as our website, surveys, customer meetings, helplines, and technical

support. We maintain a dedicated customer service email (service@gmmpfau.com) and a toll-free number, ensuring easy access for queries, support, or complaint registration. Customers are also promptly notified via email or phone about any service disruptions or discontinuations that may impact them. Protecting

customer data remains a top priority, backed by robust privacy policies and secure systems.

To deepen engagement and showcase our evolving capabilities, GMM Pfau

Week, Flow Chemistry India, Chemical Indonesia, Power Gen India, Heat Exchanger World Americas, and the India BioEnergy & Tech Expo. These platforms enabled us to demonstrate innovations, engage with global stakeholders, and gain insights into customer priorities.

In addition to these events, we hosted two customer

seminars in Mahad and Bharuch, each drawing 200–250 participants. These sessions fostered direct dialogue, helped us understand regional customer needs, and strengthened long-term partnerships. Ultimately, we see our customers as partners in progress—and their ongoing feedback continues to inform our innovation journey.

Complaint Management and Quality Assurance

GMM Pfau

complaint management team collaborates across departments to drive continuous improvement. In FY25, there were zero complaints related to data privacy, advertising, cybersecurity, or unfair

trade practices. The After Sales team supports customers throughout the equipment lifecycle, offering installation, commissioning, spare parts, refurbishment, and on-site training for safe product use.

Project for Online Tracking of Engineering Requests

To streamline operations and minimize delays in design checks and compatibility reviews for equipment orders, GMM Pfau

engineering requests. This system categorizes requests for efficient follow-up and closure, saving approximately 2,000 hours annually in sales and support time. Additionally, one-time approvals through

this system have saved costs equivalent to 1% of the After Sales Business Gross Loss, enhancing service recovery efforts and customer satisfaction.

Continuous Pressure Filtration

As part of our commitment to supporting customers with forward-looking, efficient solutions, GMM Pfau

Unlike conventional batch processes, this system enables uninterrupted material flow, enhancing production efficiency while reducing waste and energy use. Designed with resource optimization in mind, it helps customers minimize production loss, lower water and solvent consumption, and significantly reduce energy requirements, all while improving contamination control.

In FY25, GMM Pfau

GMM PFAUDLER'S TEST FACILITY

Is a dedicated center for advanced process validation—supporting both customers and internal product development. Equipped to run trials at lab and pilot scales, the facility enables optimization of chemical, pharmaceutical, and specialty chemical processes with a focus on safety, scalability, and sustainability.

The facility plays a dual role. It allows customers to validate their processes before commercial-scale implementation, and also supports GMM's internal teams in testing and refining new products and technologies under real-world conditions. This enhances product reliability and accelerates innovation cycles.

The Test Centre features continuous and batch systems for a wide range of operations—reaction, crystallization, extraction, evaporation, distillation, filtration, and drying. Its modular flow reactors and downstream systems are designed for energy efficiency, solvent recovery, and reduced waste—making them ideal for sustainable manufacturing solutions.

Safety remains a top priority, with protocols that include mandatory personal protective equipment (PPE), provision of safety data sheets (SDS), and strict handling and transport guidelines. All trials are preceded by internal test runs to ensure operational readiness and are closely monitored throughout for key process parameters.

Key infrastructure includes PLC-based data acquisition, advanced analytical tools (HPLC, GC), a thermal oil system, vacuum systems, and an Effluent Treatment Plant (ETP) for responsible water management. Customers can send their own chemists to participate in trials, and all results are documented through detailed technical reports and scale-up recommendations.

By enabling robust experimentation, real-time monitoring, and collaboration, the Test Facility empowers both GMM and its customers to develop safer, cleaner, and more efficient processes. It is a key enabler of our commitment to sustainable product innovation and customer success.

GMM Digital Solutions

At GMM Pfau

To modernize talent assessment, we launched the **Talent Evaluator**, a web-based Online Examination Management System. This tool supports remote, secure, and paperless testing, with

features such as advanced exam integrity tracking, dynamic test creation, and time management tools, the system minimizes manual effort, ensures fairness, and accelerates talent evaluation—supporting both transparency and reduced administrative footprint.

We also advanced legal operations through the **Legal AI – NDA Review Portal**, which uses artificial intelligence to analyze Non-Disclosure Agreements, it enables automated clause identification, real-time AI chat support, and compliance validation. The portal significantly cuts down the time and effort required for legal document review,

enhancing governance while promoting efficiency and accuracy.

On the shop floor, we integrated **Non-Destructive Testing (NDT)** into our **Integrated Welding Management System (IWMS)**. –a critical part of our Sales Order execution cycle. Offering online report preparation, real-time project visibility, and structured documentation, which help minimize manual follow-ups, reduce delays, and improve cross-functional coordination, leading to better productivity and data integrity.

SOCIAL INITIATIVES THROUGH CSR PROJECTS

HEALTHCARE

In the area of healthcare, GMM Pfudler emphasizes preventive care and enhancement of hospital

infrastructure and services. Notable projects include SPARSH 2.0 at Karamsad, the upgradation of the maternity

ward at ESIC hospital in Nacharam, and renovation of the Gynecology OT at Shree Krishna Hospital in Karamsad.

Project Sparsh 2.0

Over the past decade, GMM Pfudler has partnered with Charutar Arogya Mandal to implement Project SPARSH, aiming to improve access to quality healthcare in Karamsad, Gujarat. The initiative empowers trained Village Health Workers (VHWs) to deliver essential healthcare services in rural areas, supported by local health centers and a tertiary care facility for critical cases. The project targets chronic illnesses like diabetes, hypertension, cancer, and respiratory diseases, helping reduce healthcare costs and improve community well-being.

Building on this foundation, Project SPARSH 2.0 focuses on addressing Non-Communicable Disease (NCD) risk factors such as pre-obesity, central obesity, pre-hypertension, and pre-



Training to Village Health Workers

diabetes. The program includes medical camps, community awareness sessions, home delivery of medicines for chronic patients, and home visits for bedridden individuals—ensuring continuous care, early

intervention, and enhanced community health outcomes. These efforts aim to boost awareness, enhance early intervention, and support long-term health in the region.



Strengthening Mother and Child Health Services at ESIC Hospital, Hyderabad

GMM Pfudler Foundation has undertaken a 3-year phased upgradation of the maternity ward at ESIC Hospital, Nacharam, Hyderabad. As part of the FY25 contributions, the Foundation has donated critical medical equipment to enhance maternal and neonatal care. These include an Ultrasound Scanner, Automated Analyzer, two Infant Radiant Warmers, a Bubble CPAP, ABGE Analyzer, Coagulation Analyzer, two Bedside Monitors, Towel & Fluid Warming Systems, two T-Piece Resuscitators, a Transcutaneous Jaundice Detector, Oto Acoustic Emission device, a Double Pan Weighing Balance, three Neonatal Para Monitors, and three Paediatric Para Monitors. These additions are aimed at supporting healthcare professionals in delivering comprehensive and high-quality care to mothers and newborns.



Neonatal Intensive Care Unit (NICU) – Infant Warmers and Monitoring Equipment



Gynecology OT at Shree Krishna Hospital in Karamsad

GMM Pfudler has supported the renovation of the Gynecology Operation Theatre (OT) at Shree Krishna Hospital, Karamsad, as part of its continued commitment to strengthening healthcare infrastructure in the region. The 40-year-old OT facility was extensively upgraded to align with the standards set by the National Accreditation Board for Hospitals & Healthcare Providers (NABH), setting a new benchmark for quality and excellence in surgical care. This initiative is aimed at enhancing the quality of care for women requiring gynecological procedures by upgrading critical medical facilities and ensuring a more hygienic, safe, and efficient surgical environment. The renovation work has been successfully completed, with modern equipment and improved infrastructure now

in place, with the upgraded facility inaugurated in May 2025, marking an important milestone in the hospital's

ability to deliver improved maternal and women's healthcare services to the local community.



Renovated Gynecology Operation Theatre

EDUCATION & SKILL DEVELOPMENT

JV Patel Industrial Training Institute

GMM Pfaunder, through its collaboration with JV Patel Industrial Training Institute, continues to strengthen vocational education and skill development. The institute offers various courses under the National Council for Vocational Training (NCVT), including Draughtsman Mechanical, Electronic Mechanic, Fitter, Electrician, Wireman, Welder, and Sheet Metal Worker. Additionally, a Turner trade course is offered under the Technical Education Board (TEB). In FY25, the institute recorded 80 new enrollments in one-year NCVT courses and 87 enrollments in two-year NCVT programs,

along with 20 enrollments under TEB courses, bringing the total student strength to 263.

Several student engagement initiatives including 18 industrial visits were conducted in the current financial year. Additionally, health activities in collaboration with Shree Krishna Hospital were conducted at the institute which included four health awareness and checkup camps and a blood donation drive. The institute also hosted seminars on communication skills and overseas employment and facilitated 20 days of on-the-job training

for students to gain hands-on experience. Academic outcomes were impressive, with 100% pass and placement rates for TEB students, and a 88% pass rate with 92% placement for NCVT students.

This year we also made efforts to enhance the institute's infrastructure, with construction of a new Turner workshop, renovation of old wing, construction of a new wing and the addition of new washroom and canteen facilities. Plans are in place to introduce new courses starting August 2025, further broadening the scope of skill development opportunities for students.



Fitter workshop

Project Adopt a Home

As part of its commitment to child welfare, the GMM Pfaunder Foundation has partnered with Catalyst for Social Action under the "Project Adopt a Home" initiative to support 65+ underprivileged children across two Childcare Institutions (CCIs) in Sangli, Maharashtra. The program is structured around three core focus areas: Health and Necessities, Learning and Development, and Emotional Wellbeing.

To support health and hygiene, a dedicated washroom cleaner has been appointed to maintain clean and sanitary restroom facilities.

To enhance Learning and Development, the initiative supports academic growth by appointing three tuition teachers and distributing school bags and stationery.

Education Day celebrations were organized to encourage engagement. Additionally, digital learning has been strengthened by appointing NIIT-certified computer teachers who offer training in both software and hardware skills.

For Emotional Wellbeing, various recreational activities

such as summer camps and the DAAN festival have been conducted, creating joyful experiences for the children. The program also includes developmental training sessions focused on adolescent health, child safety, and essential life skills to support the holistic growth of every child involved.



Children learning with Instructor

Employee Volunteering

The Company encourages employee participation in volunteering activities as part of its commitment to social responsibility. Through organized initiatives and partnerships, employees actively contribute their time and skills towards initiatives, focusing on health, education, and environmental conservation. As part of this effort, the Foundation collaborated with Shree Krishna Hospital to organize a blood donation camp at JV Patel ITI, with active participation from employees—reflecting a strong sense of community engagement and social responsibility.

Employees contributed over 600 volunteering hours, reflecting GMM Pfaunder Foundation's ongoing

commitment to social responsibility, community health, and environmental awareness.



Blood donation drive

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At GMM Pfäudler, environmental, social, and governance factors are firmly embedded within our governance framework. This alignment enables us to anticipate and manage risks effectively, identify strategic opportunities, and contribute meaningfully to environmental and social well-being. Our approach to governance is rooted in responsibility and integrity—fostering trust with stakeholders and supporting long-term, sustainable growth.

We remain focused on maintaining high standards of ethical conduct, accountability, and prudent resource use. Our governance practices are designed to address the evolving expectations of our stakeholders while ensuring transparent decision-making and operational resilience. This section of our sustainability report outlines the structures, policies, and practices that guide our actions—reinforcing our commitment to sound governance and a sustainable future.

Governance

BOARD & POLICIES

The Board of Directors and its Committees oversee the company’s operations and provide strategic guidance to the management team, with a focus on protecting the long-term interests of all stakeholders. The Board ensures that the organization adheres to applicable laws and

regulations, while upholding our Code of Conduct and maintaining ethical standards across all business units and subsidiaries.

Comprising experienced professionals with diverse expertise, the Board brings the leadership and insight needed to drive sustainable business

growth in alignment with our ESG objectives. In FY25, the Board convened seven times, with a 98% attendance rate, reflecting a strong commitment to effective governance and oversight.

Enabling Governance structure

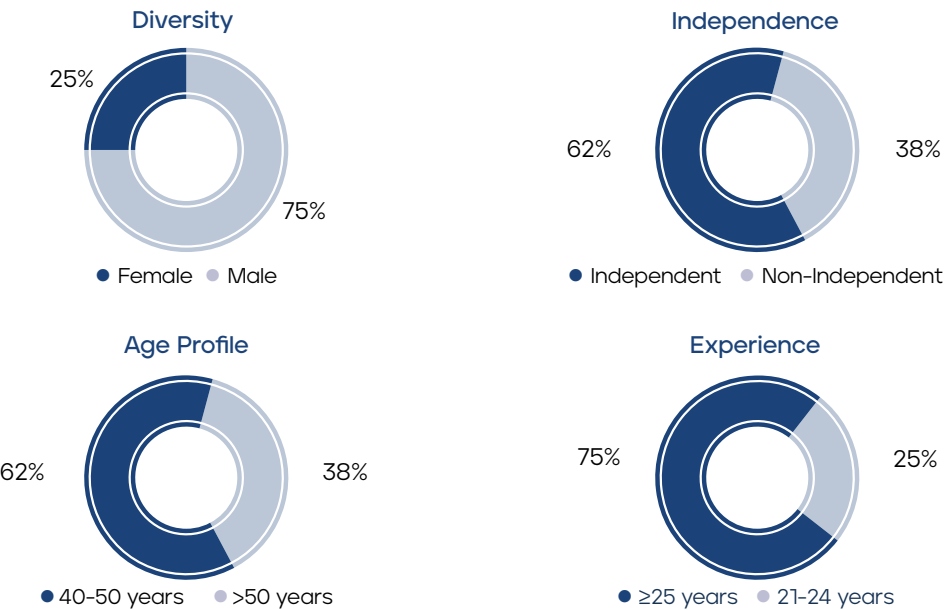
Our governance framework is built on the company’s core principles and is implemented through the standing committees of the Board. These committees are crucial for aligning our operations with our short, medium &

long-term strategic vision, while upholding the highest standards of corporate ethics, transparency and conduct. Through their oversight, the committees ensure that our ESG priorities are embedded into business objectives

and execution strategies, reinforcing responsible decision-making across all aspects of our operations.



Board Statistics



Board Committees

Board Committees enhance the effectiveness of the Board of Directors by providing specialized expertise and strategic guidance on key governance issues. They play a critical role in developing and upholding governance policies, while delivering regular, in-depth reports that enable informed decision-making and promote accountability across the organization.

Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Allotment Committee
• Members: 4	• Members: 3	• Members: 3	• Members: 4	• Members: 5	• Members: 3
• Independence: 100%	• Independence: 100%	• Independence: 67%	• Independence: 50%	• Independence: 60%	• Independence: 67%

All committees are chaired by Independent Directors.

Brief role of these committees:

- The **Audit Committee:** Oversees financial reporting, internal controls, and audit processes.
 - The **Nomination & Remuneration Committee:** Strategically identifies top talent for board and executive roles and formulates dynamic remuneration policies aligned with the Company’s vision.

- The **Stakeholders Relationship Committee:** Facilitates effective communication and engagement with stakeholders.
 - The **Corporate Social Responsibility Committee:** Develops and oversees CSR initiatives aligned with the company’s values.

- The **Risk Management Committee:** Oversees the implementation and effectiveness of the company’s risk management framework.
 - The **Allotment Committee:** Manages share allotment during capital raising activities.

Together, these committees ensure that GMM Pfau

Management

The Managing Director provides strategic leadership and sets the overall direction for the company’s effective management. This includes oversight of corporate strategy, brand

positioning, planning, external engagements, and key organizational matters. Supporting the Managing Director, the Chief Executive Officer, Chief Financial Officer, Company Secretary and a

team of senior executives work collaboratively to ensure seamless execution and operational efficiency in line with the company’s strategic objectives.

Policies



Scan the QR Code to see our policies

Our policies serve as a guiding framework that facilitates the implementation of our governance principles, ensuring clarity, consistency, and transparency in both internal operations and external interactions.

A Snapshot of Our Policies

Anti-Corruption Policy	Nomination, Remuneration & Evaluation Policy
Anti-Sexual Harassment Policy	
Antitrust Guidelines	Policy and Procedure for enquiry in case of Leak/ Suspected leak of Unpublished Price Sensitive Information
Board Diversity Policy	Policy for Determining Material Subsidiaries
Code of Conduct & Ethics Policy	Policy for Preservation of Documents & Archival of Documents
Code of Conduct for Prevention of Insider Trading	Policy on Determination of Material Events
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	Policy on Related Party Transactions
Communications Policy	Policy on Prevention and Redressal of Harassment
Corporate Social Responsibility Policy	Risk Management Policy & Strategy
Dividend Distribution Policy	Suppliers' Code of Conduct
Environment Social Governance Policy	Whistle Blower Policy
Export Compliance Guidelines	
Familiarization Policy	

Code of Conduct & Business Ethics

At GMM Pfau, our Code of Conduct and Ethics Policy provides a clear and comprehensive framework for ethical business practices. Applicable to all employees, the policy guides professional conduct, reinforces compliance with various laws and regulations and fosters trust among stakeholders. It outlines standards for business integrity, anti-corruption, and fair competition, ensuring that directors, employees, and associates uphold the highest ethical standards. To promote a culture of ethics across our value

chain, we require suppliers, contractors, and business partners to comply with our ethical principles, through our contractual agreements and Supplier's Code of Conduct. We also maintain multiple accessible channels for reporting concerns, all of which are addressed in a timely and effective manner, reinforcing our commitment to transparency and accountability.

As part of our ongoing commitment to responsible business practices and stakeholder development, GMM Pfau continued

to invest in capacity-building initiatives across the organization. Leveraging both our Learning Management System (LMS) and in-person formats, we delivered structured training programs on key topics such as Prevention of Insider Trading, Anti-Corruption, and other compliance-related subjects. These initiatives are designed to strengthen our governance culture, ensure regulatory alignment, and empower employees with the knowledge needed to uphold our ESG and business values.

Prevention and Redressal of Harassment at Workplace

GMM Pfau maintains a zero-tolerance policy toward all forms of workplace harassment, including sexual harassment, reaffirming our commitment to fostering a work environment rooted in respect, dignity, and inclusivity. We recognize that a truly inclusive workplace must be built on a foundation of both safety and mutual respect. In FY25, we advanced this commitment by introducing a gender-neutral Policy on Prevention and Redressal of Harassment at Workplace, ensuring protection for all employees regardless of gender identity. This new policy complements our existing Anti-Sexual Harassment Policy, which

continues to align with the Prevention of Sexual Harassment (PoSH) Act, 2013.

During the year, we strengthened our approach by expanding the scope of our policies to include remote work and digital spaces, incorporating a clear list of behaviors that constitute sexual harassment, and streamlining procedures for complaint resolution and conciliation. All reported incidents are managed promptly, confidentially, and in strict accordance with our procedures. Where violations occur, disciplinary actions—up to and including termination—are taken to uphold accountability.

To deepen awareness and reinforce compliance, the Company also conducted multiple training sessions through both our Learning Management System and in-person formats. These covered key topics such as PoSH compliance, ethical behavior, grievance redressal mechanisms, and responsible conduct.

We are proud to report that no instances of sexual harassment were recorded in FY25, underscoring our ongoing efforts to build a secure, respectful, and bias-free workplace where all employees feel safe and empowered to thrive.

CORPORATE GOVERNANCE

At GMM Pfau, corporate governance is a foundational element of our commitment to ethical and sustainable business practices. We aim to create long-term value by operating within a transparent, fair, and accountable framework that serves the interests of

all stakeholders. Integrity is central to our approach, and we prioritize building and maintaining the trust of our investors and partners. Our Board of Directors takes a comprehensive view of its fiduciary responsibilities, aligning governance practices with international standards

and ensuring robust oversight. Through responsible decision-making and clear disclosures, we are committed to protecting shareholder interests—particularly those of minority stakeholders—while fostering sustainable growth across all areas of our business.

For more details, refer to the Corporate Governance section at: <https://www.gmmpfau.com/investors/corporate-governance-and-compliance>

SUSTAINABILITY GOVERNANCE

GMM Pfau's sustainability governance framework plays a key role in driving our ESG agenda. The Board of Directors provides strategic oversight and guidance, while the ESG Steering Committee, comprising senior leadership, is responsible for shaping the ESG strategy and embedding it into day-to-day operations. The committee also leads stakeholder engagement efforts and fosters cross-functional collaboration to

support sustainable value creation. Department heads and their teams are integral to the execution of this strategy, supplying data and operational insights that support transparent reporting and informed decision-making. This coordinated approach enables consistent and effective ESG integration across the organization.

With the conclusion of our current ESG strategy, our

Chief Executive Officer, in collaboration with the ESG Steering Committee, initiated the formulation of the FY26–FY28 ESG strategy. This process is being guided by stakeholder expectations, emerging ESG trends, and regulatory developments, with a focus on delivering targeted and high-impact sustainability initiatives.

ESG Steering Committee

The ESG Steering Committee plays a central role in guiding GMM Pfau

der's sustainability agenda. It is responsible for setting the organization's sustainability goals and shaping strategy and execution plans aligned with the broader ESG vision defined by leadership. The ESG Steering Committee provides direction and operational support to ESG Working Groups, monitors the progress of key initiatives, and ensures consistency across all ESG-related activities. It also reviews and validates public disclosures—including the ESG Report, relevant policies, and other ESG-related communications—

before presenting them to leadership or the Board for approval. In addition, the committee engages regularly with stakeholders, including rating agencies and auditors, on matters related to ESG performance. The committee meets on a quarterly basis to review progress and refine strategies as needed.

- Key responsibilities of the ESG Steering Committee include:
- Developing strategy and execution plans aligned with the ESG vision
 - Setting annual sustainability targets for the organization
 - Assigning ownership for

ESG KPIs and defining roles and responsibilities

- Offering guidance and insights to KPI owners and ESG Working Groups
- Tracking KPI performance and progress on a quarterly basis
- Reviewing and submitting ESG disclosures for leadership or Board approval
- Overseeing the preparation of ESG-related publications (e.g., ESG Report, policies)
- Engaging with external stakeholders, including auditors and rating agencies, on ESG matters

CSR GOVERNANCE

At GMM Pfau

der, we are committed to creating meaningful change in the lives of people by adopting a participatory approach that promotes inclusive growth and community empowerment. We actively design and implement community-centric initiatives that contribute to social development and long-term sustainability. Our key focus areas include healthcare, education, and environmental

sustainability, where we continue to drive impactful interventions in collaboration with local stakeholders.

Impact created with our CSR projects in FY24-25:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Healthcare	31,000+	100%
2	Education	2,000+	100%

In the Environment section the Company works on initiatives such urban afforestation, restoration of coral reefs and marine megafauna rescue, where beneficiaries cannot be calculated.

For details of our CSR projects, please refer to Page 148 of Annual Report.

GMM Pfau

der Foundation

The GMM Pfau

der Foundation was established as a non-profit arm of GMM Pfau

der Limited under the Companies Act, 2013. Its primary role is to implement the Corporate Social Responsibility (CSR) initiatives of GMM Pfau

der. The Foundation's mission is to drive positive transformation in individuals and communities across India and beyond by promoting sustainable development and inclusive growth. GMM Pfau

der's CSR efforts reflect a strong dedication to generating lasting positive change in the communities it serves. Through focused programs, the Company actively enhances local healthcare, promotes education and supports

environmental sustainability. These initiatives are conducted with transparency and accountability, reinforced by active community involvement and a grievance tracking system to ensure impactful and sustainable outcomes.

For more details log on to: <https://gmmpfau>

RISK MANAGEMENT

GMM Pfau

der has established a comprehensive Enterprise Risk Management (ERM) Framework to proactively identify, assess, and address potential risks that could impact the organization. To oversee the effectiveness of this framework, the Board of Directors has constituted a Risk Management Committee (RMC), in accordance with the requirements of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR).

This responsibility was previously managed by the Audit Committee. The ERM framework is regularly reviewed and benchmarked against industry best practices, enabling a structured and consistent approach to risk identification, evaluation, mitigation, and monitoring. It supports the company's goal of long-term value creation by strengthening its ability to manage a diverse range of risks.

The Risk Management Committee periodically reviews critical risk areas such

as macroeconomic conditions, geopolitical developments, reputational concerns, competitive pressures, counterparty risks, foreign exchange and commodity price volatility, interest rate fluctuations, cybersecurity threats, and ESG-related risks.

Supporting the RMC, the Executive Risk Management Council (ERMC) plays an integral role in operationalizing risk oversight. The ERMC continuously monitors and records changes in the business environment, emerging threats, and factors impacting the Company's risk profile. It also tracks and reports the implementation status of risk mitigation plans to the RMC, which in turn reports to the Board of Directors. The ERMC comprises the Chief Executive Officer, Chief Financial Officer, Chief Risk Officer (CRO), and functional heads from business and enabling teams. The CRO works closely with the ERMC and designated risk owners to identify risks and facilitate the development of appropriate mitigation strategies.

Together, the RMC and ERMC actively collaborate on high-impact areas such as crisis management, business continuity planning (BCP), and the continuous assessment of complex geopolitical dynamics including wars, sanctions, and global trade disruptions. This integrated approach ensures preparedness and responsiveness to rapidly evolving global and domestic risk environments.

In line with the Companies Act, 2013, and SEBI LODR, the Audit Committee continues to oversee the company's financial risk management, including the evaluation of internal financial controls and the risk management system on an annual basis.

GMM Pfau

CYBER RISK MANAGEMENT

der's Risk Governance Structure is embedded across all levels of the organization, ensuring an integrated and enterprise-wide approach to managing risk. For additional details, please refer to the Management Discussion & Analysis section of this Annual Report.

At GMM Pfau

der, cyber risk management is integral to our governance framework. We employ a multi-layered approach to mitigate cyber risks and safeguard our systems, networks, and data. Regular risk assessments proactively identify potential vulnerabilities, while comprehensive security policies and employee training programs equip our workforce to recognize and address threats. Strict access controls

and ongoing system updates further enhance security. Firewalls, intrusion detection systems, and continuous monitoring tools actively defend against malicious activity. Critical data backups and disaster recovery plans ensure business continuity in the event of an attack. Furthermore, we remain compliant with relevant regulations and foster a culture of security awareness across all levels of the organization. Regular security audits and penetration testing identify areas for improvement, and we stay informed about evolving threats through ongoing industry engagement. This comprehensive cyber risk management strategy protects our valuable assets and strengthens trust with our stakeholders.

Corporate Information

Chairperson:	Mr. Prakash Apte
Managing Director:	Mr. Tarak Patel
Directors:	Mr. Nakul Toshniwal Ms. Bhawana Mishra Mr. Vivek Bhatia Mr. Ashok Patel Ms. Shilpa Divekar Nirula Mr. Raghav Ramdev (appointed w.e.f. February 6, 2025)
Key Management Team:	Mr. Thomas Kehl , Chief Executive Officer - International Business Mr. Aseem Joshi , Chief Executive Officer - India Business Mr. Alexander Pömpner , Group Chief Financial Officer Mr. Gregory Gelhaus , Chief Transformation Officer - GMM Pfau dler Group Ms. Mittal Mehta , Company Secretary & Compliance Officer
Statutory Auditors:	Deloitte Haskins & Sells (up to conclusion of the AGM in August 2025) S R B C & CO. LLP (Proposed appointment)
Internal Auditors:	Ernst & Young LLP (up to March 31, 2025) KPMG Assurance and Consulting Services LLP (w.e.f April 1, 2025)
Solicitors:	Trilegal MZM Legal
Bankers - India:	The Hongkong & Shanghai Banking Corporation Ltd. State Bank of India Axis Bank Ltd. HDFC Bank Ltd. Kotak Mahindra Bank Ltd. DBS Bank India Ltd.
Registrar & Share Transfer Agents:	MUFG Intime India Private Limited (Formerly Link Intime India Private Ltd.)
Investor Relations:	Valorem Advisors

Disclaimer:

This document contains statements about expected future events and financials of GMM Pfau dler Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis Report of GMM Pfau dler Limited’s Annual Report for FY25.



Please find our online version at

<https://www.gmmpfau dler.com/investors/financial-re-sults-reports/annual-reports>

Or simply scan to download

Board of Directors



Mr. Prakash Apte
Chairperson - Independent Director

Mr. Prakash Apte serves as the Chairperson on the Board of Blue Dart Express Limited. He also serves on the Boards of Fine Organic Industries Limited, Kotak Mahindra Investments Limited and Kotak Mahindra Prime Limited as an Independent Director. Mr. Apte was the Non-Executive Chairman of Kotak Mahindra Bank Limited from 2018 till 2023 and served as the Non-Executive Chairman of Syngenta India Limited, an agricultural business company in India and a subsidiary of Syngenta Group, from May 2011 till September 2021 and as its Managing Director from November 2000 to April 2011.

Mr. Apte's professional career spans over 43 years with a wide range of experience in management and leadership as well as an in-depth knowledge of the agrochemicals and speciality chemicals industries. Mr. Apte was instrumental in setting up Syngenta Foundation India in 2005 which focuses on educating and providing resources to marginal farmers and facilitating rural entrepreneurship. In 2016, he was involved in setting up of the Indo Swiss Centre of Excellence which aims to provide world class training in advanced vocational skills. Mr. Apte has served on the Boards of both these not-for-profit entities till mid-2021.

Mr. Apte has a B.E. (Mech) degree from the University of Pune and a Diploma in Business Management from University of Mumbai. He has also attended executive and leadership development programs at Harvard Business School, INSEAD and IMD.



Mr. Tarak Patel
Managing Director

Tarak Patel has been the Managing Director of GMM Pfau dler Ltd. since June 2015 and has been an Executive Director since 2007. Previously, Tarak served as Vice President, Sales and Manager of Corporate Development.

Prior to joining GMM Pfau dler, Tarak worked with Universal Consulting, a leading Strategy

Management and Growth Strategy Consulting Company based in Mumbai, India.

Tarak Patel also serves on the Boards of Ready Mix Concrete Ltd, ReefWatch Marine Conservation and Charutar Arogya Mandal. He is also a member of the Young Presidents’ Organization.

Tarak has a BA in Economics from the University of Rochester, USA, and an MBA jointly conferred by Columbia Business School, London Business School, and University of Hong Kong Business School.



Mr. Nakul Toshniwal
Independent Director

Mr. Nakul Toshniwal is the Chairman & Managing Director of Toshvin Analytical Pvt. Ltd. which is recognized as one of the largest analytical instrumentation companies in India. He

also serves as an Independent Director on the Board of Cravatex Ltd.

He started his career as an analyst with AT Kearney Inc. in New York, USA, and has over 25 years of experience in managing, investing in and growing companies in diverse industries.

He graduated summa cum laude from The Wharton School, University of Pennsylvania, Philadelphia, PA, and has a Master of International Public Policy degree from The School of Advanced International Studies, Johns Hopkins University, Washington DC.



Ms. Bhawana Mishra
Independent Director

Ms. Bhawana Mishra is the Founder Director of BasilTree Consulting Pvt. Ltd. a firm that works with the biggest names in corporate India in defining talent strategy, identifying

and building leadership acumen, and supporting individuals and teams to actualise their potential in line with the business strategy. Ms. Mishra serves of the Board of Jivagro Ltd. and GMM Pfau

Ms. Mishra has 27 years of experience across industries, as a talent and leadership development specialist. She started her career with hands-on work in talent management, strategic change and organizational transformation, and her clients include CXOs and business leaders of a large number of Indian and multinational companies.

Ms. Mishra is an M.A. in Applied Psychology (specialization in Organizational Behaviour) from the University of Delhi, 1997 and has a Level B Certification in Occupational Assessments from the British Psychological Society.



Mr. Vivek Bhatia
Independent Director

Mr. Vivek Bhatia is the Managing Director and Chief Executive Officer of TKIL Industries. Prior to joining TKIL Industries, Mr. Bhatia was with Boston Consulting Group, India where

he worked extensively in the capital goods sector with clients in India and abroad on a wide canvas of topics. He is also the Chairman of the construction and equipment division of the CIL.

Mr. Bhatia has worked across multiple business functions including strategy, operations and organization in areas such as growth/ diversification, joint ventures & technology transfers, business turnaround/ transformation, working capital management, operations design and re-engineering, organization design and performance management systems. In 2013, he was awarded a BCG Olympics Gold Medal for the most insightful and impactful client work in the region.

Mr. Bhatia holds an MBA (from IIM Calcutta), M. Tech. (Gold Medalist from IIT Delhi) and B.E. (with honours from University of Delhi).



Mr. Ashok Patel
Non-Executive Director

Mr. Ashok Patel has over 50 years of experience in the capital goods industry.

He has been a Director of GMM Pfau

Skyline Millars Limited and Ready Mix Concrete Limited.

Mr. Patel has a B. Sc degree from the University of Manchester Institute of Science & Technology, UK, and an MBA from the Columbia University, USA.



Ms. Shilpa Divekar Nirula
Independent Director

Ms. Shilpa Divekar Nirula brings 29 years of extensive experience in the consulting, food, and agriculture sectors, having worked with prestigious organizations. At

Bayer CropScience, she led Regional Business Strategy for Asia-Pacific and co-led the Global Smallholder Strategy. She served as the Chief Executive Officer of Monsanto India from 2014 to 2018 and also held the position of Managing Director of the publicly listed entity in India.

Since April 2020, Ms. Nirula has been mentoring businesses aiming for turnaround, growth, or

startup success and has co-founded AGVAYA LLP, a consulting and advisory firm dedicated to assisting participants across the agriculture and food value chains.

Ms. Nirula serves on the Boards of Grow Indigo Pvt. Ltd. and AstraZeneca Pharma India Limited. She also serves as an advisor to Omnivore, an agri-tech-focused venture capital fund.

Ms. Nirula holds an MBA from S. P. Jain Institute of Management & Research and is both a Chartered Accountant and a Cost & Works Accountant.



Mr. Raghav Ramdev
Non-Executive Director

Mr. Raghav Ramdev is the Managing Director of ChrysCapital, one of India's leading private equity firms. With over 20 years of experience in the investment sector, Mr.

Ramdev has extensive expertise in managing and advising on private equity investments across a wide range of industries in India.

Prior to joining ChrysCapital, Mr. Ramdev was part of the global research division at McKinsey & Company for two years. Throughout his career, Mr. Ramdev has led notable investments in sectors such as manufacturing and healthcare.

Mr. Raghav Ramdev holds an MBA from the Management Development Institute, Gurgaon, and a Bachelor's degree in Chemical Engineering from Baroda University.

Leadership Team



Mr. Tarak Patel
Managing Director

Tarak Patel has been the Managing Director of GMM Pfau

President, Sales and Manager of Corporate Development.

Prior to joining GMM Pfau

Management and Growth Strategy Consulting Company based in Mumbai, India.

Tarak Patel also serves on the Boards of Ready Mix Concrete Ltd, ReefWatch Marine Conservation and Charutar Arogya Mandal. He is also a member of the Young Presidents' Organization.

Tarak has a BA in Economics from the University of Rochester, USA, and an MBA jointly conferred by Columbia Business School, London Business School, and University of Hong Kong Business School.



Mr. Thomas Kehl
Chief Executive Officer [International Business]

Thomas Kehl has been the Chief Executive Officer for the International Business of GMM Pfau

Executive Officer of the Pfau

Prior to joining Pfau

His extensive experience in the industry includes holding positions as Managing Director at Rieter Automatic and Senior Vice President of Rieter AG in Switzerland, CEO of Freudenberg Nonwovens and several executive positions within the Hoechst Group and their subsidiaries. His international experience includes five years in various management positions in the USA.

Thomas holds a degree in Marketing and General Management from The University for Applied Sciences Mainz.



Mr. Aseem Joshi
Chief Executive Officer [India Business]

Aseem Joshi has been Chief Executive Officer for the India business of GMM Pfau

consulting, strategy, sales and manufacturing. Prior to joining GMM Pfau

Aseem started his career with IBM in the United States, setting up a cutting-edge semiconductor fabrication plant and working

on bringing innovative new chips to the market. As a consultant with McKinsey in the US, he worked across industries driving M&A, sales strategies and operation improvements. In 2010, he moved to India with Eaton Fluid Power, working on their growth strategy and then operationalized it as the Sales and Marketing Leader. Most recently at Honeywell, he successfully setup a new smart city focused global business, with teams in India, Middle East and the US.

Aseem has an MBA from INSEAD, France, MS in Industrial and Systems Engineering from the Virginia Tech University, USA and a BE in Mechanical Engineering from the University of Pune.



Mr. Alexander Pömpner
Group Chief Financial Officer

Alexander Poempner is appointed as Group Chief Financial Officer of GMM Pfau

Business of GMM Pfau

Alexander has over 24 years of experience in various Finance / M&A roles in Private Equity portfolio companies. He was previously

the Chief Financial Officer for the Vision Ophthalmology Group, an international distributor in the Ophthalmology industry. Prior to that, Mr. Poempner spent three years as CFO of the BBI Group, a global manufacturer of raw materials and lateral flow test for the diagnostic and healthcare industry, based in Cardiff, Wales / United Kingdom. Earlier he held various roles in Europe and Asia with the Chemical Distributor Azelis and the industrial packaging manufacturer Mauter.

Alexander holds an MBA degree from the University in Cologne, Germany and a Chartered Financial Analyst (CFA) qualification.



Mr. Gregory Gelhaus
*Chief Transformation Officer - GMM Pfau*dler Group

Gregory Gelhaus has been appointed as Chief Transformation Officer of GMM Pfau

experience across various industries in North America, Europe, and the Asia Pacific.

Before joining GMM Pfau

traded company backed by private equity. In that role, he managed 17 businesses across 15 countries and was a member of the Executive Committee. Prior to his tenure at Global Blue, he held positions at PricewaterhouseCoopers, Alvarez & Marsal, and Kirkham Group Pte Ltd.

Gregory holds a BBA in Accounting from the Ross School of Business at the University of Michigan, an MBA with concentrations in Finance and Marketing from the Wharton School at the University of Pennsylvania and is a Certified Public Accountant (CPA) in the State of New York in the United States.

Management Discussion & Analysis FY25

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A. Global Economy



2024 was a year marked by uncertainty. More than 70 countries, including major players like India, the United States, and the United Kingdom, held elections that significantly influenced the global geopolitical landscape. Against this backdrop, the global economy entered a phase of cautious recovery, shaped by the complex interplay of easing inflation, resilient labour markets, and persistent geopolitical and financial headwinds. Although growth remained modest by historical standards, the global economy displayed notable resilience amid tightening monetary policies, ongoing supply chain adjustments, and climate-related disruptions.

For 2025, the International Monetary Fund (IMF) has released its latest economic

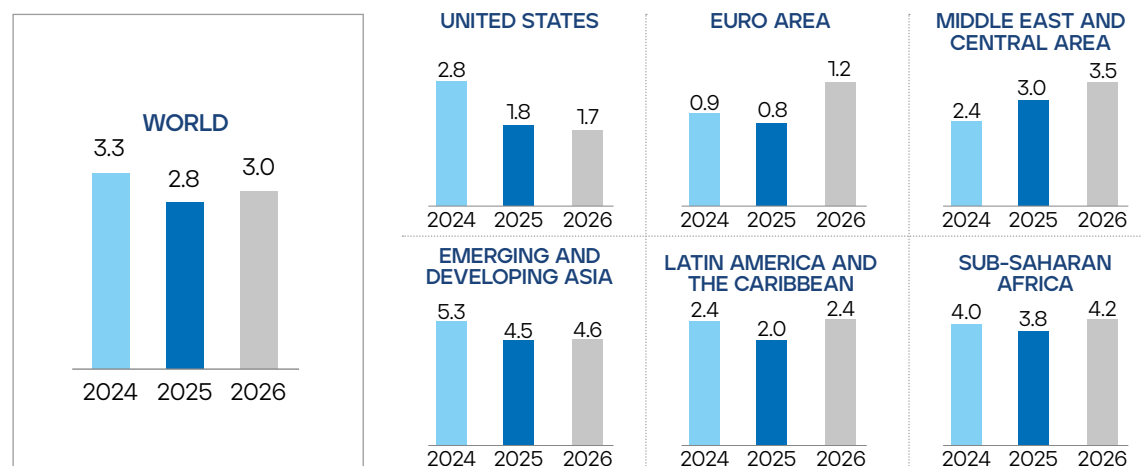
outlook, presenting a cautiously optimistic view of the global economy amid easing inflationary pressures and a steady, albeit uneven, path to recovery. While global growth remains modest, emerging markets, particularly India, continue to stand out with strong economic fundamentals and robust domestic demand.^[1]

Global GDP growth is projected to expand at around 2.8% for 2025 and 3% for 2026 (3.2% in 2024), marginally higher than the previous year, reflecting resilience in labour markets, easing inflation, and improved financial conditions. Emerging economies' growth at 4.2% is expected to outpace advanced economies' growth at 1.7%.^[2]

Inflation (projected to decline to 4.5% in 2025 from 5.9% in 2024) is forecasted to continue its downward trajectory in most advanced economies, thanks to tighter monetary policies and stabilized commodity prices. However, some developing economies may still face inflationary pressures due to currency fluctuations and geopolitical tensions. Advanced economies like the US and Eurozone are expected to see slower growth, around 1.5–2%, as high interest rates weigh on investment and consumption.^[1]

Emerging markets are poised to drive global expansion, supported by rising consumer demand, infrastructure investments, and improved export performance.

World Economic Outlook April 2025 – Growth Projections by Region
(REAL GDP GROWTH, PERCENT CHANGE)



^[1] <https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>
^[2] <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2123826>

B. Indian Economy



India's economic performance in 2024 solidified its status as the fastest-growing major economy in the world. Amid global uncertainties, India demonstrated remarkable resilience, underpinned by robust domestic demand, strong public investment, moderating inflation, and a sustained reform momentum. While external challenges persisted, the country managed to maintain macroeconomic stability and accelerate structural transformation.^[2]

For 2025 and 2026, India remains one of the fastest-growing major economies, with the IMF projecting a strong GDP growth rate of 6.2% in 2025 and 6.3% in 2026, slightly moderating from 2024 due to base effects but still reflecting resilient economic activity.^[1]

Domestic demand continues to be the primary growth engine, supported by rising incomes, urban consumption, and a rebound in private sector investment. Inflation is expected to stabilize within the Reserve Bank of India's (RBI) target range of 4–6%, aided by food price normalization and proactive monetary policy.

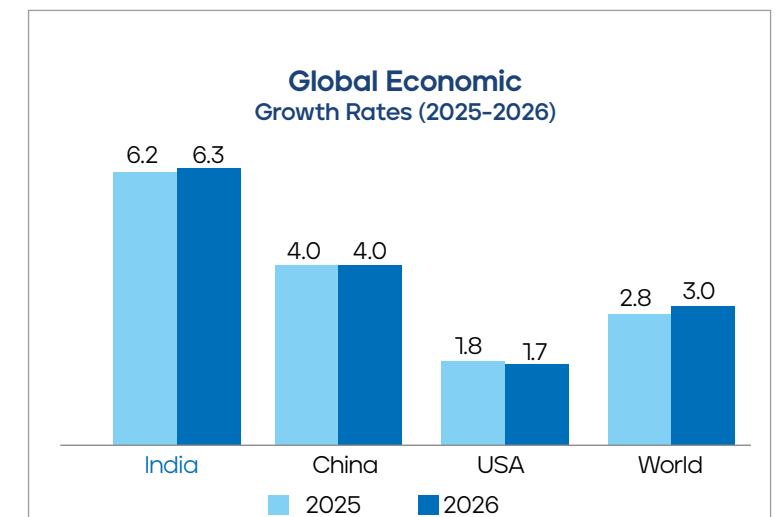
Fiscal consolidation efforts are underway, with the central government aiming to narrow the fiscal deficit while

continuing capital expenditure on infrastructure and welfare schemes. Reform momentum remains strong, particularly in areas such as labour laws, digital governance, and green energy transitions. External sector performance is improving, with a narrowing current account deficit and steady foreign exchange reserves, although global trade uncertainties pose a potential risk.

One such risk stems from the evolving political landscape in the United States. The return of Donald Trump to the presidency has introduced uncertainty around trade and tariff policies. Any shifts in U.S. tariff regimes or broader

economic measures could have significant downstream effects on global supply chains, particularly for India's Pharmaceutical and Chemical industries, which are heavily reliant on cross-border trade for imports and exports.

India is expected to remain one of the fastest-growing major economies in 2025 and 2026, even as other large economies face slower growth. Backed by strong fundamentals and government-led reforms in infrastructure, innovation, and financial inclusion, India is strengthening its position as a key force in global economic activity.^[2]



Source: IMF World Economic Outlook, April 2025
 *GDP growth rates for India are on a fiscal year (FY) basis, 2025 refers to 2025/26

C. Industry Development



1. Pharmaceuticals Industry

The global pharmaceutical market size was estimated at \$1,645.75 billion in 2024 and is expected to grow at a CAGR of 6.12% from 2025 to 2030.

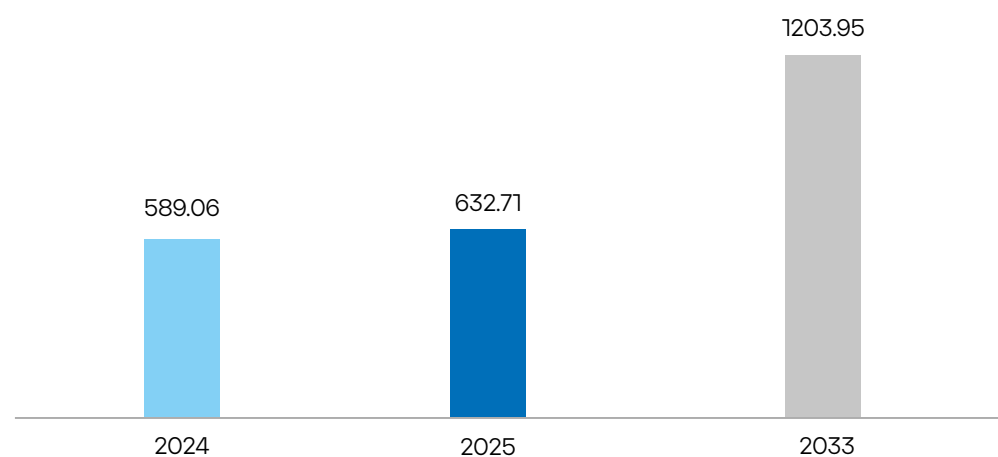
The global pharmaceutical manufacturing market size was valued at \$589.06 billion in 2024 and is projected to reach \$632.71 billion in 2025 to \$1,203.95 billion by 2033, growing at a CAGR of 7.41%. One of the elements of the pharmaceutical manufacturing market is the growing need for effective and safe medications worldwide. As chronic

diseases, infectious diseases, and other health conditions continue to rise, there is an increasing demand for pharmaceutical drugs to address these healthcare challenges. ^[4]

North America leads the global pharmaceutical manufacturing market, driven by a strong presence of major pharmaceutical companies, advanced healthcare infrastructure, high R&D investment, and a favourable regulatory environment. With a projected CAGR of 11.69%, the region is set to maintain

its dominant position. Europe, with a projected CAGR of 9.80%, also holds a significant share of the market, supported by increasing healthcare expenditure, a growing ageing population, and a robust pharmaceutical industry. Stringent regulatory standards and a focus on quality control contribute to Europe's steady growth and innovation in the sector. ^[4]

Growth of Global Pharmaceutical Manufacturing Market (\$ bn)



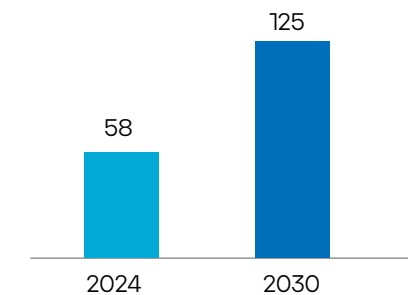
Indian Market: India's pharmaceutical industry ranks 3rd globally in pharmaceutical production by volume and 14th by value, supported by a well-established domestic sector comprising approximately 3,000 drug companies and over 10,000 custom manufacturing units. India is the world's largest provider of generic medicines, with a 20% global supply share by volume. ^[7]

India's pharmaceutical industry, valued at around \$58 billion, is projected to reach \$120-130 billion by 2030 and \$400-450 billion by 2047. Growth is driven by rising lifestyle diseases, an ageing population, increased focus on holistic health, and the growing consumerization of healthcare. ^[7]

According to reports, revenues of the Indian pharmaceutical market is expected to grow 8-9% in FY26. ^[6] Pharma industry revenue growth is driven by strong performance in the US, Europe, and emerging

markets, aided by new product launches and increased chronic therapy share. Expansion in domestic reach, focus on complex generics, and strategic acquisitions further support growth. ^[8]

Projected Growth of India's Pharmaceutical Industry (\$ bn)



Key Growth Drivers:

- Improved Access to Medicine in Emerging Markets:** Rising incomes, better healthcare infrastructure, and expanded insurance in countries like India and China are driving higher medicine consumption. In India, access to advanced medicines and strong public-private support are boosting pharmaceutical demand.
- Rising Prevalence of Chronic Diseases:** Chronic conditions like cardiovascular diseases, cancer, diabetes, and respiratory illnesses are rising globally, accounting for 70% of all deaths. With 41 million annual deaths linked to these diseases, demand for effective pharmaceutical treatments continues to grow rapidly.
- Ageing Global Population:** The global elderly population (65+) is expected to more than double from 761 million in 2021 to 1.6 billion by 2050. This surge, along with a higher burden of chronic conditions among seniors, is driving sustained growth in pharmaceutical demand.

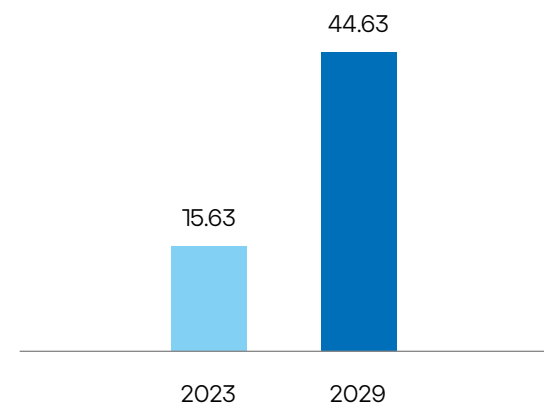
Indian CDMO Industry: India's Contract Development and Manufacturing Organization (CDMO) market is poised for rapid expansion, projected to nearly triple from \$15.63 billion in 2023 to \$44.63 billion by 2029. This explosive growth is being driven by a global shift among biopharma companies seeking more cost-effective and high-quality outsourcing options. As geopolitical uncertainties, supply chain disruptions, and rising costs strain traditional Western CDMO markets, India has emerged as a preferred alternative thanks to its competitive pricing, technical expertise, and untapped capacity.^[8]

A key catalyst in India's CDMO evolution is its growing foothold in biologics, a domain historically led by Western players. Government-backed initiatives such as the Biotechnology Industry

Research Assistance Council (BIRAC) have played a pivotal role in nurturing innovation, supporting biotech startups, and building production infrastructure. Alongside regulatory reforms, fast-track approval processes, and

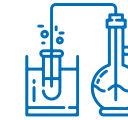
increased foreign investment, these efforts have significantly strengthened India's CDMO landscape, evident in a reported 50% year-on-year surge in RFPs received by some Indian CDMOs.^[8]

Growth of India's CDMO Market (\$ bn)



Key Growth Drivers:

- **Cost Advantage:** India provides a significant cost edge, with manufacturing expenses 20–30% lower than in China and substantially lower than in Western markets. This is driven by lower operational costs, economically skilled labour, and streamlined production practices—making India an attractive destination for global pharma companies seeking supply chain optimization.^[8]
- **Skilled Workforce:** India has one of the world's largest pools of technically trained professionals, with a steady influx of graduates in biotechnology, chemistry, and pharmaceutical sciences. This deep talent pool supports innovation, process development, and efficient scaling of both biologics and small-molecule production.^[8]
- **Infrastructure & Investment:** The country is witnessing rapid upgrades in manufacturing infrastructure, including AI-enabled quality systems and biotech-focused industrial clusters. Growth in biotech parks, special economic zones, and sustained foreign direct investment is equipping India with the capability and capacity to manage complex and large-scale pharmaceutical manufacturing.^[8]



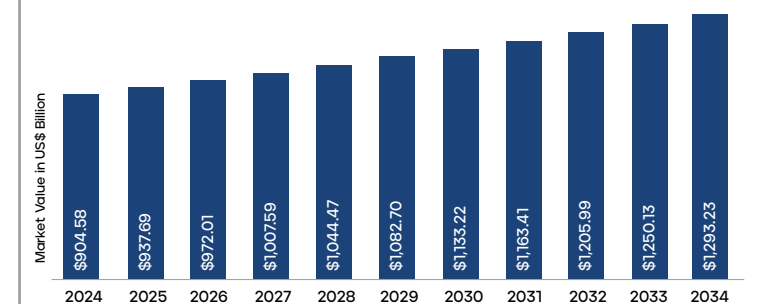
2. Specialty Chemicals Industry

The global Specialty Chemicals market size was valued at \$904.58 billion in 2024 and is projected to reach around \$1,293.23 billion by 2034, growing at a compound annual growth rate (CAGR) of 3.66% from 2025 to 2034.^[10]

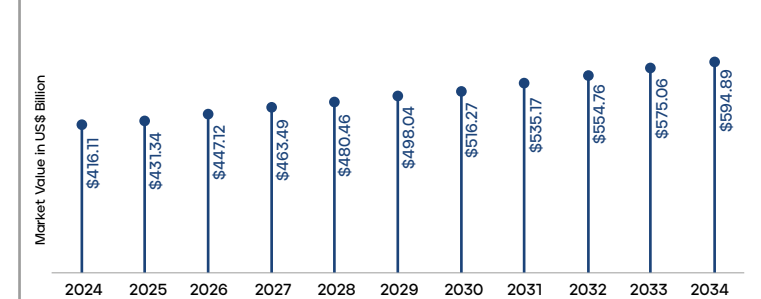
The global specialty chemicals market is witnessing robust regional growth, with Asia-Pacific emerging as the fastest-growing region, driven by rapid industrialization and urbanization in China, India, and Japan. The Asia-Pacific market is projected to grow from \$416.11 billion in 2024 to \$594.89 billion by 2034. North America and Europe are also expected to experience steady growth, reaching \$271.58 billion and \$323.31 billion, respectively, by 2034. The LAMEA region is forecasted to expand from \$72.37 billion in 2024 to \$103.46 billion by 2034.^[10]

Indian Market: Specialty chemicals make up 20% of the global \$4 trillion chemicals industry. India's specialty chemicals market is projected to grow at a 12% CAGR, reaching \$64 billion by 2025, driven by strong export and end-user demand growing at 10–20% CAGR.^[11]

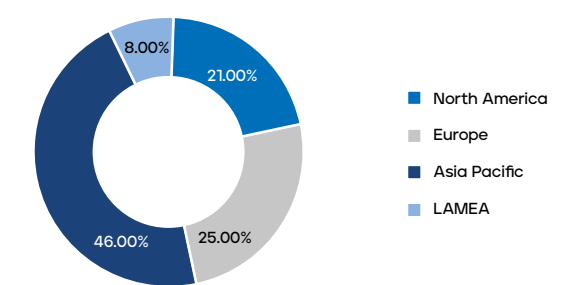
Specialty Chemicals Market Size 2024 to 2034 (USD Billion)



Asia Pacific Specialty Chemicals Market Size 2024-2034



Specialty Chemicals Market Share, By Region, 2024 (%)



^[8] <https://www.icra.in/CommonService/OpenMediaS3?Key=091f92f3-3a7c-41b2-884f-dd41c0bf4207#.-:text=The%20debt%20metrics%20of%20ICRA's%20sample%20set,by%20the%20generation%20of%20healthy%20internal%20accruals.>

^[9] <https://www.globenewswire.com/news-release/2025/01/21/3012818/0/en/Pharmaceutical-Manufacturing-Market-Size-to-Worth-USD-1203-95-Billion-by-2033-Straits-Research.html>

^[10] <https://www.spglobal.com/ratings/en/research/articles/250203-pharmaceutical-industry-2025-credit-outlook-is-stable-as-healthy-revenue-growth-mitigates-pressures-13394024>

^[11] <https://investing.com/news/stock-market-news/indian-pharma-market-to-grow-89-per-cent-in-fy26-report-4711463>

^[12] <https://www.financialexpress.com/business/healthcare-whats-in-store-for-pharmaceutical-sector-in-2025-3706432/>

^[13] <https://www.thepharmanavigator.com/news/india-the-next-frontier-in-global-cdmo-services>

^[9] <https://www.investindia.gov.in/team-india-blogs/chemical-industry-growth-drivers-and-investment-opportunities-india>

^[10] <https://www.cervicornconsulting.com/specialty-chemicals-market>

^[11] https://www.ibef.org/download/1744101748_Chemicals-February-2025.pdf

Key Growth Drivers:

- **Rising Domestic Consumption:** India's chemical production is foundational to various end-user industries, such as agriculture, pharmaceuticals, automotive, electronics, and construction. About 70% of India's chemical production is consumed domestically, and the country is expected to account for 20% of the incremental global chemical consumption over the next two decades. Domestic demand is

- **Emerging Export Powerhouse:** India is poised to strengthen its position as a global agrochemical hub, building on its status as the 4th largest net exporter of agrochemicals and the 13th largest exporter of pesticides and disinfectants. Going forward, exports are expected to rise further, driven by the country's low-cost manufacturing capabilities, a growing pool of technically skilled manpower, seasonal

projected to reach \$850-1,000 billion by 2040. ^[9]

domestic demand patterns, overcapacity in production, competitive pricing, and a strong foothold in generic pesticide manufacturing. ^[11]

- **Evolving Supply Chains:** Several geopolitical factors affect the global supply chain for chemicals and petrochemical products. Manufacturers are seeking new markets to strengthen their supply chains. Here, India, with its value proposition, can emerge as a trusted partner ^[9]



3. Agrochemicals Industry

The global agrochemicals market was valued at \$223.03 billion in 2024 and is expected to grow at a CAGR of 3.4% between 2025 and 2033, reaching \$301.34 billion by 2033. ^[12]

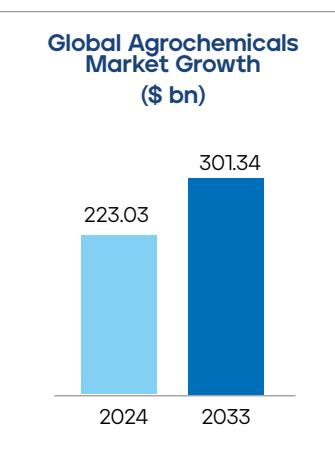
The growth of the global agrochemicals market is being driven by increased usage in emerging nations due to rising pest threats from global trade and evolving farming practices. Urbanization is reducing arable land, pushing farmers to rely more on agrochemicals to enhance productivity. Additionally, rising food demand, especially in Asia, and government support through subsidies and tax incentives are further fuelling market expansion. The cultivation of high-value cash crops also contributes to the sector's continued growth. ^[13]

Indian Market: The India agrochemicals market size is estimated at \$8.53 billion in 2025 and is expected to reach \$10.38 billion by 2030, at a CAGR of 4% during the forecast period. ^[15]

India's agrochemical industry is witnessing steady growth, driven by stable domestic demand, increased awareness among farmers, improved access to modern agri-inputs, and a gradual recovery in export markets. Rising adoption of high-efficiency products and expanding usage across non-crop applications are also contributing to this positive outlook.

However, the industry continues to face several challenges, including intense competition from

low-cost chinese suppliers, regulatory delays in product approvals, and evolving global procurement trends that are impacting export momentum. Additionally, pressure on pricing and margins remains a concern for industry players. ^[14]



^[12]<https://www.ibef.org/industry/chemical-industry-india>

^[13][https://stratinsresearch.com/report/agrochemical-market#:~:text=Agrochemicals%20Market%20Size%20and%20Trends,period%20\(2025%E2%80%932033\).](https://stratinsresearch.com/report/agrochemical-market#:~:text=Agrochemicals%20Market%20Size%20and%20Trends,period%20(2025%E2%80%932033).)

^[14]<https://economictimes.indiatimes.com/industry/indl-goods/svs/chem/-/fertilisers/agrochemicals-sector-revenue-expected-to-grow-at-7-9-pc-in-fy26-crisil/articleshow/116292342.cms?from=mdr>

^[15]<https://www.mordorintelligence.com/industry-reports/india-agrochemicals-market>



4. Oil & Gas Industry

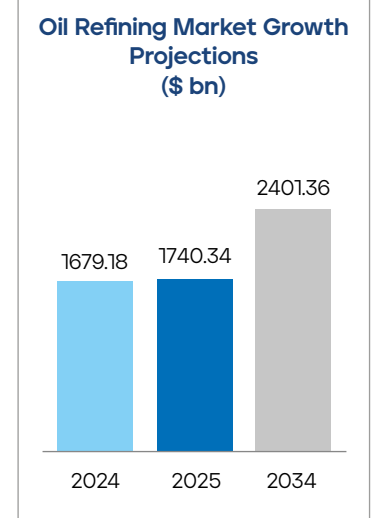
The oil refining market is projected to grow from \$1,740.34 billion in 2025 to \$2,401.36 billion by 2034, at a CAGR of 3.64%, up from \$1,679.18 billion in 2024. The oil refining market is driven by rising demand for gasoline and diesel due to population growth and urbanization, along with the shift toward cleaner fuels. Key opportunities include expanding downstream operations, adopting advanced refining technologies, and integrating renewable energy to boost efficiency and sustainability. Recent trends show a move toward complex refinery setups using hydrocracking and coking, along with increased digitalization to enhance operations and competitiveness.

The Oil and Gas capex market is driven by rising global energy demand due to population growth, economic development, and urbanization, especially in

emerging regions. To meet this demand, companies are ramping up investments in exploration, extraction, and production. Governments are also pushing for energy diversification and security, leading to infrastructure upgrades and the adoption of advanced technologies. These efforts aim to boost efficiency, production capacity, and sustainability. As countries strive for energy independence, the market is set to grow through continued capital investments. ^[18]

Indian Market: India is poised for a major refining boom, with capacity expected to grow over 20% in the next three years. Refining capacity is set to rise from 256 million mt to 309 million mt by 2028, driven by surging domestic and overseas demand for oil products. Refineries are currently operating at over 100% capacity, with recent utilization hitting 103%. According to S&P Global

Commodity Insights, the capacity increase will be led by brownfield expansions (58%) and greenfield projects adding 18 million mt/year. This strategic growth not only meets rising domestic demand but also boosts India's export potential. The expansion is aimed at building an energy-secure and opportunity-rich future for the country. ^[16]



^[16]<https://www.spglobal.com/commodity-insights/en/news-research/latest-news/crude-oil/010725-indias-refining-capacity-to-expand-20-by-2028-on-robust-run-rates-demand-growth>

^[17]<https://www.mordorintelligence.com/industry-reports/oil-refining-market>

^[18]<https://www.marketresearchfuture.com/reports/oil-gas-capex-market-36757#:~:text=Global%20Oil%20and%20Gas%20CAPEX,adjust%20their%20capital%20expenditures%20accordingly.>

5. Other Industry Segments

Paints Industry: The global paints and coatings market is projected to grow from \$193.91 billion in 2025 to approximately \$282.45 billion by 2034, with a CAGR of 4.27% over the forecast period. The global paints and coatings market is growing rapidly due to the expansion of the construction and automotive industries, driven by increased urbanization and infrastructure development. Rising demand for durable, aesthetic, and protective coatings is fuelling market growth across residential, commercial, and industrial sectors. Asia-Pacific is the dominant region in the market and is likely to maintain its position. This is due to the growing construction and construction activity as well as the automobile industry in China, India and Japan. ^[22]

Fertilizer Industry: The India fertilizers market size is estimated at \$45.89 billion in 2025 and is expected to reach \$62.83 billion by 2030, growing at a CAGR of 6.49%. Government subsidies play a key role in driving growth in the Indian fertilizer market by making fertilizers like urea, DAP, and NPK more affordable for farmers, ensuring consistent usage and improved crop yields. Rising agricultural demand, fuelled by population growth and changing dietary habits, also boosts fertilizer usage. ^[23]

Metals, Minerals & Mining Industry: The metals and mining sector in India is poised for significant growth,

backed by robust demand, favorable policy initiatives, and the expansion of end-user industries. A major driver is the sustained focus on infrastructure development, which has led to a consistent rise in demand for core materials like steel, aluminium, and coal. India's goal to reach 500 million tonnes of steel production by FY50—up from around 111 million tonnes currently—reflects its ambition to fuel infrastructure and industrial growth. Government projects related to national highways, railways, ports, and housing have made construction the largest consumer of steel, accounting for 60-65% of its use. ^[24]

CBG Industry: Compressed Biogas (CBG) is emerging as a pivotal element in India's energy transition, offering a sustainable alternative to imported liquefied natural gas (LNG). Through the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative, the government has received 2,227 active Letters of Intent (LOIs) and, in 2024-25, 94 CBG plants collectively sold 31,422 tons of CBG. To bolster this sector, the government has allocated ₹564.75 crore for biomass aggregation machinery (FY 2023-24 to FY 2026-27) and ₹994.50 crore for developing pipeline infrastructure to integrate CBG into City Gas Distribution networks. Additionally, a CBG blending obligation aims for a 1% blend by FY 2025-26, scaling

up to 10% in subsequent years, underscoring CBG's role in enhancing energy security and reducing carbon emissions.

Renewable Energy Expansion:

India aims to add a record 35 GW of solar and wind energy to the grid by March 2025, supported by a \$386 billion financial commitment. This initiative is part of the country's goal to reach 500 GW of non-fossil power by 2030, with major companies like Reliance Industries and Adani Green Energy pledging significant renewable capacity expansions. ^[21]

Battery Recycling Initiatives:

The lithium-ion battery recycling market in India is projected to grow at a robust CAGR of 41.1% from 2025 to 2032. This growth is driven by increasing electric vehicle adoption, favourable government policies, and rising demand for lithium-ion batteries. Key players in this sector include Exigo Recycling, RecycleKaro, Lohum Cleantech, and Attero Recycling. ^[20]

Fermentation Technology

Growth: India's fermentation chemicals market is expected to reach a projected revenue of \$8,653.5 million by 2030, growing at a CAGR of 8.3% from 2024 to 2030. This growth is fueled by increasing demand in pharmaceuticals, food and beverages, and industrial applications. ^[19]

^[19]https://www.grandviewresearch.com/horizon/outlook/fermentation-chemicals-market/india?utm_source=chatgpt.com

^[20]https://www.gmiiresearch.com/report/india-lithium-ion-battery-recycling-market/?utm_source=chatgpt.com

^[21]https://www.reuters.com/business/energy/india-gets-386-bln-financial-commitment-expand-renewable-capacity-2024-09-16/?utm_source=chatgpt.com

^[22]<https://www.precedenceresearch.com/paints-and-coatings-market>

^[23]<https://www.globenewswire.com/news-release/2025/01/16/3010961/28124/en/India-Fertilizer-Market-Analysis-Volume-Forecasts-and-Company-Analysis-Report-2025-2033.html>

^[24]https://www.ibef.org/download/1744102277_Metals-and-Mining-February-2025.pdf

D. Company Overview

GMM Pfau

We design, manufacture, install, and service corrosion-resistant equipment and complete chemical process systems according to our customers' requirements.

With the integration of the Group's technologies into complete process solutions for a myriad of applications - such as reaction, evaporation, acid recovery, distillation, filtration, and drying, amongst many others - the global team of process engineers and

project managers provides turnkey-designed and built systems.

The exceptional portfolio of systems and technologies requires global support for installation, maintenance, and optimization. To better serve the Group's clients, we provide extensive worldwide services with the largest field service organization in the industry.

GMM Pfau

With the growing shift towards conducting business

responsibly, GMM Pfau

Following are the Key Strategic and Financial Highlights for FY25:

1. Key Strategic Highlights

- Global Manufacturing Footprint optimization continues:
 - Established a low-cost manufacturing facility in Poland for the production of stainless-steel non glass-lined equipment.
 - Closure of Leven, UK will be completed by Q2 FY26
 - Completed the closure of the Hyderabad facility and consolidated glass-lined operations at Karamsad to enhance capacity utilization and reduce company-wide costs.
- Successfully concluded Project Shikhar, an ongoing EBITDA transformation initiative, with benefits expected to extend into FY26.
- Continued to evolve product mix in alignment with the Group's diversification strategy.
- Successfully running the Global Engineering Centre in India, which powers our global operations with agile, high-impact engineering solutions
- Appointed a Chief Transformation Officer for GMM Pfau
- Successfully participated in AICHEMA 2024, the world's leading process industry trade fair, with over 2,800 exhibitors and 100,000+ participants.
- Maintained ICRA ratings at AA-/Stable/A1+. CRISIL credit ratings at AA-/Positive/A1+ (Outlook revised from 'Stable'; Rating reaffirmed).
- Achieved an ESG rating of "Adequate" from CRISIL, with a Governance score of 76/100, and a "Medium" rating from SES, reflecting a stronger Governance score of 84/100.
- Named a finalist in the 2025 Manufacturing Leadership Awards for its AI-driven business process improvement project using the Infor Velocity Suite.



2. Financial Performance

GMM Pfaudler showed resilience in its financial performance during FY25 despite the general weakness in the chemical industry impacting capex cycles and new investments and global geopolitical uncertainties.

The Company continued to remain committed to enhancing shareholder value, reflected in its increasing market capitalisation of over 14 times in the last seven years. GMM Pfaudler is one of the top 1000 listed companies in terms of market capitalisation (its rank on The BSE Limited (BSE) was 778, while on the National Stock Exchange of India Limited (NSE) it was 770. In FY25, GMM Pfaudler recorded standalone revenues of ₹921 crore, down 11% from the previous year's ₹1,031 crore, and consolidated revenues of ₹3,199 crore, down 7% from the previous year's ₹3,446 crore. Standalone Earnings Before

Interest, Tax, Depreciation and Amortisation (EBITDA)* is down by 6% at ₹130 crore as compared to ₹139 crore in FY24, and consolidated EBITDA* decreased 20% to ₹381 crore, before exceptional items as compared to ₹476 crore in FY24.

Profit Before Tax (PBT)* increased by 9% to ₹76 crore as compared to ₹70 crore in FY24 on a standalone basis and reduced by 35% to ₹164 crore (before exceptional items) compared to ₹251 crore in FY24 on a consolidated basis.

The Company continued to strengthen its internal systems and processes to improve efficiencies and minimise costs. In the current year, the Company has been able to reap the benefits from these efforts and will continue to do so in the coming years as well.

The year FY26 started with a strong order book, especially for India Business and with the onset of resurgence in the Pharma & Chemical sectors, the Management remains confident that GMM Pfaudler will continue to dominate the corrosion-resistant technologies, systems, and services space.

* EBITDA & PBT for standalone and consolidated results are before considering one-time costs for the India EBITDA transformation program and Hyderabad, India site closure amounting to ₹19.59 crores and before one-time exceptional costs pertaining to Leven, UK site closure consisting of severance pay, inventory write-offs, asset impairment and other closure costs amounting to ₹47.66 crores.

E. Key Financial Ratios

Details of change of 25% or more in the key financial ratios in comparison to the previous financial year along with explanation thereof are as under:

Sr. No.	Particulars	Consolidated		
		FY25	FY24	% Change
1.	Debtors Days	47	46	-2%
2.	Inventory Days	67	74	9%
3.	Interest Coverage Ratio	3.69	5.02	-26%
4.	Current Ratio	1.67	1.59	5%
5.	Debt Equity Ratio	0.83	0.93	11%
6.	Operating Profit Margin (%)	11.90%	13.81%	-14%
7.	Net Profit Margin (%)	3.11%	4.95%	-37%
8.	Return on average net worth (%)	9.95%	19.15%	-48%
9.	EPS (INR)	22.99	39.03	-41%

- *i. EBITDA is before considering one-time costs for the India EBITDA transformation program and Hyderabad, India site closure amounting to ₹19.59 crore.
- ii. PAT is before one-time costs as explained in note i. above and before one-time exceptional costs pertaining to Leven, UK site closure consisting of severance pay, inventory write-offs, asset impairment and other closure costs amounting to gross value of ₹47.66 crores (Total net of tax ₹50.40 crores).
- iii. EPS is calculated considering the PAT as explained in note ii. above.

Notes:

Interest Coverage Ratio: Interest coverage ratio in FY25 decreased as compared to FY24 due to lower operating profits in FY25 and higher finance cost comprising of one-time refinancing charges in International Business.

Net Profit Margin: Net Profit Margin in FY25 decreased as compared to FY24, primarily due to lower net profit in FY25 as compared to FY24.

Return on average net worth (%): Return on average net worth in FY25 decreased as compared to FY24, primarily due to lower business profits in FY25 as compared to FY24.

EPS: EPS in FY25 decreased as compared to FY24, mainly due to lower business profits in FY25 as compared to FY24.

Definitions:

1) Debtor Turnover: Average of trade receivables (current year and previous year) by revenue from operations for the year.

2) Inventory Turnover: Average inventory (current year and previous year) by revenue from operations for the year.

3) Interest Coverage Ratio: Total EBITDA* before exceptional items by finance cost for the year.

4) Current Ratio: Current assets by current liabilities including working capital borrowings.

5) Debt Equity Ratio: Total debt including working capital borrowings and lease liabilities by total equity at the end of the year.

6) Operating Profit Margin: EBITDA* before exceptional items by operating revenue for the year.

7) Net Profit Margin: Profit after tax* for the year by revenue from operations for the year.

8) Return on average net worth: Profit after tax* for the year by average net worth for the year.

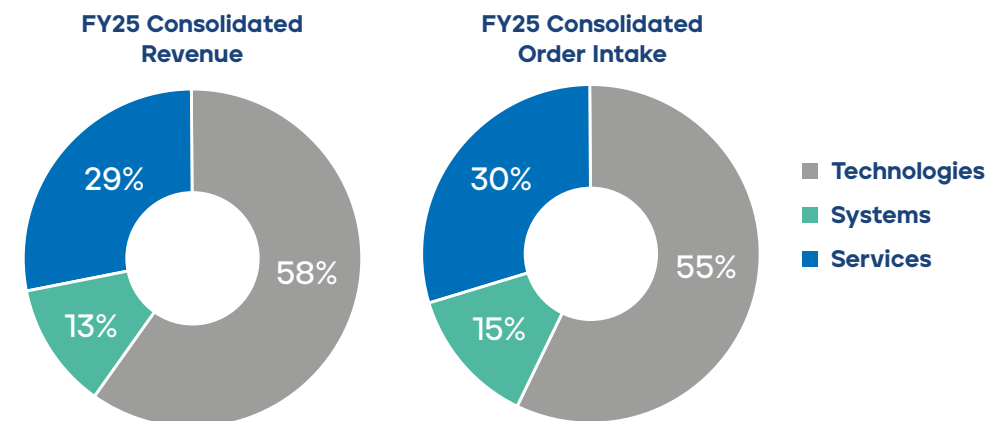
9) Earnings Per Share (EPS): Profit for the year* by number of equity shares.

The calculation of above ratios (including restatement of prior year ratios, wherever necessary) is in accordance with formula prescribed by Guidance note on Schedule III issued by the Institute of Chartered Accountants of India.

F. Business Segments & Operational Highlights

1. Business Overview

GMM Pfaudler is present across Americas, Europe, and Asia through its offerings in technologies, systems, and services. Through its product portfolio, the company has sustained its business relations with a marquee customer base and continues to strengthen its position as the market leader. GMM Pfaudler is at the forefront of innovation, focused on developing new technologies that will become a benchmark for tomorrow.



Technologies:

Since the very beginning, GMM Pfaudler has continually revolutionised the industry to meet its clients' highly specific, ever-changing chemical processing needs. Year after year, with proven reliability, we have designed and manufactured the technologies required to create chemicals that are sought after worldwide.

Our Group boasts over a century-long expertise in the use of many types of corrosion-resistant materials, like glass-lined, borosilicate glass 3.3, fluoropolymers, high nickel alloys, zirconium, and tantalum, just to name a few.

By leveraging our vast portfolio and truly global operational footprint, GMM Pfaudler can serve its clients with single source solutions for all their most complex needs.

The Technologies business accounted for a revenue of ₹1,839 crore with an order intake of ₹1,696 crore in FY25.

Glass-Lined Technologies

Pfaudler has been at the forefront of developing new technologies to meet the highly specialized chemical processing needs of its clients for more than a century.

One of the primary reasons why Pfaudler's glass-lined equipment is trusted by over 90% of the world's top chemical companies is due to its exceptional reliability in reaction technologies and the comprehensiveness of its glass-lined accessories. These advanced technologies are crucial for the safe containment of corrosive contents, maintaining vessel pressure, and ensuring the final batch quality.

Business Highlights:

- Formed a partnership with Gravner Winery: GMM Pfaudler engineered tanks using premium-grade steel and advanced construction techniques, exemplifying strength, durability, and a strong commitment to preserving the integrity of the wine.
- Pharma sector inquiries remained steady, while the outlook for the chemicals sector continued to be sluggish.
- Successfully completed the consolidation of manufacturing facilities to support footprint rationalization and operational efficiency.



Non Glass-Lined Technologies:

GMM Pfaudler's non glass-lined technologies that include Mavag (Filtration & Drying), Mixion, Mixel and Mixpro (Mixing Technology), Interseal (Sealing Technology), Equilloy (Alloy Process Equipment), Edlon (Fluoropolymers) and Normag (Lab & Process Glass) showcase our strength as a group, our capabilities, and our constant pursuit of innovation. The objective has always been to diversify from our core business by entering adjacent industries to sustain growth and capture customer wallet share through portfolio expansion. With our non glass-lined technologies, we leverage the full breadth of

our capabilities to provide our customers an end to end solution.

The focus remains on strengthening the non-glass-lined portfolio to create a basket of brands that are complementary and can increase customer spend in the core industries that we serve.

Business Highlights:

- Mixion expanded into new industries, including Water, Flue Gas Desulfurization (FGD), Compressed Biogas (CBG), and Oil & Gas.
- Equilloy secured breakthrough orders in

ACHE across top-tier customers.

- Successfully completed the revamp of the cleanroom facility in India to enable the manufacturing of Titanium and other exotic alloy equipment.
- Product innovation focus at Mavag yielded results, with trial orders successfully booked.
- Cross-selling of multiple products across the US, Europe, and Asia led to increased customer spend and deeper market penetration.



Systems:

GMM Pfaudler's capabilities are not limited to the individual technologies themselves. Utilizing vast chemical processing expertise, our skilled engineers combine technologies and services into complete, fully integrated, and efficiently operating process systems.

GMM Pfaudler supplies turnkey systems from lab through full industrial scale plants, for all chemical processes. Our expertise allows us to design process systems with Pfaudler technologies meeting the complex requirements of reaction, evaporation, distillation, acid recovery, absorption, filtration, and drying processes. A complete system includes the design of all the unit operations surrounding and supporting the core technology. Systems are designed specifically for each client's process. Each system layout is custom designed to ensure proper system functionality and

to ensure all equipment, instruments and valves are arranged for ease of operation and maintenance. Our technicians assist with field installation and our engineers work with our client's team to commission the system.

As a single-source provider, we ensure that the design of every component is perfectly integrated into the system for optimum performance. Our skilled engineering and manufacturing ensure high quality while our project management expertise provides for fast-track schedules and reduced costs. Our focus is to provide our customers with innovative solutions and comprehensive service offerings across the world.

The Systems business accounted for a revenue of ₹428 crore with an order intake of ₹480 crore in FY25.

Business Highlights:

- Successfully commissioned a modular short path distillation plant that converts cashew nutshell liquid (CNSL) into high-purity cardanol—a bio-based phenolic compound used in friction materials, coatings, adhesives, and more.
- Commissioned a 250 TPD Sulfuric Acid Concentration Plant powered by our proprietary MoSA process—marking a key milestone in delivering sustainable solutions for the chemical industry.
- US systems outperformed budget expectations, driven by strong order intake.
- Secured major orders for Solid-Liquid Separation systems in the Indian market.
- Received the first order for a Bromine plant column system, expanding our presence in the halogen-based chemical sector.



Services:

Not only do the world's top chemical companies trust on GMM Pfaudler's Technologies and Systems to manufacture their products, but they also rely on our engineering, technical services, and aftermarket parts to keep their plants operating efficiently.

We provide parts and maintenance services for our technologies to our global network of customers throughout their plants, as well as the same services for those of others.

However, our services also extend far beyond that of standard maintenance. Every project is unique, and our highly experienced team of engineers and technicians will work together with you to deliver the most effective and complete process solution, from conception to design and installation.

The Services business accounted for a revenue of ₹932 crore with an order intake of ₹926 crore in FY25.

Business Highlights:

- Supported global acid recovery projects through installation and commissioning services delivered by expert technicians from India.
- Booked the first-ever Annual Maintenance Contract (AMC) order for NGL, marking a significant milestone.
- Achieved successful market entry for Interseal in India, reinforcing our commitment to expanding product reach.

2. Operational Highlights

- Established a low-cost manufacturing facility in Poland for the production of stainless-steel non glass-lined equipment.
- Closure of Leven, UK will be completed by Q2 FY26
- Completed the closure of the Hyderabad facility and consolidated glass-lined operations at Karamsad to enhance capacity utilization and reduce company-wide costs.
- Achieved cost reductions across multiple parameters under Project Shikhar, driving operational efficiency and improved financial performance.

G. Innovation and Technology

- Inaugurated state-of-the-art test centre in Karamsad, Gujarat, equipped to conduct pilot trials for molecular distillation and acid concentration technologies.
- Successfully commercialized a patented new filtration and drying technology for the chemical and pharma Industry, which significantly reduces filtration and drying time as well as costs.
- Developed new features for glass-lined reactors, especially for GMP requirements.
- Invested in flow chemistry through collaborations with CPI (UK) and NCL (India) to advance continuous processing.



H. Opportunities and Threats



Opportunities:

- The Indian government continues to focus on enhancing the country's global competitiveness. Initiatives such as "Make in India" aim to simplify regulations, reduce bureaucracy, and lower operational costs, thereby promoting entrepreneurship and attracting foreign investment.
- The "China+1" strategy has led to a significant shift in global manufacturing, with many companies relocating production from China to India. This trend is particularly evident in the chemical and pharmaceutical sectors, where India is gaining traction due to its cost-effectiveness and robust infrastructure.
- GMM Pfaudler is actively developing green and ESG-friendly glass-lined equipment materials, replacing heavy metals with more sustainable alternatives. The company is also exploring technologies to serve emerging industries such as bioplastics, bio-proteins, mock meats, and the rapidly growing electric vehicle (EV) sector.
- The Indian government has expanded the PLI scheme to include sectors like semiconductors and display manufacturing, in addition to pharmaceuticals. This expansion aims to boost domestic manufacturing, reduce import dependence, and improve supply chain resilience.



Threats:

- GMM Pfaudler's business is dependent on the performance of its end-user industries like pharmaceuticals and chemicals. Poor business outlook in these end industries and a consequent cut in capex may impact business prospects. However, the company is de-risking itself from the traditional pharma and chemical industries and foraying into newer industries with the strategy for non-GLE and systems business to grow via cross-selling opportunities and exploring new application areas.
- Any significant uptick in the prices of commodities can potentially impact margins. Raw material inflation in end-user industries, as witnessed post-COVID or during the Russia-Ukraine war, can adversely impact the business of clients, leading to a deferment of capex, which in turn impacts the company's order book. To mitigate the impact, the company is undertaking cost reduction measures and passing on the price increase to end customers.
- Threat from geopolitical risks may impact the delivery approvals from the government. GMM Pfaudler was not able to ship out a vessel from the UK to China to a European player operating in China owing to government regulations.

https://www.insightsonindia.com/2024/12/09/editorial-analysis-indias-journey-to-becoming-a-global-manufacturing-hub/?utm_source=chatgpt.com
https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/china1-opens-larger-share-for-india-in-global-pharma-manufacturing-beyond-generics-bcg-report/articleshow/117600435.cms?utm_source=chatgpt.com
https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2043773&utm_source=chatgpt.com

I. Risks and Concerns



In today's dynamic environment, businesses encounter a wide spectrum of risks—ranging from strategic and regulatory to operational and financial challenges. Our Risk Management Policy is developed to embed risk awareness into the organisation's day-to-day operations. It emphasizes foresight, accountability, and resilience by promoting early identification and mitigation of potential threats. This comprehensive framework ensures that risk considerations are seamlessly integrated into strategic and operational decision-making, supporting long-term stability and growth.

Risk Management Framework

The Company's risk framework is structured to safeguard its business interests and growth ambitions while creating long-term value for both internal and external stakeholders. It supports effective decision-making by identifying and prioritising potential disruptions, enabling the business to strike a balance between risks and opportunities.

This framework promotes a culture of risk awareness across all levels of the organisation, ensuring consistent and proactive risk management practices. It

also provides Management with clear visibility into key risk areas, empowering them to take timely and informed actions to protect business objectives.

To strengthen this approach, the Company follows an Enterprise Risk Management (ERM) system that addresses risks across the organisation in a cohesive and structured manner. The methodology aligns with globally recognised risk management principles, particularly those outlined by the Committee of Sponsoring Organizations (COSO), ensuring a robust and best-practice-driven risk governance model.

Risk Management Process



Risk Management Organization Structure



Risk Management Committee (RMC) of the Board plays a key role in overseeing the effective implementation of the Company's Risk Management Policy and Framework. It ensures that emerging risks are regularly reviewed and brings critical developments in the risk landscape to the attention of the Board, along with suggested actions for mitigation.

At the executive level, the Executive Risk Management Council (ERMC) is responsible for closely monitoring shifts in the business environment and assessing threats that

could affect the Company's overall risk profile. The ERMC regularly evaluates progress on mitigation strategies and reports its findings to the RMC, which subsequently updates the Board.

The ERMC is comprised of senior leadership, including the Chief Executive Officer, Chief Financial Officer, Chief Risk Officer (CRO), and Heads of various enabling functions. The CRO, in collaboration with designated Risk Owners, facilitates the identification of key risks and the formulation of corresponding mitigation plans.

Risk Identification and Mitigation

The Company maintains a comprehensive risk register, systematically categorized into key risk areas: Strategic, Reputational, Technological, Financial, Governance, and Operational. Throughout the year, risk scores were updated based on the assessed probability and impact of each identified risk, as well as the progress made in implementing mitigation measures. This ongoing, dynamic process enables continuous improvement in managing both current and emerging risks across the organization.

Some of the major risks identified by the company, and its mitigation plans, are given below.

Risk Item	Mitigation measures
 Integration Risk	The Company has acquired full ownership of Pfautler International business, strengthening its global presence, product portfolio, and process capabilities. It continues to advance "Project Apollo," focused on leveraging synergies within the Group to become a leading provider of corrosion-resistant technologies, systems, and services. Progress remains strong across key areas including Value Sourcing, Operational Excellence, Portfolio Expansion, and Branding. A robust global Mixing Technology platform has also been established, enabling the Company to serve a diverse range of industries with advanced, integrated solutions. In addition, the Company has undertaken a detailed evaluation of all mergers and acquisitions completed since 2020, extracting valuable insights to shape future growth strategies and informed decision-making.
 Geopolitical Risk	The Company acknowledges that geopolitical events such as wars, political unrest, and international conflicts can pose significant risks to its financial and operational stability. To mitigate these risks, the Management team regularly reviews global geopolitical developments and implements strategic responses. A comprehensive Business Continuity Plan is in place to address potential disruptions arising from geopolitical tensions. Export restrictions and trade policy impacts are regularly evaluated, with appropriate measures implemented to ensure compliance and maintain business continuity.
 Human Capital	The Company recognises that effective human capital management is vital to achieving its strategic and operational objectives. Efforts during the year focused on talent retention, capability building, and leadership development. Long-Term Incentives and ESOPs, introduced in earlier years, continue to support retention and performance alignment for senior executives and key personnel. A structured succession planning process, previously established, has been further strengthened this year with periodic reviews, identification of critical role gaps, and implementation of targeted development actions. Learning and development remained a key priority. A focused year-long program was launched for the high-potential employees, alongside the introduction of an online training portal for self-paced learning. Functional, behavioural, and leadership trainings continued under the "NEEV" calendar, delivered by subject matter experts. An enhanced Reward & Recognition system further reinforced a culture of appreciation.

Risk Item	Mitigation measures
 Digitalization and Innovation	Digitization is now a strategic enabler of business transformation, and the Company has laid out a robust roadmap to embed digital technologies across both operational and support functions. With a clear focus on agility, efficiency, and innovation, the Company is leveraging digital tools to accelerate decision-making, enhance customer value, and deliver tech-driven products and services. Several proprietary digital solutions have been successfully deployed, including Legal AI, Talent Evaluator, HOT Desk, and integrated platforms for e-auctions, sourcing, and supplier engagement. These initiatives not only streamline internal processes but also strengthen the Company's competitive edge in a rapidly evolving digital landscape.
 Intellectual property	Protecting intellectual property is critical to preserving the Company's competitive edge, market leadership, and revenue streams. Any loss or infringement of proprietary designs could significantly erode market share and weaken customer confidence in GMM Pfautler's products. To counter this risk, the Company has fortified its IP protection strategy by enhancing documentation protocols and deploying a strong, action-oriented framework to swiftly identify and respond to infringement threats. This ensures that the Company's innovation and design leadership remain uncompromised.
 IT Security	The Company has established a robust and evolving Information Security Management System, aligned with globally recognised standards, to protect its digital infrastructure and data assets. Key measures undertaken include strengthening network security, enhancing endpoint protection, implementing advanced monitoring systems, and conducting regular vulnerability assessments. Awareness sessions and cyber hygiene initiatives have been rolled out to build a strong security culture across the organisation. Ongoing upgrades to IT infrastructure and proactive risk mitigation strategies ensure the Company remains resilient against emerging cyber threats and continues to safeguard stakeholder interests.
 Supply Chain Disruption	The Company has strengthened its supply chain by identifying vulnerabilities in critical areas. Alternate vendors have been onboarded to de-risk operations, and supplier meets are organised annually to reinforce engagement. Ongoing efforts include closer collaboration with key suppliers, standardising e-auction and operational procedures across Indian factories, and evaluating suppliers on ESG criteria.
 Compliance	The Company has implemented a strong compliance framework supported by SOPs, checklists, and regular monitoring to ensure timely adherence to all applicable laws. Compliance issues are tracked, addressed, and reported to the Board with necessary corrective actions. The Compliance team undergoes continuous training to stay updated with evolving regulations. Governance training programs covering Code of Conduct, POSH, Anti-Corruption, PIT, and UPSI are delivered through the LMS, reinforcing a culture of accountability and regulatory readiness across the organisation. The Company has commenced CBAM reporting for applicable products and is actively aligning with DPDPA requirements through data mapping, draft documentation, and security measures.

J. Human Resources

As the organization continues its growth journey, the Human Resources function continues to strategically position itself as a key enabler of business transformation. Through the execution of future-focused initiatives, we aim to build a workforce that is agile, resilient, and aligned with the long-term objectives of the organization.

Our systematic approach is anchored in three core pillars: **Talent Acquisition**, **Talent Development** and **Talent Engagement**—which collectively ensure clarity of purpose and alignment with business strategy.

Our behavioural competency framework—**DNA for Success**—continues to serve as the foundation of our culture. It is deeply embedded across all strategic HR initiatives and acts as a guiding beacon for desired behaviours and outcomes.

To attract high calibre, culturally aligned talent, we enhanced our talent acquisition strategy with the launch of a robust **Employee Referral Program**. Additionally, we strengthened our campus hiring initiatives by onboarding Management and Engineer Trainees from premier institutions, ensuring a pipeline of fresh talent.

To reinforce leadership readiness, we implemented a forward-looking talent strategy that prioritizes continuous learning and personalized development,

the **Talent League**—a blended learning initiative designed to accelerate leadership development, enabling them to be future-ready. This program integrates coaching, strategic projects, experiential learning, and masterclasses led by industry experts, ensuring the comprehensive growth of our potential talent.

To further strengthen our learning and development agenda, we introduced **e-NEEV**, our comprehensive e-learning platform. It offers a wide array of online programs across behavioural skills, productivity enhancement, and compliance, accessible anytime, from anywhere, offering flexibility and promoting a culture of self-driven learning. Complementing this digital platform is our traditional learning calendar, which includes expert-led classroom sessions and internal masterclasses aimed at building strategic and functional capabilities across critical areas. The Neev program was strategically expanded to address the targeted training needs of our blue-collar workforce, enhancing their skills and fostering long-term capability growth.

Leveraging insights from **Parivartan**, our employee engagement survey, we continuously refine our people's agenda to stay attuned to evolving workforce expectations and strategic priorities. This data-driven approach enables

us to enhance employee experience and ensure alignment with organizational goals.

Our strong Rewards and Recognition culture is exemplified by **iAppreciate**, a one-stop platform that empowers managers and peers to recognize and reward exceptional contributions, thereby reinforcing a high-performance culture.

In line with our strategic focus on operational efficiency and long-term sustainability, the Board of Directors of GMM Pfaudler Limited, in their meeting held on December 13, 2024, approved the consolidation of our glass-lined manufacturing operations. As part of this decision, the Hyderabad facility was closed, with operations being seamlessly integrated into our Karamsad plant. This transition was executed smoothly, with no grievances or legal disputes, reflecting our commitment to responsible change management and operational excellence.

K. Internal Control Systems and their Adequacy

At GMM Pfaudler, a sound internal control environment is a cornerstone of strong corporate governance. The Company has instituted a well-structured and documented internal control framework that is commensurate with the size, complexity, and nature of its operations. These controls are embedded at both the entity and process levels, ensuring transparency, operational efficiency, regulatory compliance, and integrity in financial reporting.

The Company's financial statements are prepared in accordance with significant accounting policies selected by the Management and reviewed and approved by the Audit Committee and the Board. These policies are periodically reviewed and updated to reflect evolving business needs and regulatory requirements.

As a business enabler, the Company uses the LN ERP system for maintaining its Books of Account. The ERP system integrates various business processes and includes embedded transactional controls to ensure appropriate segregation of duties, automated approval workflows, and detailed documentation. This digital infrastructure enhances operational discipline and supports real-time data integrity.

The internal control framework is further strengthened by the Company's Information Management Policy and its robust Information Security Management System, aligned with global standards. The Company uses advanced IT tools to minimise errors, detect anomalies, and ensure real-time tracking of critical compliances. Data analytics are actively used to identify trends and flag exceptions.

To address growing cybersecurity threats, the Company has implemented sophisticated threat detection and response technologies, including Extended Detection and Response (XDR), which consolidates data across multiple security layers such as email, endpoint, server, cloud, and network. Additionally, a Data Loss Prevention (DLP) solution has been deployed, significantly improving the Company's ability to safeguard sensitive data and prevent breaches.

As part of its ongoing commitment to IT security, the Company has conducted multiple assessments, including Vulnerability Assessments, Penetration Testing, and Red Team Exercises. A comprehensive GAP Assessment is currently underway to evaluate the effectiveness of existing cybersecurity and data

privacy practices and identify high-risk areas that require remediation or reinforcement.

Internal audit is a key component of the Company's assurance mechanism. The Internal Auditors present observations, implementation status, and key recommendations to the Management and the Audit Committee on a regular basis. The Management ensures timely corrective actions, and a quarterly follow-up is conducted by the Internal Auditors to track the implementation of the Audit Committee's directives. The Audit Committee plays an active oversight role by periodically reviewing the adequacy and effectiveness of the internal control systems, benchmarking them against industry best practices, and guiding continuous improvement.

In line with the requirements of Section 143(3)(i) of the Companies Act, 2013, the Statutory Auditors have confirmed the adequacy and operational effectiveness of the Company's internal financial control systems over financial reporting, thereby reinforcing confidence in the Company's financial governance and risk management framework.

GMM PFAUDLER LIMITED

CIN: L29199GJ1962PLC001171

Registered Office & Works: Vithal Udyognagar, Anand - Sojitra Road, Karamsad - 388325

Email: investorservices@gmmpfaudler.com; **website:** www.gmmpfaudler.com

Tel: +91 2692 661700

Notice

NOTICE is hereby given that the Sixty Second Annual General Meeting (AGM) of the Members of GMM Pfaudler Limited ("the Company") will be held on Friday, August 1, 2025, at 12:00 noon (IST) through video-conferencing ("VC") / other audio-visual means ("OVAM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, and the reports of the Board of Directors and Auditors thereon; and if considered and thought fit, to pass the following resolutions, with or without modification(s), as **Ordinary Resolutions:**
 - (a) **"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2025, comprising of the Audited Balance Sheet as on March 31, 2025, the Statement of Profit and Loss, and the Cash Flow Statement for the financial year from April 1, 2024 to March 31, 2025, including the Schedules and Notes attached thereto and forming part thereof, and the reports of the Board of Directors and the Statutory Auditors thereon, be and are hereby received and adopted."
 - (b) **"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, comprising of the Audited Consolidated Balance Sheet as on March 31, 2025, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the financial year from April 1, 2024 to March 31, 2025, including the Schedules and Notes attached thereto and forming part thereof, and the report of the Statutory Auditors thereon, be and are hereby received, and adopted."

2. To confirm the Interim Dividend paid during the financial year ended March 31, 2025, and to declare final dividend for the financial year ended March 31, 2025, and if considered and thought fit, to pass the following resolutions, with or without modification(s), as **Ordinary Resolutions:**
 - (a) **"RESOLVED THAT** the payment of Interim Dividend of ₹1.00/- (Rupee One only) per equity share paid on 4,49,57,224 Equity Shares, aggregating to ₹4,49,57,224/- (Rupees Four Crores Forty-Nine Lakhs Fifty-Seven Thousand Two Hundred and Twenty-Four only), declared and paid during the financial year 2024-25, to the Shareholders, whose names have appeared in the Register of Members as on November 21, 2024 be and is hereby confirmed."
 - (b) **"RESOLVED THAT** final dividend for the financial year ended March 31, 2025, of ₹1.00/- (Rupee One only) per equity share on 4,49,57,224 equity shares aggregating to ₹4,49,57,224/- (Rupees Four Crores Forty-Nine Lakhs Fifty-Seven Thousand Two Hundred and Twenty-Four only) to the Shareholders whose names appear in the Register of Members as at the end of business hours on July 25, 2025 (Record Date) be and is hereby approved."
3. To re-appoint Mr. Ashok Patel, as a director, who retires by rotation, and being eligible, offers himself for re-appointment and in this regard, if considered and thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Ashok Patel, Director (DIN: 00165858), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby appointed as Director of the Company."

4. To appoint M/s. S R B C & CO. LLP, Chartered Accountants as the Statutory Auditors of the Company and in this regard, if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company, M/s. S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003), be and are hereby appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years and to hold office commencing from the conclusion of the 62nd Annual General Meeting until the conclusion of 67th Annual General Meeting of the Company to be held in the year 2030, at such a remuneration as may be approved by the Audit Committee and the Board of Directors in consultation with the Statutory Auditors for each financial year.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof or any other person authorized by the Board) be and are hereby severally authorized to settle any question, difficulty or doubt that may arise giving effect to this resolution and to do all such acts, deeds and matters as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

SPECIAL BUSINESS:

5. To ratify the payment of remuneration to the Cost Auditors viz. M/s. Dalwadi & Associates, Cost Accountants of the Company for the financial year ending March 31, 2026, and if considered and thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force), the payment of remuneration to M/s. Dalwadi & Associates, Cost Accountants, (Firm Registration

No. 000338), of ₹1,98,000/- (Rupees One Lakh Ninety-Eight Thousand only) plus GST as applicable and reimbursement of out-of-pocket expenses, as approved by the Board of Directors of the Company, for conducting cost audit of the Company for the financial year 2025-26, be and is hereby approved and ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof or any other person authorized by the Board) be and are hereby severally authorized to settle any question, difficulty or doubt that may arise giving effect to this resolution and to do all such acts, deeds and matters as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. To appoint M/s. Rathi & Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company and in this regard, if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 204 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. Rathi & Associates, Practicing Company Secretaries (Unique Identification No. P1988MH011900) be and are hereby appointed as Secretarial Auditors of the Company for a term of 5 (five) consecutive years commencing from the conclusion of the 62nd Annual General Meeting until the conclusion of 67th Annual General Meeting of the Company to be held in the year 2030, at such a remuneration as may be approved by the Audit Committee and the Board of Directors in consultation with the Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof or any other person authorized by the Board) be and are hereby severally authorized to settle any question, difficulty or doubt that may arise giving effect to this resolution and to do all such acts, deeds and matters as may be necessary,

By Order of the Board of Directors
For GMM Pfaudler Limited

Mittal Mehta
Company Secretary
M. No. 7848

Place: Mumbai
Date: May 21, 2025
Registered Office:
Vithal Udyognagar, Anand – Sojitra Road,
Karamsad – 388 325, Gujarat

expedient and desirable for the purpose of giving effect to this resolution."

7. To consider and approve Related Party Transaction with the wholly owned subsidiaries of the Company and in this regard, if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and recommendation of the Audit Committee and the Board of Directors of the Company, the consent of the shareholders of the Company be and is hereby accorded for the Company to incur a portion of the remuneration being paid to Mr. Gregory Gelhaus, a related party, for his role as the Chief Transformation Officer of the GMM Pfaudler Group, which will be paid by the Company to its wholly owned subsidiary(ies) as part of the service agreement entered amongst the Company and its wholly owned subsidiaries at such terms and conditions, as set out in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT the shareholders of the Company do hereby approve, confirm and validate all actions taken and decisions made in connection with the appointment of and remuneration of Mr. Gregory Gelhaus, a related party, and the consent of the shareholders of the Company, be and is hereby accorded to the Board of the Company, to finalize and decide, on the recommendation of the Audit Committee and/or Nomination and Remuneration Committee as the case may be, including the revisions in the remuneration payable to Mr. Gregory Gelhaus for his overall engagement with the Company and its group entities, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof or any other person authorized by the Board) be and are hereby severally authorized to settle any question, difficulty or doubt that may arise giving effect to this resolution and to do all such acts, deeds and matters as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

8. To consider re-appointment and payment of remuneration to Mr. Tarak Patel as the Managing Director of the Company and in this regard, if

thought fit, to pass the following resolution, with or without modification(s), as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 196, 197, 198 & 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable provisions (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the consent of the Shareholders of the Company, be and is hereby accorded for re-appointment of Mr. Tarak Patel (DIN: 00166183) as the Managing Director of the Company, not liable to retire by rotation, for a further period of 5 (five) years effective from June 1, 2025 up to and including May 31, 2030, along with the remuneration to be paid for the financial years 2025-26 up to 2027-28, upon the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the Explanatory Statement annexed to this Notice with liberty to the Board of Directors, upon recommendation of Audit Committee and Nomination and Remuneration Committee of the Company to alter and vary the terms and conditions of the said re-appointment/remuneration in such manner as may be agreed to between the Board and Mr. Tarak Patel.

RESOLVED FURTHER THAT the consent of shareholders, be and is hereby accorded to the total remuneration payable to Mr. Tarak Patel, in excess of 5% of the net profits of the Company, as calculated as per the provisions of Section 198 of the Companies Act, 2013, in each financial year as prescribed under Sections 197 and 198 of the Companies Act, 2013, and also in excess of limit of ₹5 Crores as prescribed under Regulation 17(6) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT the draft of the management agreement, to be entered into between the Company and Mr. Tarak Patel, as

tabled and kept open for inspection by members, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof or any other person authorized by the Board) be and are hereby severally authorized to settle any question, difficulty or doubt that may arise giving effect to this resolution and to do all such acts, deeds and matters as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (hereinafter referred to as the "Act"), in respect of business to be transacted at the Annual General Meeting (hereinafter referred to as "AGM"), as set out under Item No. 4, 5, 6 and 7 and the relevant details of the Director seeking re-appointment as mentioned under Item Nos. 3 and 8 as required under Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
2. The Board of Directors have considered and recommended Item no. 5, 6, 7 and 8 as Special Business in the forthcoming AGM for the consideration of Shareholders.
3. General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 03/2022 dated May 05, 2022, 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 read with SEBI Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62, SEBI/HO/CFD/PoD-2/P/CIR/2023/4, EBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024, respectively issued by

Ministry of Corporate Affairs and the Securities and Exchange Board of India (collectively referred to as "MCA Circulars" and "SEBI Circulars") Companies are allowed to hold Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.

4. As the AGM shall be conducted through VC/ OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. Institutional/ Corporate members to authorize their authorized representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send a certified copy (in PDF/ JPEG Format) of the relevant Board Resolution/ Authority letter etc. authorizing its representatives to attend the AGM, by e-mail to js@rathiandassociates.com with a copy marked to the Company at mittal.mehta@gmmpfaudler.com and to its RTA at prathamesh.ghugare@in.mpms.mufig.com.

Electronic dispatch of Annual Report and process for registration of e-mail id for obtaining copy of Annual Report

6. In compliance with the provisions of MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2024-25 are being sent only through electronic mode to those members whose email addresses are registered with the Registrar & Share Transfer Agent i.e. MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) (hereinafter referred to as "MUFG Intime"); National Securities Depository Limited ("NSDL") and / or Central Depository

Services (India) Limited ("CDSL") (collectively referred to as "Depositories"). Members may note that the Notice and Annual Report for financial year 2024-25 is also be available on the Company's website www.gmmpfaunder.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of the RTA at www.instavote.linkintime.co.in

7. Members holding shares in physical mode who have still not registered their email ID with the Company can temporarily get their e-mail IDs registered with the Company's Registrar and Share Transfer Agents, MUFG Intime India Private Limited by using the link: https://web.in.mpms.mufig.com/EmailReg/Email_Register.html and Members holding shares in dematerialized mode are requested to register/ update their e-mail addresses by contacting their respective Depository Participants.
8. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company through an email on mittal.mehta@gmmpfaunder.com or investorservices@gmmpfaunder.com.

Procedure for joining the 62nd AGM through VC/ OAVM:

9. MUFG Intime will be providing facility for voting through remote e-Voting, for participation in the 62nd AGM through VC/OAVM facility and e-Voting during the 62nd AGM.
10. Members may note that the VC/OAVM facility, allows participation of at least 1,000 Members on a first come-first-served basis.
11. Members are entitled to attend the Annual General Meeting through VC/OAVM provided by MUFG Intime by following the below-mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

Members will be provided with InstaMeet facility wherein Member shall register their details and attend the Annual General Meeting as under:

- i. Open the internet browser and launch the URL for InstaMeet <https://instameet.in.mpms.mufig.com/> and register with your following details:

- a. DP ID/Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
- b. PAN: Enter your 10 digit Permanent Account Number (PAN)
- c. Mobile No.
- d. Email ID

- ii. Click "Go to Meeting"

12. Members who need assistance before or during the AGM, can contact instameet@in.mpms.mufig.com or call on 022-49186175 / 49186000
13. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Procedure to raise questions/ seek clarifications with respect to Annual Report at the ensuing 62nd AGM:

14. Members are encouraged to express their views / send their queries in advance mentioning their name demat account number / folio number, email id, mobile number at mittal.mehta@gmmpfaunder.com Questions / queries received by the Company till 5:00 p.m. on Monday, July 28, 2025 shall only be considered and responded during the AGM.
15. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
16. Shareholders will receive "speaking serial number" prior to the meeting. Other Shareholders may ask questions through the active chat board during the AGM.
17. Shareholders are requested to speak only when the moderator of the meeting/ management announces the name and serial number for speaking.

Procedure for remote e-Voting and e-Voting during the AGM

18. All the shareholders of the Company including retail individual investors, institutional investors, etc. are encouraged to attend and vote in the AGM to be held through VC/OAVM.
19. In compliance with the provisions of Section 108 of the Act read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations (including any statutory modification(s) and/

or re-enactment(s) thereof for the time being in force), members are provided with the following alternatives by which they may cast their votes:

i. Remote e-voting

In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 relating to e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote only through their demat account maintained with Depositories and Depository Participants.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL	Users who have registered for NSDL IDeAS facility:
	a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login". b) Enter user id and password. Post successful authentication, click on "Access to e-voting". c) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.
	User who have not registered for NSDL IDeAS facility:
	a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp b) Proceed with updating the required fields. c) Post registration, user will be provided with Login ID and password. d) After successful login, click on "Access to e-voting under e-voting services". e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.
	By directly visiting the e-voting website of NSDL:
	a) Visit URL: https://www.evoting.nsdl.com/ b) Click on the "Login" tab available under 'Shareholder/Member' section. c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting". e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

The remote e-voting platform is being provided by the Company's Registrar & Share Transfer Agent – MUFG Intime and the e-voting period will commence on **Tuesday, July 29, 2025, at 9:00 a.m. (IST)** and will end on **Thursday, July 31, 2025 at 5:00 p.m. (IST)**.

The remote e-Voting module will be disabled by MUFG Intime for voting thereafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Individual Shareholders holding securities in Demat mode with CDSL	Users who have registered for CDSL Easi/Easiest facility. - Visit URL: https://web.cdslindia.com/myeasitoken/home/login or www.cdslindia.com. - Click on New System Myeasi Tab - Login with existing Myeasi user id and password - After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period. - Click on "MUFG InTime/Link InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period. Users who have not registered for CDSL Easi/Easiest facility. - To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration - Proceed with updating the required fields. - Post registration, user will be provided Login ID and password. - After successful login, user able to see e-voting menu. - Click on "MUFG InTime/Link InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. By directly visiting the e-voting website of CDSL. - Visit URL: https://www.cdslindia.com/ - Go to e-voting tab. - Enter Demat Account Number (BO ID) and PAN No. and click on "Submit". - System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account - After successful authentication, click on "MUFG InTime/Link InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.
Individual Shareholders (holding securities in Demat mode) & login through their Depository participants ("DP")	Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility. - Login to DP website - After Successful login, members shall navigate through "e-voting". - Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu. - After successful authentication, click on "MUFG InTime/Link InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.
Individual Shareholders holding securities in Physical mode & E-voting service Provider is Link Intime.	Shareholders holding shares in physical mode/Non-Individual shareholders holding securities in demat mode as on the cut-off date for evoting may register for Instavote as under: - Visit URL: https://instavote.linkintime.co.in - Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - A. User ID: Shareholders holding shares in physical form shall provide Event No 250259 Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

	<i>*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above. Shareholders holding shares in NSDL form, shall provide 'D' above</i> ➤ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). ➤ Enter image verification (CAPTCHA) code ➤ Click "submit" (Your password is now generated). - Click on 'Login' under 'SHARE HOLDER' tab. - Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on 'Submit'. Cast your vote electronically: - After successful login, you will be able to see the notification for e-voting. Select 'View' icon. - E-voting page will appear. - Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):	<i>Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678</i> <i>Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.</i>
STEP 1 – Registration	- Visit URL: https://instavote.linkintime.co.in - Click on Sign up under "Corporate Body/ Custodian/Mutual Fund" - Fill up your entity details and submit the form. - A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in. - Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID. - While first login, entity will be directed to change the password and login process is completed. 'Investor's Name' - Enter full name of the entity as updated with DP. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be - DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card. - Click on Submit button and investor will be mapped now. - The same can be viewed under the "Report Section".
STEP 2 –Investor Mapping	STEP 3 – Remote e-voting The corporate shareholder can vote by two methods, once remote e-voting is activated: METHOD 1 - VOTES ENTRY Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.
- Click on "Investor Mapping" tab under the Menu Section - Map the Investor with the following details: 'Investor ID' -	Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

- Click on 'Votes Entry' tab under the Menu section.
- Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- Enter '16-digit Demat Account No.' for which you want to cast vote.
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

METHOD 2 - VOTES UPLOAD

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select 'View' icon for 'Company's Name / Event number'. E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Individual Shareholders holding securities in Physical mode have forgotten the password:

- On the e-Voting website of Link Intime, click on 'Login' under 'SHAREHOLDER' tab and further Click 'forgot password?'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and

Click on 'Submit'.

User id for Shareholders holding shares in physical mode is Event No. (250259)+Folio No. registered with the Company.

- In case shareholders/ members have valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL who have forgotten their password:

- Shareholders/ Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ DP's website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Shareholders/ Members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of times till they have voted on the resolution(s) for a particular "Event".

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

- If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'Corporate Body/ Custodian/Mutual Fund' tab and further Click 'forgot password?'

- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders have valid email address, Password will be sent to his / her registered e-mail address.

Shareholders can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

Helpdesk for Individual Shareholders holding securities in demat mode:

In case Shareholders/ Members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000.
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact toll free no. 1800 22 55 33.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & E-voting service Provider is MUFG Intime.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@in.mpms.mufg.com or contact on: - Tel: 022 -4918 6000.

ii. Voting during the Annual General Meeting through InstaMeet:

Members who have not exercised their vote through the remote e-voting can cast their vote during the meeting once the electronic voting is activated by the scrutinizer / moderator. Instructions and information relating to e-Voting during the Annual General Meeting through InstaMeet are as follows:

- On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
- After successful login, you will see "Resolution Description" and against the same the option "Favour / Against" for voting.
- Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting, shall be eligible to vote through e-Voting system during the AGM.

Incase members have any technical issues in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on Tel: 022-49186000

In case members have any queries regarding e-voting, they may send an email to enotices@in.mpms.mufg.com or contact on: - Tel: 022 - 4918 6000.

20. General Guidelines for shareholders:

- Institutional shareholders / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are requested to send a scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer at js@rathiandassociates.com with a copy marked to enotices@in.mpms.mufig.com
- Members who have cast their votes by remote e-Voting prior to the AGM may also attend/ participate in the Meeting through VC/OAVM but they shall not be entitled to cast their vote again.
- The voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the Company as on the cut-off date i.e. July 25, 2025.
- Mr. Jayesh Shah, Partner, M/s. Rathi & Associates, Practicing Company Secretaries (Membership No. F 5637, COP: 2535), has been appointed as the Scrutinizer for conducting voting process in a fair and transparent manner.
- The Chairperson shall, at the AGM, at the end of discussion on all the resolutions on which voting is to be held, allow voting by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- The results shall be declared not less than two working days from conclusion of the AGM. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company immediately after the declaration of results by the Chairperson or a person authorized by him in writing. The results shall also be immediately submitted to BSE Limited and the National Stock Exchange of India Limited.

21. Documents open for inspection:

- All the material documents referred to in the notice and the Explanatory Statement, shall be available for inspection by the Members, through electronic mode. Members are requested to write to the Company at mittal.mehta@gmmpfaudler.com and investorservices@gmmpfaudler.com for inspection of said documents, mentioning their name, Folio no. / Client ID and DP ID and the documents they wish to inspect.

- The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members during the AGM at http://www.gmmpfaudler.com/content/documents_for_inspection.pdf

Dividend related information

- Final dividend for the financial year ended March 31, 2025, as recommended by the Board of Directors, if approved by the members at the AGM, will be paid on or before August 28, 2025, to those members whose names appear on the Register of Members as on July 25, 2025.
- Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants (DP), with whom they maintain their demat accounts, will be used by the Company for payment of dividend.
- Members holding shares in physical / electronic form are required to submit their bank account details, if not already registered, as mandated by SEBI.
- Process for updating of bank account mandate for receipt of dividend electronically:
In case the shareholder has not registered his/ her/ their email address with the Company/its RTA/ Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:
 - Kindly log in to the website of our RTA, MUFG Intime India Pvt. Ltd., https://web.in.mpms.mufig.com/helpdesk/Service_Request.html - fill in the details and upload the required documents and submit.
 - In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

- In case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details

of the bank or for any other valid reason whatsoever, the Company shall dispatch the dividend instruments/ intimation letters to KYC non-compliant physical folios by post.

- Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 1, 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to shareholders, subject to approval of shareholders in the ensuing AGM.

The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. The TDS for various categories of shareholders along with required documents are provided in Table 1 and 2 below:

Table 1: Resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption Applicability / Documents required
Any resident shareholder	10%	Update the PAN if not already done with depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Link Intime India Private Limited (in case of shares held in physical mode). No deduction of taxes in the following cases - If dividend income to a resident Individual shareholder during FY2025-26 does not exceed ₹10,000/-, If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.
Submitting Form 15G / Form 15H	NIL	Eligible Shareholders providing Form 15G (applicable to residential individuals below the age of 60 years) / Form 15H (applicable to a resident Individual aged 60 years and above) - on fulfilment of prescribed conditions. Please refer attached format.
Order under section 197 of the Act	Rate provided in the order	Lower / NIL withholding tax certificate obtained from Income Tax Authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Self-declaration that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and registration certificate
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income	NIL	Documentary evidence that the person is covered under section 196 of the Act.
Mutual Funds	NIL	Documentary evidence that the person is covered under section 196 of the Act.
Alternative Investment Fund	NIL	Documentary evidence that the person is covered by Notification No. 51/2015 dated June 25, 2015.
Other resident shareholder without PAN / Invalid PAN/ Inoperative PAN	20%	

Please Note that:

- Recording of the valid Permanent Account Number (PAN) for the registered Folio/DP id-Client Id is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.
- Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

Table 2: Non-resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption Applicability / Documents required
Any non-resident shareholder	20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower	Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the company. - Copy of the PAN Card, if any, allotted by the Indian authorities. - Self-attested copy of Tax Residency Certificate (TRC) valid for FY2025-26 obtained from the tax authorities of the country of which the shareholder is resident. - E-filled Form 10F uploaded on the income tax portal for the FY2025-26. - Self-declaration confirming not having a Permanent Establishment in India, eligibility to Tax Treaty benefit and do not/ will not have place of effective management in India. (format attached herewith). TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided. The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the non-resident shareholder and are in accordance with the provisions of the Act.
Submitting Order under section 195(3) / 197 of the Act.	Rate provided in the Order	Lower / NIL withholding tax certificate obtained from Income Tax authorities.

Note: The Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts

All Shareholders are requested to ensure that the documents as mentioned in the Table 1 and 2 above are required to be submitted to the Company / Registrar by updating the same at the link <https://web.in.mpms.mufig.com/formsreg/submission-of-form-15g-15h.html> on or before July 17, 2025 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication/ documents on the tax determination / deduction shall be considered post 11:59 PM (IST) of July 17, 2025.

No claim shall lie against the Company for such taxes deducted.

Shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

28. Procedure for registration of e-mail address and bank details by shareholders: -

i) For temporary registration for demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with MUFG Intime India Private Limited by clicking the link: https://web.in.mpms.mufig.com/EmailReg/Email_Register.html or by visiting web site www.in.mpms.mufig.com at the Investor Services tab by choosing the E-mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID / PAN, mobile number and e-mail id. In case of any query, a member may send an email to RTA at rnt.helpdesk@in.mpms.mufig.com

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

ii) For Permanent Registration for Demat shareholders:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

iii) Registration of email id for shareholders holding physical shares:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with MUFG Intime India Private Limited, by clicking the link: https://web.in.mpms.mufig.com/EmailReg/Email_Register.html or by visiting web site www.in.mpms.mufig.com at the Investor Services tab by choosing the e-mail / Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB). In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@in.mpms.mufig.com

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

iv) Registration of Bank Details for physical shareholders:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered

with MUFG Intime by clicking the link: https://web.in.mpms.mufig.com/EmailReg/Email_Register.html or by visiting web site www.in.mpms.mufig.com at the Investor Services tab by choosing the email/ Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e-mail id along with the copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a member may send an email to RTA at rnt.helpdesk@in.mpms.mufig.com.

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

29. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund (IEPF):

- Pursuant to the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules"), (including any statutory modification(s) and or re-enactment(s) thereof for the time being in force), dividends that are unpaid or unclaimed for a period of 7 (seven) years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.
- During the financial year 2024-25, the Company transferred to IEPF, the following unclaimed dividends and corresponding shares thereto:

Particulars	Amount of Dividend (in ₹)	No. of shares
1 st interim dividend 2017-18	77,607	335
Final Dividend 2016-17	1,71,979	1535
2 nd interim dividend 2017-18	82,526	1575
3 rd interim dividend 2017-18	41,935	560

- C. The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company's website at <https://www.gmmpfaudler.com/investors/shareholders-center/unclaimed-data>
- D. The details of dividend paid for the financial year 2018-19 proposed to be transferred to IEPF are give below:

Date of declaration	Dividend Details	Dividend in ₹ Per share	Due date of the proposed transfer to IEPF
09-Aug-2018	Final dividend (2017-18)	1.90	08-Sep-2025
09-Aug-2018	1 st interim dividend (2018-19)	1.00	08-Sep-2025
25-Oct-2018	2 nd interim dividend (2018-19)	1.00	24-Nov-2025
30-Jan-2019	3 rd interim dividend (2018-19)	1.00	01-Mar-2026

Others

30. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.
31. Members may please note that SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the following weblink at <https://www.gmmpfaudler.com/investors/shareholders-center/shareholder-information>
- Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, and further clarified through the Master Circular No. SEBI/

HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, has prescribed common and simplified norms for processing investor service requests by Registrars and Transfer Agents (RTAs), and has mandated the submission of PAN, KYC details (i.e., contact details, bank account details, and specimen signature), and nomination for all holders of physical securities.

In accordance with these circulars, as amended from time to time, all shareholders holding securities in physical form are required to update their PAN, address, mobile number, bank account details, specimen signature, and nomination with the RTA. Any service request will be processed only upon KYC compliance of the folio.

Members may further note that, as per the SEBI amendment dated November 17, 2023, folios that are not KYC compliant will be eligible to receive any payment, including dividend, only through electronic mode with effect from April 1, 2024, and only after submission of all the aforesaid details in entirety. Additionally, such shareholders will be able to lodge grievances or avail of any investor services only upon completing the KYC requirements.

Accordingly, the company has sent such notification letters to Members whose KYC information is not updated with the RTA. Furthermore, attempts to reach out to these Members via the phone numbers listed in the RTA records were initiated.

Members are requested to submit their PAN, KYC details and nomination of holders of physical securities to the Company at investorservices@gmmpfaudler.com or RTA at rnt.helpdesk@in.mpms.mufig.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

Re-appointment of Mr. Ashok Patel as Non-Executive Director of the Company:

Mr. Ashok Patel (DIN:00165858), Non-Executive, Non-Independent Director of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment.

Accordingly, the Board of Directors at their meeting held on May 21, 2025, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), approved re-appointment of Mr. Ashok Patel as Non-Executive Director of the Company.

In line with the Nomination, Remuneration & Evaluation Policy, the NRC considers candidates having experience and expertise across industries for appointment on the Board and deliberates on various factors including skill matrix, functional expertise, diversity, time-commitment and statutory requirements while considering appointment and re-appointment of any person on the Board.

For the re-appointment of Mr. Ashok Patel on the Board, the NRC took into consideration his proven leadership capabilities, vast experience, long-term association and operational involvement, organizational transformation and general management expertise as being key requirements for this role.

The Board of Directors firmly believes that Mr. Ashok Patel's skills, expertise, experience, and his pioneering role in guiding the Company through five decades of diversification and growth have been an asset to the organization and his continued association would be of immense benefit to the Company.

Further, the Shareholders through postal ballot resolution passed on March 27, 2019, approved the continuation of directorship of Mr. Ashok Patel after he attains the age of 75 years, by way a special resolution pursuant to Regulation 17(1A) of the SEBI Listing Regulations. Accordingly, no further approval is being sought regarding the same as part of this Notice.

Additional information in respect of Mr. Ashok Patel, pursuant to Regulation 36 of the Listing Regulations and the Secretarial Standards on General Meetings (SS-2), is given as an Annexure A to this Notice.

Except Mr. Ashok Patel and his relatives, who are named in the promoter group of the Company and Mr. Tarak Patel, Managing Director of the Company who is the son of Mr. Ashok Patel, none of the Directors and Key Managerial Personnel of the Company or

their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

The Board recommends the resolution set forth at Item No. 3 for the approval of Shareholders as an Ordinary Resolution.

Item No. 4

Appointment of M/s. S R B C & CO. LLP, Chartered Accountants as the Statutory Auditors of the Company:

The Shareholders of the Company at the 57th Annual General Meeting held on August 27, 2020, approved the re-appointment of Deloitte Haskins & Sells, Chartered Accountants (ICAI Firm Registration No.: 117365W), ("Deloitte") as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of said Annual General Meeting till the conclusion of the 62nd Annual General Meeting. Accordingly, Deloitte Haskins & Sells would be completing their second term as the Statutory Auditors of the Company at this Annual General Meeting.

The Board of Directors of the Company at its meeting held on February 6, 2025, considering the recommendation of the Audit Committee, has proposed to the Shareholders, appointment of M/s. S R B C & Co LLP, Chartered Accountants (Firm Registration No. 324982E/E300003), as the Statutory Auditors of the Company.

M/s. S R B C & CO LLP ("SRBC") is a Limited Liability Partnership firm incorporated in India and is registered with the Institute of Chartered Accountants of India ("ICAI"). The firm is a part of M/s. S.R. Batliboi & Associates network of audit firms. Their registered office is at Kolkata and has offices across India. It is engaged in providing audit and assurance services to its clients and has valid Peer Review Certificate.

The broad terms and conditions of the appointment are as under:

a) Term of appointment: The proposed appointment is for a term of 5 (five) consecutive years commencing from the conclusion of the 62nd Annual General Meeting of the Company till the conclusion of the 67th Annual General Meeting to be held in the year 2030, to conduct statutory audit for the financial years ending March 31, 2026, to March 31, 2030.

b) Proposed fees: ₹1,10,00,000 (Rupees One Crore Ten Lakhs only) along with GST and other taxes as may be applicable and reimbursement of out-of-pocket expense, if any, incurred in connection with the

statutory audit for the financial year ending March 31, 2026, and for subsequent year(s) of the term, such fee as determined by the Board, on the recommendation of Audit Committee and in consultation with the Statutory Auditors.

The change in the remuneration proposed to be paid to SRBC is on account of expanded audit scope driven by business growth, enhanced regulatory requirements, increased reporting complexities and composition of audit team, etc. The remuneration proposed to be paid to SRBC is in line with the industry norms prevalent for similar assignments to Audit firms of their stature at companies of our size.

The Audit Committee and the Board, while recommending the appointment of SRBC as the Statutory Auditors of the Company, have taken into consideration, among other things, their experience and expertise, credentials of the firm and partners, proven track record of the firm and eligibility criteria as prescribed under Section 139 read with Section 141 of the Companies Act, 2013.

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

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Board recommends the resolution set forth at Item No. 4 for the approval of Shareholders as an Ordinary Resolution.

Item No. 5

Ratification of Remuneration of the Cost Auditors viz. M/s. Dalwadi & Associates, Cost Accountants for the financial year ending March 31, 2026:

The Board of Directors of the Company based on the recommendation of the Audit Committee at its meeting held on May 21, 2025, approved the re-appointment of M/s. Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338) as Cost Auditors for conducting the Cost Audit of the cost records maintained by the Company for the financial year ending March 31, 2026, at a remuneration of ₹1,98,000/- (Rupees One Lakh Ninety-Eight Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, if any incurred in connection with the audit.

The overall remuneration proposed to be paid to the Cost Auditors for the financial year ending March

31, 2026, is commensurate to the scope of the audit to be carried out by the Cost Auditors and is in line with the guidelines issued by the Institute of Cost Accountants of India. M/s. Dalwadi & Associates, Cost Accountants, have confirmed that they hold a valid certificate of practice under Section 6(1) of the Cost and Works Accountants Act, 1959.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to M/s. Dalwadi & Associates, Cost Auditors, as stated above is subject to ratification by the Shareholders of the Company.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

The Board recommends the resolution set forth at Item No. 5 for the approval of Shareholders as an Ordinary Resolution.

Item No. 6

Appointment of M/s. Rathi & Associates, Company Secretaries as the Secretarial Auditors of the Company:

The Board of Directors of the Company at its meeting held on May 21, 2025, considering the recommendation of the Audit Committee has proposed to the Shareholders of the Company, appointment of M/s. Rathi & Associates, Practicing Company Secretaries (Unique Identification No. P1988MH011900 and Peer Review Certificate No. 6391/2025) as the Secretarial Auditors of the Company.

M/s. Rathi & Associates ("R&A") is a peer reviewed firm of Practicing Company Secretaries registered with the Institute of Company Secretaries of India ("ICSI"). The firm was established in 1988 and has a track record of over three decades in providing corporate secretarial services to listed companies and expertise in conducting secretarial audits and has been conducting the secretarial audit of the Company since the financial year ended March 31, 2015.

The broad terms and conditions of the appointment are as under:

a) Term of appointment: The proposed appointment is for a term of 5 (five) consecutive years commencing from the conclusion of the 62nd Annual General Meeting of the Company till the conclusion of the 67th Annual General Meeting to be held in the year 2030, to conduct secretarial audit for the financial years ending March 31, 2026, to March 31, 2030.

b) Proposed fees: ₹3,63,000 (Rupees Three Lakhs Sixty-Three Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, if any, incurred in connection with the secretarial audit for the financial year ending March 31, 2026, and for subsequent year(s) of the term, such fee as determined by the Board, on the recommendation of Audit Committee and in consultation with the Secretarial Auditors.

The Audit Committee and the Board, while recommending the appointment of R&A as the Secretarial Auditors of the Company, have taken into consideration, among other things, the fulfilment of the eligibility criteria and experience of conducting secretarial audit of listed companies, knowledge of the legal and regulatory framework in ensuring continued adherence to compliance requirements under the applicable laws and also based on the evaluation of the quality of audit work done by them in the past.

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

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

The Board recommends the resolution set forth in item No. 6 of the Notice for approval of the Shareholders as an Ordinary Resolution.

Item No. 7

To consider and approve Related Party Transaction with the wholly owned subsidiaries of the Company:

Mr. Gregory Gelhaus, a related party and part of the promoter family, assumed the role of Chief Transformation Officer (CTO) of the GMM Pfaudler Group, effective from May 5, 2025.

As CTO and Senior Management Personnel, Mr. Gregory Gelhaus leads Group's transformation efforts and key strategic initiatives to drive business expansion, improve operational efficiencies, and enhance collaboration and integration across the Company's operations and locations.

Since CTO provides services across the entire group, the Company has entered into service agreements with its wholly owned subsidiaries, under which a portion of the remuneration payable to Mr. Gregory Gelhaus will be recharged across the various entities of the GMM Pfaudler group, ensuring that the costs associated with his role are fairly allocated.

In the proposed arrangement the Company is proposing to incur a portion of the remuneration being paid to the CTO, who is related to the Promoter of the Company and is employed by the wholly owned subsidiary of the Company. As per provisions of Section 188(1)(f) of the Companies Act, 2013 and rules made there under, any arrangement for incurring any expense towards the payment of remuneration of the related party, who is holding an office of profit, will require the approval of the shareholders by way of an Ordinary Resolution.

The relevant details of the arrangement as required pursuant to Section 188 of the Companies Act, read with the rules framed thereunder, are as under:

Name of Related Party	Mr. Gregory Gelhaus
Brief Profile	Mr. Gelhaus has a proven track record of driving business growth, executing financial and operational turnarounds, and expanding into new markets. He has extensive and diverse experience across various industries in North America, Europe, and the Asia Pacific. Before joining GMM Pfaudler, he served as the Chief Operating Officer for Asia Pacific and Central Europe at Global Blue, a publicly traded company backed by private equity. In that role, he managed 17 businesses across 15 countries and was a member of the Executive Committee. Prior to his tenure at Global Blue, he held positions at PricewaterhouseCoopers, Alvarez & Marsal, and Kirkham Group Pte Ltd.
Name of the Director or KMP who is related	Mr. Ashok Patel, Promoter and Non-Executive Director and Mr. Tarak Patel, Promoter and Managing Director.
Nature of Relationship	Mr. Gelhaus is the son-in-law of Mr. Ashok Patel and brother-in-law of Mr. Tarak Patel.

Nature, material terms, monetary value and particulars of the contract or arrangements	- The employment contract is entered amongst Mavag AG and Mr. Gelhaus for appointment as Chief Transformation Officer of GMM Pfaudler Group effective May 5, 2025. - The Company shall bear a portion of his total remuneration, as determined by factors such as the scope of work, time spent, and completed deliverables, in accordance with the service agreement executed between the Company and its wholly owned subsidiaries. - Mr. Gelhaus will be based in Switzerland. - The remuneration consists of a fixed base salary of CHF 649,000 per annum, along with a short-term incentive of 50% of the fixed base salary and a long-term incentive as applicable to all other CXOs, in accordance with the Company's policies. - The remuneration has been benchmarked against industry standards for comparable roles and responsibilities.
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Considering the Audit Committee's recommendation and taking into account the CTO's extensive experience and the strategic value expected from his continued engagement including driving business expansion, enhancing operational efficiency, and strengthening integration across the Company's operations and locations, the Board recommends the proposed resolution for approval by the shareholders.

Except Mr. Ashok Patel and his relatives (including Mr. Tarak Patel) who are named in the promoter group of the Company, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7. Therefore, in terms of the applicable provisions of the Companies Act, 2013 and the SEBI Listing regulations, Mr. Ashok Patel and his relatives shall not vote on this resolution.

The Board recommends the resolution set forth in item No. 7 of the Notice for approval of the Shareholders as an Ordinary Resolution.

Item No. 8

To consider re-appointment of and payment of remuneration to Mr. Tarak Patel as the Managing Director of the Company:

The Shareholders of the Company at the 57th Annual General Meeting held on August 27, 2020, had approved the re-appointment of Mr. Tarak Patel as the Managing Director of the Company for a period

of 5 years commencing from June 1, 2020, not liable to retire by rotation. Accordingly, his present term as Managing Director is due to expire on May 31, 2025, and he is eligible for re-appointment.

Mr. Tarak Patel has been serving as the Managing Director since 2015. Over his 10-year tenure, the Company has witnessed transformative growth and strengthened its position as a global leader. Under his visionary leadership, the Company has successfully completed various acquisitions at India and International level since 2020, adding 8 complementary brands and expanding its footprint to 19 manufacturing facilities with operations spanning more than 100 countries.

Following the performance evaluation of Mr. Tarak Patel as Managing Director, and based on the recommendations of the Nomination and Remuneration Committee (NRC) and the Audit Committee, the Board of Directors, at its meeting held on May 21, 2025, approved his re-appointment for a further term of five years from June 1, 2025 to May 31, 2030, subject to shareholders' approval. Considering the Company's performance, industry standards, and remuneration paid to peers, the Board also approved a revised remuneration structure for the financial years 2025-26 up to 2027-28, effective April 1, 2025, as detailed below:

Proposed Remuneration*:

Financial year	Fixed Component	Variable Component
2025-26	₹6 Crores	Linked to the Company's financial performance & achievement of key strategic milestones and capped at 2.5% of the consolidated profit before tax.
2026-27	The annual fixed remuneration will be determined by the NRC within the range of ₹6 to 8 Crores, subject to approval by the Board.	
2027-28		

*The overall MD remuneration shall be capped at ₹16 Crores in any financial year, which is consistent with the cap maintained for the last two financial years.

Note(s):

- The revised remuneration structure is linked to the consolidated performance of the Group, aligning compensation with enterprise-level value creation, replacing the earlier structure which was split between India and international roles;
- The updated structure reflects the Company's unified strategic vision and Managing Director's enhanced scope of leadership.
- The proposed remuneration is benchmarked against leading companies in the Manufacturing, Engineering, Chemicals, and Pharma sectors.
- The framework is aligned with the Company's existing CXO compensation philosophy.
- In any financial year, if the Company's consolidated profits are lower than expected, the remuneration payable to the Managing Director will be lower. Conversely, if the consolidated profits exceed expectations, the remuneration may be higher based on the achievement of specified KRAs, subject to an overall cap of ₹16 Crores.

The aforesaid remuneration and other benefits shall be in the following manner:

Remuneration:

- ₹48,90,747 per month for the financial year 2025-26 with such increments as the Board may decide from time to time for the subsequent years.
- Premium on Personal Accident Insurance as per the Company's policy.
- Leave Travel allowance incurred for self and his family as per the Company's policy.
- Contribution to the Provident Fund, Gratuity, Superannuation Fund, National Pension Scheme and/or any other Statutory contributions/Funds as per the Company's policy.
- Leave and encashment of leave as per the Company's policy.

Perquisites:

- Provision for a car and driver as per the Company's car policy.
- Fee of clubs.

Others:

- Reimbursement of entertainment, travelling, phone and all other expenses incurred in relation to the business of the Company as per the Company's policy.

The annual Remuneration of Managing Director will be reviewed on April 1 each year, as per the Company's policy.

Commission (variable component):

The Managing Director shall also be entitled to receive commission in addition to the aforesaid

salary and perquisites as may be recommended by the Nomination & Remuneration Committee and approved by the Board based on the Company's financial performance & achievement of key strategic milestones, subject to threshold as applicable.

Minimum Remuneration:

In case of loss of or inadequate profits of the Company, the aforesaid fixed and variable Remuneration payable to Mr. Tarak Patel shall be treated as minimum remuneration payable to the Managing Director.

Other Terms:

- Mr. Tarak Patel shall act as the Managing Director of the Company and shall exercise and perform such powers and duties as entrusted to him by the Board of Directors from time to time.
- The Managing Director will be paid compensation for the loss of his office or for retirement from the office in accordance with the provisions of Section 191 and 202 of the Companies Act, 2013 or any other provisions of the applicable law for the time being in force.
- Either of the parties can terminate the said arrangement upon giving three months' notice in writing to the other party.

A brief profile of Mr. Tarak Patel, including nature of his expertise, and the relevant details relating to his re-appointment as required by the Act, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India are provided as "Annexure B" to this Notice.

Approval of the shareholders of the Company by way of a special resolution is being sought to comply with the provisions of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 197 of the Companies Act, 2013 so as to pay Mr. Tarak Patel in excess of ₹5 Crores and in excess of 5% of the net profits of

the Company, as calculated as per the provisions of Section 198 of the Companies Act, 2013, in each financial year as prescribed under Sections 197 and 198 of the Companies Act, 2013.

The information required under Schedule V of the Companies Act, 2013 is as under:

I. GENERAL INFORMATION

Nature of Industry:

GMM Pfaudler Limited was incorporated in 1962 and commenced commercial production in 1965.

The Company is a leading supplier of engineered equipment and systems for critical applications in the chemical, pharmaceutical, food, and energy sectors to organizations around the globe. Our unique expertise, manufacturing capabilities, innovation, strategic market, and business operations help us successfully deliver technologies, systems, and services which include - Glass-lined technology, filtration and drying, lab and process glass, sealing technology, mixing technology, alloy process equipment and fluoropolymers.

Financial Performance:

Under the leadership of Mr. Tarak Patel, Managing Director, the Company has grown considerably as can be seen from the consolidated financial indicators given below:

Amount in ₹ Crores

Consolidated Results	31.03.2025	31.03.2024	31.03.2023	31.03.2022	31.03.2021
Revenue	3,198.69	3,446.48	3,177.55	2,540.57	1,001.12
EBITDA	380.71*	476.80	429.32	283.87	138.76
Profit After Tax	99.57#	174.10	210.37	75.36	63.55
MD Remuneration	7.41	8.07	9.67	10.08	6.61

*EBITDA is before considering one-time costs for the India EBITDA transformation program and Hyderabad, India site closure amounting to ₹19.59 Crores.

#PAT is before one - time costs as explained above and before one-time exceptional costs pertaining to Leven, UK site closure consisting of severance pay, inventory write-offs, asset impairment and other closure costs amounting to gross value of ₹47.66 Crores (Total net of tax ₹50.40 Crores).

Foreign investments or collaborations:

GMM Pfaudler Limited completed the transaction to acquire a majority 54% stake of its parent, the Pfaudler Group from the private equity firm Deutsche Beteiligungs AG Fund VI, after receiving all necessary regulatory approvals on February 16, 2021. Further, on September 29, 2022, the Company completed acquisition of the balance 46% stake of the Pfaudler group. Pursuant to the acquisition, GMM Pfaudler has become the 100% ultimate holding company of the Pfaudler group, with the entire business of Pfaudler being consolidated into GMM Pfaudler thereby consolidating the shareholding to fully accrue earnings and synergies.

The Company is now a global and diverse company, having multiple manufacturing locations, complementary brands with an extensive sales and service network and employs

more than 2000 people across 4 continents. GMM Pfaudler is present on the market with several branded product lines covering a broad portfolio that includes fluoropolymers, filtration & drying, engineered column systems, lab & process glass, sealing technology and glass-lined & alloy systems.

Its global structure includes 2 wholly owned foreign subsidiaries, 19 step-down subsidiaries.

II. INFORMATION ABOUT THE APPOINTEE

Mr. Tarak Patel holds a degree in Business Administration in Economics from the University of Rochester, USA, and an MBA jointly conferred by Columbia Business School, London Business School and University of Hong Kong Business School.

Prior to joining GMM Pfaudler Limited, Mr. Tarak Patel worked with Universal Consulting, a leading

Strategy Management Consulting & Growth Strategy Consulting Company based in Mumbai, India.

Mr. Tarak Patel joined the Company in 2005 as Vice President – Sales & Marketing and was thereafter appointed as Executive Director on January 30, 2007. As a Director of the Company, Mr. Tarak Patel was instrumental in completing the 100% acquisition of Mavag AG, Switzerland a leading supplier of highly engineered critical equipment for the pharmaceutical, bio engineering and fine chemical industries.

Mr. Tarak Patel was appointed as a Managing Director of the Company w.e.f. June 1, 2015. Under his leadership, the Company laid down its Vision, Mission and Values, introduced "GMM's DNA for Success", a competency framework to provide a structured guide enabling the identification, evaluation and development of the behavior in individual employees and successfully completed its five-year Strategic Plan "Mission 2020".

Mr. Tarak Patel navigated the Company with resilience, launching five-year Strategic Plan "UDAAN" for FY21 to FY25 which outlined the Company's growth trajectory and created value for stakeholders. Further to the acquisition of Pfaudler group in FY21, the initiatives implemented under the UDAAN model were modified to align with the changing sustainability objectives.

Under the leadership of Mr. Tarak Patel, the Company launched "Apollo" project to harmonize the synergies between India and International business. The program concluded successfully as it realized more than planned synergies during FY22 and FY23. Project Apollo has now merged into business operations and incorporated into the Company's guidance.

In the last 5 years, on the domestic front, the Company acquired a state-of-the-art facility in Vatva, Ahmedabad, as a strategic step to scale Heavy Engineering business and on the international front, the Company acquired Hydro Air Research Italia S.r.l. (HARI), a company specializing in process and wastewater applications, particularly membrane separation technologies. The Company also executed a joint venture agreement with JDS Manufacturing (JDS) USA, which strengthened its position in the USA. Further, the Company completed the acquisition of Mixel France SAS, a French company along with its wholly-owned subsidiary in China; that

specializes in the design and manufacture of standard and tailor-made mixing systems for industrial process applications. Furthermore, the Company acquired Professional Mixing Equipment Inc. (MixPro), Canada, a manufacturer of agitators and mixers. This acquisition strengthened the Company's industrial mixing capabilities and reinforced its commitment to deliver high-quality, efficient solutions for customers across industries. Further extending its global manufacturing capabilities, in FY25, the Company, through its subsidiary, entered into an agreement to form a joint venture aimed at establishing an engineering and manufacturing facility in Poland.

Further, various cost reduction and efficiency programs such as Throughput improvement program, 5S, new ERP system, commissioning of new natural gas furnaces, 5S, Project Shikhar, an EBITDA transformation program in India aimed at operational excellence and accelerated growth etc. were launched and successfully implemented during his tenure as Managing Director which have helped the Company to improve revenue and profitability over the period of time.

From a stakeholder perspective, the Company rolled out its global employee stock option plan in FY21 as a long-term incentive to help in aligning and retaining its employees across the globe. Also, the Company issued bonus shares in FY22 to its shareholders in the ratio of 2:1 (i.e. 2 bonus equity shares for every 1 share held).

Past Remuneration and Proposed Remuneration:

Mr. Tarak Patel was paid total remuneration of ₹7.41 Crores (including payment of commission of ₹1.93 Crores) for FY25. The proposed remuneration of Mr. Tarak Patel is comparable with remuneration norms in the industry having regard to the size and products of the Company and based on the industry benchmarking report covering leading companies across the Manufacturing, Engineering, Chemicals, and Pharma sectors and is consistent with the Company's existing CXO compensation structure.

Job Profile and Suitability:

Mr. Tarak Patel, as Managing Director, is responsible for the operation and affairs of GMM Pfaudler. He is also responsible for developing a long-term strategy to ensure growth in both sales and profits. His qualifications and experience in the engineering Industry are suitable for the

responsibilities as the Managing Director of the Company.

Pecuniary relationship directly or indirectly with the Company:

Mr. Tarak Patel is the Promoter and son of Mr. Ashok Patel, Promoter & Non-Executive Director of the Company.

Mr. Tarak Patel holds 1.16% shares, and the holding of the promoter group is 25.18% shares of the Company.

III. OTHER INFORMATION

For the year ended March 31, 2025, the Company reported a consolidated net profit of ₹49.17 Crores. However, the Company's consolidated net profit before one-time costs related to the EBITDA transformation program and site closure at Hyderabad, India & Leven, UK, amounts to ₹99.57 Crores.

Demand for Company's product and services continue to be strong. The Company continues to take several initiatives for strengthening its sales and marketing organization and after sales service set up.

Expected increase in productivity and profits in measurable terms:

The Company expects to achieve revenue growth driven by ongoing strategic initiatives. Production volumes are projected to rise, supported by enhanced operational efficiency and capacity utilization. The Company remains confident in achieving stronger performance in the coming years.

Draft of the management agreement between Mr. Tarak Patel and the Company will be available for electronic inspection by the Shareholders from the date of circulation of this Notice up to date of this meeting i.e. August 1, 2025. Shareholders seeking to inspect such document may send an email to investorservices@gmmpfaudler.com or mittal.mehta@gmmpfaudler.com.

The Board recommends the resolution set forth at Item No. 8 for the approval of Shareholders as a Special Resolution.

Except Mr. Tarak Patel and his relatives, who are named in the promoter group of the Company and Mr. Ashok Patel, Director of the Company who is the father of Mr. Tarak Patel, none of the Directors, and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

By Order of the Board of Directors
For **GMM Pfaudler Limited**

Mittal Mehta
Company Secretary
M. No. 7848

Place: Mumbai

Date: May 21, 2025

Registered Office:

Vithal Udyognagar, Anand – Sojitra Road,
Karamsad – 388 325, Gujarat

ANNEXURE A

Details of the Directors seeking variation in terms of remuneration required under Secretarial Standard - 2 on General Meetings

Name of Director	Mr. Ashok Patel
DIN	00165858
Date of Birth	September 6, 1944
Age	81 Years
Qualifications	B.Sc degree from the University of Manchester Institute of Science & Technology, UK and an MBA from the Columbia University, USA.
Brief Profile	Mr. Ashok Patel has over 48 years of experience in the capital goods industry. He has been a Director of GMM Pfaudler Limited since 1972 and was the Managing Director of the Company from 1988 to 2015. He is currently the Executive Chairman of the Company's subsidiary Mavag AG. He is on the Board of Skyline Millars Limited and Ready Mix Concrete Limited.
Expertise in specific functional area	International Business, Finance, Strategy, Technology and General Management
Experience	53 years
Date of first appointment on the Board	January 1, 1988
Shareholding in the Company as on March 31, 2024	8,51,940 Equity Shares (1.90%)* * Includes 831,705 equity shares held as Karta of Ashok Patel HUF.
Terms and conditions of appointment/ continuation of Directorship	Non-Executive Director liable to retire by rotation.
Details of last remuneration drawn in INR (FY25)	₹9.50 Lakhs (Sitting Fees)
Details of proposed remuneration	Sitting fees as approved by the Audit Committee and Board, in accordance with the applicable provisions of law.
Inter-se Relationship between • Directors • Key Managerial Personnel	Father of Mr. Tarak Patel, Managing Director
Number of meetings of the Board attended during FY25	Held- 7 Attended- 7
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of the Company	Member of: • Risk Management Committee • Corporate Social Responsibility Committee
Other Companies in which he is a Director excluding Directorship in Private and Section 8 Companies	Skyline Millars Limited Readymix Concrete Limited
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of other Public Limited Companies in which he is a Director	Nil

ANNEXURE B

Details of the Directors seeking variation in terms of remuneration required under Secretarial Standard - 2 on General Meetings

Name of Director	Mr. Tarak Patel
DIN	00166183
Date of Birth	December 28, 1975
Age	49 Years
Qualifications	BA in Economics from the University of Rochester, USA and an MBA jointly conferred by Columbia Business School, London Business School and University of Hong Kong Business School.
Brief Profile	Mr. Tarak Patel has been the Managing Director of GMM Pfaudler Ltd. since June 2015 and has served as an Executive Director since 2007. Before joining GMM Pfaudler, he worked with Universal Consulting, a leading strategy management consulting firm based in Mumbai, India. In addition to his role at GMM Pfaudler, Mr. Tarak Patel is actively involved in various boards, including Ready Mix Concrete Limited. He also serves on the Board of ReefWatch Marine Conservation and Charutar Arogya Mandal. He is also a member of the Young Presidents' Organization (YPO).
Expertise in specific functional area	Finance, Marketing and Business Management
Experience	24 years
Date of first appointment on the Board	January 30, 2007
Shareholding in the Company as on March 31, 2025	5,21,880
Terms and conditions of appointment/continuation of Directorship	Please refer Explanatory Statement to Item No. 8 of the Notice for terms and conditions of the appointment.
Details of last remuneration drawn in INR (FY25)	₹7.41 Crores (including commission of ₹1.93 Crores)
Details of proposed remuneration	Please refer Explanatory Statement to Item No. 8 of the Notice.
Inter-se Relationship between - Directors - Key Managerial Personnel	Son of Mr. Ashok Patel – Non-Executive Director
Number of meetings of the Board attended during FY25	Held- 7 Attended- 7
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of the Company	Member of : - Stakeholders Relationship Committee - Corporate Social Responsibility Committee - Risk Management Committee.
Other Companies in which he is a Director excluding Directorship in Private and Section 8 Companies	Ready Mix Concrete Limited
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of other Public Limited Companies in which he is a Director	Nil

Board's Report

To the Members

The Directors hereby submits the Sixty Second Annual Report together with the Consolidated and Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2025.

1. SUMMARY OF THE FINANCIAL RESULTS:

(in ₹ Crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Consolidated Summary		
Revenue from operations	3,198.69	3,446.48
Profit before tax	96.27	250.81
Profit after tax	49.17	170.66
Standalone Summary		
Revenue from operations	921.13	1030.61
Profit before tax	56.17	69.71
Profit after tax	42.25	51.05

During the financial year 2024-25, on a consolidated basis revenue was down by approx 7%, Profit before tax was down by approx. 62% and Profit after tax was down by approx. 71% as compared to the previous financial year.

During the financial year 2024-25, on standalone basis revenue was down by approx. 11%, Profit before tax was down by approx. 19% and Profit after tax was down by approx. 17% as compared to the previous financial year.

These results include one-time costs amounting to gross value of ₹67.25 Crores incurred during the year towards closure of the Leven site in UK, Hyderabad site in India, and India EBITDA transformation program. All costs pertaining to these events have been considered in the financial year 2024-25.

2. SHARE CAPITAL:

There was no change in Authorised and Paid-up Share Capital of the Company during the year under review.

3. ESOP:

With the approval of the Shareholders on December 2, 2021, through Postal Ballot, the

Company had introduced the GMM Pfaudler Employee Stock Option Plan 2021 ("ESOP Plan 2021") to reward, incentivize and retain eligible employees.

During the year, the Nomination and Remuneration Committee approved grant of 3rd Tranche of options comprising of 16,200 stock options (0.04% of Company's paid-up share capital) to the Eligible Employees of the Company and its subsidiaries. In total, 1,22,550 stock options (0.27% of the Company's paid-up share capital) have been granted under the ESOP Plan 2021. No stock options were exercised during the year under review.

The disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") have been placed on the website of the Company and can be accessed at <https://www.gmmpfaudler.com/investors/shareholders-center/shareholders-meetings>

A certificate from Rathi & Associates, Secretarial Auditors of the Company certifying that the ESOP Plan 2021 has been implemented in accordance with SEBI SBEB Regulations pursuant to the resolutions passed by the Shareholders, will be available for electronic inspection at the ensuing Annual General Meeting.

4. TRANSFERS TO RESERVES:

During the year under review, there was no amount transferred to General Reserve out of the net profits of the Company for the financial year 2024-25. Hence, the entire amount of profit has been carried forward to the Profit & Loss Reserve Account.

5. DIVIDEND:

During the year under review, the Board of Directors declared and paid an Interim Dividend of ₹1.00/- per share. The total amount distributed as interim dividend on paid-up share capital for the year amounted to ₹4.50 Crores.

Based on the performance of the Company for the year, the Board of Directors is pleased to recommend a Final Dividend of ₹1.00 on the paid-up share capital for the year amounting to ₹4.50 Crores.

The dividend declared and/or paid by the Company for the Financial Year 2024-25, is in compliance with the Dividend Distribution Policy of the Company.

The Dividend Distribution Policy is set out as 'Annexure A' forming a part of this Report and is also available on the Company's website at https://www.gmmpfaudler.com/file/Dividend_Distribution__Policy.pdf.

6. REPORT ON THE PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

In accordance with Section 129(3) of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of the Company's subsidiaries for the financial year ended March 31, 2025, is set out as 'Annexure B' of this Report.

Material Subsidiaries:

In terms of Regulation 16(1)(c) of the SEBI Listing Regulations, Material Subsidiary shall mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year. Accordingly, during the financial year 2024-25, the Company had six material overseas subsidiary companies namely, GMM International S.a.r.l., Pfaudler GmbH, Pfaudler S.r.l., Pfaudler Limited, GMMPfaudler US Inc., Mavag AG.

In line with the requirements of the Act and SEBI Listing Regulations, your Company has approved a policy for determining material subsidiaries and the same is available on the Company's website at: <https://www.gmmpfaudler.com/investors/policies-programmes>.

Further, in terms of Regulation 24(1) of the SEBI Listing Regulations, at least one Independent Director on the Board of the Company shall be a Director on the Board of an unlisted material subsidiary, i.e. a subsidiary, whose turnover or net worth exceeds twenty percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year. In compliance with the said provisions, Mr. Nakul Toshniwal (DIN: 00350112), Independent Director of the Company, was a Director on the Board of GMM International S.a.r.l., Pfaudler GmbH and Pfaudler S.r.l.

7. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial reporting as designed and implemented by the Company are adequate and ensure that all transactions are authorized, recorded and reported correctly in a timely manner. During the year under review, no material or serious lapses have been observed by the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

8. INTERNAL CONTROL SYSTEMS:

The Company's internal control systems are commensurate with the nature of its business, size and complexity of its operations. Appropriate internal control policies and procedures have been setup to ensure compliance with various policies, practices and statutes keeping in view the organization's pace of growth and increasing complexity of operations. The Internal Auditors carry out extensive audits throughout the year across all functional areas and submit their reports to the Audit Committee to further strengthen the process and make them more effective. The Audit Committee periodically reviews the adequacy and effectiveness of the Company's internal financial control and implementation of audit recommendations.

9. MANAGEMENT DISCUSSION & ANALYSIS:

Management Discussion & Analysis Report for the year under review, under Regulation 34 of the SEBI Listing Regulations, is presented in a separate section and forms a part of this Report.

10. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

The Company has been conducting business in a sustainable manner and to create maximum value for all its stakeholders. Business Responsibility and Sustainability Report for the financial year 2024-25 describing various initiatives taken by the Company from environment, social and governance perspective in accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, is presented in a separate section and forms part of this Report.

11. CORPORATE GOVERNANCE:

The Report on Corporate Governance as stipulated under Regulation 34 of the SEBI Listing Regulations forms an integral part of this Report.

The requisite certificate from Deloitte Haskins & Sells, Chartered Accountants confirming compliance with the conditions of corporate governance as stipulated under Schedule V of the SEBI Listing Regulations is enclosed to the Report on Corporate Governance.

12. CORPORATE SOCIAL RESPONSIBILITY:

The Board has constituted a Corporate Social Responsibility ("CSR") Committee as per the provisions of Section 135 of the Act. The Board has also framed a CSR Policy as per the recommendations of the CSR Committee.

The CSR Policy is available on the Company's website at <https://www.gmmpfaudler.com/file/CorporateSocialResponsibilityPolicy.pdf>.

The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the financial year ended March 31, 2025, is provided under Annual Report on CSR prescribed under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are set out as 'Annexure C' forming a part of this Report.

GMM Pfaudler Foundation, a Section 8 Company and wholly owned subsidiary of the Company, reflects the Company's commitment to CSR. The Foundation focuses on education, skill development, healthcare, and environmental sustainability, in alignment with the Company's CSR policy.

13. RELATED PARTY TRANSACTIONS:

All related party transactions entered by the Company during the financial year were in accordance with the Policy on dealing with related party transactions formulated and adopted by the Company. These transactions have been reviewed and certified by an Independent Consultant and approved by the Audit Committee and reviewed by it on a periodic basis.

The policy on dealing with related party transactions, is available on the Company's website at <https://www.gmmpfaudler.com/file/PolicyonRelatedPartyTransactions.pdf>.

During the year under review:

- All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act.

- No contracts or arrangements entered into under Section 188(1) of the Act and
- No materially significant related party transactions that may have potential conflict with interest of the Company at large.

Necessary disclosure as required by the Indian Accounting Standards (Ind AS 24) have been made in the Annual Report.

The particulars of contracts or arrangements entered into with the related party are set out in Note 41 to the standalone financial statements of the Company forming part of the Annual Report. The Company in terms of Regulation 23 of the SEBI Listing Regulations submits within the stipulated time from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions to the stock exchanges, in the format specified in the relevant accounting standards and SEBI.

14. RISK MANAGEMENT POLICY:

The Company recognises that risk is an integral and inevitable part of business and is fully committed to manage the risks in a proactive and efficient manner.

The Company continuously sharpens its risk management systems and processes in line with a rapidly changing business environment. The Company's Risk Management policy ensures sustainable growth of the organisation and to promote pro-active approach in evaluating, mitigating, and reporting such risks associated with the business. The said policy is available on the Company's website at https://www.gmmpfaudler.com/file/Risk_Management_Policy.pdf.

The Risk Management Committee ("RMC") of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and to ensure that key strategic and business risks are identified and addressed by the management.

A sub-committee of the RMC named Executive Risk Management Council (ERMC) continuously monitors and record changes in the business environment, threats and factors impacting the risk profile of the Company. The ERMC tracks and reports the implementation of the risk mitigation plans to the RMC which in turn reports to the Board of Directors.

Necessary information on the reference to the Committee, meetings of the Risk Management Committee held during the year and other related information are furnished in the Corporate Governance Report attached herewith and forms part of this Report.

15. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP):

15.1 DIRECTORS:

The Company's Board comprises of accomplished professionals with proven competence and integrity, who bring in vast experience and expertise, strategic guidance and leadership qualities.

As on March 31, 2025, the Board comprised of five Non-Executive Independent Directors (including two Women Independent Directors), two Non-Executive Non-Independent Directors and one Executive Director.

As on date, Mr. Prakash Apte, Mr. Nakul Toshniwal, Ms. Bhawana Mishra, Mr. Vivek Bhatia and Ms. Shilpa Nirula are the Independent Directors on the Board. All the Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time.

The Company's Board is of the opinion that the Independent Directors possess requisite qualifications, experience and expertise in industry knowledge and they hold highest standard of integrity. All Independent Directors of the Company have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. Ashok Patel and Mr. Raghav Ramdev are Non-Executive, Non-Independent Directors, liable to retire by rotation. Mr. Tarak Patel serves as the Executive Director and holds the position of Managing Director of the Company.

As on date, none of the Director is disqualified under Section 164 of the Act. They are not debarred from holding the office of Director pursuant to any order of SEBI or any other authority. All Directors have given a certificate to the Compliance Officer confirming adherence

to the Code of Conduct & Ethics Policy of the Company for the financial year 2024-25.

Appointment/Re-appointment of Directors:

During the year under review Ms. Shilpa Nirula (DIN: 06619353) was appointed as Independent Director of the Company for the first term of five consecutive years w.e.f. May 22, 2024, up to and including May 21, 2029. Her appointment was subsequently approved by the shareholders at the Sixty-First Annual General Meeting of the Company held on August 9, 2024.

Ms. Bhawana Mishra (DIN: 06741655) and Mr. Vivek Bhatia (DIN: 08166667) were re-appointed as Independent Directors of the Company for the second term of five consecutive years w.e.f. April 1, 2025, up to and including March 31, 2030. Their re-appointments were approved by the shareholders through Postal Ballot on March 13, 2025.

Further, the Board at its meeting dated February 6, 2025, based on the recommendation of the NRC, approved the appointment of Mr. Raghav Ramdev (DIN: 09043096) as Non-Executive Non-Independent Director, liable to retire by rotation, w.e.f. February 6, 2025, which was approved by the shareholders on March 13, 2025, via Postal Ballot.

Retirement by Rotation:

Pursuant to the provisions of Section 152 of the Act, Mr. Ashok Patel, Director being longest in the office, will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment in accordance with the provisions of the Act.

15.2 KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Manish Poddar, Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company, submitted his resignation effective from February 7, 2025, to pursue new opportunities and Mr. Alexander Poempner took over the role of Group CFO and KMP in line with Company's strategic objective to achieve seamless integration across geographies with effect from February 7, 2025.

As on date, Mr. Tarak Patel, Managing Director, Mr. Aseem Joshi, Chief Executive Officer, Mr. Alexander Poempner, Group Chief Financial Officer and Ms. Mittal Mehta, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company.

15.3 DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Act, and in relation to the audited financial statements of the Company for the year ended March 31, 2025, the Board of Directors hereby confirms that:

- in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- such accounting policies have been selected and applied consistently and the Directors have 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;
- proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company have been prepared on a going concern basis;
- internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15.4 MEETINGS OF THE BOARD:

Seven (7) Meetings of the Board of Directors were held during the financial year ended March 31, 2025. The intervening gap between the meetings was within the period prescribed under the Act and the SEBI Listing Regulations. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

15.5 AUDIT COMMITTEE:

The Audit Committee as on March 31, 2025, comprised of four members viz. Mr. Vivek Bhatia, (Chairperson), Mr. Prakash Apte (Member), Mr. Nakul Toshniwal (Member) and Ms. Shilpa Nirula (Member). All members of the Audit Committee are Independent Directors.

The details of meetings of the Committee held during the financial year under review along with attendance of members thereof, changes in the composition of the Audit Committee during the year and period till date and Role of the Audit Committee are provided in the Corporate Governance Report annexed to this Report. All the recommendations made by the Audit Committee during the year were accepted by the Board.

15.6 STAKEHOLDERS RELATIONSHIP COMMITTEE AND NOMINATION & REMUNERATION COMMITTEE:

Pursuant to Section 178 of the Act, the Nomination and Remuneration Committee and Stakeholders Relationship Committee were constituted by the Board of Directors to deal with the matters as specified in the reference given to the respective committees.

The details of roles, powers and meetings of the Committees held during the financial year under review along with attendance of members thereof and status of grievances received from various stakeholders during the financial year are furnished in the Corporate Governance Report annexed to this Report.

15.7 NOMINATION, REMUNERATION AND EVALUATION POLICY:

The Board of Directors has formulated a Policy which set standards for the nomination, remuneration and evaluation of the Directors and Key Managerial Personnel and aims to achieve a balance of merit, experience and skills amongst its Directors and Key Managerial Personnel.

The Nomination and Remuneration and Evaluation Policy is available on website of Company at: <https://www.gmmpfaudler.com/file/NominationRemuneration&EvaluationPolicy.pdf>.

15.8 BOARD EVALUATION:

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

The Nomination Remuneration and Evaluation Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of Individual Directors, Committees of the Board and the Board as a whole.

In order to have a fair and unbiased view of all the Directors, the Company used a secured online application of an external agency which helped maintain anonymity of the evaluation feedback.

The Independent Directors at their separate meeting reviewed the performance of:

- Non-Independent Directors and the Board as a whole;
- Chairperson of the Company after taking into account the views of Executive Directors and Non-Executive Directors;
- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Directors were satisfied with the evaluation process undertaken during the year. Further, in the opinion of the Board, all the Directors and in particular Independent Directors possess utmost integrity, professional expertise and requisite experience including proficiency.

15.9 FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

The Familiarization Programme for the Board and details of various familiarization programmes conducted during the year ended March 31, 2025 are available on the Company's website at https://www.gmmpfaudler.com/file/Familiarization-Programme_FY25.pdf.

16. VIGIL MECHANISM:

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the SEBI Listing Regulations.

The Company has formed an Ethics Committee to receive and investigate complaints received under the Whistle Blower Policy.

It gives a platform to the Directors and Employees to report any unethical or improper practice (not necessarily violation of law)

and to define processes for receiving and investigating complaints.

The mechanism ensures adequate protection and safeguards Directors and Employees from any victimization on reporting of unethical practices and irregularities. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

The Whistle Blower Policy has been appropriately communicated within the Company across all levels and is available on the website of the Company at: <https://www.gmmpfaudler.com/file/WhistleBlowerPolicy.pdf>.

17. SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company believes that all its employees have the right to be treated with dignity and is committed to providing a safe and conducive work environment.

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, no complaint of sexual harassment was received.

The policy formulated by the Company for Prevention of Sexual Harassment is available on the website of the Company at: <https://www.gmmpfaudler.com/file/Anti-Sexual-Harassment-Policy.pdf>.

18. AUDITORS AND AUDITORS' REPORT:

18.1 STATUTORY AUDITORS:

Deloitte, Haskins & Sells, Chartered Accountants (FRN 117365W) were appointed as Statutory Auditors of the Company, for a second term of consecutive five years, i.e. from the conclusion of 57th Annual General Meeting held on August 27, 2020, till the conclusion of 62nd Annual General Meeting by shareholders of the Company. Accordingly, Deloitte Haskins & Sells would be completing their second term as the Statutory

Auditors of the Company at ensuing Annual General Meeting.

The Board of Directors of the Company (the Board), at its meeting held on February 6, 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the Members of the Company, appointment of S R B C & Co LLP, Chartered Accountants (Firm Registration No. 324982E/E300003), as the Statutory Auditors of the for a term of 5 (five) consecutive years from the conclusion of the 62nd Annual General Meeting of the Company till the conclusion of the 67th Annual General Meeting to be held in the year 2030.

The Auditors' Report for the financial year ended March 31, 2025, issued by Deloitte Haskins & Sells LLP does not contain any reservation, qualification or adverse remark. The notes on the financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

18.2 SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Act and Rules made there under, the Board of Directors had appointed Rath and Associates, Practicing Company Secretaries to conduct Secretarial Audit of the Company for the financial year 2024-25.

The Secretarial Audit Report obtained pursuant to the provisions of Section 204 of the Act and Rules made there under, from Rath and Associates, Practicing Company Secretaries for the financial year 2024-25 is set out at 'Annexure D' forming a part of this Report and does not contain any reservation, qualification or adverse remark.

Further, the Board of Directors of the Company, at its meeting held on May 21, 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the Shareholders of the Company, appointment of Rath and Associates, Practicing Company Secretaries (Peer Review Certificate No. 6391/2025), as the Secretarial Auditors of the Company for a first term of 5 (five) consecutive years from the conclusion of the 62nd Annual General Meeting of the Company till the conclusion of the 67th Annual General Meeting to be held in the year 2030.

18.3 COST AUDITORS:

Pursuant to Section 148 of the Act read with the Companies (Cost Record and Audit) Rules, 2014, the Board of Directors on recommendation of Audit Committee appointed Dalwadi & Associates, Cost Accountants, Ahmedabad, Cost Auditors of the Company for the financial year 2024-25.

Further, the Board of Directors, on recommendation of the Audit Committee at their meeting held on May 21, 2025, have re-appointed Dalwadi & Associates, Cost Accountants for conducting audit of the cost accounting records maintained by the Company in respect of its manufacturing activities for the financial year 2025-26.

As per the provisions of the Act, the remuneration payable to the Cost Auditor shall be ratified by the shareholders at a general meeting. Accordingly, a resolution relating to the same will be placed before the Shareholders at the ensuing AGM.

18.4 INTERNAL AUDITORS:

The Board of Directors at their meeting held on May 25, 2023, had appointed Ernst & Young LLP as Internal Auditors of the Company for the financial year 2023-24 and 2024-25.

Ernst & Young LLP has conducted internal audit of the Company for the financial year 2024-25. Significant audit observations and corrective actions thereon were presented to the Audit Committee on a regular basis. No instances of fraud, suspected fraud, irregularity or failure of internal control systems of material nature were reported by the internal auditors during the year.

Further, the Board of Directors of the Company, at its meeting held on February 6, 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, approved the appointment of KPMG Assurance and Consulting Services LLP, Chartered Accountants as the Internal Auditors of the Company for the financial year 2025-26 & 2026-27.

19. CREDIT RATING:

During the year under review, ICRA Ltd. vide its report dated September 27, 2024, has reaffirmed the Company's long-term banking facilities [ICRA] AA-/Stable and short-term banking facility ratings at [ICRA] A1+. CRISIL vide its report dated March 21, 2024, rated the Company's long

term bank facilities as CRISIL AA-/ Positive and short-term banking facility remained at CRISIL AA-/ Positive/ CRISIL A1+.

The above ratings are considered to have a high degree of safety regarding timely payment of financial obligations carrying the lowest credit risk.

20. STATUTORY STATEMENTS:

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended, is enclosed as "Annexure E" to this Report

20.2 MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT:

Under Section 134(3)(l) of the Companies Act, 2013, there have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

20.3 SIGNIFICANT/ MATERIAL ORDERS PASSED BY COURTS/ REGULATORS/ TRIBUNALS:

During the financial year 2024-25, there were no significant or material orders passed by the Courts or Regulators or Tribunals impacting the going concern status and operations of the Company in the future.

20.4 ANNUAL RETURN:

The Annual Return of the Company for the financial year ended March 31, 2025, in Form MGT-7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 is available on the Company's website at: <https://www.gmmpfaudler.com/investors/shareholders-center/shareholders->

20.5 PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached as 'Annexure F' to this Report.

20.6 PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

The particulars of loans, guarantees and investments covered Section 186 of the Act are given at Notes forming part of the Financial Statements.

20.7 PAYMENT OF REMUNERATION/ COMMISSION TO THE MANAGING DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANIES:

No remuneration/sitting fees was received by Mr. Tarak Patel, Managing Director, from subsidiary companies during the year under review.

20.8 INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 123 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, the amounts of dividends remaining unclaimed for a period of seven years and shares thereon are required to be transferred to the Investor Education and Protection Fund ("IEPF"); details of which are available on the Company's website at <https://www.gmmpfaudler.com/investors/shareholders-center/unclaimed-data>.

During the year under review, the Company transferred ₹3,74,047 on account of unclaimed/unpaid dividend along with corresponding 4005 equity shares of face value ₹2/- each to the IEPF.

Details of the Nodal Officer appointed under the said provisions are:

Ms. Mittal Mehta, Company Secretary & Compliance Officer

Email: mittal.mehta@gmmpfaudler.com

21. GENERAL:

The Board of Directors confirms that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the financial year 2024-25:

1. The company has neither issued shares with differential voting rights nor issued sweat equity shares during the year under review.
2. Non-exercising of voting rights in respect of shares purchased directly by employees

under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;

3. Material or serious instances of fraud falling within the purview of Section 143(12) of the Companies Act, 2013 and Rules made there under.
4. Change in the nature of business of the Company.
5. Revision of financial statements of the Company, pertaining to the previous financial year.
6. Acceptance or renewal of any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.
7. Application made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their

status as at the end of the financial year is not applicable.

8. Disclosure of the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

The Board of Director confirm that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

22. ACKNOWLEDGEMENT:

The Board of Directors of the Company acknowledge with gratitude the support received from shareholders, bankers, customers, suppliers, business partners, regulatory and government authorities. The Directors recognize and appreciate the efforts of all employees that ensured accelerated growth in a challenging business environment.

For and on behalf of the Board of Directors

Mr. Prakash Apte
Chairperson
DIN: 00196106

Mr. Tarak Patel
Managing Director
DIN: 00166183

Place: Mumbai

Date: May 21, 2025

Registered Office:

Vithal Udyognagar, Anand – Sojitra Road, Karamsad – 388 325, Gujarat

Annexure 'A'

DIVIDEND DISTRIBUTION POLICY

1. INTRODUCTION

This Policy is called "GMM PFAUDLER LIMITED – DIVIDEND DISTRIBUTION POLICY" (hereinafter referred to as "this Policy/Policy"), framed pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force ("Listing Regulations").

2. OBJECTIVE

The objective of this Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

3. PHILOSOPHY

The philosophy of the Company is to maximize the shareholders' wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilize its profits for working capital requirements, capital expenditure to meet expansion needs, reducing debt from its books of accounts, earmarking reserves for inorganic growth opportunities and thereafter distribute the surplus profits in the form of Dividend to the shareholders.

4. DEFINITIONS

- "Act"** means the Companies Act, 2013 including the rules, schedules, clarifications and guidelines issued by Ministry of Corporate Affairs from time to time.
- "Board"** or **"Board of Directors"** refers to the Board of Directors of GMM Pfaudler Limited.
- "Company"** or **"GMM Pfaudler"** means GMM Pfaudler Limited.
- "Dividend"** shall mean Dividend as defined under the Act.

5. PARAMETERS FOR DECLARATION OF DIVIDEND

In line with the philosophy as stated above, the Board of Directors of the Company shall consider the following parameters before declaring Dividend(s) or recommending Dividend(s) to the shareholders:

5.1 Internal Factors / Financial Parameters

- Financial performance of the Company, including the Net Profit (consolidated and standalone) earned during the current and previous years and also the accumulated profit (loss) of the earlier years;
- Fund requirements to finance the working capital needs of the business;
- Opportunities for investments of the funds of the Company to capture future growth in the industry, e.g. capital expenditure, network expansion, etc.
- Funding requirements for any organic and inorganic growth opportunities to be pursued by the Company;
- Optimal free cash to fund any exigencies, if any;
- Cost of borrowings vis-à-vis cost of capital/ Outstanding borrowings;
- Past Dividend Trends;
- Buyback of shares or any such alternate profit distribution measures;
- Any unforeseen events and/or contingencies;
- Covenants if any, contained in any lenders agreement or any other agreement entered into by the Company.

5.2 External Factors

- Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws;
- Dividend pay-out ratios of companies in the same industry;

- Emerging trends in financial market;
- Industry growth rate/outlook for future years;
- Economic environment;
- Political/geographical situations;

Any other criteria as the Board may deem fit from time to time.

6. UTILIZATION OF RETAINED EARNINGS

The Company believes in cash retention for growth, expansion and diversification, including acquisitions to be made by it, and also as a means to meet contingency.

The Company may declare Dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution or any other permitted usage as per the Companies Act, 2013.

7. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Company intends to offer maximum return on investment to shareholders, keeping in mind the growth and future of the Company and would generally pay Dividend subject to the availability of adequate profits. However, the Board may consider not declaring/recommending any Dividend under the following circumstances:

- Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- Significantly higher working capital requirements adversely impacting free cash flow;
- Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- Whenever it proposes to utilize surplus cash for buy-back of securities; or
- In the event of inadequacy of profits or whenever the Company has incurred losses.

8. PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Presently, the issued share capital of the Company comprises of only one class of equity shares of ₹2 each. In the event of the Company issuing any

other class(es) of shares, the Board shall consider and specify the other parameters to be adopted with respect to such class(es) of shares.

9. QUANTUM OF DIVIDEND PAYOUT

The Board of Directors of the Company, considering the business and financial parameters and external factors mentioned above, shall endeavour to pay/recommend pay-out of upto 25% of its standalone Profits After Tax (PAT).

The Board can consider recommending a lower payout or no Dividend for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment.

10. PROCEDURE

The given below is a summary of the procedure of declaration and payment of Dividends, and is subject to applicable laws:

10.1: In case of final Dividend

Recommendation, if any, shall be made by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to the approval of the shareholders of the Company.

The Dividend as recommended by the Board shall be approved/declared at the annual general meeting of the Company.

The payment of Dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the Dividend on the record date/book closure period as per the applicable law.

10.2: In case of interim Dividend

Interim Dividend, if any, shall be declared by the Board.

The payment of Dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the Dividend on the record date as per the applicable laws.

In case no final Dividend is declared, interim Dividend paid during the year, if any, will be regarded as final Dividend in the annual general meeting.

11. INTERPRETATION

Words, terms, and expressions used in this Policy and not defined herein shall have the same meaning ascribed to it in the Act, SEBI Act, 1992 or rules and regulations made thereunder, Listing Regulations or any other relevant legislation/law applicable to the Company.

In the event of conflict between the terms of this Policy and any provision in an applicable law, the provision of the applicable law shall prevail.

12. REVIEW AND AMENDMENT

This Policy may be amended by the Board from time to time to be in line with any amendments made to the Act, Listing Regulations or any other relevant legislation/applicable law.

Annexure 'B'

PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

(Information in respect of subsidiary / Associate Companies / Joint Venture Companies) as on financial year ended on March 31, 2025

PART A - SUBSIDIARIES

PART A - SUBSIDIARIES		(₹ in Crores)																				
Sr. No	Name of the subsidiary	GMM Pfaudler Foundation	Mavag AG	GMM International Sàrl.	Pfaudler GmbH*	Pfaudler Normag Systems GmbH	Pfaudler Interseal GmbH	Mixel France SAS	Pfaudler Service BeNeLux BV.	Pfaudler S.r.l.	Hydro Air Research Italia S.r.l.	Pfaudler Italia Limited	Pfaudler (Chang Zhou) Process Equipment Company Limited	Mixel Agitator Company Limited	Pfaudler S.A. de C.V.	Edlon Inc.	GMM Pfaudler US Inc.®	GMM Pfaudler JDS LLC	Professional Mixing Equipment Inc.	Pfaudler Ltd.	Pfaudler Private Limited	
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
2	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	INR	CHF 96.65	USD 85.47	EUR 92.44	EUR 92.44	EUR 92.44	EUR 92.44	EUR 92.44	EUR 92.44	EUR 92.44	EUR 92.44	EUR 92.44	CNY 11.78	CNY 11.78	MXN 4.19	USD 85.47	USD 85.47	USD 85.47	CAD 59.51	BRL 14.79	SGD 63.67
3	Share capital	0.01	20.25	4.68	93.30	0.23	0.72	2.29	0.17	68.45	0.92	171.68	61.54	9.13	2.45	45.69	-	36.75	23.80	11.69	0.95	
4	Reserves and Surplus	0.32	93.43	510.95	246.30	119.78	54.41	54.59	32.31	39.42	39.03	-89.86	41.66	3.50	7.80	76.00	350.99	-22.32	0.94	69.51	-0.36	
5	Total Assets	0.34	212.41	805.22	956.97	217.39	84.64	162.99	42.52	190.93	79.36	109.47	225.27	34.79	16.52	177.31	837.93	29.67	91.38	110.51	0.60	
6	Total Liabilities	0.01	98.72	289.60	617.36	97.38	29.51	106.11	10.04	83.07	39.41	27.65	122.08	22.16	6.27	55.62	486.95	15.23	66.64	29.30	-	
7	Investments	-	87.73	768.75	265.14	-	-	6.55	-	45.86	-	7.01	-	-	-	-	160.55	-	-	-	-	
8	Turnover	-	146.13	-	359.67	175.38	101.17	123.06	52.35	171.35	39.59	166.89	141.21	51.74	13.14	196.44	644.30	0.58	68.41	124.67	-	
9	Profit before taxation	0.07	-44.29	-55.72	6.22	16.97	-4.71	1.29	11.56	23.30	-8.88	-40.65	14.48	4.59	2.81	29.08	56.73	-7.76	3.80	32.83	-0.02	
10	Provision for taxation	-	-6.70	-0.91	-9.09	6.41	0.25	-0.52	-2.87	-8.16	1.54	10.01	-3.65	-1.10	-0.66	-6.51	-13.52	-	-1.03	-10.48	-	
11	Profit after taxation	0.07	-37.59	-56.63	-2.87	23.38	-4.46	0.77	8.69	15.14	-7.34	-30.64	10.83	3.49	2.15	22.57	43.21	-7.76	2.77	22.35	-0.02	
12	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	% of shareholding at group level	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	51%	100%	100%	100%	

Note(s):

*Including subsidiary - Pfaudler France Sàrl.
®Including subsidiary - Glasteel Parts and Services, Inc

PART B - ASSOCIATE COMPANIES AND JOINT VENTURES

As on March 31, 2025, the Company does not have any Associate Companies or Joint Ventures.

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte Chairman Place: Mumbai Date: May 21, 2025	Tarak Patel Managing Director Place: Mumbai Date: May 21, 2025	Alexander Poempner Chief Financial Officer Place: Mumbai Date: May 21, 2025	Mittal Mehta Company Secretary Place: Mumbai Date: May 21, 2025
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Annexure 'C'

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

(Pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014
(Including any statutory modification(s) or re-enactment(s) for the time being in force))

1. Brief outline on the CSR Policy of the Company.

GMM Pfaudler Limited ('the Company') recognizes the impact it has among communities in which it operates and believes that it has a responsibility to improve and enrich the lives of these communities and play a part in their social & economic development and environmental sustainability. With its dedicated and focused approach, the Company has been contributing its time expertise and resources to help local communities. The Company is committed to focus its CSR activities in and around the areas in which it operates and would support activities in areas beyond on a case-to-case basis.

As a responsible corporate citizen, the Company is committed to sustainable development and inclusive growth and has been and will continue to focus on issues relating to education, healthcare and environment sustainability.

2. Composition of CSR Committee:

Sr. No.	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
1.	Ms. Bhawana Mishra	Non-Executive Independent Director - Chairperson	2	1
2.	Mr. Nakul Toshniwal	Non-Executive Independent Director - Member	2	2
3.	Mr. Ashok Patel	Non-Executive (Non-Independent) Director - Member	2	2
4.	Mr. Tarak Patel	Managing Director - Member	2	2

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

The composition of the CSR Committee, CSR Policy and CSR projects is available on the Company's website at the following links:

Composition of CSR Committee: <https://www.gmmpfaudler.com/about-us/leadership/board-of-directors>

CSR Policy: <https://www.gmmpfaudler.com/file/CorporateSocialResponsibilityPolicy.pdf>

CSR projects: <https://www.gmmpfaudler.com/sustainability/corporate-social-responsibility>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

5. (a) Average net profit of the company as per section 135(5): **₹103.72 Crores**
 (b) Two percent of average net profit of the company as per section 135(5): **₹2.07 Crores**
 (c) Surplus arising out of the CSR projects or Programmes or activities of the previous financial years: **Nil**
 (d) Amount required to be set off for the financial year, if any: **Nil**
 (e) Total CSR obligation for the financial year (5a+5b- 5c): **₹2.07 Crores**

6. (a) Amount spent on CSR projects (both Ongoing Project and other than ongoing project)

Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (amt in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Skill Development Program towards annual operating expenses for JV Patel ITI	Promoting education and enhancing vocational skills	Yes	Gujarat	Anand	25,00,000	No	GMM Pfaudler Foundation	CSR00029127
2.	Infrastructural development at JV Patel ITI	Promoting education and enhancing vocational skills:	Yes	Gujarat	Anand	88,47,087	No	GMM Pfaudler Foundation	CSR00029127
3.	Adoption of two Childcare Institutions at Sangli	Promoting education and enhancing vocational skills	No	Maharashtra	Sangli	10,00,000	No	GMM Pfaudler Foundation	CSR00029127
4.	Project SPARSH 2.0 aims at connecting the last person in villages to appropriate levels of healthcare through trained Village Health Workers (VHWs) health centers by and a tertiary care center for critical cases.	Promoting rural Healthcare including preventive healthcare	Yes	Gujarat	Anand	30,00,000	No	GMM Pfaudler Foundation	CSR00029127
5.	Renovation of Operation Theatre at Shree Krishna Hospital	Promoting rural Healthcare including preventive healthcare	Yes	Gujarat	Anand	50,00,000*	No	GMM Pfaudler Foundation	CSR00029127
6.	Upgradation of Maternity ward at ESIC Hospital	Promoting rural Healthcare including preventive healthcare	Yes	Hyderabad	NA	15,40,948	No	GMM Pfaudler Foundation	CSR00029127
7.	Project "Re(ef) Generate" that aims to pilot the restoration and rehabilitation of corals in the in the Andaman Islands.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna	No	Andaman Islands	NA	15,00,000	No	GMM Pfaudler Foundation	CSR00029127

Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (amt in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
8.	Rescue and rehabilitation of marine life on the Karnataka coast	Ensuring environmental sustainability, ecological balance, protection of flora and fauna	No	Karnataka	Udupi	15,00,000	No	GMM Pfaudler Foundation	CSR00029127
Total						2,48,88,035			

* In FY25, the Company utilized the unspent CSR amount of ₹0.50 Crores from FY24 transferred to the Unspent CSR Account for the renovation of the operation theatre at Shree Krishna Hospital.

(b) Amount spent in Administrative Overheads: **₹8,55,039**

(c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(d) Total amount spent for the Financial Year (6a+6b+6c): **₹2,57,43,074 (includes unspent ₹0.50 Crores for FY24 spent in FY25)**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	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 (in ₹)	Date of transfer	Name of the Fund	Amount.	Date of transfer
	Nil				

(f) Excess amount for set-off, if any

Sr. No.	Particular	Amount (in INR)
(i)	Two percent of average net profit of the company as per Section 135(5)	2,07,43,074
(ii)	Total amount spent for the Financial Year	2,07,43,074
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial year (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
1	2023-24	50,00,000	50,00,000	Not Applicable			Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

Enter the no. of capital assets acquired: **Nil**

Furnish the details relating to the assets created or acquired through CSR spent in the financial year: **Nil**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – **Nil**

For and on behalf of the Board of Directors

Bhawana Mishra

Chairperson - CSR Committee

DIN : 06741655

Tarak Patel

Managing Director

DIN : 00166183

Place: Mumbai

Date: May 20, 2025

Registered Office:

Vithal Udyognagar, Anand – Sojitra Road,
Karamsad - 388 325, Gujarat.

Annexure 'D'

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 Personnel) Rules, 2014]

To
The Members,
GMM PFAUDLER LIMITED
Vithal Udyognagar,
Anand – Sojitra Road,
Karamsad – 388325

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by GMM Pfaudler Limited (CIN:L29199GJ1962PLC001171) (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2025, 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.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by GMM Pfaudler Limited for the Financial Year ended on March 31, 2025, according to the provisions of:
 - (i) The Companies Act, 2013 (the 'Act') and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made

there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings for the financial year under Report;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 were not applicable to the Company under the financial year under report:
 - i. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with clients; and
 - v. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
3. We further report that having regard to the compliance system prevailing in the Company

and on examination of the relevant documents and records in pursuance thereof, no other laws were specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as applicable to the Company.

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 report were carried out in compliance with the provisions of the Act.

Date: May 21, 2025
Place: Mumbai

Note: This report should be read with our letter of even date which is annexed as **Annexure-I** and forms an integral part of this report.

Adequate notice was given to all Directors for scheduled Board meetings and the agenda and detailed notes on agenda were sent at least seven days in advance. Further, 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.

As per the minutes of the meetings, all the decisions of the Board were taken unanimously.

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 year under review there were no events that had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to hereinabove.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

JAYESH SHAH

PARTNER
Membership. No: F5637
COP. No: 2535
UDIN: F005637G000402341:
P.R. Certificate No.: 6391/2025

Annexure – I

To
The Members,
GMM PFAUDLER LIMITED
Vithal Udyognagar,
Anand – Sojitra Road,
Karamsad – 388325

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the information provided to us during our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, guidelines and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

JAYESH SHAH
PARTNER
Membership. No: F5637
COP. No: 2535
UDIN: F005637G000402341
P.R. Certificate No.: 6391/2025

Date: May 21, 2025
Place: Mumbai

ANNEXURE 'E'

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

A. Conservation of energy:

(a) Steps taken or impact on conservation of energy:

1. Achieved 18% energy savings in the air compressor system at the Karamsad plant by merging air lines, resulting in an annual saving of 484,331 kWh.
2. Implemented a no-load control switch on a 500 CFM air compressor and introduced scheduled operations, leading to an additional reduction of 37,596 kWh per year.
3. Achieved estimated savings of 79,086 Kwh in by installing 2000KVA OLTC based transformer.
4. Implemented High Resistance Thermal Insulation paint to 2 electric furnace & reduced heat loss up to 9°C.
5. Installed daylight control timers on 35 workshop wall fans and 2 HF converters, resulting in a recorded energy saving of 70 kWh per day.
6. Achieved annual recurring savings of 92,000 KWH electricity by installing timers-based LED lights in all bays.
7. Replaced 3 old AC with eco-friendly gas split AC systems for power saving.
8. Achieved an average power factor of 0.995 at Karamsad plant.

(b) Steps taken by the Company for utilizing alternate source of energy:

1. Total Power of about 12.20 Lakh kWh was generated for FY25 from 1MW Roof Top Solar Plant with grid connectivity installed by the Company.

(c) Strategic initiative to improve machine condition & availability:

1. Retro fitting work done to improve efficiency and minimize breakdown time of the following equipment:
 - Plate rolling machine, Lathe, Boring machine, 3 EOT cranes retrofitted for better efficiency
2. Improved machine availability by effective preventive & predictive maintenance (Condition based) for critical equipment & parameters.

(d) Modification/retrofitting of equipment to increase productivity & cost reduction:

1. Installed 10- ton capacity gentry crane & developed a plate storage yard measuring 45 mtr x 24 mtr
2. Installed a CNC cutting machine to increase plate cutting output
3. Developed mechanical QC lab at Vatva plant
4. Renovation carried out of cleanroom as per Class 8 certification
5. Replacement of Bay 1 roof top with GI sheets.
6. 35 KL STP plant installed and output water utilizing for plantation.

(e) Safety:

1. Gemba Walks conducted with Shop HODs to identify and address potential hazards on the shop floor.
2. Safety Awareness Trainings conducted on EOT crane operator, Material Handling, Fire Fighter, Work Permit, Health safety and Electrical Safety Campaign executed.
3. Fall Protection System (Lifeline) installed on rooftop areas at Bay 6 and assembly shed as well as for maintenance activity in EOT crane
4. New safety guidelines have been developed and shared across all departments to enhance the overall safety culture in the workplace.
5. Mi Safe App used to report unsafe acts and conditions, which are monitored and reviewed in monthly safety review meetings with corrective action taken to eliminate hazard.
6. Maintained "5S" culture in plant & audited by third party.
7. Followed LOTO system for energy isolation during maintenance activity
8. Implemented Guards for all rotating parts, provision of safety latches for crane hooks, installed of emergency lights.
9. Gas Cutting Trolley upgraded with NRVs and Flashback Arrestors at all sites.
10. Air Receiver Safety Valves inspected and certified for safe operation.

11. Installed new PDB with MCCB in Bay 1 with new overhead cabling at Vatva plant
12. Medical checkup of Plant employees.
13. Safety Orientation Program for New Contract Employees and Visitors.
14. Safety Week was celebrated & awards were distributed to nominees for excellent performance throughout the year in various safety aspects.
15. Zero Reportable Accidents or Injuries recorded for FY25 - demonstrating strong commitment to safety culture.

(f) Capital investment on energy conservation equipment:

Installed 2000KVA 11KV/440V OLTC based transformer with IS-1180 level I to regulate voltage in plant.

B. Technology Absorption:

(i) Efforts Made Towards Technology Absorption:

- Installed FITCH catalyst in one NG furnace to improve efficiency
- Welding procedure developed for temper embrittlement requirement
- Internal training programs and workshops for cross functional team to familiarize them with new development.
- Spreading new equipment technology VCD, VCFD and CPF through pilot trials.
- Opened a new testing facility in Gujarat, India, for molecular distillation pilot trials. The facility is equipped to handle pilot trials for specific applications.
- Established an in-house Process Innovation and Product development team to adapt and optimize technologies.
- Implemented pilot projects to test and refine new technologies before full-scale deployment.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Product Development: Launched new product lines, basis to product gap in business verticals and aligning to latest trends in market.
- Import Substitution: Developed indigenous alternatives to previously imported products / components, reducing dependency on foreign suppliers.
- (iii) 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 - Natural Gas Furnace
 - (b) The year of import - 2022
 - (c) Whether the technology been fully absorbed - Yes
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - NA

C. The expenditure incurred on Research and Development:

(₹ in Crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Capital Expenditure	0.50	3.15
Recurring Expenditure	2.80	1.09
Total	3.30	4.24
Total R & D Expenditure as % of Total Turnover	0.36%	0.41%

D. Foreign exchange earnings and Outgo:

(₹ in Crore)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Actual Foreign Exchange earnings	166.08	131.62
Actual Foreign Exchange outgo	49.53	50.79

For and on behalf of the Board of Directors

Mr. Prakash Apte
Chairperson
DIN: 00196106

Mr. Tarak Patel
Managing Director
DIN: 00166183

Annexure 'F'

DISCLOSURE UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Operating Officer, Company Secretary and ratio of the remuneration of each Director to the Median remuneration of the employees of the Company for the financial year 2024-25:

Name of Director	Percentage increase in remuneration	Ratio of remuneration of each Director / KMP to Median remuneration of employees
*Mr. Prakash Apte - Non-Executive & Independent Chairperson	N.A.	N.A.
*Mr. Nakul Toshniwal - Non-Executive & Independent Director	N.A.	N.A.
*Ms. Bhawana Mishra - Non-Executive & Independent Director	N.A.	N.A.
*Mr. Vivek Bhatia - Non-Executive & Independent Director	N.A.	N.A.
*Mr. Ashok Patel - Non-Executive Director	N.A.	N.A.
#Mr. Raghav Ramdev - Non-Executive Director	N.A.	N.A.
Mr. Tarak Patel - Managing Director	-18.43%	117
Mr. Aseem Joshi - Chief Executive Officer	26.37%^	43
@Mr. Manish Poddar - Chief Financial Officer	7.32%	20
\$Mr. Alexander Poempner- Group Chief Financial Officer	N.A.	1
Ms. Mittal Mehta - Company Secretary & Compliance Officer	43.73%^	11

*Entitled for sitting fees and commission.

Voluntarily waived right to sitting fees and commission.

@Resigned w.e.f. February 7, 2025

\$Assumed office w.e.f. February 7, 2025

^Revised as part of benchmark based restructuring.

2. **The percentage increase in the median remuneration of employees in the financial year ended March 31, 2025: 5.24%**

Median remuneration and average percentage increase in salary calculated on the basis of number of employees who were in the employment of the Company throughout the year for better comparison.

3. **The number of permanent employees on the rolls of the Company: 744**

4. **Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof:**

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2024-25 was 6.66%, whereas the increase in the managerial remuneration for the same financial year was 24.72%. Managerial personnel include Managing Director.

The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per the market trend.

Place: Mumbai

Date: May 21, 2025

Registered Office:

Vithal Udyog Nagar, Anand - Sojitra Road, Karamsad - 388 325, Gujarat

5. Affirmation that the remuneration is as per the remuneration policy of the Company:

Remuneration paid to Directors, Key Managerial Personnel and other employees is as per the remuneration policy of the Company.

Further, in terms of the provisions of sub-rules (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other details of the employees drawing remuneration in excess of the limits set out in these Rules forms part of the Annual Report. In terms of Section 136 of the Companies Act, 2013, this report is being sent to the Members and others entitled thereto, excluding the aforesaid information. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company.

For and on behalf of the Board of Directors

Mr. Prakash Apte
Chairperson
DIN: 00196106

Mr. Tarak Patel
Managing Director
DIN: 00166183

Place: Mumbai
Date: May 21, 2025

Registered Office:
Vithal Udyognagar, Anand – Sojitra Road,
Karamsad - 388 325, Gujarat

Note(s): While determining the median and the average increase we have taken the following assumptions:

- We excluded the employees who have joined in the FY2024-25; and
- We have excluded the employees who have ceased to be employees in the FY2024-25.

INFORMATION AT A GLANCE	
Particulars	Details
Day, date, and time of AGM	Friday, August 1, 2025 at 12:00 noon (IST)
Mode	Video conference/other audio-visual means
Participation through video conference	https://instameet.in.mpms.mufg.com
Final dividend record date	July 25, 2025
Final dividend payment date	August 28, 2025
Cut-off date for e-voting	July 25, 2025
E-voting start date and time	July 29, 2025 at 9:00 a.m. (IST)
E-voting end date and time	July 31, 2025 at 5:00 p.m. (IST)
Last date for Speaker registration	July 28, 2025
Last date for sending questions	July 28, 2025
Name and contact details of e-voting service provider and Registrar and Share Transfer Agent	MUFG Intime India Pvt. Ltd. Mr.Prathamesh Ghugare, Client Relations – Associate E-mail ID: rnt.helpdesk@in.mpms.mufg.com Tel. No.: 022 - 4918 6270

Report on Corporate Governance

The report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, ("SEBI Listing Regulations"), is furnished below:

1. COMPANY’S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state-of-affairs and being fair to all stakeholders and is a combination of voluntary practices and compliance with laws and regulations.

The Company endeavours not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the latest global trends of making management completely transparent and institutionally sound.

The Company has professionals on its Board of the Directors who are actively involved in the deliberations of the Board on all important policy matters. Your directors’ view good Corporate Governance as the foundation for honesty and integrity and recognize these matters to maintain your trust.

It has been, and continues to be, the policy of your Company to comply with all laws governing its operations, to adhere to the highest standard of business ethics and to maintain a reputation for honest and fair dealings. Your Board of Directors recognizes its responsibility to oversee and monitor management and the Company's activities to reasonably assure that these objectives are achieved.

It is paramount that the Company's reputation for integrity and credibility remain at the highest standards for the benefits of all stakeholders, employees, customers and suppliers.

2. APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES:

The governance structure with defined roles and responsibilities comprises the Board of Directors, Committees of the Board and the Management.

Corporate Governance at GMM Pfaudler Limited ("the Company") is implemented through robust board governance processes, internal control systems & processes and strong audit mechanisms. These are articulated through the Company's various governance policies, Codes of Conduct, charters of various Committees of the Board and the Company's disclosure and reporting practices.

The shareholders appoint the Board of Directors, which is tasked with overseeing the Company's operations. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The Board's actions and decisions are aligned with the Company's best interest. It is committed to the objective of sustainably enhancing the Company's value creation. The Board has established several Committees to discharge its responsibilities in an effective manner.

The Chairperson of the Board serves as the primary leader, responsible for upholding and advancing the integrity of the Board. The Chairperson fosters an environment where the Board collaborates harmoniously for the Company's enduring benefit and that of all the stakeholders. The Chairperson provides guidance to the Board to ensure an effective governance structure within the Company.

The Managing Director provides overall direction for effective management of the Company. He is also responsible for corporate strategy, brand equity, planning, external contacts and all-important management matters. In the operations and functioning of the Company, the Managing Director is assisted by the Chief Executive Officer and Chief Financial Officer along with a core group of senior level executives.

The Company Secretary assists the Chairperson and Managing Director in management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation to ensure all timely compliances and other regulatory matters. The Company Secretary serves as a vital liaison between the

Board Members and Management, ensuring effective coordination and communication.

3. ETHICS / GOVERNANCE POLICIES:

At GMPfaunder, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

Our policies provide an enabling framework that supports the realization of our governance vision and ensures transparency both within our organization and externally.



Scan the QR Code to see our policies

Anti-Corruption Policy
Anti-Sexual Harassment Policy
Antitrust Guidelines
Board Diversity Policy
Code of Conduct & Ethics Policy
Code of Conduct for Prevention of Insider Trading
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Corporate Social Responsibility Policy
Communications Policy
Dividend Distribution Policy
Environment Social Governance Policy
Export Compliance Guidelines
Familiarization Policy
Nomination, Remuneration & Evaluation Policy
Policy for Determining Material Subsidiaries
Policy on Determination of Material Events
Policy for Preservation of Documents and Archival of Documents
Policy on Prevention and Redressal of Harassment
Policy on Related Party Transactions
Policy and Procedure for enquiry in case of Leak/ Suspected leak of Unpublished Price Sensitive Information
Risk Management Policy & Strategy
Suppliers' Code of Conduct
Whistle Blower Policy

The codes and policies that are required to be disclosed as per the SEBI Listing Regulations are available on the website of the Company at

<https://www.gmmpfaunder.com/investors/policies-programmes>

We have established comprehensive Standard Operating Procedures (SOPs) and processes to ensure the seamless implementation of these policies. These measures serve as the backbone of our commitment to accountability, transparency, and ethical conduct. By adhering to these structured frameworks, we foster a culture of trust and confidence among all stakeholders, reinforcing our commitment to responsible business practices.

4. SCHEDULING BOARD AND COMMITTEE MEETINGS:

Minimum four pre-scheduled Board meetings are held annually. Additionally, Board meetings are convened to address the Company's specific needs. In case of business exigencies or urgency, resolutions are passed by circulation. The maximum gap between any two consecutive meetings was not more than 120 (one hundred and twenty) days, as stipulated under Section 173(1) of the Companies Act, 2013, ("Act"), Regulation 17(2) of the SEBI Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India. Also, necessary quorum was present for all the meetings. The Managing Director and the Company Secretary, determine the agenda for every meeting in consultation with the Chairperson of the Board of Directors and the respective Committees.

In order to facilitate effective discussions at the meeting of the Board of Directors, the agenda is bifurcated into items requiring approval and items which are to be taken note by the Board.

The agenda along with explanatory notes are circulated to Directors in advance. All Board and Committee meetings' agenda papers are disseminated electronically on a real-time basis, by uploading them on a secured online application specifically designed for this purpose, thereby eliminating circulation of printed papers.

5. RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS:

The Company Secretary records minutes of proceedings of each of the Board and Committee meetings. Draft minutes, after consultation with the chairperson of the respective committees and the Board are circulated to Board / Committee members for their comments as prescribed under Secretarial Standard-1 issued by the Institute of

Company Secretaries of India. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

6. POSTMEETINGFOLLOW-UPMECHANISM:

The established guidelines for Board/Committee meetings streamline the process of reviewing decisions and reporting outcomes post-meeting, enhancing the effectiveness of follow-up actions.

Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments. Minutes of the previous meeting(s) are placed at the succeeding meeting of the Board / Committees for noting.

7. COMPLIANCE:

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), ensures adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, SEBI Listing Regulations and Secretarial Standards issued by the ICSI.

The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information including any statutory requirements and other necessary supporting documents are made available to the Directors and senior management in a concise manner for effective decision-making at the meetings.

8. BOARD OF DIRECTORS:

a) Composition of the Board: The Board has an optimum combination of Executive, Non-Executive and Independent Directors, including two Independent Woman

Directors in conformity with the composition requirements as per Regulation 17(1) of the SEBI Listing Regulations and other applicable regulatory requirements. As on March 31, 2025, the Board comprised of 8 (Eight) Directors, out of which 7 (Seven) are Non-executive Directors including 5 (Five) Independent Directors. The Chairperson of the Company is an Independent Director.

The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board. The Company also has a succession plan in place for the Board, Key Managerial Personnel and Senior Management of the Company.

The profiles of Directors available at <https://www.gmmpfaunder.com/about-us/leadership/board-of-directors> give an insight into the educational qualifications, expertise, skills and experience of the Board members, thus bringing diversity to the Board's deliberations.

- b) Number and dates of Board meetings held during the financial year ended March 31, 2025: 7 (Seven) Board Meetings were held during the financial year on April 4, 2024, May 2, 2024, May 22, 2024, August 7, 2024, November 7, 2024, December 13, 2024, and February 6, 2025.
- c) Details of composition of the Board of Directors, attendance at the Board meetings, Annual General Meeting shareholding, other Directorship and Committee positions held in other Companies of each Director as on March 31, 2025:

Name of Director	Category of Directorship	Attendance at		Number of Equity shares held in the Company ^{\$}	Number of Directorships in other Companies**	Number of Committee positions held in other Companies [%]
		Board Meetings	Last Annual General Meeting			
Mr. Prakash Apte (Chairperson)	Non-Executive, Independent Director	7	Yes	Nil	4	7
Mr. Nakul Toshniwal	Non-Executive, Independent Director	7	Yes	Nil	1	1
Ms. Bhawana Mishra	Non-Executive, Independent Director	7	Yes	Nil	1	Nil
Mr. Vivek Bhatia	Non-Executive, Independent Director	6	Yes	Nil	Nil	Nil

Name of Director	Category of Directorship	Attendance at		Number of Equity shares held in the Company [§]	Number of Directorships in other Companies**	Number of Committee positions held in other Companies%
		Board Meetings	Last Annual General Meeting			
Ms. Shilpa Divekar Nirula [#]	Non-Executive, Independent Director	5	Yes	Nil	1	1
Mr. Raghav Ramdev [^]	Non-Executive Director	1	N.A.	Nil	2	1
Mr. Ashok Patel [*]	Non-Executive Director	7	No	851,940 [@]	2	Nil
Mr. Tarak Patel [*]	Executive Director (Managing Director)	7	Yes	521,880	1	Nil

* Indian Promoters.

[§] The Company has not issued any convertible securities/debentures.

[@] Includes 831,705 equity shares held as Karta of Ashok Patel HUF.

[#] Appointed as Independent Director w.e.f May 22, 2024.

[^]Appointed as a Non-Executive Director on the Board w.e.f. February 6, 2025.

^{**}Includes directorships in public companies. Does not include directorships held in private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013.

[%] Includes Memberships in Audit Committees and Stakeholders Relationship Committees only in accordance with Regulation 26(1) of the SEBI Listing Regulations.

d) Chart setting out the type of directorships held in other public listed companies:

Name of Director	Directorships in other Companies as on March 31, 2025	Type of Directorships
Mr. Prakash Apte	Fine Organic Industries Ltd. Blue Dart Express Ltd.	Independent Director
Mr. Nakul Toshniwal	Cravatex Ltd.	Independent Director
Ms. Bhawana Mishra	Nil	Not Applicable
Mr. Vivek Bhatia	Nil	Not Applicable
Ms. Shilpa Divekar Nirula	AstraZeneca Pharma India Ltd.	Independent Director
Mr. Raghav Ramdev	Nil	Not Applicable
Mr. Ashok Patel	Skyline Millars Ltd.	Non-Executive Director
Mr. Tarak Patel	Nil	Not Applicable

Pursuant to the provisions of Section 165(1) the Companies Act, 2013 and Regulations 26(1) & 17A of the SEBI Listing Regulations, none of the Directors:

- hold Directorships in more than 20 companies (Public or Private),
- hold Directorships in more than 10 public companies,
- hold Membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairpersonship of Board Committee in excess of 5,
- serve as Director in more than 7 listed companies,
- serve as Independent Director in more than 7 listed companies, and
- who serve as Managing Director/Whole Time Director in any listed company serves as Independent Director in more than 3 listed companies.

e) Disclosure of relationships between Directors inter-se: Mr. Ashok Patel, Director is the father of Mr. Tarak Patel, Managing Director of the Company. Other than this, none of the other Directors are related to each other.

f) Resignation of Independent Director from the Board of the Company:

During the year under review, there was no resignation of any Independent Director.

g) Matrix setting out the core skills/expertise/competence of the Board of directors:

The Board skill matrix provides a guide as to the core skills, expertise, competencies and other criteria (collectively referred to as 'skill sets') considered appropriate by the board of the Company in the context of its business and sector(s) for it to function effectively and those actually available with the Board. The skill sets will keep on changing as the organization evolves and hence the Board may review the matrix from time to time to ensure that the composition of the skill sets remains aligned to the Company's strategic directions. The Board has identified the core skills/ expertise/ competencies of the Directors in the context of the Company's business for effective functioning and the manner in which the current Board of Directors fulfils these skills/expertise/ competencies has been outlined as under:

Name of Director	Area of expertise
Mr. Prakash Apte	Global business & Strategy, Finance, Agriculture, Rural Economy & Management
Mr. Nakul Toshniwal	Public Policies, Technology and General Management, Business Strategy and Finance
Ms. Bhawana Mishra	Talent and Leadership Development, Strategic Change and Organizational Transformation Specialist
Mr. Vivek Bhatia	Finance, Business Strategy and extensive business experience across mining, metals & mineral processing, cement, power and engineered capital goods
Mr. Ashok Patel	International Business, Finance, Strategy, Technology and General Management
Mr. Tarak Patel	International Business, Finance, Strategy, Marketing and General Management and Administration
Ms. Shilpa Divekar Nirula [*]	International Business, Finance, Strategy, Technology and General Management
Mr. Raghav Ramdev [#]	Finance, Strategy, Private Equity Investment Expertise

*Appointed w.e.f. May 22, 2024

[#]Appointed w.e.f. February 6, 2025.

9. COMMITTEES:

Details of the Committees and other related information are provided hereunder:

Composition of Committees of the Company as on date:

AUDIT COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Vivek Bhatia	Non-Executive - Independent Director	Chairperson
2.	Mr. Prakash Apte	Non-Executive - Independent Director	Member
3.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Member
4.	Ms. Shilpa Divekar Nirula [#]	Non-Executive - Independent Director	Member

[#] Appointed as a Member w.e.f May 22, 2024

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Prakash Apte	Non-Executive - Independent Director	Chairperson
2.	Ms. Bhawana Mishra	Non-Executive - Independent Director	Member
3.	Mr. Tarak Patel	Managing Director	Member

NOMINATION & REMUNERATION COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Chairperson
2.	Mr. Prakash Apte	Non-Executive - Independent Director	Member
3.	Ms. Bhawana Mishra	Non-Executive - Independent Director	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Ms. Bhawana Mishra	Non-Executive - Independent Director	Chairperson
2.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Member
3.	Mr. Ashok Patel	Non-Executive Director	Member
4.	Mr. Tarak Patel	Managing Director	Member

RISK MANAGEMENT COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Vivek Bhatia	Non-Executive - Independent Director	Chairperson
2.	Mr. Prakash Apte	Non-Executive - Independent Director	Member
3.	Mr. Ashok Patel	Non-Executive Director	Member
4.	Ms. Shilpa Divekar Nirula#	Non-Executive - Independent Director	Member
5.	Mr. Tarak Patel	Managing Director	Member

Appointed as a Member w.e.f May 22, 2024

ALLOTMENT COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Member
2.	Ms. Shilpa Divekar Nirula#	Non-Executive - Independent Director	Member
3.	Mr. Tarak Patel	Managing Director	Member

Appointed as a Member w.e.f May 22, 2024

Ms. Mittal Mehta, Company Secretary & Compliance Officer is the Secretary of all the Committees.

10. MEETINGS OF COMMITTEES HELD DURING THE YEAR AND DIRECTORS' ATTENDANCE:

Committees of the Company	Audit Committee	Stakeholders Relationship Committee	Nomination & Remuneration Committee	Corporate Social Responsibility Committee	Risk Management Committee
Meetings held	5	2	5	2	2
Director's attendance					
Mr. Prakash Apte	5	2	5	N.A.	2
Mr. Nakul Toshniwal	5	N.A.	5	2	N.A.
Ms. Bhawana Mishra	N.A.	2	5	1	N.A.
Mr. Vivek Bhatia	4	N.A.	N.A.	N.A.	2
Ms. Shilpa Divekar Nirula*	4.	N.A.	N.A.	N.A.	1
Mr. Raghav Ramdev#	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Ashok Patel	N.A.	N.A.	N.A.	2	2
Mr. Tarak Patel	N.A.	2	N.A.	2	2

*Appointed w.e.f. May 22, 2024

Appointed w.e.f. February 6, 2025

11. PROCEDURE AT COMMITTEE MEETINGS:

The Company's guidelines relating to Board meetings are applicable to Committee meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Draft minutes of proceedings of Committee meetings are circulated to the respective committee members for their comments as prescribed under Secretarial Standard-1 issued by the Institute of Company Secretaries of India and minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting. The said minutes are also subsequently placed at the Board meetings for noting.

12. TERMS OF REFERENCE AND OTHER DETAILS OF COMMITTEES:

A. AUDIT COMMITTEE:

The Committee's Composition, Terms of Reference as well as Powers are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Members of the Audit Committee possess the requisite qualifications and expertise.

The composition of the Committee is given in Point No. 9 of this Report. The quorum was present at all the meetings. During the year under review, Ms. Shilpa Divekar Nirula was appointed as a Member of the Audit Committee w.e.f May 22, 2024.

Compliance Officer:

Ms. Mittal Mehta, Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations.

Meeting details:

The Audit Committee met 5 (Five) times during the year under review viz. May 22, 2024; August 7, 2024, November 7, 2024, December 13, 2024 and February 6, 2025. The quorum was present at all the meetings. The minutes of the Audit Committee Meetings were taken on record at the Board Meetings. Further, representatives of the Statutory Auditors are invited to attend meetings of the Committee. The Committee also invites the Managing Director, Chief Financial Officer and Internal Auditors as and when their presence at the meeting of the Committee is considered

appropriate. In addition, other senior management personnel are also invited to the Committee meeting(s) from time to time, for providing such information as may be necessary.

The Chairperson of the Committee was present at the previous Annual General Meeting of the Company held on August 9, 2024.

In line with the terms of reference, during the year, the Audit Committee, at its meetings, reviewed operations and audit reports for businesses pursuant to audits undertaken by internal auditors under the audit plan approved at the commencement of the year. The quarterly financial results were reviewed by the Committee before submission to the Board. The Committee reviewed the adequacy of internal financial controls on a Company-wide basis and provided recommendations on internal control processes to the Board. The Committee also reviewed the system and processes in place for risk management, insider trading compliance and information security.

Scope:

The Powers and Role of the Audit Committee is as follows:

A. Powers & Role of the Audit Committee:

Powers of the Audit Committee:

- To investigate any activity within its terms of reference or such matter as may be referred to it by the Board and for this purpose obtain professional advice from external sources and have full access to information contained in the records of the Company;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee:

- Oversight of the Company's financial reporting process and the disclosure of its financial

- information to ensure that the Company's financial statement is correct, sufficient and credible;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - 4) Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of section 134(3)(c) of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to the financial statements;
 - f) disclosure of any related party transactions; and
 - g) modified opinion(s) in the draft audit report;
 - 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 - 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document
- / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
- 7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
 - 8) Approval or any subsequent modification of transactions of the Company with related parties in accordance with the Company's policy on related party transactions;
 - 9) Scrutiny of inter-corporate loans and investments;
 - 10) Valuation of undertakings or assets of the Company, wherever it is necessary, in consultation with external professional advisors, as deemed fit by the Audit Committee;
 - 11) Evaluation of internal financial controls and risk management systems of the Company;
 - 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems of the Company;
 - 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - 14) Discussion with internal auditors of any significant findings and follow up thereon;
 - 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - 16) Review compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and systems for internal control with them;
 - 17) Discussion with statutory auditors before the commencement of audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - 18) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - 19) To review the functioning of the whistle blower mechanism and the vigil mechanism instituted by the Company. The vigil mechanism to provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the chairperson of the Audit Committee or the director nominated to play the role of Audit Committee, as the case may be, in exceptional cases;
 - 20) To approve the appointment of the Chief Financial Officer of the Company (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 - 21) To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of the financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company.
 - 22) To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor;
 - 23) To review the following information as prescribed under Regulation 18(3) of the SEBI Listing Regulations:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c) Management letter/ letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses; and
 - e) The appointment, removal and terms of remuneration of the chief internal auditor.
 - f) Statement of Deviations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
 - 24) To approve all the Related Party Transactions to be entered into by the Company and subsequent material modifications if any and grant omnibus approval for the Related Party Transactions proposed to be entered into by the Company or its subsidiary subject to the following conditions:
 - a) The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions and such approval shall be applicable in respect of transactions which are repetitive in nature.

- b) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- c) Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price/current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit;
- Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding 1 Crore per transaction.
- d) Audit Committee shall review, at least on a quarterly basis, the details of RPT's entered into by the Company or its subsidiary pursuant to each of the omnibus approval given.
- e) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.
- 25) To review financial statements of, and investments made by, unlisted subsidiaries of the Company in accordance with Regulation 24(2) of the SEBI Listing Regulations;
- 26) To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

- 27) To carry out any other functions as may be specified by the Board from time to time.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Composition, Role, Terms of Reference as well as Powers of the Stakeholders Relationship Committee of the Company meet the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

The composition of the Committee is given in Point No. 9 of this Report. The quorum was present at all the meetings. There were no changes in the composition of the Stakeholders Relationship Committee during the year under review.

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer / transmission and other matters related to listed securities and redressal of shareholders'/ investors' complaints.

Compliance Officer:

Ms. Mittal Mehta, Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations.

Meeting Details:

The Stakeholders Relationship Committee met two times during the year under review i.e. May 21, 2024 and November 6, 2024. The minutes of the Stakeholders Relationship Committee Meetings were noted at the Board Meetings.

The Chairperson of the Committee was present at the previous Annual General Meeting of the Company held on August 9, 2024.

Summary of Grievances:

A summary of complaints received and resolved by the Company to the satisfaction of the shareholders/ investors during the year 2024-25, is given below:

Particulars	Number
Pending at the beginning of the year under review	0
Received during the year under review	2
Resolved during the year under review	2
Pending at the end of the year under review	0

Role of Stakeholders Relationship Committee:

- 1) Resolve the grievances of the security holders, including complaints related to transfer, transmission and transposition of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate share certificates, etc. in a time bound manner;
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- 5) To delegate the power of share transfers to an officer of the Company or to the registrar and share transfer agents of the Company, such that the delegated authority shall attend to share transfer formalities at least once in a fortnight and submit details of the same at the earliest to the Stakeholders Relationship Committee, with the objective of expediting the process of share transfers;
- 6) To ensure quick redressal of the complaints of all shareholders;
- 7) To maintain cordial relations with the shareholders and other security holders;
- 8) To address such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Stakeholders Relationship Committee;
- 9) To monitor at the end of every quarter, the number of grievances received, pending or not solved to the satisfaction of shareholders; and
- 10) To carry out any other functions as may be specified by the Board from time to time.

C. Nomination and Remuneration Committee:

The Composition, Role, Terms of Reference as well as Powers of the Nomination and Remuneration Committee of the Company meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

The composition of the Committee is given at Point No. 9 of this Report. The quorum was present at all the meetings. There were no changes in the composition of the Nomination & Remuneration Committee during the year under review.

Meeting Details:

The Nomination and Remuneration Committee met five times during the year under review i.e. May 21, 2024, August 7, 2024, November 6, 2024, December 13, 2024 and February 6, 2025. The minutes of the Nomination and Remuneration Committee Meetings were noted at the Board Meetings.

Compliance Officer:

Ms. Mittal Mehta, Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations.

Role of Nomination and Remuneration Committee:

- 1) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees of the Company. The said policy will be disclosed in the Board's report. The Nomination and Remuneration Committee shall, while formulating the aforesaid policy, to ensure that:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- c) remuneration to Executive Directors, Key Managerial Personnel and Senior Management of the Company involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- 2) To consider the following while approving the remuneration payable to a Manager, Managing Director or a Whole Time Director under Section II or Section III of Part II of Schedule V of the Companies Act 2013 and section 197 of the said 2013:
- financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc.;
 - objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders.
- 3) To formulate the evaluation criteria for performance evaluation of Independent Directors and the Board;
- 4) To devise a policy on Board diversity;
- 5) To identify suitable candidates for directorship including Independent directors and senior management of the Company in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- 6) To ensure that on appointment to the Board, Independent Directors receive a formal letter of appointment setting out clearly what is expected from them in terms of time-committee, committee service and involvement outside meetings of the Board;
- 7) To determine whether to extend or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of the Independent Directors;
- 8) To recommend to the Board, the plans for orderly succession for appointments

to the Board and to senior management of the Company;

- 9) To recommend to the Board, all remuneration in whatever form, payable to Senior Management;
- 10) To consider any other matters as may be requested by the Board.

Performance evaluation criteria for independent directors:

Pursuant to the provisions of the Companies Act, 2013, and the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

Major Evaluation criteria, amongst other criteria, applied are:

a) For Independent & Non - Executive Directors:

- Functional Expertise, knowledge and skills;
- Professional conduct;
- Duties, roles and functions;

b) For Executive Directors

- Performance as Team Leader/Member;
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios;
- Key set Goals/ KRA and achievements;
- Professional Conduct, Integrity;
- Sharing of Information with the Board.

The Directors were satisfied with the evaluation process undertaken during the year. Further, in the opinion of the Board, all the Independent Directors possess utmost integrity, professional expertise and requisite experience including proficiency.

Remuneration of Managing Director:

Remuneration of the Managing Director is recommended by the Nomination and Remuneration Committee, fixed by the Board and approved by the shareholders. The remuneration paid to Mr. Tarak Patel for the year ended March 31, 2025, was as under:

(INR in Crores)

Sr. No.	Particulars	Amount
1.	Gross Salary	5.38
2.	Commission	1.93
3.	Retiral Benefits	0.10
	Total	7.41

Payment of Commission to the Managing Director is based on the performance criteria defined by the Committee and approved by the Board.

Non-Executive Director's Compensation*:

The Non-Executive Directors are paid sitting fees on a uniform basis for attending meetings of the Board and the Committees. Pursuant to the approval of the Shareholders at the 60th Annual General Meeting held on September 5, 2023, the Company has paid Commission to the Non-Executive Directors. Apart from the said payments, there are no pecuniary relationships or transactions of the Non-Executive Directors with the Company.

Details of *remuneration paid to Non-Executive Directors for the financial year ended March 31, 2025, are as follows:

(In INR)

Sr. No.	Director	Sitting Fees	Commission
1	Mr. Prakash Apte	18,75,000	10,00,000
2	Mr. Nakul Toshniwal	17,25,000	10,00,000
3	Ms. Bhawana Mishra	12,75,000	10,00,000
4	Mr. Ashok Patel [^]	9,50,000	NA
5	Mr. Vivek Bhatia	12,00,000	10,00,000
6	Ms. Shilpa Divekar Nirula [#]	9,75,000	10,00,000
7	Mr. Raghav Ramdev [@]	NA	NA

*Remuneration to Non-Executive Directors is capped at ₹35,00,000 per Director including sitting fees & commission up to FY25

[^]Not eligible for commission being part of the Promoter group

[#]Proportionate commission for her tenure of approximately 10 months in FY25 as she was appointed on the Board w.e.f. May 22, 2024.

[@]Voluntarily waived entitlement to sitting fees and commission.

Non-Executive Directors were paid sitting fees for attending the meetings of the following Statutory Committees during the financial year ended March 31, 2025:

- INR 1,00,000 as sitting fees for each meeting of the Board of Directors and the Audit Committee
- ₹75,000 as sitting fees for each meeting of the Nomination and Remuneration Committee and Risk Management Committee.
- ₹50,000 as sitting fees for each meeting of the Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Allotment Committee.

The Company does not have any stock option scheme provided to Directors of the Company.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board in compliance with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 constituted a Corporate Social Responsibility Committee (CSR Committee). The Composition, Role, Terms of Reference as well as Powers of the CSR Committee are in compliance with the provisions of the Companies Act, 2013.

The composition of Committee is given at Point No. 9 of this Report. The quorum was present at all the meetings. There were no changes in the composition of the CSR Committee during the year under review.

Meeting Details:

The CSR Committee met on two occasions viz. May 21, 2024, and February 5, 2025. The minutes of the CSR Committee Meetings were noted at the Board Meetings.

Role of Corporate Responsibility Committee:

- To formulate and recommend to the Board, the Corporate Social Responsibility Policy of the Company ("CSR Policy") which shall include inter alia, CSR activities (defined hereunder) to be undertaken by the Company, and

the modalities of execution monitoring and implementation schedules of the same. The policy to specify that the surplus arising out of the CSR Activities (defined hereinafter) shall not form part of the business profit of the Company;

- 2) To identify the CSR projects/activities/ programs to be undertaken by the Company ("CSR Activities"), in alignment with the CSR Policy, Schedule VII of the 2013 Act and the CSR Rules, as amended from time to time;
- 3) To recommend the amount of expenditure to be incurred by the Company on the CSR Activities for each financial year;
- 4) To institute a transparent monitoring mechanism for monitoring progress/ status of implementation of CSR Activities;
- 5) To receive reports and review activities from executive and specialist groups managing CSR Activities;
- 6) To monitor the CSR Policy from time to time and revise the same, wherever necessary;
- 7) To issue a responsibility statement confirming that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company;
- 8) To prepare an annual report on CSR Activities to be included in the Board of Director's Report in the form provided in the Annexure to the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- 9) To report the CSR activities undertaken by the Company in the manner prescribed under Segment C of the Form AOC-3 of the Companies (Accounts) Rules, 2014; and
- 10) To carry out such other functions, as may be prescribed under the Companies Act 2013 or CSR Rules or as may be delegated by the Board from time to time.

The Company has established a CSR Foundation under the name of GMM

Pfaudler Foundation (Section 8 Company) a wholly owned subsidiary of the Company. The Foundation focuses on various CSR activities in accordance with our Company's CSR policy. All programs and activities undertaken as a part of CSR have a clear objective to create sustained impact in the most efficient manner.

E. RISK MANAGEMENT COMMITTEE:

The Board in compliance of Regulation 21 of the SEBI Listing Regulations, constituted a Risk Management Committee (RMC). The Composition, Role, Terms of Reference as well as Powers of the Risk Management Committee are in compliance with the provisions of the SEBI Listing Regulations.

The composition of Committee is given at Point No. 9 of this Report. The quorum was present at all the meetings. During the year under review Ms. Shilpa Divekar Nirula was appointed as a member of the Risk Management Committee w.e.f. May 22, 2024.

Meeting Details:

The Risk Management Committee met twice on May 21, 2024 and November 6, 2024. The minutes of the Risk Management Committee Meetings were noted at the Board Meetings.

Role of Risk Management Committee:

- 1) To formulate a detailed risk management policy which shall include:
 - a) 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.
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c) Business continuity plan.
- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) To monitor and oversee implementation of the risk management policy, including

evaluating the adequacy of risk management systems;

- 4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC
- 7) The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
- 8) To perform other activities related to the risk management policy as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

The Company has a Risk Management policy to ensure sustainable growth of the organisation and to promote pro-active approach in evaluating, mitigating, and reporting such risks associated with the business. The policy establishes a structured and disciplined approach to Risk Management in order to guide decisions on business risk issues. The Company has developed a Risk Management Framework with an objective to enhance value of the Company and to the stakeholders (internal and external) by ensuring Company's business and growth objectives are protected.

The RMC facilitates implementation of Risk Management Policy and Framework. RMC also apprises the Board about the evolving changes in the risk universe (landscape) and recommends actions to be taken.

A sub-committee of the RMC named Executive Risk Management Council (ERMC) consistently monitors and records changes in the business environment, threats and factors impacting the risk profile of the Company. The ERMC tracks and reports

the implementation of the risk mitigation plans to the RMC who in turn reports to the Board of Directors. The ERMC consists of the Managing Director, Chief Executive Officer, Group Chief Financial Officer, Chief Risk Officer (CRO), Manufacturing Head, Enabling Function Heads (HR, IT, other function heads). The CRO works closely with the ERMC and Risk Owners to identify risks and facilitate development of risk mitigation plans.

F. ALLOTMENT COMMITTEE:

The Board constituted an Allotment Committee of the Board of Directors of the Company for the purpose of allotment of Bonus Shares to the Shareholders. Further, the Board has extended the powers of the Allotment Committee in respect of corporate actions of the Company to be undertaken from time to time.

The Composition of Committee is given at Point No. 9 of this Report. During the year under review, Ms. Shilpa Divekar Nirula, was appointed as a member of the Allotment Committee w.e.f. May 22, 2024.

Meeting Details:

No meetings of the Allotment Committee were held during the year under review.

Role of Allotment Committee:

- 1) To approve allotment of shares through bonus issue, preferential issue, private placement, rights issue, qualified institutional placements to eligible investors and/or identified investors;
- 2) To authorize various officers and consultants to give effect to the allotment(s).

13. INDEPENDENT DIRECTORS MEETING:

In terms of requirements of the Companies Act 2013, Rules framed there under and Regulation 25(3) of SEBI Listing Regulations, a separate meeting of Independent Directors was held on May 21, 2024 to discuss:

- a) Evaluation of the performance of non-independent directors and the Board of Directors as a whole;
- b) Evaluation of performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Chairperson.

- c) Evaluation of the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

14. INDUCTION AND FAMILIARIZATION PROGRAM FOR DIRECTORS:

On appointment, the concerned Director is issued a letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including the presentation and interactive session with the Managing Director & CEO and other functional heads on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director.

The details of the familiarization programmes imparted to the Independent Directors is available on the Company's website at https://www.gmmpfaudler.com/file/Familiarization-Programme_FY25.pdf

15. CODE OF CONDUCT:

The Company has in place a comprehensive Code of Conduct & Ethics Policy ('the Code') applicable to the Directors and all Employees. The Code is applicable to Non-Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support required for ethical conduct of business and compliance of law. The Code reflects the core values of the Company viz. integrity, customer value, cost consciousness, social responsibility, transparency, and accountability.

The Code has been put up on the Company's website and can be accessed at <https://www.gmmpfaudler.com/file/GMMCOC.pdf> The Code has been circulated to Directors and employees, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chief Executive Officer forms a part of this Report.

16. KEY MANAGERIAL PERSONNEL (KMP) & SENIOR MANAGERIAL PERSONNEL (SMP) OF THE

COMPANY:

The list of KMP & SMP of the Company as on date:

Name	Designation	Remarks
Mr. Tarak Patel	Managing Director	KMP
Mr. Thomas Kehl	Chief Executive Officer – International Business	SMP
Mr. Aseem Joshi	Chief Executive Officer – India Business	KMP
Mr. Alexander Poempner	Group Chief Financial Officer	KMP
Mr. Gregory Gelhaus	Chief Transformation Officer	SMP
Mr. Dhananjay Bajpeyee	Senior Vice President – Manufacturing	SMP
Ms. Mittal Mehta	Company Secretary & Compliance Officer	KMP
Mr. Manish Shah	Vice President – Sales – Systems	SMP
Mr. Vincent Leroux	Executive VP Sales Technologies & Systems – International Business	SMP
Mr. Ulf Wittmann	Executive VP Global Services – International Business	SMP

17. GENERAL BODY MEETINGS:

The details of Annual General Meetings ("AGM") of Company held during preceding three years are as follows:

Year	AGM	Date of Meeting	Time of Meeting	Venue	Special Resolutions passed
2021-22	59 th	September 19, 2022	12 noon	Held through Video Conference and / or other audio-visual means facilities	-
2022-23	60 th	September 5, 2023	12 noon		1
2023-24	61 st	August 9, 2024	12 noon		3

Since the Annual General Meetings were held by way of video conferencing facilities, all resolutions, including the special resolutions at the said meetings were passed by way of electronic voting i.e. remote e-voting and e-voting at the AGM.

Details of Special Resolutions passed at each of the AGM:

- 2023-24 for approval of borrowings by the Company in excess of the limits prescribed under Section 180(1)(c) of the Companies Act, 2013.
- 2023-24 for approval for the creation of security in respect of an undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013
- 2023-24 for approval of appointment of Ms. Shilpa Divekar Nirula (DIN: 06619353) as an Independent Director of the Company
- 2022-23 for payment of remuneration to Mr. Tarak Patel as the Managing Director of the Company, for balance period of his term up to May 31, 2025.

Extraordinary General Meeting:

No Extraordinary General Meeting of shareholders was held during the financial year 2024-25.

Postal Ballot:

During the year under review, Postal Ballot Notice containing a Resolution together with the Explanatory Statement was emailed to all the Shareholders on Tuesday, February 11, 2025. The remote e-voting period commenced from 9:00 a.m. (IST) on Wednesday, February 12, 2025, and ended at 5:00 p.m. (IST) on Thursday, March 13, 2025. Mr. Jayesh M. Shah, (FCS 5637) Partner of M/s. Rathi & Associates, Company Secretaries, Mumbai was appointed as the Scrutinizer for conducting the postal ballot exercises in a fair and transparent manner. The scrutinizer submitted his report dated March 13, 2025, and on the basis of the report of the Scrutinizer on e-voting done by the members, the following resolutions as set out in the Postal ballot notice dated February 11, 2025, were duly passed by the Shareholders of the Company with requisite majority:

Resolution No. 1 as a Special Resolution for the re-appointment Ms. Bhawana Mishra (DIN 06741655) for a second term of five consecutive years w.e.f. April 1, 2025 up to and including March 31, 2030.

Resolution No. 2 as a Special Resolution for the re-appointment Mr. Vivek Bhatia (DIN 08166667) for a second term of five consecutive years w.e.f. April 1, 2025 up to and including March 31, 2030.

Resolution No. 3 as an Ordinary Resolution for the appointment Mr. Raghav Ramdev (DIN 09043096) as Non-Executive, Non-Independent Director of the Company w.e.f. February 6, 2025.

Details of voting pattern of the above mentioned resolutions are as under:

Resolution No.	Total number of valid Votes	No. of Shares in favour of resolution	Percentage (%)	No. of Shares against the resolution	Percentage (%)
1	2,67,59,864	2,67,42,265	99.93	17,599	0.07
2	2,67,59,864	2,67,42,269	99.93	17,595	0.07
3	2,67,59,863	2,67,42,318	99.93	17,545	0.07

18. MEANS OF COMMUNICATION:

- a) **Quarterly Results:** The Company's quarterly / half-yearly / annual financial results are submitted to the Stock Exchanges where the shares are listed and published in the 'Economics Times' – English language (Mumbai and Ahmedabad) and 'Naya Padkar' – Gujarati language (Anand). Simultaneously, they are also displayed on the Company's website at <https://www.gmmpfaudler.com/investors/financial-results-reports/financial-results>
- b) **News Releases, Presentations, etc.:** Official news releases and presentations made to institutional investor, financial analysts, etc. are displayed on the Company's website at <https://www.gmmpfaudler.com/investors/financial-results-reports/investor-presentations> as well as sent to the Stock Exchanges. No unpublished price sensitive information is discussed in meetings/presentations with institutional investors and financial analysts.
- c) **Website:** The Company's website www.gmmpfaudler.com contains a separate dedicated section 'Investor Relations' where Shareholders' information is made available and such other information as may be required to be uploaded on the website of the Company in compliance/ accordance with Regulation 46 of the SEBI Listing Regulations as amended from time to time.
- d) **Annual Report:** The Annual Report containing, inter alia, Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Company's Annual Report is available in downloaded form on the Company's website and can be accessed at <https://www.gmmpfaudler.com/investors/financial-results-reports/annual-reports>
- e) **Reminder to Investors:** Reminder for unclaimed shares and unpaid dividend are sent to the shareholders as per records one month in advance of the due date to transfer of Investor Education and Protection Fund.

- f) **BSE Corporate Compliance & Listing Centre ("Listing Centre"):** BSE's Listing Centre is a web-based application designed by BSE for corporates. All periodic compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on the Listing Centre.
- g) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodic compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on NEAPS.
- h) **SEBI Complaints Redress Systems (SCORES):** The investor complaints are processed in a centralized web-based complaints redressal system. The salient features of the system are: centralized database of all complaints, online upload of Action Taken Report (ATR's) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- i) **Designated Exclusive email ID:** The Company has a designated email ID exclusively for investor services: investorservices@gmmpfaudler.com
- j) **Green Initiative:** The Company sends all correspondence/communications through email to those shareholders who have registered their email id with their depository participant's/Company's RTA. Also, the Company has its online application where all agenda papers for the Board and Committee meetings are disseminated electronically on a real-time basis.

19. OTHER DISCLOSURES:

- i. **Whistle Blower Policy:**
The Board has adopted a Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct and Ethics Policy or complaints regarding accounting, auditing, internal controls or disclosure practices of the Company. This gives a platform to the whistleblowers to report any unethical or improper practice (not necessarily

violation of law) and to define processes for receiving and investigating complaints. For an effective implementation of the policy, the Company has constituted Ethics Committee which is responsible for conducting inquiries received under this Policy.

A whistleblower can make a complaint in any of the following ways:

- a) by writing to the compliance officer at compliance@gmmpfaudler.com
- b) In exceptional cases, the complainant can directly report his/her complaint to the Chairperson of the Audit Committee by e-mail to chairman.auditcommittee@gmmpfaudler.com or by letter addressed to the Audit Committee, marked "Private and Confidential", and delivered to the Chairperson of the Audit Committee, GMM Pfaudler Ltd, 902 VIOS Tower, Sewri-Chembur Road, New Cuffe Parade, Mumbai - 400037.

It is hereby affirmed that no personnel has been denied access to the Audit Committee.

The Whistle Blower Policy is placed on the website of the Company and web-link to the same is as under: <https://www.gmmpfaudler.com/file/WhistleBlowerPolicy.pdf>

The confidentiality of such reporting is maintained, and the whistleblower is protected from any discriminatory action.

ii. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH").

Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, the Company has not received any complaint under POSH.

iii. Compliance:

There was no non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or

any statutory authority on any matter related to capital markets, during the last three years.

iv. Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements:

• Mandatory requirements:

The Company has complied with the mandatory requirements of SEBI Listing Regulations with regard to Corporate Governance.

• Non-Mandatory requirements:

- a) Office for non-executive Chairperson at company's expense: **Not Applicable**
- b) Modified opinion(s) in Audit Report: **Complied as there are no modified opinion in Audit Report**
- c) The Chairperson of the Board is an Independent Director and his position is separate from that of the Managing Director and the Chief Executive Officer: **Complied**
- d) Reporting of Internal Auditors directly to Audit Committee: **Complied**

v. Disclosure of commodity price risks and commodity hedging activities:

The details are provided at point no. (I) of Management Discussion & Analysis of this report.

vi. Related Party Transactions:

During the year under review:

- a) All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act;
- b) There were no contracts or arrangements entered into by the Company under Section 188(1) of the Act; and
- c) There were no materially significant related party transaction that may have potential conflict with the interest of the Company at large.

Necessary disclosures as required by the Indian Accounting Standards (Ind AS 24) have been made in the Annual Report.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under the SEBI Listing Regulations is as under:

<https://www.gmmpfaudler.com/file/PolicyonRelatedPartyTransactions.pdf>

vii. Certificate from a company secretary in practice:

A Certificate has been received from M/s. Rathi & Associates, Practicing Company Secretaries confirming 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 Securities and Exchange Board of India/ Ministry of Corporate Affairs/ Reserve Bank of India or any such statutory authority. The same is annexed to this Report.

viii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulations:

Not Applicable.

xii. Details of material subsidiaries:

Sr. No.	Name	Date of Incorporation	Place of Incorporation	Name of Statutory Auditors	Date of Appointment of Statutory Auditors
1.	GMM International S.a.r.l., Luxembourg	August 19, 2020	Luxembourg	Deloitte Luxembourg	November 8, 2023
2.	GMM Pfaudler US Inc.	October 21, 2020	US	N.A.	N.A.
3.	Pfaudler GmbH, Germany	September 27, 1907	Germany	Deloitte GmbH	September 1, 2013
4.	Pfaudler Ltd., UK	November 20, 1987	UK	Deloitte LLP	September 1, 2014
5.	Pfaudler S.r.l, Italy	October 8, 1997	Italy	Deloitte & Touche S.p.A.	January 1, 2015
6.	Mavag AG, Switzerland	January 4, 2008	Switzerland	OBT Limited	December 9, 2015

xiii. Disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), 2015:

Regulation No.	Particulars	Compliance Status (Yes or No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes

ix. Instances of not accepting any recommendation of the Committee by the Board:

There is no such instance where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

x. Fees to the Statutory Auditors of the Company:

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which it is a part, is given below:

(₹ in Crores)

Audit Fees	16.19
Other services	4.95
Total	21.15

xi. Disclosure of Loans and Advances:

The Company and its subsidiaries has not advanced any loans to firms / Companies in which the Directors of the Company are interested.

Regulation No.	Particulars	Compliance Status (Yes or No)
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of the Company	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirements	Yes
46(2)(b)	Website	Yes

xiv. Disclosures with respect to demat suspense account/ unclaimed suspense account:

Not Applicable.

xv. Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management:

As on date, Mr. Prakash Apte, Mr. Nakul Toshniwal, Ms. Bhawana Mishra, Mr. Vivek Bhatia and Ms. Shilpa Divekar Nirula are the Independent Directors on the Board. Based on the declarations given by the Independent Directors, the Board is of the opinion that the Independent Directors meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of management of the Company.

xvi. Policy for Determining Material Subsidiaries:

The policy for determining material subsidiaries is available on the Company's website at <https://www.gmmpfaudler.com/file/PolicyfordeterminingMaterialSubsidiaries.pdf>

xvii. Prevention of Insider Trading

The Code of Internal Procedures and Conduct for regulating, monitoring and reporting trading by designated persons in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 is available at <https://www.gmmpfaudler.com/file/CodeofConductforPreventionofInsiderTrading.pdf>

The Code of fair disclosure of unpublished price sensitive information is available at <https://www.gmmpfaudler.com/file/CodeofpracticesandProceduresforFairDisclosureofUPSI.pdf>

20. GENERAL SHAREHOLDER INFORMATION:

a) Annual General Meeting:

62nd Annual General Meeting of the Company will be held on Friday, August 1, 2025, through video-conference.

b) Dividend Payment Date: On or before August 27, 2025

c) Financial year of the Company: April to March

d) Tentative Calendar for the financial year: April 2025 to March 2026

Financial reporting for:

- Quarter ended June 30, 2025	: 1 st week of August, 2025
- Quarter ended September 30, 2025	: 1 st week of November, 2025
- Quarter ended December 31, 2025	: 1 st week of February, 2026
- Quarter ended March 31, 2026	: 4 th week of May, 2026
- Annual General Meeting for the year ended March 31, 2026	: 2 nd week of August, 2026

Listing of Stock Exchange: Shares of the Company are listed on:

- BSE Limited, Phiroze Jeejeebhoy Towers, 1st Floor, Dalal Street, Mumbai 400001.
- National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai 400 051.

The Company confirms that the annual listing fees to BSE Limited and NSE Limited for the financial year 2025-26 have been paid.

f) BSE Scrip Code: 505255 / NSE Symbol - GMMPFADLR

g) ISIN with NSDL & CDSL: INE541A01023

h) Registrar & Transfer Agents:

MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)
C 101, 247 Park, L B S Marg, Vikhroli West,
Mumbai 400 083.
Phone 91 22 4918 6270, Fax 91 22 4918 6060
Contact Person: Mr. Prathamesh Ghugare Email: rnt.helpdesk@in.mpms.mufg.com

i) Compliance officer under Listing Regulations

Ms. Mittal Mehta, Company Secretary,
902, VIOS Tower, New Cuffe Parade, Sewri- Chembur Road,
Mumbai-400037
Phone +91 22 66503900
Email: mittal.mehta@gmmpfaudler.com

j) Share Transfer System:

The Board has delegated the authority for approving, transmission and related requests of the Company's shares to the Managing Director and the Company Secretary.

As per SEBI norms, all requests for transfer of securities shall be processed only in dematerialised form. Further vide circular dated January 24, 2022, SEBI has notified that all requests for transmission, transposition, duplicate issuance, splitting and consolidation requests too will be processed in a demat mode only. All Shareholders are requested to convert their shares in demat mode.

k) Shareholding Pattern as on March 31, 2025:

Category	No. of shares	Percent (%)
Indian Promoters Group	1,13,20,283	25.18
NRIs and Body Corporates	56,58,527	12.59
Mutual Funds	57,87,269	12.87
Foreign Portfolio Investors	93,28,584	20.75
Alternative Investment Funds	5,22,051	1.16
Insurance Companies/ Banks/ FIs	6,21,825	1.38
IEPF	1,78,680	0.40
Individuals	1,15,40,005	25.67
Total	4,49,57,224	100.00

l) Distribution of Shareholding as on March 31, 2025:

Sr. No.	Slab of shareholding		Shareholders		Shares	
	No. of Equity shares held		Nos.	%	Nos.	%
	From	To				
1.	1	500	1,06,644	96.91	48,11,389	10.70
2.	501	1000	1,663	1.51	12,04,609	2.68
3.	1001	2000	897	0.82	12,66,210	2.82
4.	2001	3000	311	0.28	7,82,360	1.74
5.	3001	4000	119	0.11	4,19,262	0.93
6.	4001	5000	81	0.07	3,71,827	0.83
7.	5001	10000	138	0.13	9,39,169	2.09
8.	10001	above	188	0.17	3,51,62,398	78.21
Total			1,10,041	100.00	4,49,57,224	100.00

m) The details of prices of the Equity Shares of the Company on Stock Market for the year:

Month	Market Price on BSE (INR)		Sensex (INR)	
	High	Low	High	Low
April, 2024	1,455.00	1,249.30	75,124.28	71,816.46
May, 2024	1,435.10	1,230.25	76,009.68	71,866.01
June, 2024	1,383.60	1,145.00	79,671.58	70,234.43
July, 2024	1,485.75	1,315.90	81,908.43	78,971.79
August, 2024	1,530.80	1,265.65	82,637.03	78,295.86
September, 2024	1,473.00	1,340.50	85,978.25	80,895.05
October, 2024	1,478.00	1,341.10	84,648.40	79,137.98
November, 2024	1,307.90	1,195.05	80,569.73	76,802.73
December, 2024	1,663.80	1,167.05	82,317.74	77,560.79
January, 2025	1,295.20	1,114.70	80,072.99	75,267.59
February, 2025	1,223.55	1,075.65	78,735.41	73,141.27
March, 2025	1,131.00	1,000.10	78,741.69	72,633.54

Month	Market Price on NSE (INR)		NIFTY (INR)	
	High	Low	High	Low
April, 2024	1,455.90	1,250.00	22,783.35	21,777.65
May, 2024	1,435.85	1,229.00	23,110.80	21,821.05
June, 2024	1,383.95	1,143.10	24,174.00	21,281.45
July, 2024	1,487.75	1,320.00	24,999.75	23,992.70
August, 2024	1,530.00	1,265.55	25,268.35	23,893.70
September, 2024	1,469.80	1,340.10	26,277.35	24,753.15
October, 2024	1,477.50	1,342.50	25,907.60	24,073.90
November, 2024	1,410.00	1,191.00	24,537.60	23,263.15
December, 2024	1,305.00	1,167.50	24,857.75	23,460.45
January, 2025	1,294.90	1,110.50	24,226.70	22,786.90
February, 2025	1,225.50	1,075.55	23,807.30	22,104.85
March, 2025	1,132.05	1,001.10	23,869.60	21,964.60

n) Dematerialization:

As on March 31, 2025, 98.76% of the Company's total shares representing 4,44,00,462 shares were held in dematerialized form and the balance 5,56,762 representing 1.24% shares were in Physical Form.

o) Outstanding GDRs / ADRs / Warrants or any convertible instruments:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments. Hence, as on March 31, 2025, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

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

The Company as such is not exposed to any commodity price risk and hence, the disclosure under Clause 9(n) of Part C of Schedule V in terms of the format prescribed vide Circular dated November 15, 2018, is not applicable.

q) Plant Location:

Manufacturing Plants of the Company in India are situated at

- Vithal Udyognagar, Anand – Sojitra Road, Karamsad, 388 325, Gujarat and
- 5/1/2, G I D C Vatva, Vatva Railway Crossing, Ahmedabad, Gujarat 382445

For details of manufacturing plants outside India kindly refer pg. no. 16.

r) Details of credit ratings:

Rating Agency	Long-term banking facilities	Short-term banking facilities
CRISIL Rating Ltd	CRISIL AA-/ Positive	CRISIL A1+
ICRA Ltd	[ICRA]AA-(Stable) (Reaffirmed)	[ICRA]A1+ (Reaffirmed)

s) Shareholders & Investors Correspondence:

Shareholders should address their correspondence to the Company's Registrar and Transfer Agent: MUFG Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083
Phone 022-4918 6270, Fax 022- 4918 6060.
Person: Mr. Prathamesh Ghugare. Email: rnt.helpdesk@in.mpms.mufg.com

21. COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from Deloitte Haskins & Sells, Statutory Auditors of the Company, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of SEBI Listing Regulations, is attached to this Report.

CEO declaration for compliance of the Company's Code of Conduct:

I hereby affirm that all the Board Members and Senior Management Executives of the Company have affirmed compliance with the Code of Conduct & Ethics Policy of GMM Pfaudler Limited as applicable to them for the year ended March 31, 2025.

Aseem Joshi

Chief Executive Officer

Place: Mumbai

Date : May 14, 2025

CEO - CFO COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI LISTING REGULATIONS

We, Tarak Patel, Managing Director and Alexander Poempner, Group Chief Financial Officer, certify to the Board that:

- We have reviewed the Standalone and Consolidated Financial Statements and the Cash Flow Statement for the year ended March 31, 2025, and that to the best of our knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the auditors and the Audit Committee, the following, if any:
 - significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For GMM Pfaudler Ltd.

Tarak Patel

Managing Director

Place: Mumbai

Date: May 21, 2025

Alexander Poempner

Group Chief Financial Officer

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
GMM Pfaudler Limited
Vithal Udyognagar,
Anand - Sojitra Road,
Karamsad - 388325

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GMM Pfaudler Limited (CIN: L29199GJ1962PLC001171), having its registered office situated at Vithal Udyognagar, Karamsad - 388325, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V - Para C - 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 Director Identification Number (DIN) status on the portal of the Ministry of Corporate Affairs i.e. www.mca.gov.in) and as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2025, have been debarred or disqualified by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, from being appointed or continuing as Director of the Company.

Sr. No.	Name of the Director	DIN	Date of Appointment
1.	Mr. Ashok Patel	00165858	01/01/1988
2.	Mr. Tarak Patel	00166183	30/01/2007
3.	Mr. Prakash Apte	00196106	25/05/2022
4.	Mr. Nakul Toshniwal	00350112	16/05/2018
5.	Ms. Bhawana Mishra	06741655	01/04/2020
6.	Mr. Vivek Bhatia	08166667	01/04/2020
7.	Ms. Shilpa Divekar Nirula	06619353	22/05/2024
8.	Mr. Raghav Ramdev	09043096	06/02/2025

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 this 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 **Rathi & Associates**
Company Secretaries

Jayesh M. Shah
Partner

Mem. No.: F5637
COP. No.: 2535

UDIN: F005637G000337562
P. R. Certificate No.: 6391/2025

Date: May 21, 2025
Place: Mumbai

TO THE MEMBERS OF
GMM PFAUDLER LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

- This Certificate is issued in accordance with the terms of our engagement letter dated July 15, 2024.
- We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of GMM Pfaudler Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility:

- The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility:

- Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2025.
- We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
(Partner)
(Membership No. 106189)
UDIN: 25106189BMNRJQ8391

Place: Mumbai
Date: May 21, 2025

Business Responsibility & Sustainability Reporting

GMM Pfaudler Limited ("GMM Pfaudler" or "the Company") is a global provider of corrosion-resistant technologies, systems, and services. We have been consistently chosen by customers in the chemical and pharmaceutical sectors for the innovative and cost-effective solutions. Our Company is driven by a purpose to create value for people, communities and the planet, while remaining committed to delivering high-quality products and services.

Environmental, Social, and Governance (ESG) principles are at the heart of GMM Pfaudler's operations and future growth strategies. As a responsible corporate entity, the Company prioritizes sustainable development, equitable governance and inclusive growth, embracing the philosophy of giving back to the society that has been integral to our success through steadfast support over the years.

Aligned with its commitment to transparency, accountability, and ethical business practices, GMM Pfaudler is pleased to present its Business Responsibility and Sustainability Report (BRSR) for FY25, prepared in accordance with SEBI Circular no. CIR/2021/562 dated May 10, 2021. The Company fully supports and adheres to the National Guidelines on Responsible Business Conduct (NGBRC) issued by the Ministry of Corporate Affairs.

Please note that some data from the previous year's report has been updated to reflect revised calculation methodologies as recommended in the latest BRSR guidance note provided by SEBI.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L29199GJ1962PLC001171
2	Name of the Listed Entity	GMM Pfaudler Limited
3	Year of incorporation	1962
4	Registered office address	Vithal Udyognagar, Anand – Sojitra Road, Karamsad, Gujarat, 388325 India
5	Corporate address	902, Vios Tower, New Cuffe Parade, Sewri-Chembur Road, Mumbai, Maharashtra, 400037 India
6	E-mail	investorservices@gmmpfaudler.com
7	Telephone	+91 22 6650 3900
8	Website	www.gmmpfaudler.com
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	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11	Paid-up Capital	₹8.99 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	Name: Ms. Mittal Mehta Designation: Company Secretary +91 22 6650 3900 mittal.mehta@gmmpfaudler.com
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).	The disclosures under this report are made on a Standalone basis
14	Name of assessment or assurance provider	Not Applicable as per the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated March 28, 2025
15	Type of assessment of assurance obtained	Not Applicable as per the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated March 28, 2025

II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacturing of corrosion-resistant technologies, systems, and services, for customers in the chemical, pharmaceutical, and other process industries.	100%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing of other Special Purpose Machinery	28299	98.70%

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	2*	9	11
International**	-	-	-

* The closure of Hyderabad manufacturing unit was announced on December 13, 2024. For reporting purposes, data from the Hyderabad facility has been included up to December 2024.

**The international operations are carried out by the Company through its subsidiary companies and are outside the reporting boundary of this report.

19. Markets served by the entity:

a. Number of locations:	
Locations	Number
National (No. of States)	36*
International (No. of Countries)	100+
*This includes 28 States and 8 Union Territories.	
b. What is the contribution of exports as a percentage of the total turnover of the entity?	
The contribution of exports as a percentage of the total turnover of the Company is 15.62%	
c. A brief on types of customers:	
GMM Pfaudler is a leading provider of technologies, systems, and services to the chemical, pharmaceutical, and various other industries. The Company caters to more than 90% of the world's top 20 ICIS-ranked chemical companies.	

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	570	538	94.39%	32	5.61%
2	Other than Permanent (E)	9	9	100%	-	-
3	Total employees (D + E)	579	547	94.47%	32	5.53%
WORKERS						
4	Permanent (F)	174	174	100%	-	-
5	Other than Permanent (G)	1,917	1,908	99.53%	9	0.47%
6	Total Workers (F + G)	2,091	2,082	99.57%	9	0.43%

b. Differently abled Employees and workers:

Sr. 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)	14	14	100%	-	-
6	Total differently able workers (F + G)	14	14	100%	-	-

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

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel*	4	1	25%

*This includes MD, CEO, CFO & CS.

**The Board of Directors and Key Management Personnel are as on 31st March 2025.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY25 (Turnover rate in current FY)			FY24 (Turnover rate in previous FY):			FY23 (Turnover rate in the year prior to the previous FY):		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	28.16%	19.67%	27.71%	21.01%	17.52%	20.84%	20.51%	30.30%	21.07%
Permanent Workers	11.89%	-	11.89%	4.42%	-	4.40%	3.05%	-	3.05%

V. Holding, Subsidiary and Associate Companies (including joint ventures)
23. (a) Names of Holding / Subsidiary / Associate Companies / Joint Ventures:

Sr. No.	Names of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)*	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by Listed entity
1	GMM Pfaudler Foundation (India)	Subsidiary	100
2	Mavag AG (Switzerland)	Subsidiary	100
3	GMM International S.à.r.l. (Luxembourg)	Subsidiary	100
4	Pfudler GmbH (Germany)	Subsidiary	100
5	Pfudler Normag Systems GmbH (Germany)	Subsidiary	100
6	Pfudler Interseal GmbH (Germany)	Subsidiary	100
7	Pfudler France S.à r.l. (France)	Subsidiary	100
8	Pfudler Service BeNeLux B.V. (Netherlands)	Subsidiary	100
9	Pfudler S.r.l. (Italy)	Subsidiary	100

Sr. No.	Names of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)*	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by Listed entity
10	Pfudler Limited (UK)	Subsidiary	100
11	Pfudler (Chang Zhou) Process Equip. Co. Ltd. (China)	Subsidiary	100
12	Pfudler S.A. de C.V. (Mexico)	Subsidiary	100
13	Edlon Inc. (USA)	Subsidiary	100
14	GMM Pfaudler US Inc. (USA)	Subsidiary	100
15	Glasteel Parts and Services, Inc. (USA)	Subsidiary	100
16	Pfudler Ltda. (Brazil)	Subsidiary	100
17	Pfudler Private Limited (Singapore)	Subsidiary	100
18	Mixel France SAS (France)	Subsidiary	100
19	Mixel Agitator Co.Ltd. (China)	Subsidiary	100
20	Hydro Air Research Italia S.r.l (Italy)	Subsidiary	100
21	GMM Pfaudler JDS LLC (USA)	Subsidiary	51
22	Professional Mixing Equipment Inc. (Canada)	Subsidiary	100

*Business responsibility initiative disclosed are pertaining to GMM Pfaudler Limited on a standalone basis and does not include the information/initiative undertaken, if any by the Companies indicated in column A.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (in Rs.)	921.13 Crores
(iii) Net worth (in Rs.)	784.76 Crores

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) Number of Complaints filed during the year	FY25 Current Financial Year		FY24 Previous Financial Year	
			Number of Complaints filed during the year	Number of complaints pending resolution at the close of the year	Number of Complaints filed during the year	Number of complaints pending resolution at the close of the year
Communities	Yes	https://www.gmmpfaudler.com/file/CorporateSocialResponsibilityPolicy.pdf	-	-	-	-
Investors/ Shareholders	Yes	The Grievance Redressal Mechanism is as per SEBI Listing Regulations. The Company has a designated email ID exclusively for investor services i.e. investorservices@gmmpfaudler.com	-	-	1	-
Employees and workers	Yes	https://www.gmmpfaudler.com/file/GMMCOC.pdf	3	-	4	-
Customers	Yes	The Company has a designated email ID exclusively for customers i.e. service@gmmpfaudler.com	398	8	467	7
Value Chain Partners	Yes	https://www.gmmpfaudler.com/file/WhistleBlowerPolicy.pdf	1	-	-	-
						Resolution of pending points were closed in due time.

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

Sr. 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	Corporate Governance	Opportunity	A strong governance framework is fundamental to achieving organizational excellence. By establishing a structure that is both inclusive and responsive, organizations enhance their capacity to navigate unexpected challenges and adapt effectively. Active oversight by governance committees especially in relation to ESG matters ensures strategic alignment and drives progress toward long-term sustainability objectives. At GMM Pfaudler, compliance with governance principles and the defined mandates of the Board's standing committees forms the foundation for effective governance and thorough oversight of Company operations. Each committee plays a crucial role in supporting our commitment to conducting business in accordance with the highest corporate standards.	-	Positive
2	Product Quality and Customer Satisfaction	Opportunity	Offering high-quality, value-for-money products backed by seamless pre- and post-sales support enables an organization to retain satisfied customers, ultimately driving recurring revenue streams. At GMM Pfaudler, we aim to align our business goals with our vision of becoming the preferred partner for engineered products and services. Our focus on ethical and transparent practices is intended to build stakeholder trust, enhance our brand reputation, and elevate customer satisfaction.	-	Positive

Sr. 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	Product Stewardship	Opportunity	By embedding environmental stewardship and social responsibility into every phase of production, GMM Pfaudler continues to elevate product quality while meaningfully reducing its environment and social impact. This approach supports broader sustainability objectives, strengthens the Company's market positioning, and encourages a culture of innovation, trust, and long-term value creation.	-	Positive
4	Responsible Supply Chain	Risk	A sustainable supply chain reflects a commitment to socially responsible business practices and plays a vital role in minimizing risks related to contracts, compliance, and operational continuity. Proactively identifying and engaging with suppliers and partners who deliver critical products and services is essential. Without such strategic collaboration, the organization becomes more vulnerable to disruptions making ethical sourcing and resilient supplier relationships a business imperative.	GMM Pfaudler uses structured screening tools and detailed checklists to carefully evaluate suppliers and identify potential social risks. The Supplier Code of Conduct outlines specific expectations, mandating compliance with applicable laws and standards related to governance, social responsibility, and environmental management. Through this approach, the Company promotes ethical practices across its supply chain, strengthening trust and accountability in all supplier relationships.	Negative
5	Occupational health and safety	Risk	The skills, dedication, and engagement of our people are central to our sustained business performance and the confidence placed in us by our stakeholders. Ensuring a safe and healthy work environment is fundamental to maintaining operational effectiveness and supporting the well-being of our workforce.	At GMM Pfaudler, we prioritize workplace safety by integrating advanced technology, comprehensive training, and rigorous safety protocols. All our facilities are ISO 45001 certified, equipped with Emergency Response Plans, and implement behavior-based safety programs to continuously track and improve safety performance	Negative

Sr. 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	Climate Change	Risk	The rising occurrence of extreme weather events driven by climate change poses a real risk to our operations and could impact the safety and well-being of our workforce.	We embed environmental sustainability into our operations through structured policies, frameworks, and enabling infrastructure. All operational sites are ISO 14001 certified, demonstrating adherence to established environmental management standards. To reduce our carbon footprint, we focus on energy efficiency and the integration of renewable energy sources. Our water and waste management efforts are guided by circular economy principles. We reduce freshwater consumption through operational and engineering controls, treat and recycle wastewater, and utilize rainwater harvesting to optimize water use. Waste management practices emphasize minimizing generation, along with recycling and reuse, to extend resource life cycles and reduce environmental impact. These circular practices are supported by responsible sourcing strategies that promote sustainability across our supply chain. To align with our overall sustainable journey and demonstrate proactive climate risk management, we undertook Climate Change Risk Assessment (CCRA) for our operational sites in Gujarat. The CCRA evaluates potential adverse impacts from climate change, focusing on physical risks as defined by the Task Force on Climate-Related Financial Disclosures.	Negative

Sr. 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)
7	Community Development	Opportunity	Building meaningful relationships with the community is essential to GMM Pfaudler's long-term success and shared value creation. Our community engagement strategy is structured around three key focus areas: Healthcare: We support local health outcomes through preventive care initiatives and by strengthening hospital infrastructure and services. Education: We invest in skill development and education quality by collaborating with Industrial Training Institutes (ITIs) and providing them with critical resources. Environment: We back initiatives that protect biodiversity, promote conservation of natural resources, and address ecological challenges to support environmental sustainability. Energy plays a vital role in driving economic development and enhancing quality of life. Its availability and reliability remain a key concern not just for organizations but globally. The Company has developed a renewable energy capacity of 1 MW through solar installations, which supplied 7% of its total electricity requirements in FY25 and enabled the avoidance of 887 tCO₂e emissions. GMM Pfaudler remains firmly committed to its decarbonization roadmap. A Wind-Solar Hybrid Group Captive Plan has been initiated and an open access renewable power solution for the Karamsad facility is targeted for deployment by December 2025. In addition to renewable energy adoption, GMM Pfaudler consistently implements a range of energy efficiency measures aimed at reducing overall consumption and lowering its emissions footprint.	-	Positive
8	Energy and Emissions Management	Opportunity		-	Positive

Sr. 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)
9	Water and Wastewater Management	Risk & Opportunity	As a limited natural resource, water demands thoughtful planning, efficient distribution, and responsible management to ensure optimal use. Its availability and usage have far-reaching implications for both environmental sustainability and societal well-being.	GMM Pfaudler's operational locations comply with all applicable pollution control board regulations. Our manufacturing facilities are equipped with wastewater treatment and recycling systems, which help reduce reliance on freshwater sources and lessen the impact on water resources essential for domestic and agricultural use.	Both
10	Waste Management	Risk & Opportunity	Efficient resource use involves reducing waste generation, promoting reuse, and integrating recycled materials wherever possible. Robust waste management practices such as proper segregation, collection, and disposal are critical to this approach. Adherence to waste management regulations is essential to enable safe reuse, recycling, and disposal, especially in light of the environmental risks posed by landfills and dumpsites to air, soil, and water quality.	GMM Pfaudler has adopted a holistic approach to minimizing waste generation across its manufacturing processes. Emphasis is placed on waste reduction at every stage to meet regulatory standards and reduce environmental impact. Waste materials are managed responsibly and sent to authorized Transport, Storage, and Disposal Facilities (TSDF) to ensure safe and compliant disposal. Additionally, the use of single-use, non-biodegradable plastics is strictly prohibited across all premises.	Both

Sr. No.	Material issue identified	Indicate whether risk Or opportunity (R/O)	Rationale for identifying the risk / opportunity	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Ethics and Compliance	Risk & Opportunity	Maintaining high standards of integrity and ethical conduct is a core responsibility for any organization. Failure to comply with regulations can result in penalties that may disrupt operations and place financial pressure on the business.	Both
12	R&D and Innovation	Opportunity	Research and development are key drivers in advancing product performance, improving efficiency, and lowering environmental impact. At GMM Pfaudler, our R&D team is focused on developing solutions that integrate sustainability into product design and manufacturing. These efforts are aimed at enhancing operational efficiency while reducing our environmental footprint. By prioritizing innovation with a sustainability lens, we reinforce our environmental responsibilities and build stronger, long-term relationships with our stakeholders.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes (Refer to Note 1)								
	b. Has the policy been approved by the Board? (Yes/No)	Yes								
	c. Web Link of the Policies, if available	https://www.gmmpfaudler.com/investors/policies-programmes								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, Whistle Blower Policy, POSH and Supplier Code of Conduct extends to value chain partners.								
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.	The policies and codes of conduct approved by the Board at GMM Pfaudler incorporate the principles outlined in the National Voluntary Guidelines (NVGs). These policies are designed to align with relevant national and international regulations. Furthermore, they are consistent with the objectives and frameworks of key global standards, including the Global Reporting Initiative (GRI), United Nations Sustainable Development Goals (UNSDGs), and ISO certifications such as ISO 9001, ISO 14001, and ISO 45001.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Board of Directors, at their meeting held on May 25, 2022, approved the Company's three-year ESG Strategy and Roadmap, laying the foundation for a structured and purpose driven sustainability journey. Building on this framework, the Company has now progressed to ESG 2.0—a more integrated, data-driven, and impact-focused approach that enhances accountability, deepens stakeholder engagement, and aligns closely with global best practices. For more details kindly refer to the ESG section of the Annual Report.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	The performance against the ESG targets set under our initial roadmap has been disclosed in the ESG Report, forming part of this Annual Report. In addition, the report provides a forward-looking preview of ESG Strategy 2.0, which emphasizes deeper integration of sustainability across operations, enhanced data-led decision-making, and a stronger alignment with emerging global ESG standards and stakeholder expectations.								
Governance, leadership, and oversight										
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)	GMM Pfaudler's long-term strategy is rooted in ESG principles, with a strong focus on delivering meaningful value to stakeholders — including employees, communities, and the environment. For us, ESG is about creating real impact rather than simply meeting benchmarks. Guided by our mission and core values, and as a global leader in corrosion-resistant technologies, we remain dedicated to what truly matters. Our Board of Directors has approved a three-year ESG strategy and roadmap, and the ESG section of this Annual Report outlines our progress and goals in this area.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Aseem Joshi Designation: Chief Executive Officer Telephone number: 022 6650 3900 E-mail id: aseem.joshi@gmmpfaudler.com								

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.	Name: Mr. Tarak Patel Designation: Managing Director DIN: 00166183 Telephone number: 022 6650 3900 E-mail id: tarak.patel@gmmpfau.com
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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 Committee									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					Yes													Annual/Need Basis
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances					Yes													Quarterly/Need Basis

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.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	As part of its oversight of internal financial controls, the Management, Board and Audit Committee regularly review the Company's compliance with established policies and procedures. This process is supported by the Internal Audit function, which provides ongoing monitoring and reporting. In addition, periodic independent assessments by external agencies are conducted to evaluate the effectiveness of select policies, ensuring robust governance and continuous improvement.								

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

If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
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)									

Note 1:

Principle(s)	Applicable Policies	Link for policies
Principle 1: Businesses should conduct and govern themselves with Integrity, and in a manner that is Ethical, Transparent and Accountable.	- Code of Conduct & Ethics Policy - Board Diversity Policy - Anti-Corruption Policy - Policy on Related Party Transactions - Antitrust Guidelines - Whistle Blower Policy - Policy on Determination of Material Events - Code of Practices and Procedures for Fair Disclosure of UPSI	https://www.gmmpfau.com/investors/policies-programmes
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe	- Export Compliance Guideline - Environment, Social and Governance Policy - Suppliers Code of Conduct	
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains	- Anti-Sexual Harassment Policy - Prevention and Redressal of Harassment Policy - Code of Conduct & Ethics Policy - Internal HR Policies for Employees - Nomination, Remuneration & Evaluation Policy	
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders	- Corporate Social Responsibility Policy - Code of practices and Procedures for Fair Disclosure of UPSI - Anti-Corruption Policy	
Principle 5: Businesses should respect and promote human rights	- Code of Conduct & Ethics Policy - Anti-Sexual Harassment Policy - Prevention and Redressal of Harassment Policy - Whistle Blower Policy	
Principle 6: Businesses should respect and make efforts to protect and restore the environment	- Environment, Social and Governance Policy - Suppliers Code of Conduct	
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	- Code of Conduct & Ethics Policy - Communication Policy	
Principle 8: Businesses should promote inclusive growth and equitable development	- Corporate Social Responsibility Policy - Environment, Social and Governance Policy	
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	- Code of Conduct & Ethics Policy - Export Compliance Guideline - Information Security Policy	

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	%age of persons in respective category covered by the awareness programmes
Board of Directors	7	Industry outlook, governance and compliance, regulations, sustainability initiatives, risk management	100%
Key Managerial Personnel	7	Industry outlook, governance and compliance, risk management, POSH, Anti-Bribery & Anti-Corruption, Code of Conduct, DEI	100%
Employees other than BoD and KMPs	35+	PoSH, Anti-Bribery & Anti-Corruption, Code of Conduct, DEI, Behavioral, Leadership and functional training programs	85% of the intended target audience
Workers	Regular Basis	Health & Safety and skill upgradation	100%

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):

During FY25, there were no instances of any material (monetary and non-monetary) fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors / KMPs) levied by the regulators / law enforcement agencies / judicial institutions.

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.**

There were no instances of any monetary or non-monetary offenses at GMM Pfaudler. Consequently, no appeals or revisions have been filed.

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

Yes, GMM Pfaudler's Anti-Corruption Policy emphasizes on the Company's zero tolerance approach to bribery and corruption. GMM Pfaudler is committed to conduct all its business activities with honesty, integrity and the highest possible ethical standards and vigorously enforces its ethical business practices wherever it operates throughout the world, of discouraging and not engaging in any kind of bribery, corruption, or unethical practice.

Web-link: <https://www.gmmpfaudler.com/index.php/file/Anti-Corruption-Policy.pdf>

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

There were no instances of any disciplinary action taken by any law enforcement agency for the charges of bribery / corruption against Directors / KMPs / employees / workers in FY25 and FY24.

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

There were no complaints with regards to conflict of interest in FY25 and FY24.

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.**

No corrective actions were taken as there were no instances of fines/penalties/action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflict of interest.

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

	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Number of days of accounts payables	71.03	82.64

9. **Openness of business:**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Concentration of Purchases*	a) Purchases from trading houses as % of total purchases	18.90%	29.47%*
	b) Number of trading houses where purchases are made from	697	466
	c) Purchases from top 10 trading houses as % of total purchases from trading houses *Total Purchase only considers the cost of inventorised materials.	57.15%	40.85%*
Concentration of sales	a) Sales to dealers / distributors as % of total sales	-	-
	b) Number of dealers / distributors to whom sales are made	-	-
	c) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a) Purchases (Purchases with related parties / Total Purchases)	1.03%	5.88%
	b) Sales (Sales to related parties / Total Sales)	6.10%	15.49%
	c) Loans & advances (Loans & advances given to related parties / Total loans & advances)	16.96%	11.79%
	d) Investments (Investments in related parties / Total Investments made)	99.99%	99.99%

LEADERSHIP INDICATORS

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

The Company remains steadfast in its commitment to conducting business ethically, fairly, and in full compliance with legal, social, and environmental standards. Acknowledging the critical role that value chain partners play in its operational ecosystem, the Company prioritizes continuous engagement to promote responsible and sustainable practices throughout its supply chain. To ensure ongoing alignment, the Company mandates annual affirmation of the Supplier Code of Conduct by all partners, reinforcing their commitment to responsible and sustainable practices. Awareness on responsible business practices is also regularly created during meetings and engagements with value chain partners.
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 a Code of Conduct for the Board of Directors that outlines clear principles for avoiding and disclosing actual or potential conflicts of interest with the Company. Board members are required to submit annual declarations detailing their interests in other entities and ensure requisite approvals as required under the applicable laws are taken prior to entering into transactions with such entities.

The policy is available on the Company's website at <https://www.gmmpfau>

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

ESSENTIAL INDICATORS

1. 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.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	100% (2.8 Crores)	100% (1.09 Crores)	The Company allocates investments in R&D and capital expenditure with a primary focus on product improvement, setting up test centers, and promoting in-house innovation aimed at developing energy-efficient solutions.
Capex	100% (0.5 Crores)	100% (3.15 Crores)	
2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company has established a Supplier Code of Conduct that requires suppliers to use natural resources responsibly and sustainably. Suppliers are expected to minimize or eliminate adverse environmental and climate-related impacts resulting from their operations. They are also encouraged to engage in the development and adoption of eco-friendly products, processes, and technologies.

All major suppliers are required to review, accept, and confirm compliance with the Code. To uphold sustainable procurement principles, GMM Pfau" data-bbox="141 681 452 808">dler conducts a Supplier Sustainability Risk Rating and facilitates a Supplier Self-Assessment covering environmental and social criteria. This assessment process helps evaluate suppliers' alignment with sustainable practices and allows the Company to identify and address potential risks, thereby improving the overall sustainability of the supply chain.

The policy also emphasizes support for local vendors and promotes local sourcing. GMM Pfau" data-bbox="141 760 452 808">dler prioritizes procurement from local suppliers and MSMEs, implementing various sustainable supply chain initiatives while ensuring timely and cost-effective delivery of critical materials.

The Company received a Bronze Medal in the EcoVadis Sustainability Rating (May 2024), placing it in the top 35% of assessed companies.

b. If yes, what percentage of inputs were sourced sustainably?

Basis the Sustainability Risk Rating and Supplier Self-Assessment processes assessments, 46.45% of the input materials by value are procured sustainability.

3. 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)	Due to the nature of our business, the products we manufacture typically have a lifespan of 10 to 15 years. After this period, customers have the option to return metal and glass scrap to authorized recyclers. More broadly, end-of-life waste generated from our products can be recycled and repurposed as raw materials for other manufacturing processes or applications.
(b) E-waste	
(c) Hazardous waste	
(d) other waste.	
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No): 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: Not Applicable.

LEADERSHIP INDICATORS

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	
	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Wooden Box	0.39%	0.57%
Plastic (Stretch film, Plastic bags, Sink film etc)	0.05%	0.06%
Casting	1.12%	1.03%
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:

Due to the nature of our products, we do not currently reclaim them or their packaging at the end of their lifecycle. However, from a broader perspective, any end-of-life waste resulting from our products can be recycled and utilized as raw materials in other manufacturing processes or products.
5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Due to the nature of our products, we do not reclaim products or packaging at end of life.

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 employees:

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	538	538	100%	538	100%	-	-	538	100%	538	100%
Female	32	32	100%	32	100%	32	100%	-	-	32	100%
Total	570	570	100%	570	100%	32	5.61%	538	94.39%	570	100%
Other than Permanent employees											
Male	9	7	77.78%	-	-	-	-	-	-	9	100%
Female	-	-	-	-	-	-	-	-	-	-	-
Total	9	7	77.78%	-	-	-	-	-	-	9	100%

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

Category	% of Worker Covered by										
	Total (A)	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	174	174	100%	174	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	174	174	100%	174	100%	-	-	-	-	-	-
Other than Permanent workers											
Male	1908	-	-	1908	100%	-	-	-	-	-	-
Female	9	-	-	9	100%	9	100%	-	-	9	100%
Total	1917	-	-	1917	100%	9	0.47%	-	-	9	0.47%

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

	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.43%	0.27%

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Benefits	FY25 (Current Financial Year)			FY24 (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	-	-	N.A.	-	-	N.A.

3. Accessibility of workplaces.

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, most of GMM Pfau

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, GMM Pfau

For further information on our code of conduct & ethics policy, please refer to the link provided:
<https://www.gmmpfau>

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%	80.56%	-	-
Female	100%	100%	-	-
Total	100%	81.58%	-	-

*Parental Leaves were not taken by Permanent Workers in the last two Financial Year

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.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, grievance redressal mechanism for our workers is aligned with the provisions of the Factories Act. Under this system, workers can voice their concerns to the designated Welfare Officer, who is responsible for escalating the grievances to the appropriate management teams for timely resolution. Once a resolution is identified, all relevant parties are duly informed of the outcome.
Other than Permanent Workers	Grievances can also be raised by workers in writing under the Whistle Blower Policy to the Compliance Officer and/or by way of a email addressed to the Chairperson of the Audit Committee at chairman.auditcommittee@gmmpfau
Permanent Employees	Yes, at GMM Pfau
Other than Permanent Employees	GMM Pfau

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

Category	FY25 (Current Financial Year)			FY24 (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)
Total Permanent Employees	570	89	15.61%	583	109	18.70%
Male	538	89	16.54%	555	107	19.28%
Female	32	-	-	28	2	7.14%
Total Permanent Workers	174	157	90.23%	201	158	78.61%
Male	174	157	90.23%	200	158	79.00%
Female	-	-	-	1	-	-

8. Details of training given to employees and workers:

Category	FY25 (Current Financial Year)					FY24 (Previous Financial Year)				
	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)
Employees (Permanent + Contractual)										
Male	547	430	78.61%	410	74.95%	568	332	58.45%	555	97.71%
Female	32	20	62.50%	25	78.13%	30	6	20.00%	30	100%
Total	579	450	77.72%	435	75.12%	598	338	56.52%	585	97.83%
Workers (Permanent + Contractual)										
Male	2082	2082	100 %	174	8.36%	2217	2217	100%	165	7.44%
Female	9	9	100%	-	-	17	17	100%	-	-
Total	2091	2091	100%	174	8.32%	2234	2234	100%	165	7.39%

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

Category	FY25 (Current Financial Year)			FY24 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees (Permanent + Contractual)						
Male	547	398	72.76%	555	434	78.20%
Female	32	29	90.63%	28	27	96.43%
Total	579	427	73.75%	583	461	79.07%
Workers (Permanent)						
Male	174	151	86.78%	200	197	98.5%
Female	-	-	-	1	-	-
Total	174	151	86.78%	201	197	98.01%

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 of such system?	Yes, GMM Pfaudler places strong emphasis on the safety and well-being of its employees and other relevant stakeholders. Both of our plants have implemented Health, Safety, and Environment Management Systems (HSEMS) that are certified to the ISO 45001:2018 standard.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	GMM Pfaudler ensures through identification of work-related hazards and the assessment of associated risks, for the safety of our workforce. Additionally, our manufacturing routine and non-routine activities are carried out through structured and proactive processes, including: Hazard Identification and Risk Assessment (HIRA): This systematic approach involves evaluating the workplace, equipment, and operational activities to identify potential hazards that could pose risks to employees, visitors, or the environment. Once hazards are identified, each is analyzed to assess the likelihood of occurrence and the severity of potential consequences. Based on this evaluation, appropriate control measures and corrective actions are planned, implemented, and monitored to mitigate risks effectively. Health, Safety, and Environmental (HSE) Inspections and Audits: This process includes a thorough evaluation of the organization's policies, procedures, and practices concerning environmental management, health, and safety. HSE inspections and audits help pinpoint opportunities for improvement, aiming to minimize the risk of incidents or accidents. They also serve to verify compliance with applicable regulatory requirements and industry standards. Based on the findings of these audits and inspections, corrective action plans are developed to address identified gaps and enhance overall performance.
c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)	Yes, GMM Pfaudler has implemented a user-friendly online App and Web Portal, along with a Hazard Report Card system, to empower employees/workers at all levels to promptly report any work-related hazards. This digital platform enhances accessibility and encourages proactive participation in workplace safety. All reported hazards are closely monitored and addressed by the Factory Heads and HSE Managers, ensuring timely resolution and fostering a culture of safety and accountability across the organization.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, all our employees/workers are covered under comprehensive Health or Accidental Insurance, which provides financial support for a wide range of non-occupational medical and healthcare services.

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

Safety Incident/Number	Category*	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	2
	Workers	8	10
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*Including in the contract workforce

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

GMM Pfaudler has established a comprehensive framework to ensure a safe and healthy workplace, combining strict compliance, ongoing training, and emergency preparedness.

Key safety protocols are reinforced through regular work permit issuances, safety inductions, and safety committee meetings, complemented by behavior-based safety initiatives and thorough shop floor inspections. Contractor safety is prioritized with a dedicated Safety Induction program and an EHS training card system.

Our commitment to continuous improvement is evident in regular internal and external HSE audits, including third-party safety assessments and ISO 45001 and ISO 14001 certifications, with risk assessments and controls validated by TUV SUD. Emergency preparedness is supported by detailed, site-specific plans and frequent mock drills addressing scenarios such as fire, electric shock, and snake bites, alongside comprehensive training on hazard awareness and safe material handling. Employee health is monitored through pre-employment screenings and annual medical examinations.

An online platform enables swift reporting and management of work-related hazards, while workplace safety is maintained through "5S" practices. The organization's strong safety culture is further nurtured by celebrating National Safety Week and recognizing safety achievements.

practices and working conditions. The safety infrastructure has been enhanced with the installation of guards on all grinding and cutting machines as well as rotating parts. Safety latches have been added to EOT cranes and material handling equipment, while gas cutting trolleys are now equipped with non-return valves (NRVs) and flashback arrestors to minimize fire hazards. Additional improvements include the provision of trolleys for safer gas cylinder handling, electrical mats at control panels, covers for earthing pits, and regular inspections of safety valves on air receivers.

To ensure safe operations at heights, access ladders and secure working platforms have been installed, alongside lifelines on rooftops. Procedurally, a formal work permit system has been introduced for high-risk activities. Comprehensive safety guidelines have been developed, and a dedicated safety induction video has been created for visitors and new employees. Awareness efforts such as electrical safety campaigns and Gemba walks involving department heads on the shop floor further promote a proactive safety culture.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of employees & workers:

Yes, the Company has extended life insurance or compensatory package in the event of death of employees and workers.

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

We at GMM Pfaudler ensure that our contracts with value chain partners explicitly mandate compliance with all applicable statutory requirements, including the payment and deduction of mandatory contributions. We ensure that both parties thoroughly review and adhere to these provisions. Additionally, contractors are required to submit quarterly proof of deduction and deposit of all statutory dues, ensuring transparency and accountability throughout the process.

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:

Nil.

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.

5. Details on assessment of value chain partners:

The Company undertakes assessments of its value chain partners with respect to health and safety practices and working conditions. However, the percentage of partners assessed is yet to be formally calculated.

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.

No significant risks were identified during the assessment; therefore, no corrective actions have been deemed necessary.

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

	FY25 (Current Financial Year)			FY24 (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	674	67	Proactively Identified by safety committee & plant team, resolution of pending points were closed in due time	212	37	-
Health & Safety	506	12		164	08	

The Company maintains a proactive approach to employee well-being by fostering a culture of transparency and continuous improvement in workplace conditions and Health & Safety standards across all its locations. An internal grievance portal is in place to facilitate the reporting of concerns. During the reporting period, employees utilized this platform to raise a range of issues, the majority of which were addressed in a timely and effective manner. These concerns primarily related to routine operational matters, such as maintenance needs or adjustments to ensure optimal working conditions.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Health and safety practices	100%
Working Conditions	

*2 plants were audited by third parties & offices were assessed internally.

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.

GMM Pfaudler has implemented a range of corrective and preventive measures to address safety-related incidents and mitigate significant risks identified through thorough assessments of health and safety

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.

At GMM Pfau

We strictly comply with all applicable laws and uphold GMM Pfau

Our stakeholders include investors, employees, shareholders, customers, communities, non-governmental organizations, suppliers, and others.

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

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
Customers	No	One-to-one interactions and meetings for projects, relationship meetings, Customer satisfaction surveys, Helpline numbers and grievance recording mechanism; customer visits, responses to Request for Information (RFI) / Request for Proposal (RFP), sponsored events, mailers, newsletters, brochures, website, social media, events and exhibitions	Continuous: GMM Pfau Half-yearly: Relationship meetings, Customer satisfaction surveys, customer visits Annual: Events and Exhibitions	- Product Stewardship - Product quality and safety - Customer data privacy - New Products - Feedback

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
Employees	No	Induction programs, E-mails, newsletters Employee portal, HR helpdesk, Engagement initiatives and Townhalls, Rewards & Recognition programs and satisfactions survey, Leadership development meetings/ programmes	Continuous: Website, Employee portal, HR helpdesk, Rewards & Recognition programs and satisfactions survey, Webinars and awareness sessions Quarterly: GMM Pfau Annual: Townhalls	- Performance appraisal and rewards - Learning and development programmes - Transparency in business - Compliance with safety norms - Focus on ESG aspects - Diversity & Inclusion - Code of Conduct & Human Rights - Career Management and Growth Prospects
Investors & Shareholders	No	Website, newspapers, press releases, emails, quarterly conference call, analyst & investor Meeting, general meeting, social media, manufacturing facility visits	Continuous: Investors page on the GMM Pfau Quarterly: Financial statements earnings call, press conferences, investor calls Annual: Annual General Meeting, Annual Report	- Financial and non-financial performance - Robust strategy for business growth - Long-term business value - Ethical Behavior and Fair Business Practices - Understanding shareholders expectations
Suppliers	No	Site visits and inspection, meetings/ calls, Vendor capability assessment, Vendor performance assessment	Quarterly: Meetings/ calls Half-yearly: Assessments, Site visits and inspections	- Responsible Sourcing - On time performance - Ethical behavior/ Fair business practices - Sustainability
Community	Yes	CSR events and programs (Through GMM Pfau	Quarterly: Project Progress Annual: Review	- Progress on CSR projects - Need Assessments - Impact Assessments
Industry bodies, Regulators	No	Email, one-on-one meetings, Conference meetings, Periodic Fillings	Need-based	Discussions about various regulations and amendments, inspections, approvals

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.**

Stakeholder engagement is a cornerstone in advancing our growth ambitions. The Board has formally approved the Company's 3-year Strategy and Roadmap, which is executed by the ESG Steering Committee in alignment with the Company's ESG vision. This Committee is responsible for setting sustainability goals, providing targeted guidance and operational insights to the ESG working groups, reviewing public disclosures, and actively engaging with stakeholders to address their concerns.

The ESG Steering Committee is led by the Chief Executive Officer, ensuring strong leadership and accountability. The Board conducts quarterly reviews, offering a forum for in-depth discussions with the CEO on sustainability progress and concerns raised by stakeholder. This Committee also acts as the primary platform for stakeholders to engage directly with the Board.

The Company's commitment to transparency and providing stakeholders with a complete view of its performance and progress towards ESG commitments is evident in its comprehensive reporting approach.

- 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.**

Yes, In collaboration with our stakeholders, the Company has identified significant environmental and social issues that are material to both our business and our stakeholders. These material topics have been carefully shortlisted and prioritized based on their potential impact. Detailed information regarding this can be found in the Materiality Assessment section of the ESG report.

The Company's Corporate Social Responsibility initiatives are thoughtfully planned and executed with a focus on addressing the needs of communities, including vulnerable and marginalized groups, as well as the broader community, ensuring that our efforts create meaningful and inclusive social value.

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

At GMM Pfaudler, we actively engage with vulnerable and marginalized groups through targeted social initiatives. We supported the renovation of the Gynecology Operation Theatre at Shree Krishna Hospital to improve healthcare access for women. In the education sector, we contributed to infrastructure development at JV Patel Industrial Training Institute, including new wings, a canteen, a Turner Workshop, and washrooms to create a more inclusive learning environment. Additionally, we partnered with Catalyst for Social Action, and are providing educational support and basic facilities to 67 underprivileged children across two Childcare Institutions in Sangli, Maharashtra.

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	FY25 (Current Financial Year)			FY24 (Previous Financial Year)		
	Total (A)	No. of employees / Workers covered (B)	% (B / A)	Total (C)	No. of employees / Workers covered (D)	% (D / C)
Employees						
Permanent	570	390	68.42%	583	459	78.73%
Other than permanent	9	-	-	15	15	100%
Total Employees	579	390	67.36%	598	474	79.26%
Workers*						
Permanent	174	174	100%	-	-	-
Other than permanent	-	-	-	-	-	-
Total Workers	-	-	-	-	-	-

*The Company's Code of Conduct & Ethics Policy (COC) incorporates training on human rights and related policies. Employees engage with the COC through various awareness initiatives, including regular discussions aimed at strengthening understanding of human rights and ethical standards. In addition to HR-led sessions and online modules, functional team leads also train all employees and workers—including new hires—on the COC. The COC is readily available on both the Company's website and intranet portal, and all employees are expected to read, understand, and comply with its provisions, along with all applicable laws, regulations, and Company policies. It is important to note that training for other than permanent workers is not specifically monitored or tracked.

- 2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY25 (Current Financial Year)					FY24 (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)
Permanent Employees										
Male	538	-	-	538	100%	555	-	-	555	100%
Female	32	-	-	32	100%	28	-	-	28	100%
Other than Permanent Employees										
Male	9	-	-	9	100%	13	-	-	13	100%
Female	-	-	-	-	-	2	-	-	2	100%
Permanent Workers										
Male	174	-	-	174	100%	200	-	-	200	100%
Female	-	-	-	-	-	1	-	-	1	100%
Other than Permanent Workers										
Male	1908	1173	61.48%	735	38.52%	2017	1055	52.31%	962	47.69%
Female	9	1	11.11%	8	88.89%	16	9	56.25%	7	43.75%

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

a. Median remuneration/wages:

Particulars	Male		Female	
	Number	Median remuneration/ Salary/ wages of respective category	Number	Median remuneration/ Salary/ wages of respective category
Board of Directors (BoD)*	5	24,62,500	2	21,25,000
Key Managerial Personnel (KMP)*	3	30,000,000	1	7,715,328
Employees other than BoD and KMP	535	827,892	31	1,088,112
Workers	174	535,536	-	-

*BOD excludes MD. *KMP includes MD, CEO, CFO & CS.

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

	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Gross wages paid to females as % of total wages	3.82%	5.07%

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, At GMM Pfaudler, the Company Secretary and Head of Human Resources have been designated as Compliance Officers responsible for overseeing the implementation of the Code of Conduct & Ethics Policy, which encompasses the safeguarding of human rights.

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

In order to ensure the protection of human rights and strive for ongoing progress, the Company has implemented systems to receive and address complaints and feedback regarding any potential violations.

Our company has implemented various mechanisms to ensure a transparent and ethical work environment. One such mechanism is a Whistle Blower Policy, which encourages our directors and employees to come forward and report any instances of unethical behavior, fraud, or violations of our Code of Conduct & Ethics Policy.

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

	FY25 (Current Financial Year)			FY24 (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	-	-	-	1	-	-
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:

	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	1
Complaints on POSH as a % of female employees / workers	-	2.08%
Complaints on POSH upheld	-	-

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

GMM Pfaulder's core values strictly prohibit any form of retaliation. Employees who report suspected violations of the law, the Code of Conduct, or other Company policies in good faith are fully protected from retaliation. Any threats or retaliatory actions against individuals who raise concerns or assist in investigations are firmly forbidden.

Throughout our resolution process, we uphold the principles of natural justice, confidentiality, sensitivity, non-retaliation, and impartiality. We handle all concerns with care and strive to provide timely resolutions. By conducting thorough and fair investigations, we ensure impartiality for all parties involved, giving everyone the opportunity to present relevant facts and evidence.

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

Yes, GMM Pfaulder's Code of Conduct & Ethics Policy reinforces the Company's commitment to protecting human rights and upholding the dignity of every individual. All employees are expected to follow these principles in their conduct. This responsibility extends to all dealings with business partners, including during the negotiation and execution of agreements and contracts.

10. Assessments for the year:

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

Based on the completed assessment, no significant risks or concerns were identified, and thus no corrective actions were deemed necessary at this time.

LEADERSHIP INDICATORS

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

In FY25, GMM Pfaulder did not receive any grievances or complaints related to human rights. However, a Human Rights Due Diligence exercise conducted in FY24 identified certain areas for improvement. In response, we revised existing policies, introduced new standard operating procedures (SOPs), and developed targeted training programs to further reinforce our commitment to upholding human rights across all operations.

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

GMM Pfaudler is committed to upholding and safeguarding Human Rights across its operations. As an equal opportunity employer, GMM Pfaudler maintains a strict zero-tolerance approach toward any form of discrimination. In FY24, GMM Pfaudler conducted a comprehensive human rights due diligence across its plants and offices through an independent third party. The assessment covered key areas including diversity and inclusion, equal rights and pay, labour rights, grievance redressal mechanisms, inclusion of persons with disabilities and alignment of supplier with human rights principles. Based on the findings, In FY25 we addressed identified gaps by updating policies, introducing new SOPs, and launching targeted training programs to strengthen our human rights practices across all operations. The Company strives to maintain a safe, inclusive, and harassment-free workplace, where the fundamental rights of every individual are respected.

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, most of GMM Pfaudler's workplace premises are designed to accommodate differently-abled employees and workers. Essential infrastructure, including gate areas and office entrances, incorporates accessibility features such as ramps and level surfaces to provide safe and convenient access for individuals with disabilities.

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:

Parameter	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
From Renewable Sources		
Total electricity consumption (A) (GJ)	4,392.41	4,337.18
Total fuel consumption (B) (GJ).	-	-
Energy consumption through other sources (C) (GJ)	-	-
Total energy consumption from Renewable sources (A+B+C) (GJ)	4,392.41	4,337.18
From Non - Renewable Sources		
Total electricity consumption (D) (GJ)	58,542.06	68,806.83
Total fuel consumption (E) (GJ)	1,40,575.97	1,62,198.86
Energy consumption through other sources (F) (GJ)	-	-
Total energy consumption from Non-Renewable sources (D+E+F) (GJ)	1,99,118.03	2,31,005.69
Total energy consumed (A+B+C+D+E+F)	2,03,510.44	2,35,342.87
Energy intensity per rupee of turnover (Total energy consumption GJ/ Revenue from operations in INR Crore)	220.94	228.27
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) GJ/Million USD	456.45	511.51
Energy intensity in terms of physical output (GJ/No.)	6.23	8.61
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

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.

Our facilities are not currently designated consumers under the Government of India's PAT Scheme.

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

Parameter	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	20,537	20,595
(iii) Third party water	18,176.42	13,562.79
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	38,713.42	34,157.79
Total volume of water consumption (in kilolitres)	38,578.42	33,737.79
Water intensity per rupee of turnover (water consumed KL / Revenue from operations in INR Crore)	41.88	32.72
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) KL/Million USD	86.53	73.33
Water intensity in terms of physical output KL/nos	1.18	1.23
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

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:

Parameter	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Water discharged by destination and level of treatment (in kilo litres)		
(i) To Surface water	-	-
a. No treatment	-	-
b. With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
a. No treatment	-	-
b. With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
a. No treatment	-	-
b. With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
a. No treatment	135	420
b. With treatment – please specify level of treatment	-	-
(v) Others	-	-
a. No treatment	-	-
b. With treatment – please specify level of treatment	-	-
Total volume of water discharged (in kilolitres) (i + ii + iii + iv + v)	135	420

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.

Yes, at our Karamsad plant, we have implemented sustainable water management practices aligned with Zero Liquid Discharge principles. Treated water from our Sewage Treatment Plant (STP), following secondary treatment, is reused for gardening and hydro testing activities. This approach enhances resource efficiency, reduces freshwater consumption, and contributes to environmental sustainability by minimizing liquid waste discharge.

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

Parameter	Please specify unit	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
NOx	Kg	1,016.55	967.98
SOx	Kg	1,487.71	1,640.21
Particulate matter (PM)	Kg	5,386.25	7,142.51
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

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

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	8,589.12	9,929.46
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	11,822.24	13,684.91
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent/ INR Crores	22.16	22.90
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent/ Million USD	45.78	51.33
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO ₂ equivalent /Nos	0.63	0.86
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? No.

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

Yes, in FY25, GMM Pfaudler undertook several energy-saving initiatives aimed at reducing greenhouse gas emissions. These projects collectively led to an energy savings of 7,71,407 kWh, which helped avoid approximately 785 tCO₂e in emissions.

Key initiatives included:

- Replacement of an old OCTC transformer
- Optimization of compressed air systems through line merging
- Scheduled operation of air compressors to reduce idle consumption
- Reduction of heat loss by up to 9°C during operations
- Installation of daylight-controlled timers for workshop wall fans
- Deployment of timer-based LED lighting systems
- Replacement of old air conditioners with eco-friendly models
- Maintenance of an average power factor of 0.995 at the plant
- Natural Gas consumption reduction by air fuel optimization & use of enrichment catalyst

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

Parameter	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	79.83	33.04
Battery waste (E)	-	1.35
Radioactive waste (F)	0.07	0.135
Other Hazardous waste. Please specify, if any. (G)	65.28	9.38
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,982.11	2,811.52
Total (A+B + C + D + E + F + G+ H)	2,127.28	2,855.425
Waste intensity per rupee of turnover (Total waste generated MT/ Revenue from operations in INR Crores)	2.31	2.77
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP MT/ Million USD)	4.77	6.21
Waste intensity in terms of physical output MT/Nos	0.07	0.10
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled	1,983.28	2,776.48
(ii) Re-used	79.83	70.91
(iii) Other recovery operations	-	0.36
Total	2,063.11	2,847.75

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration	-	-
(ii) Landfilling	11	7.55
(iii) Other disposal operations	54	-
Total	65	7.55

Note: 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.

GMM Pfaunder follows a structured waste management system with a focus on segregation, safe handling, and compliance with environmental regulations. Waste is segregated at the source, with hazardous and non-hazardous waste stored separately in clearly marked areas. Hazardous waste generated, such as material collected from the blasting area, is sent to a TSDF (Treatment, Storage, and Disposal Facility) for secure landfilling. Non-hazardous waste, including metal scrap and radiography fixer solution, is sent to authorized recyclers for proper disposal and recovery. All waste disposal is carried out through authorized vendors in accordance with applicable environmental guidelines.

To minimize the use of hazardous and toxic chemicals in products and processes, the Company continuously evaluates alternative materials and adopts best practices in handling, storage, and disposal. Through this proactive approach, GMM Pfaunder ensures environmental safety and promotes sustainability in its operations.

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:

Not applicable as the Company does not have operation/offices in/around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable as the Company did not undertake any environmental impact assessment of projects in FY25.

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:

Yes, the organization complies with all applicable environmental laws, regulations, and guidelines. Throughout the year, emissions and waste generated by the Company remained within the limits prescribed by the State Pollution Control Board (SPCB). Certification confirming compliance is obtained periodically, in accordance with SPCB guidelines.

LEADERSHIP INDICATORS

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

For each facility / plant located in areas of water stress, provide the following information:

a. Name of the area: 5 1/2 Vatva Railway Crossing G I D C, Vatva GIDC, Ahmedabad, Gujarat 382445

b. Nature of operations: Manufacturing of other special purpose machinery

c. Water withdrawal, consumption and discharge in the following format:

Parameter	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Water withdrawal by source (in kilo litres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	16,361	10,966
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	16,361	10,966
Total volume of water consumption (in kilolitres)	16,361	10,966
Water intensity per rupee of turnover (Water consumed KL / turnover in INR Crores*) *turnover taken for the site	50.75	44.32

Parameter	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharged by destination and level of treatment (in kilo litres)		
(i) Into Surface water	Not Applicable	
c. No treatment		
d. With treatment – please specify level of treatment		
(ii) Into Groundwater		
c. No treatment		
d. With treatment – please specify level of treatment		
(iii) Into Seawater		
c. No treatment		
d. With treatment – please specify level of treatment		
(iv) Sent to third-parties		
c. No treatment		
d. With treatment – please specify level of treatment		
(v) Others		
c. No treatment		
d. With treatment – please specify level of treatment		
Total volume of water discharged (in kilolitres) (i + ii + iii + iv + v)		
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? No.		

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

Parameter	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	We plan to include Scope 3 emissions in our future sustainability reporting	
Total Scope 3 emissions per rupee of turnover		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		
Note: 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.

Not applicable as the Company does not have operation/offices in/around 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 Initiative
1	Upgradation of old in-efficient equipment	- Replacement of an OCTC transformer - Replacement of air conditioners with eco-friendly models - Retrofitting of plate rolling machine, lathe, boring machine, 3 EOT cranes	Helped save 79,086 kWh of electricity and avoided 57.50 tCO ₂ e.
2	Energy Saving Projects	- Optimization of compressed air systems through line merging - Scheduled operation of air compressors to reduce idle consumption - Reduction of heat loss by up to 9°C during operations - Installation of daylight-controlled timers for workshop wall fans - Deployment of timer-based LED lighting systems - Implemented plant-wide measures to maintain power factor at 0.995 - Natural Gas consumption reduction by air fuel optimization & use of enrichment catalyst	Through multiple projects we saved 6,92,321 kWh of energy and avoided 727.06 tCO ₂ e.
3	Water Saving Initiatives	Installed a 35 KL sewage treatment plant (STP) at Vatva Plant	Utilization of treated water for plantation.

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

GMM Pfaudler has established a Business Continuity Plan (BCP) to maintain operational resilience and safeguard employees and Company assets. Integrated with our Enterprise Risk Management framework, the BCP outlines response protocols for a range of potential disruptions, along with mitigation strategies to effectively manage uncertainties. The key objective is to ensure the swift restoration of normal business activities following any interruption.

Our emergency preparedness initiatives across all locations include:

- Regular emergency response training for designated teams and security staff
- Scheduled evacuation and emergency simulation drills
- Ongoing checks to ensure emergency readiness
- Coordination with local authorities for timely emergency response
- Annual evaluations to assess preparedness levels
- Annual Maintenance Contracts to ensure emergency PPE remains in good condition and readily available

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.

Our supply chain partners have not reported any major environmental concerns to date. We enforce a strict Supplier Code of Conduct that requires sustainable resource use and the minimization of environmental impact. We encourage our suppliers to adopt eco-friendly practices, fostering positive environmental stewardship throughout our entire value chain.

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.

The Company is a member of 12 (twelve) trade and industry chambers/ associations.

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Bombay Chamber of Commerce & Industry (BCCI)	State
2	Federation of Gujarat Industries	State
3	Vithal Udyognagar Industries Association	State
4	The Federation of Indian Chambers of Commerce and Industry (FICCI)	National
5	The Confederation of Indian Industry (CII)	National
6	Indian Chemical Council (ICC)	National
7	Process Plant & Machinery Association of India (PPMAI)	National
8	Indian American Chamber of Commerce (IACC)	National
9	Swiss Indian Chamber of Commerce	National
10	International Market Assessment	National
11	Indo German Chamber of Commerce	National
12	Indian Merchants Chamber	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

During the reporting period, the Company received no notices for anti-competitive, antitrust, conflict of interest, or monopolistic practices from regulatory authorities hence no corrective action was required to be taken.

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 current financial year.

As per the law the entity is not required to conduct any Social Impact Assessments in the current financial year.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable as the Company did not undertake any projects requiring Rehabilitation and Resettlement activities.

3. Describe the mechanisms to receive and redress grievances of the community.

The Company's close collaboration with the community in selected areas for Corporate Social Responsibility initiatives reflects a proactive commitment to creating positive social impact. To strengthen this dedication,

the Company has implemented a Grievance Tracking Log that ensures all community grievances and concerns are promptly recorded and addressed. This tool enhances transparency and accountability, supports effective project management, and helps deliver more meaningful and sustainable outcomes for both the Company and the communities we serve.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Directly sourced from MSMEs/small producers	29.7%	18.76%
Directly from within India	77.0%	92.72%

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**

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Location	FY25 (Current Financial Year)	FY24 (Previous Financial Year)
Rural	-	-
Semi-urban	43.27%	47%
Urban	-	-
Metropolitan	56.73%	53%

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):**

Not Applicable, as no Social Impact assessments were carried out in FY25

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

The Company did not undertake any CSR projects in government-identified aspirational districts

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)	No, we do not include specific provisions for marginalized or vulnerable groups in our supplier qualification criteria. However, in accordance with our Code of Conduct & Ethics Policy, supplier selection is carried out without discrimination, ensuring equal opportunity for all potential partners. We also promote engagement with local suppliers, particularly those in proximity to our operational facilities.
(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 current financial year), based on traditional knowledge:**

Not Applicable..

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.**

Not Applicable

6. **Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Healthcare	31,000+	100%
2	Education	2,000+	100%
3	Environment*	-	-

*In the Environment section the Company works on initiatives such urban afforestation, restoration of coral reefs and marine megafauna rescue, where beneficiaries cannot be calculated.

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.**

GMM Pfau

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	(All the information related to Environment and Social parameters relevant to product, Safe and responsible usage and Recycling and/or safe disposal are mentioned in the manual sent along with the product.)
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

No consumer complaints were received during current and previous financial years regarding data privacy, advertising, cyber security, delivery of essential services, restrictive,trade practices and unfair trade practices.

4. **Details of instances of product recalls on account of safety issues:**

There were no instances of product recalls on account of safety issues during FY25

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, the Company has established a Cyber Security Policy and Data Privacy Policy to ensure robust safeguards against data leakage. Our well-institutionalized Information Security Management System is built on internationally recognized standards and best practices, and we continuously enhance our cyber security posture to protect the business from emerging cyber threats. For more details, please refer to the "Internal Control Systems & their Adequacy" section in the Management Discussion & Analysis. These policies are accessible to internal stakeholders and are available on the Company's intranet.

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

6. Provide the following information relating to data breaches:

a. Number of instances of data breaches	No data breaches or cybersecurity incidents were reported by the Company during the reporting year (FY25) to CERT-In, as per the directions issued on 28 April 2022 under Section 70-B(6) of the Information Technology Act, 2000.
b. Percentage of data breaches involving personally identifiable information of customers	
c. Impact, if any, of the data breaches	

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Detailed information on products and services of the entity can be accessed from the following links:

<https://www.gmmpfautler.com/>
<https://www.gmmpfautler.com/services/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Operational manuals are provided along with the equipment, and multiple interactive training sessions are conducted at customer sites to educate users on the safe and responsible use of the products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

We ensure to inform customers of any service disruptions or discontinuations that may affect them through email or phone notifications.

4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)	Not Applicable
If yes, provide details in brief.	Not Applicable
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)	No

Independent Auditor's Report

To The Members of GMM Pfautler Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of GMM Pfautler Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on

Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 ("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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Revenue recognition on contracts with customer The Company generates its revenue from customer specific contracts where performance obligations are satisfied over a period of time. These contracts are accounted based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue is thus dependent on estimates in relation to total estimated costs of each contract. This area is considered as key audit matter due to the size of revenue generated from customer specific contracts. Furthermore, accounting for the contracts involves both judgement, in assessing whether the criteria set out in the Ind AS 115 "Revenue from contracts with the customers" have been met, and estimates, related to future costs, the final outcome of the contract and the stage of completion. Contingencies related to cost in the estimates are reviewed by the Management on a regular basis throughout the contract life and adjusted where appropriate.	Principal audit procedures performed included the following: - Evaluated the Company's accounting policies with respect to Revenue recognition in accordance with Ind AS 115 "Revenue from contracts with the customers". - Obtained an understanding of the methodology applied, the internal processes and the key controls used to determine the estimates, related to future costs, final outcome of the contract and the stage of completion. - Evaluated the processes and IT systems used to record actual costs incurred, tested the manual controls and automated controls implemented in the IT systems. - Focused on management's judgement in applying the methodology and the estimates made to determine the amount of revenue to be recorded in their project calculations. - Obtained and reviewed contract list and calculation and tested the calculation of stage of completion including the cost incurred and recorded against the contract for occurrence and accuracy, assessing the basis for determining the costs to complete and total contract cost on sample basis and reperforming the percentage of completion calculation. - Challenged management in respect of the reasonableness of estimates made regarding the cost to complete contract and the timing of recognition of revenue. - Assessed whether management's policies and processes for making these estimates continue to be appropriate and are applied consistently over time and to contracts of a similar nature.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, corporate governance report and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the

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

In preparing the standalone financial statements, management and Board of Directors are 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 standalone 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 45.1(f) to the standalone financial statements, 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, 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.

- (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 45.1(g) to the standalone financial statements, 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Act.

As stated in note 47 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has the feature of recording audit trail (edit log) facility and the same has 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 the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
Partner

(Membership No. 106189)

UDIN: 25106189BMNRJO6403

Place: Mumbai

Date: May 21, 2025

Annexure "A" to the Independent Auditor's Report

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

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of GMM Pfaudler Limited (the "Company") as at March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to

standalone financial statements. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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 standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect

the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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

standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
Partner

(Membership No. 106189)
UDIN: 25106189BMNRJO6403

Place: Mumbai
Date: May 21, 2025

Annexure B to the Independent Auditor's Report

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

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 state 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 program of verification of property, plant and equipment, Capital work-in-progress and right-of-use assets, so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment and Capital work-in-progress were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment and non-current assets held for sale, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from

lenders / custodians.

- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 Crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- (iii) The Company has not made investments in, provided security and granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company

has provided guarantee and granted unsecured loans during the year in respect of which:

- (a) The Company has provided unsecured loans to employees and stood guarantee for loans availed by subsidiaries during the year and details of which are given below:

(₹ in Crore)		
Particulars	Loans	Guarantees
A. Aggregate amount granted / provided during the year		
Subsidiaries	-	49.08
Others	2.43	-
B. Balance outstanding as at balance sheet date in respect of above cases		
Subsidiaries	-	49.08
Others	1.64	-

- (b) The guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) of the Order is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act,

2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, duty of Custom, Professional Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Professional tax. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Custom, Professional Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

(₹ in Crore)

Name of Statute	Nature of Dues	Amount	Period to which the Amount Relates	Forum where Dispute is pending
Income Tax Act, 1961	Income Tax	4.12	AY 2010-11, 2011-12, 2012-13, 2013-14, 2017-18, 2018-19	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1.08	AY 2007-08, AY 2008-09	The Assessing Officer (AO)
Central Sales Tax Act, 1956	Sales Tax	0.24*	FY 2006-07, 2007-08, 2008-09	Central Excise & Service Tax Tribunal
Finance Act, 1994	Service Tax	0.19^	FY 2011-12, 2013-14	The Commissioner (Appeals)
Finance Act, 1994	Service Tax	0.02	FY 2017-18	Central Excise & Service Tax Tribunal
GST Act, 2017	Goods and Services Tax	0.49#	FY 2021-22, 2022-23	The Deputy Commissioner of State Tax (Appeals)

*Net of ₹0.15 Crore paid under protest

^Net of ₹0.01 Crore paid under protest

#Net of ₹0.02 Crore paid under protest

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the standalone 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 subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- (c) We have taken into consideration the whistle blower complaints received by the Company during the year and upto the date of this report and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and till date, for the period under audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS AND SELLS**

Chartered Accountants

(Firm's Registration No. 117365W)

Kartikeya Raval

Partner

(Membership No. 106189)

UDIN: 25106189BMNRJO6403

Place: Mumbai

Date: May 21, 2025

Standalone Balance Sheet

as at March 31, 2025 (₹ in Crores)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
I. ASSETS			
(1) Non-current assets			
(a) Property, plant & equipment	6	102.68	155.72
(b) Right of Use Assets	7	68.40	61.69
(c) Capital work-in-progress	8	3.56	9.15
(d) Goodwill		5.93	5.93
(e) Other Intangible Assets	9	5.80	7.16
(f) Financial Assets			
(i) Investments	10	519.05	519.05
(ii) Others	12	9.59	8.49
(g) Non-current Tax Assets (net)	13	-	0.39
(h) Other non-current assets	14	0.35	0.54
Total Non-current assets		715.36	768.12
(2) Current Assets			
(a) Inventories	15	82.27	133.77
(b) Financial Assets			
(i) Trade Receivables	16	110.04	171.84
(ii) Cash and Cash Equivalents	17	8.64	23.09
(iii) Bank balances other than (ii) above	17	0.90	3.40
(iv) Loans	11	1.64	0.95
(v) Others	12	218.18	114.98
(c) Other current assets	14	37.26	9.56
(d) Assets classified as held for sale	6	46.47	0.21
Total Current Assets		505.40	457.80
Total Assets		1,220.76	1,225.92
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	8.99	8.99
(b) Other Equity	19	775.77	742.20
Total Equity		784.76	751.19
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	66.57	110.95
(ii) Lease Liabilities	21	9.83	15.87
(b) Provisions	26	1.24	1.28
(c) Deferred Tax Liabilities (net)	22	2.95	4.55
Total Non-current Liabilities		80.59	132.65
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	154.17	154.28
(ii) Lease Liabilities	21	7.08	6.12
(iii) Trade payables due to			
- Micro and Small Enterprises	23	17.33	14.20
- Other than Micro and Small Enterprises	23	106.45	104.50
(iv) Others	24	19.15	20.22
(b) Other current Liabilities	25	39.73	34.31
(c) Provisions	26	11.01	8.37
(d) Current Tax Liabilities (Net)	13	0.49	-
(e) Liabilities directly associated with assets classified as held for sale		-	0.08
Total Current Liabilities		355.41	342.08
Total Equity and Liabilities		1,220.76	1,225.92

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

As per our report of even date annexed

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Mumbai
Date: May 21, 2025

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 21, 2025

Alexander Poempner
Chief Financial Officer

Mumbai, May 21, 2025

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 21, 2025

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 21, 2025

Standalone Statement of Profit & Loss

for the year ended March 31, 2025 (₹ in Crores)

Particulars	Note No.	Year Ended March 31, 2025	Year Ended March 31, 2024
INCOME			
Revenue from operations	27	921.13	1,030.61
Other income	28	5.52	1.98
Total income		926.65	1,032.59
EXPENSES			
Cost of materials consumed	29	446.45	473.30
Changes in inventories of finished goods and work in progress	30	29.07	50.96
Employee benefits expense	31	106.23	106.25
Finance cost	32	28.52	34.35
Depreciation and amortisation expense	6,7&9	31.21	36.71
Labour charges		65.60	83.68
Other expenses	33	163.40	177.63
Total expenses		870.48	962.88
Profit before tax		56.17	69.71
Tax expenses			
Current tax	22	15.52	19.97
Deferred tax	22	(1.60)	(1.31)
Total Tax expenses		13.92	18.66
Profit for the year		42.25	51.05
Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
(i) Actuarial loss on gratuity obligations		(0.63)	(1.26)
Total other comprehensive income		(0.63)	(1.26)
Total comprehensive income for the year		41.62	49.79
Earnings per equity share :			
Basic (in ₹)	43	9.40	11.36
Diluted (in ₹)		9.40	11.35

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

As per our report of even date annexed

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Mumbai
Date: May 21, 2025

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 21, 2025

Alexander Poempner
Chief Financial Officer

Mumbai, May 21, 2025

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 21, 2025

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 21, 2025

Standalone Statement of Cash Flow

for the year ended March 31, 2025

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	56.17	69.71
Adjustments for :		
Depreciation and amortisation expenses	31.21	36.71
Net gain on disposal of property, plant & equipment including asset held for sale	(0.33)	(0.36)
Provision for Inventory	(1.04)	-
Share based payment to employees (net)	(0.14)	0.87
Interest income	(0.42)	(0.36)
Finance cost	28.52	34.35
Provision for doubtful debts and liquidated damages	(5.57)	5.92
Provision for warranty	0.50	(0.40)
Unrealised foreign exchange fluctuation (gain) / loss	(0.08)	0.42
Operating Profit before working capital changes	108.82	146.86
Adjustments for :		
Decrease in Inventories	52.54	65.37
(Increase) / Decrease in trade receivable, loans and other financial & non financial assets	(64.84)	11.95
Increase / (Decrease) in trade payables, provisions and other financial & non financial liabilities	11.04	(90.71)
Cash generated from operations	107.56	133.47
Direct taxes paid	(14.64)	(20.62)
Net cash generated from operating activities	A 92.92	112.85
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including intangible assets, right of use assets, capital advances & capital creditors)	(23.36)	(12.53)
Proceeds from sale of property, plant and equipment including assets held for sale	0.71	0.90
Redemption of deposit from bank (net) (including margin money deposits)	2.52	2.54
Interest received	0.55	0.44
Net cash used in investing activities	B (19.58)	(8.65)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short term borrowings	115.79	235.42
Repayment of short term borrowings	(89.85)	(206.12)
Repayment of long term borrowings	(70.43)	(95.65)
Finance cost paid	(26.11)	(33.67)
Dividend paid	(8.78)	(8.86)
Payment of lease liabilities	(8.41)	(8.48)
Net cash used in financing activities	C (87.79)	(117.36)
Net Decrease in Cash & Cash Equivalents	(A+B+C) (14.45)	(13.16)

Standalone Statement of Cash Flow (Contd.)

for the year ended March 31, 2025

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Cash & Cash Equivalents at the beginning of the year	23.09	36.25
Cash & Cash Equivalents at the end of the year	8.64	23.09
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on hand	0.00	0.02
Balances with banks		
- In current accounts	8.64	23.07
	8.64	23.09

Disclosure as per para 44A as set out in Ind AS 7 on cash flow statement under companies (Indian Accounting Standards) Rules, 2015 (as amended):

(₹ in Crores)

Particulars of liabilities arising from financing activities	Note	Year ended March 31, 2024	Net cash flows	Non cash changes		Year ended March 31, 2025
				Other changes*	Impact due to Ind AS 116	
Borrowings:						
Long term borrowings including current maturities of long term borrowing	20	181.38	(70.43)	-	-	110.95
Short term borrowings	20	83.85	25.94	-	-	109.79
Interest accrued on borrowings	24	0.90	(26.11)	26.13	-	0.92
Lease liabilities	21	21.99	(8.41)	2.38	0.95	16.91

* The same relates to amount charged in Statement of Profit and Loss

The Statement of Cash Flow has been prepared under the "Indirect Method" set out in Ind AS 7 Statement of Cash Flow

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

As per our report of even date annexed

For and on behalf of the Board of Directors of GMM Pfaudler Limited

For Deloitte Haskins & Sells
Chartered Accountants

Kartikaya Raval
Partner

Mumbai
Date: May 21, 2025

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 21, 2025

Alexander Poempner
Chief Financial Officer

Mumbai, May 21, 2025

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 21, 2025

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 21, 2025

Standalone Statement of Changes In Equity

for the year ended March 31, 2025

A. Equity Share Capital

(₹ in Crores)

Particulars	Amount
Balance at April 1, 2023	8.99
Changes in equity share capital during the year	-
Balance at March 31, 2024	8.99
Balance at April 1, 2024	8.99
Changes in equity share capital during the year	-
Balance at March 31, 2025	8.99

B. Other Equity

Particulars	Capital Reserve*	Securities Premium	General Reserve	Cash Subsidy Reserve	Retained Earnings	Share options outstanding reserve	Total
Balance as at April 1, 2023	0.00	179.26	21.13	0.07	495.22	3.31	698.99
Profit for the year	-	-	-	-	51.05	-	51.05
Other Comprehensive Income for the year, net of income tax	-	-	-	-	(1.26)	-	(1.26)
Total Comprehensive Income for the year	-	-	-	-	49.79	-	49.79
Less : Payment of dividends	-	-	-	-	(8.99)	-	(8.99)
Add : Issue of Shares under Employee Stock Option Scheme	-	-	-	-	-	2.41	2.41
Balance as on March 31, 2024	0.00	179.26	21.13	0.07	536.02	5.72	742.20
Balance as at April 1, 2024	0.00	179.26	21.13	0.07	536.02	5.72	742.20
Profit for the year	-	-	-	-	42.25	-	42.25
Other Comprehensive Income for the year, net of income tax	-	-	-	-	(0.63)	-	(0.63)
Total Comprehensive Income for the year	-	-	-	-	41.62	-	41.62
Less : Payment of dividends	-	-	-	-	(8.99)	-	(8.99)
Add : Issue of Shares under Employee Stock Option Scheme	-	-	-	-	-	0.94	0.94
Balance as on March 31, 2025	0.00	179.26	21.13	0.07	568.65	6.66	775.77

*amounting to ₹17,250

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

As per our report of even date annexed

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Mumbai
Date: May 21, 2025

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
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Mumbai, May 21, 2025

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FCS 7848
Mumbai, May 21, 2025

Notes to Standalone Financial Statements

for the year ended March 31, 2025

1. Corporate information

GMM Pfaudler Limited, formerly Gujarat Machinery Manufacturers Limited, ("the Company") was incorporated in India on November 17, 1962. The Company's registered office is situated at Vithal Udyognagar, Anand - Sojitra Road, Karamsad, Anand, Gujarat - 388325. The Company's manufacturing units are located at Karamsad & Vatva, Gujarat and Hyderabad, Telangana. The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE).

The Company is the leading technologies, systems and services provider for the chemical and pharmaceutical industries, as well as many others. The Company designs, manufactures, installs and services corrosion-resistant equipment and complete chemical process systems, customized as per the requirements of the customers.

2. Statement of compliance

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with companies (Indian Accounting standard) Rules, as amended and other relevant provisions of the Act.

3. Basis of Preparation of Financial Statements

a) Basis of preparation and presentation

The standalone financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. (refer note no. g)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the

fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b) Functional and Presentation Currency

The standalone financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are stated in rupee Crore.

4. Material Accounting Policies

a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenses related to the acquisition and installation of Property, Plant and Equipment which comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently

Notes to Standalone Financial Statements

for the year ended March 31, 2025

recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

Machinery spares which can be used only in connection with an item of Property, Plant and Equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant class of assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital Work in Progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit & loss.

Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting

period, with the effect of any changes in estimate being accounted for on a prospective basis.

b) Depreciation and Amortisation, Useful life of Property, Plant & Equipment and Intangible Assets

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

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

Name of Assets	Useful life
A) Burning Scaffold and Pilot Plant (included under Plant & Machinery)	3 years
B) Telephones (included under Office Equipment)	3 years
C) Vehicles	6 years
D) Solar Power Plant	10 years

Items costing less than ₹5000/- are fully depreciated in the year of put to use / purchase.

Leasehold improvements are amortized equally over the period of lease.

Amortisation

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Name of Assets	Useful life
A) Computer Software	3-6 years
B) Technical Knowhow	3 years
C) Backlog	1 year
D) Process Knowhow	10 years
E) Non-Compete agreement	3 years

Notes to Standalone Financial Statements

for the year ended March 31, 2025

c) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its Property, Plant and equipment and intangible assets to determine whether there is an indication that those assets may be impaired. If any such indication exists, the Company estimates the asset's recoverable amount in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount of an individual asset or CGU is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of other assets in the CGU on a pro rata basis.

The Company reviews at each reporting date whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the recoverable amount of an asset or CGU. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such reversal is made only to the extent that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have

been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that the assets may be impaired.

d) Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired.

Goodwill is not amortized but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

e) Foreign Exchange Transactions and Translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

f) Inventories

Inventories are stated at lower of cost and net realizable value. Cost is determined on the weighted average method and is net of tax credits and after providing for obsolescence and other losses. Cost includes all charges in bringing the goods to their existing location and conditions, including various tax levies (other than those subsequently recoverable from the tax authorities), transit insurance and receiving charges. Cost of work-in-progress and finished goods include cost of direct materials consumed, labour cost and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Net realizable value is the contracted selling value less the estimated costs of completion and the estimated costs necessary to make the sales.

g) Financial Instruments

Financial assets and/or financial liabilities are recognized when the Company becomes party to a contract embodying the related financial instruments. All financial assets and financial liabilities are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognized amounts and it is intended to either settle on net basis or to realize the asset and settle the liability simultaneously.

(I) Financial assets:

i. Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly

attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost if it 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at

Notes to Standalone Financial Statements

for the year ended March 31, 2025

amortized cost or as FVTOCI is classified as at FVTPL.

The Company measures investment in subsidiaries at cost less impairment loss, if any, as per Ind AS 27 – Separate Financial Statements. Transaction costs incurred in connection with investment in subsidiaries are capitalized in the cost of investment.

iii. De-recognition of financial assets

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

iv. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for trade receivables. The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has

established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables and the economic environment.

(II) Financial liabilities:

i. Initial recognition and measurement of financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. All financial liabilities are recognized initially at fair value, in case of loan and borrowings and payables, fair value is reduced by directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss (FVTPL).

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses on changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities at amortized cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of each subsequent accounting period. The carrying amounts of financial liabilities that are subsequently measured at amortized

Notes to Standalone Financial Statements

for the year ended March 31, 2025

cost are determined based on effective interest method. Interest expenses that is not capitalized as part of cost of an asset is included in the 'finance cost' line item.

Amortized 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 amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

iii. De-recognition of Financial Liabilities

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

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 recognized in the statement of profit and loss.

h) Cash & Cash Equivalents

Cash and cash equivalents consist of cash on hand, short demand deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

i) Revenue Recognition

Revenue towards satisfaction of performance obligation from contracts with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, acceptance of delivery by the customer, etc.

In respect of fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting based on the progress towards complete satisfaction of the performance obligation of the contract at the reporting date. The progress is measured based on the Company's efforts or inputs to the satisfaction of the performance obligation, by reference to the costs incurred up to the end of reporting period and costs to complete as a percentage of total estimated costs in the contract.

Estimates of revenues, cost or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by Management.

In respect of variable consideration, the nature of the contracts gives rise to several types of variable considerations including but not limited to claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The Company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The Company estimates the amount of revenue to be recognized on variable consideration using the expected value or the most likely amount method, whichever is expected to better predict the amount.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and Performance penalty, if any, as specified in the contract with the customer. Revenue also

Notes to Standalone Financial Statements

for the year ended March 31, 2025

excludes taxes collected from customers.

Unbilled Revenues are recognised when there is an excess of revenue earned over billings on contracts.

Contract assets in the nature of unbilled revenues are initially recognised for revenue earned from operations as receipt of consideration is conditional on successful completion of performance obligation. Upon fulfilment of performance obligation and acceptance by the customer, the amounts recognised as unbilled revenues are reclassified to Trade Receivables.

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from customer. Contract liabilities are classified as advance from customers and recognised as revenue when the Company performs under the project.

Other Income:

Dividend income is recognized when the right to receive the same is established.

Interest income is recognized on accrual basis.

j) Product Warranty Expenses

Provision is made in the financial statements for the estimated liability on account of costs that may be incurred on products sold under warranty. The estimates for the costs to be incurred for providing free service under warranty are determined based on historical information, past experience, average cost of warranty claims that are provided for in the year of sale.

k) Employee Benefits

Employee benefits include provident fund, superannuation fund, family pension fund, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund, family pension fund and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit & loss. Past service cost is recognised in statement of profit & loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in statement of profit & loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the standalone balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, sick leave and other short term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of long-term employee benefits in form of compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Share-based payment transactions of the Company

Certain eligible Employees of the Company and its subsidiaries receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions) of the listed parent entity i.e., GMM Pfaudler Limited.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within

the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The Company raises recharge invoices to subsidiaries for the shares granted to the respective subsidiaries' employees based on the fair value of the options determined on grant date and netted of against the share based payment expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

l) Operating Expenses

Operating Expenses are charged to statement of Profit and Loss on accrual basis.

m) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend

Notes to Standalone Financial Statements

for the year ended March 31, 2025

the lease. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Right of Use Assets

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses.

Lease liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment

of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

n) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the financial statements. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable in the financial statements.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

o) Taxation

Tax expense comprise of current and deferred tax. Current income tax comprises taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax are recognised in statement of profit & loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction and the Company intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in right 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 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.

q) Non-Current Assets held for Sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),

Notes to Standalone Financial Statements

for the year ended March 31, 2025

- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised. A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

r) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

s) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing

activities of the Company are segregated based on the available information.

t) Use of Estimates:

The preparation of financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised, and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

1. Useful lives of property, plant and equipment (refer note no. 4b & 6,7 & 9)
2. Recognition of Revenue over a period of time (refer note no. 4i & 27)

5. Recent Pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended on March 31, 2025, the MCA has notified Ind AS 117 Insurance Contracts and amendments to Ind AS 116 Leases, relating to sale and leaseback transactions, applicable to the Company effective from April 01, 2024. The Company has evaluated the new pronouncements or amendments and there is no material impact on its Financial Statements.

On May 7, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

CLASS OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2024	Additions	Assets Classified as held for sale (Refer note 3 below)	As on 31.03.2025	Upto 01.04.2024	For the Year	Assets Classified as held for sale (Refer note 3 below)	On Deductions
Freehold Land	38.52	-	38.29	0.23	-	-	-	-
Leasehold Improvement	8.42	0.42	-	8.84	8.25	0.15	-	8.40
Buildings	54.17	2.20	7.66	48.71	10.18	2.37	3.34	9.21
Plant & Machineries	112.33	10.08	2.50	119.77	54.01	14.90	1.55	0.10
Office Equipment	18.93	0.94	3.78	14.28	9.50	2.46	0.87	1.80
Furniture & Fixtures	3.19	0.05	0.00	2.08	2.05	0.24	0.00	1.16
Vehicles	8.83	1.19	-	9.77	4.68	1.16	-	0.13
Total	244.39	14.88	52.23	203.68	88.67	21.28	5.76	3.19
								101.00
								102.68

CLASS OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2023	Additions	Assets Classified as held for sale (Refer note 4 below)	As on 31.03.2024	Upto 01.04.2023	For the Year	Assets Classified as held for sale (Refer note 4 below)	On Deductions
Freehold Land	38.52	-	-	38.52	-	-	-	-
Leasehold Improvement	8.20	0.22	-	8.42	6.85	1.40	-	8.25
Buildings	52.85	1.70	0.38	54.17	8.34	2.01	0.17	10.18
Plant & Machineries	120.68	6.89	-	112.33	53.21	15.84	-	15.04
Office Equipment	18.12	1.06	-	18.93	6.68	3.06	-	0.24
Furniture & Fixtures	3.06	0.13	-	3.19	1.60	0.45	-	-
Vehicles	8.81	0.66	-	8.83	3.53	1.47	-	0.32
Total	250.24	10.66	0.38	244.39	80.21	24.23	0.17	15.60
								88.67
								155.72

Notes:

- There are no adjustment to Property, Plant & Equipment on account of borrowing costs.
- Refer Note 20 for details of Charge/pledge on above assets.
- During the current year, the Company has decided to sell its Hyderabad facility. Accordingly, the Company has reclassified these assets as "Assets held for sale" at their carrying value amounting to ₹46.47 Crores as they met the criteria laid out under Indian Accounting Standard 105. The Company has plan to close the deal within a year. The proceeds of sale are expected to exceed the carrying value of the related assets and hence, no impairment loss has been recognised on the reclassification of the said assets.
- During previous year, the Company had decided to sell its branch office. Accordingly, the Company had reclassified these assets as "Assets held for sale" at their carrying value amounting to ₹0.21 Crores as they met the criteria laid out under Indian Accounting Standard 105. During the current year, the sale of the office has been completed.
- Title deeds of immovable property are in name of the Company.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 7: Right of Use Assets

(₹ in Crores)

CLASS OF ASSETS	GROSS BLOCK				AMORTISATION				NET BLOCK
	As on 01.04.2024	Additions	Deductions	As on 31.03.2025	Upto 01.04.2024	For the Year	On Deductions	Upto 31.03.2025	As on 31.03.2025
Land and Buildings	91.98	14.97	-	106.95	30.29	8.26	-	38.55	68.40
Total	91.98	14.97	-	106.95	30.29	8.26	-	38.55	68.40

(₹ in Crores)

CLASS OF ASSETS	GROSS BLOCK				AMORTISATION				NET BLOCK
	As on 01.04.2023	Additions	Deductions	As on 31.03.2024	Upto 01.04.2023	For the Year	On Deductions	Upto 31.03.2024	As on 31.03.2024
Land and Buildings	66.90	25.08	-	91.98	22.88	7.41	-	30.29	61.69
Total	66.90	25.08	-	91.98	22.88	7.41	-	30.29	61.69

Note 8: Capital work in progress

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital work in progress	3.56	9.15
Total	3.56	9.15

(a) Capital work in progress ageing schedule

(₹ in Crores)

Particulars	As at March 31, 2025					As at March 31, 2024				
	Amount in CWIP for a period of :				Total	Amount in CWIP for a period of :				Total
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
Projects in progress	2.43	0.37	0.76	-	3.56	5.56	2.26	0.35	0.97	9.15
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, the project wise details of when the project is expected to be completed is given below:

(₹ in Crores)

Particulars	As at March 31, 2025					As at March 31, 2024				
	To be completed in:				Total	To be completed in:				Total
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
Buildings	0.16	-	-	-	0.16	1.52	-	-	-	1.52
Plant & Machineries	2.38	-	-	-	2.38	7.30	-	-	-	7.30
Office Equipment	-	-	-	-	-	0.22	-	-	-	0.22
Total	2.54	-	-	-	2.54	9.04	-	-	-	9.04

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 9: Other Intangible Assets

(₹ in Crores)

	GROSS BLOCK				AMORTISATION				NET BLOCK
CLASS OF ASSETS	As on 01.04.2024	Additions	Deductions	As on 31.03.2025	Upto 01.04.2024	For the Year	On Deductions	Upto 31.03.2025	As on 31.03.2025
Computer software	11.45	0.31	1.08	10.68	10.45	0.45	1.08	9.82	0.86
Technical knowhow	0.22	-	-	0.22	0.17	0.01	-	0.18	0.04
Backlog	0.43	-	-	0.43	0.43	-	-	0.43	-
Process knowhow	12.07	-	-	12.07	5.96	1.21	-	7.17	4.90
Non-Compete agreement	15.64	-	-	15.64	15.64	-	-	15.64	-
Total	39.81	0.31	1.08	39.04	32.65	1.67	1.08	33.24	5.80

(₹ in Crores)

	GROSS BLOCK				AMORTISATION				NET BLOCK
CLASS OF ASSETS	As on 01.04.2023	Additions	Deductions	As on 31.03.2024	Upto 01.04.2023	For the Year	On Deductions	Upto 31.03.2024	As on 31.03.2024
Computer software	11.39	0.06	-	11.45	8.64	1.81	-	10.45	1.00
Technical knowhow	0.22	-	-	0.22	0.15	0.02	-	0.17	0.05
Backlog	0.43	-	-	0.43	0.43	-	-	0.43	-
Process knowhow	12.07	-	-	12.07	4.74	1.22	-	5.96	6.11
Non-Compete agreement	15.64	-	-	15.64	13.62	2.02	-	15.64	-
Total	39.75	0.06	-	39.81	27.58	5.07	-	32.65	7.16

Depreciation and Amortisation Expense

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Depreciation of Property, Plant and Equipment (Refer Note 6)	21.28	24.23
Amortisation of Right to Use Assets (Refer Note 7)	8.26	7.41
Amortisation of Intangible Assets (Refer Note 9)	1.67	5.07
Total depreciation and amortisation expense	31.21	36.71

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 10: Investments

(₹ in Crores)

Particulars	Face value (₹)	Quantity As at March 31, 2025	Amount As at March 31, 2025	Quantity As at March 31, 2024	Amount As at March 31, 2024
Non Current					
Equity Shares of Subsidiary Companies (unquoted) (at cost)					
Mavag AG (Face Value CHF 1,000)	1,000	5,000	21.39	5,000	21.39
GMM International S.a.r.l (Face Value USD 0.01)**	0.01	4,40,24,467	497.64	4,40,24,467	497.64
GMM Pfaudler Foundation (Face Value ₹10)	10	9,999	0.01	9,999	0.01
			519.04		519.04
Shares in Co-operative Societies (unquoted) (at fair value)					
Charotar Gas Sahakari Mandali Limited #	500	10	0.00	10	0.00
			0.00		0.00
Equity Shares (unquoted) (at fair value)					
Futura Polyesters Limited *	10	100	0.00	100	0.00
Mana Effluent Treatment Plant Limited	1,000	50	0.01	50	0.01
			0.01		0.01
Total			519.05		519.05

(* Unit 100 and Value ₹385/-)

(** These shares are pledged against borrowings availed by GMM International S.a.r.l & its Subsidiaries)

(# Unit 10 and Value ₹5,000/-)

Note:

For category wise classification of investments - as per Ind AS 109, Refer Note 39.2

Note 11: Loans

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
(Unsecured, Considered good)		
Loans to employees	1.64	0.95
Total	1.64	0.95

Note:

11.1: There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any person.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 12: Other Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Non Current		
Security Deposits (including considered doubtful as at March 31, 2025 ₹0.07 Crore, as at March 31, 2024 ₹0.07 Crore)	4.89	4.58
Less : Provision for doubtful security deposits	0.07	0.07
Fixed deposits with maturity more than twelve months (including margin money deposit lodged against bank guarantee as at March 31, 2025 ₹NIL and as at March 31, 2024 ₹0.30 Crore)	-	0.30
Employee Stock Option Plan Receivable (Refer Note 37 & 41)	4.77	3.68
Total	9.59	8.49
(ii) Current		
Accrued income	0.52	0.66
Unbilled Revenue (Net of advance from customers of ₹65.52 Crore as at March 31, 2025 and as at ₹35.96 Crore March 31, 2024)	217.57	114.32
Guarantee Commission Receivable	0.09	-
Total	218.18	114.98

Note 13: (Current Tax Liabilities) /Non Current Tax Assets

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Income Tax	(1.85)	(22.13)
Advance payment of Tax	1.36	22.52
(Current Tax Liabilities) /Non Current Tax Assets	(0.49)	0.39

Note 14: Other Assets

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Non Current		
Capital Advances (Unsecured, Considered Good)	0.19	0.38
Balance With Government Tax Authorities (Net off provision of doubtful balance of ₹0.30 Crore for March 31, 2025 and ₹0.30 Crore for March 31, 2024)	0.16	0.16
Total	0.35	0.54
(ii) Current		
Balance With Government Tax Authorities (Net off provision of doubtful balance of ₹0.40 Crore for March 31, 2025 and ₹0.40 Crore for March 31, 2024)	23.26	0.21
Prepaid Expenses	4.49	3.75
Advance to Suppliers (Unsecured, Considered Good):		
-Related party (Refer Note 41)	1.35	0.36
-Others	6.59	2.75
Employee Advances (Refer Note 14.1)	0.26	0.16
Export Benefit Receivable	1.27	2.28
Others	0.04	0.05
Total	37.26	9.56

Note:

14.1: There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any person.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 15: Inventories

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(Valued at lower of cost and net realisable value)		
Raw materials (including in transit as at March 31, 2025 ₹1.23 Crore and as at March 31, 2024 ₹8.70 Crore)	56.24	75.03
Work-in-progress	7.12	39.86
Finished goods (including in transit as at March 31, 2025 ₹4.22 Crore and as at March 31, 2024 ₹6.00 Crore)	12.36	8.69
Stores and spares	6.55	10.19
Total	82.27	133.77

Note:

15.1: Inventories are hypothecated as security for borrowings as disclosed under Note 20.

15.2: Write back of inventories was recognised amounting to ₹1.04 Crore for the year ended March 31,2025 and write down of ₹3.80 Crore for the year ended March 31,2024).

Note 16: Trade receivables

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered good	110.04	171.84
Trade Receivable which have significant increase in Credit risk	15.23	16.80
	125.27	188.64
Less : Allowance for doubtful debts	15.23	16.80
Total	110.04	171.84

Note:

16.1: Trade Receivables are given as security for borrowings as disclosed under Note 20.

16.2: Includes Trade Receivables from Related Parties, Refer Note 41.

16.3: No trade or other receivables are due from Directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies in which any director is a partner, a director or a member.

16.4: Trade receivable are collectable between 30-60 days considering business and commercial arrangements with the customers.

16.5: There has been no change in estimation technique for expected credit loss during the current year.

16.6: The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

16.7: The Company has entered into receivables purchase agreements with banks to unconditionally and irrevocably sell, transfer, assign and convey all the rights, titles and interest of the Company in the receivables as identified. Receivables sold as on March 31, 2025 are of ₹19.53 Crore and as on March 31, 2024 are ₹32.49 Crore. The Company has derecognized these receivables as it has transferred its contractual rights to the banks with substantially all the risks and rewards of ownership and retains no control over these receivables as the banks have the right to further sell and transfer these receivables.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 16: Trade receivables (Contd.)

	(₹ in Crores)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Movement in the Expected Credit Loss allowance		
Balance at beginning of the year	16.80	14.88
Add : Provision made during the year	7.28	3.61
Less : Provision used during the year	8.85	1.69
Balance at the end of the year	15.23	16.80

Trade receivables ageing schedule as at March 31, 2025 (₹ in Crores)

Particulars	Outstanding for following period from due date of Payments						Total
	Not Due	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables							
(i) Considered good	44.15	58.58	7.31	0.00	-	-	110.04
(ii) which have significant increase in credit risk	-	1.39	2.46	8.51	0.89	0.39	13.64
Disputed Trade Receivables							
(i) which have significant increase in credit risk	-	-	-	-	0.15	1.44	1.59
	44.15	59.97	9.77	8.51	1.04	1.83	125.27
Less : Allowance for doubtful debts							15.23
Total Trade receivables							110.04

Trade receivables ageing schedule as at March 31, 2024 (₹ in Crores)

Particulars	Outstanding for following period from due date of Payments						Total
	Not Due	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables							
(i) Considered good	37.14	120.14	13.87	0.47	-	0.22	171.84
(ii) which have significant increase in credit risk	-	1.00	3.57	8.48	1.74	0.19	14.98
Disputed Trade Receivables							
(i) which have significant increase in credit risk	-	-	-	0.07	1.07	0.68	1.82
	37.14	121.14	17.44	9.02	2.81	1.09	188.64
Less : Allowance for doubtful debts							16.80
Total Trade receivables							171.84

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 17: Cash and Cash equivalents

	(₹ in Crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.00	0.02
Balances with banks:		
-In current accounts	8.64	23.07
	8.64	23.09
Other Bank Balances:		
Fixed deposits with original maturity more than three months and less than twelve months (including margin money deposit lodged against bank guarantee and letter of credit as at March 31, 2025 ₹0.26 Crore and as at March 31, 2024 ₹2.48 Crore)	0.26	2.48
In unpaid dividend accounts - earmarked balances (Refer Note 24.1)	0.64	0.42
In unspent Corporate Social Responsibility fund - earmarked balances (Refer Note 42)	-	0.50
	0.90	3.40

Note 18: Equity Share Capital (₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised:		
50,000,000 (March 31, 2024: 50,000,000) Equity shares of ₹2 each	10.00	10.00
	10.00	10.00
Issued, Subscribed and Paid Up:		
4,49,57,224 (March 31, 2024: 4,49,57,224) Equity shares of ₹2 each fully paid up	8.99	8.99
Total	8.99	8.99

(a) Reconciliation of equity shares outstanding at the beginning and end of the reporting year :

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Shares	₹ in Crores	No of Shares	₹ in Crores
Issued and Subscribed :				
Balance as at the beginning of the year	4,49,57,224	8.99	4,49,57,224	8.99
Balance as at the end of the year	4,49,57,224	8.99	4,49,57,224	8.99

(b) Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value ₹2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 18: Equity Share Capital (Contd.)

(c) Details of shareholders holding more than 5% shares in the Company :

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% holding	No. of Shares	% holding
Millars Machinery Company Private Limited	43,36,357	9.65%	43,36,357	9.65%
Urmi Ashok Patel	23,60,022	5.25%	23,60,022	5.25%

(d) Buyback of Shares, Bonus Shares and Shares issued for Consideration other than cash :

- Pursuant to approval granted by the shareholders of the Company on June 26, 2022 through Postal ballot for issue of Bonus Shares. The Allotment Committee of Board of Directors at their meeting held on July 14, 2022 approved allotment of 2,92,35,000 Equity Shares having face value of ₹2 each as fully paid-up Bonus Equity Shares, in the ratio of 2:1 i.e. 2 (Two) Equity Shares having face value of ₹2 each for every 1 (One) equity share having face value of ₹2 each held by the shareholders of the Company as on July 12, 2022 being the record date.
- Pursuant to approval granted by the Board of Directors and after obtaining all the relevant approvals on September 01, 2022, The Company has allotted 11,04,724 fully paid-up equity shares of the Company having face value of ₹2 each, at a price of ₹1,542.43 each on a preferential basis to Millars Concrete Technologies Private Limited on September 29, 2022 for consideration other than cash for the transfer of 1,24,84,846 ordinary shares of GMM International S.a.r.l to the Company.
- The Company has not bought back any shares in the past five years..

(e) Shares reserved for issue under options and contracts :

Refer Note 37 for details of shares to be issued under employee stock option Scheme (ESOP 2021)

(f) Details of Equity shares held by promoter and promoter group at the end of year :

Shares held by promoters at the end of the year		As at March 31, 2025		
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Tarak Ashok Patel	5,21,880	1.16%	-
2	Ashok Jethabhai Patel	20,235	0.05%	-
3	Urmi Ashok Patel	23,60,022	5.25%	-
4	A J Patel HUF	8,31,705	1.85%	-
5	Panna Shailendra Patel	1,01,250	0.23%	-
6	Pragna Satish Patel	48,480	0.11%	-
7	Palomita Shailendra Patel	3,600	0.01%	-
8	A J Patel Charitable Trust	7,59,375	1.69%	-
9	Millars Machinery Company Private Limited	43,36,357	9.65%	-
10	Uttarak Enterprises Private Limited	12,32,655	2.74%	-
11	Millars Concrete Technologies Private Limited	11,04,724	2.46%	-
	Total	1,13,20,283	25.18%	

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 18: Equity Share Capital (Contd.)

Shares held by promoters at the end of the year		As at March 31, 2024		
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Tarak Ashok Patel	5,21,880	1.16%	-
2	Ashok Jethabhai Patel	20,235	0.05%	-
3	Urmi Ashok Patel	23,60,022	5.25%	-
4	A J Patel HUF	8,31,705	1.85%	-
5	Panna Shailendra Patel	1,01,250	0.23%	-
6	Pragna Satish Patel	48,480	0.11%	-
7	Palomita Shailendra Patel	3,600	0.01%	-
8	A J Patel Charitable Trust	7,59,375	1.69%	-
9	Millars Machinery Company Private Limited	43,36,357	9.65%	1.00%
10	Uttarak Enterprises Private Limited	12,32,655	2.74%	-
11	Pfaudler Inc.#	-	0.00%	-14.56%
12	Millars Concrete Technologies Private Limited	11,04,724	2.46%	-
	Total	1,13,20,283	25.18%	

Pfaudler Inc. has sold off its entire holding and have ceased to be 'Promoter and Promoter Group'.

Note 19: Other Equity

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Reserve*:		
Balance at the beginning of the year	0.00	0.00
Movement during the year	-	-
Balance at the end of the year	0.00	0.00
* Balance at the beginning and at the end of the year ₹17,250/-		
Cash Subsidy Reserve:		
Balance at the beginning of the year	0.07	0.07
Movement during the year	-	-
Balance at the end of the year	0.07	0.07
Securities Premium:		
Balance at the beginning of the year	179.26	179.26
Movement during the year	-	-
Balance at the end of the year	179.26	179.26
General Reserve:		
Balance at the beginning of the year	21.13	21.13
Add: Transfer from Statement of Profit and Loss account	-	-
Balance at the end of the year	21.13	21.13

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 19: Other Equity (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Share options outstanding reserve:		
Balance at the beginning of the year	5.72	3.31
Add: Issue of Shares under Employee Stock Option Scheme (Refer Note 37)	0.94	2.41
Balance at the end of the year	6.66	5.72
Surplus in Statement of Profit and loss:		
Balance at the beginning of the year	536.02	495.22
Add : Net Profit for the year	41.62	49.79
Less : Appropriations:		
Interim Dividend [Dividend Per Share ₹1 (Previous Year ₹1)]	4.50	4.50
Final Dividend [Dividend Per Share ₹1 (Previous Year ₹1)]	4.49	4.49
Balance at the end of the year	568.65	536.02
Total Other Equity	775.77	742.20

Nature and Purpose of Reserves:

Capital Reserve:

Capital Reserve represents excess/short of net assets acquired in business combination. It is not available for the distribution to shareholders as dividend.

Cash Subsidy Reserve:

Cash Subsidy Reserve represents subsidies received from state government. It is not available for distribution as dividend to shareholders.

Securities Premium:

Securities Premium represents Security Premium received at the time of issuance of Equity Shares. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the Statement of Profit & Loss.

Share options outstanding reserve:

This reserve relates to share options granted by the Company to its employee stock option scheme (refer note 37).

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 20: Borrowings

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Long Term Borrowings		
a. Non Current		
Secured (at amortised cost)		
Term Loan from Bank (I)	66.57	110.95
	66.57	110.95
b. Current Maturities of Long Term Borrowings		
Secured (at amortised cost)		
Term Loan from Bank (II)	44.38	70.43
	44.38	70.43
Total Long Term Borrowings (i)	110.95	181.38
(ii) Short Term Borrowings		
Secured (at amortised cost)		
Working Capital Loans from Banks repayable within one year (III)	100.00	83.85
Unsecured (at amortised cost)		
Working Capital Loans from Financial Institutions repayable within one year (IV)	9.79	-
Current Maturities of Long terms borrowings	44.38	70.43
Total Short Term Borrowings (ii)	154.17	154.28
Total Borrowings (I+II+III+IV)	220.74	265.23

Note:

20.1: The key terms and conditions of outstanding borrowings are as follows:

(₹ in Crores)

Particulars	Currency	Interest rate	Repayment Terms	March 31, 2025	March 31, 2024	Note
Secured Term Loan	INR	8.74%	Quarterly installments until September 2027	28.78	36.07	20.2
Secured Term Loan	INR	8.21%	Monthly installments until September 2027	46.88	65.63	20.2
Secured Term Loan	INR	8.35%	Quarterly installments until September 2027	35.29	49.41	20.2
Secured ECB Term Loan	USD	7.89%	Quarterly installments until January 2025 however pre-paid in June, 2024	-	30.27	20.2
Total Term Loan from bank				110.95	181.38	
Secured Working Capital Loans	INR	7.10% to 7.15%	Repayable within 1 year	100.00	83.85	20.2 & 20.4
Unsecured Working Capital Loans	INR	9.00%	Repayable within 1 year	9.79	-	
Total Borrowings				220.74	265.23	

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 20: Borrowings (Contd.)

20.2: All the above mentioned loans have been secured and a charge has been filed with the Ministry of Corporate Affairs in favor of Axis Trustee Services Limited, on behalf of all the lenders. The details of security is as under:

- The term loan lenders shall have a first ranking pari passu charge over the immovable properties, moveable fixed assets and a second ranking pari passu charge over the current assets.
- The working capital lenders shall have a first ranking pari passu charge over the current assets and a second ranking pari passu charge over the immovable properties and moveable properties..

20.3: Instalments falling due within a year in respect of all the above Loans aggregating ₹44.38 Crore (Previous Year 2023-24: ₹70.43 Crore) have been grouped under "Current Maturities of Long term borrowings".

20.4: With regards to the working capital loans, the Company has been duly submitting with all banks from whom such facilities are taken, the quarterly statements comprising details of said current assets viz. raw material, stores and spares, finished goods, book debts and reduced by relevant trade payables. The said quarterly statements are in agreement with the unaudited books of account of the Company of the respective quarters and there are no material discrepancies.

Note 21: Lease Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Non Current	9.83	15.87
Current	7.08	6.12
Total	16.91	21.99

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Movement in Lease Liabilities		
Opening Balance	21.99	5.50
Add: Addition made during the year	0.95	23.90
Add: Finance cost accrued during the year (Refer Note 32)	2.38	1.07
Less: Deletion made during the year	-	-
Less: Payment of Lease Liabilities	8.41	8.48
Closing Balance	16.91	21.99
(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:		
Payable within one year	8.71	8.44
Payable later than one year and not later than five years	11.08	18.60
Payable after five years	-	-
(iii) Lease payments recognised for short term leases in Statement of Profit and Loss during the year (Refer Note 33)	0.49	0.45

Note:

21.1: The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet obligations related to lease liabilities as and when they fall due.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 21: Lease Liabilities (Contd.)

21.2: The Company leases mainly Land, Buildings Office premises & warehouses. As per Ind AS 116, contracts and related assets that fulfill the definition of a lease are recognized and shown separately as respective Right of Use assets. Such assets are valued by the present value of the discounted lease payments less accumulated amortizations over the lease period. The Buildings, office premises & warehouses leases typically run for a period of 3 to 5 years. Land leases are entered into for a longer periods.

21.3: Interest expenses for lease liabilities are reported in the Finance cost in the Statement of Profit and Loss (Refer Note 32).

Note 22: Deferred Tax Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities	5.92	6.87
Deferred tax assets	(2.97)	(2.32)
Net Deferred Tax Liabilities	2.95	4.55

(₹ in Crores)

Particulars	2024-25			2023-24		
	Opening Balance	Charged to / (Reversed from) Statement of P&L	Closing Balance	Opening Balance	Charged to / (Reversed from) Statement of P&L	Closing Balance
Deferred tax liabilities / (assets) in relation to:						
Property, Plant & Equipment	6.73	(0.81)	5.92	7.94	(1.21)	6.73
Disallowable under section 43B	-	(0.11)	(0.11)	-	-	-
Provision for Doubtful debt	(2.32)	(0.32)	(2.64)	(1.65)	(0.67)	(2.32)
Lease Liabilities	0.14	(0.36)	(0.22)	(0.44)	0.58	0.14
Net Deferred Tax Liabilities	4.55	(1.60)	2.95	5.85	(1.30)	4.55

(a) Reconciliation between average effective tax rate and applicable tax rate :

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Profit before tax from Continuing Operations	56.17	69.71
Income Tax using the Company's Domestic Tax rate #	14.14	17.55
Tax Effect of :		
- Non deductible Expenses	9.41	10.80
- Deduction on account of Expenses allowable in Tax but not claimed in book	(7.68)	(7.99)
- Tax impact on Income charged under Capital Gain/Other Income	-	(0.31)
- Changes in recognised deductible temporary differences	(1.60)	(1.31)
- Tax on account of profit / (loss) on sale of Property, Plant & Equipment and other adjustments	(0.08)	0.09
- Tax impact on notional income / expense	(0.08)	(0.17)
- Miscellaneous other tax effects	(0.19)	-
Income Tax recognised in Statement of Profit & Loss	13.92	18.66
Effective Tax Rate	24.79%	26.76%

The Tax rate used for Financial Year 2024-25 & 2023-24, in reconciliation above is the corporate tax rate of 25.17% payable by the Company on taxable profits under the Indian Tax Law.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 22: Deferred Tax Liabilities (Contd.)

(b) Income Tax Expense

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current Tax:		
Current Income Tax Charge	15.52	19.97
Deferred Tax		
Deferred Tax (Credit) / Charge for the year	(1.60)	(1.31)
Total Tax Expense recognised in Statement of Profit and Loss	13.92	18.66

Note 23: Trade payables

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Dues to Micro and Small Enterprises (MSE) (Refer Note 44)	17.33	14.20
Dues to other than Micro and Small Enterprises:		
- Acceptances (Refer Note 23.2)	25.00	8.68
- Payable to Others	81.45	95.82
Total	123.78	118.70

Trade payables ageing schedule as at March 31, 2025

(₹ in Crores)

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	
(i) Micro and Small Enterprise	17.07	0.03	-	-	0.23	17.33
(ii) Acceptances	25.00	-	-	-	-	25.00
(iii) Other than Micro and Small Enterprise	55.25	13.36	0.67	0.12	0.12	69.52
Total	97.32	13.39	0.67	0.12	0.35	111.85
Add: Accrued Expenses						11.93
Total						123.78

Trade payables ageing schedule as at March 31, 2024

(₹ in Crores)

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	
(i) Micro and Small Enterprise	11.33	2.64	-	-	0.23	14.20
(ii) Acceptances	8.68	-	-	-	-	8.68
(iii) Other Creditors	44.42	37.93	0.75	0.01	0.01	83.12
Total	64.43	40.57	0.75	0.01	0.24	106.00
Add: Accrued Expenses						12.70
Total						118.70

Note :

23.1: Includes Trade Payables from Related Parties, Refer Note 41.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 23: Trade payables (Contd.)

23.2: The Company has entered into a Supply Chain Financing arrangement underwhich its suppliers can elect to receive a early payment of their invoice from the bank and the bank receives the settlement from the Company at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and enable the Company's suppliers to receive a payment before their due date.

These balances are classified as Acceptances under Trade Payables as the terms are similar to those agreed with the suppliers. The related payments are shown as Cash Flow from operating activities as they continue to be part of the normal operating cycle of the Company.

Note 24: Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Unclaimed Dividend (Refer Note 17 & 24.1)	0.64	0.42
Unspent Corporate Social Responsibility Fund (Refer Note 42)	-	0.50
Payables for capital expenditure	0.06	0.03
Employee benefits payable	17.25	17.68
Financial Guarantees Obligation (Refer Note 24.2)	0.09	-
Interest accrued but not due on borrowings	0.92	0.90
Others	0.19	0.69
Total	19.15	20.22

Note:

24.1: The amount of Unclaimed Dividend reflects the position as at March 31, 2025. During the year, the Company has transferred an amount of ₹0.04 Crore (Previous year ₹0.04 Crore) to the Investors' Education and Protection Fund in accordance with the provisions of section 125 of the Companies Act, 2013.

24.2: The Company has given guarantee amounting to ₹49.08 Crore to bankers for the loans taken by a subsidiary and related financial guarantee obligation is accounted as liability in accordance with Ind AS 109 "Financial Instruments"

Note 25: Other Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Advances from customers (Refer related party balance in note 41)	36.37	29.92
Statutory dues payable	3.36	4.39
Total	39.73	34.31

Note 26: Provisions

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Non Current		
Provision for employee benefits (Note 26.1)	1.24	1.28
Total	1.24	1.28
(ii) Current		
Provision for employee benefits (Note 26.1)	4.00	3.87
Provision for unexpired warranty (Note 26.2)	5.00	4.50
Contract related provisions (Note 26.3)	2.01	-
Total	11.01	8.37

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 26: Provisions (Contd.)

Note:

26.1: Provision for employee benefits includes amount payable to employees on account of Gratuity and compensated absences. Movement of Provision for employee benefits is disclosed under Note 36.

26.2: Provision for unexpired warranty

As per the contractual terms with customers, the Company provides warranty to the customers for 18 months from date of sales or 12 months from date of installation which ever is earlier. The provision is made for such returns/rejections on the basis of historical warranty trends as per the policy of the Company.

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	4.50	4.90
Add: Additional provision made during the year	6.58	4.10
Less: Provision used during the year	6.08	4.50
Closing balance	5.00	4.50

26.3: Contract related provisions

Contract related provisions includes provision on foreseeable losses on revenue contracts with customers.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	-	-
Add: Additional provision made during the year	2.01	-
Less: Provision used during the year	-	-
Closing balance	2.01	-

Note 27: Revenue from Operations

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue from Sale of products	909.11	1,012.02
Other Operating revenues	12.02	18.59
Total	921.13	1,030.61

Disaggregate Revenues from contracts with customer:

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue from Technology	791.34	917.24
Revenue from Systems	55.91	61.84
Revenue from Services	73.88	51.53
Total	921.13	1,030.61

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 27: Revenue from Operations (Contd.)

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Contract price	922.40	1,034.80
Less : Adjustment made to contract price on account of:		
Liquidated damages	1.27	4.19
Total	921.13	1,030.61

Note 28: Other Income

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest income on:		
- Deposits with banks	0.23	0.22
- Others	0.19	0.14
Financial Guarantee Income	0.39	-
Profit on sale of Property, Plant & Equipment (net)*	0.33	0.36
Miscellaneous Income	2.48	0.51
Net gain on foreign exchange translations	1.90	0.75
Total	5.52	1.98

* Profit on sale of Property, Plant & Equipment includes ₹0.22 Crores from assets held for sale.

Note 29: Cost of Materials Consumed

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening Stock of Raw Materials	75.03	88.35
Add: Purchases during the year	427.66	459.98
	502.69	548.33
Less: Closing stock of Raw Materials	56.24	75.03
Total	446.45	473.30

Note 30: Changes In Inventories of Finished Goods and Work-In-Progress

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventory of finished good at the beginning of the year	8.69	14.51
Inventory of work in progress at the beginning of the year	39.86	85.00
	48.55	99.51
Inventory of finished good at the closing of the year	12.36	8.69
Inventory of work in progress at the closing of the year	7.12	39.86
	19.48	48.55
Total	29.07	50.96

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 31: Employee benefits expense

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries and wages	95.63	95.46
Contribution to Provident and other funds	6.91	6.25
Shared based payment/(Reversal) to employees (Refer Note 37)	(0.14)	0.87
Staff welfare expenses	3.83	3.67
Total	106.23	106.25

Note 32: Finance cost

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest expense on borrowings	21.88	29.53
Other financial charges	4.26	3.75
Interest on lease liabilities (Refer Note 21)	2.38	1.07
Total	28.52	34.35

Note 33: Other expenses

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Power & fuel	39.26	46.23
Stores & spares consumption	34.26	50.60
Repairs to machinery	5.19	5.03
Repairs to buildings	0.91	1.11
Repairs- others	1.56	1.62
Rent (Refer Note 21)	0.49	0.45
Insurance	4.11	4.54
Rates & Taxes	1.45	1.53
Royalty	3.11	3.55
Travel & Conveyance	7.54	6.53
Communication	1.18	1.18
Bad debts written off (Net)	0.74	0.73
Provision for doubtful debts and advances (Net)	1.27	2.69
Provision for warranty expenses (Net) (Refer Note 26)	0.50	(0.40)
Advertisement and sales promotion	1.61	1.43
Commission	1.61	0.92
Legal and professional fees	26.46	15.70
Freight outward	16.48	16.96
Payments to auditors (Refer Note 35)	0.74	0.74
Expense on CSR activities (Refer Note 42)	2.07	2.44
IT expenses	0.94	0.96
Miscellaneous expenses	11.92	13.09
Total	163.40	177.63

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 34: Contingent Liabilities & Commitments

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
A) Contingent Liabilities not provided for:		
1. Claim against the Company not acknowledged as debts		
i) Demands relating to Indirect Taxes: Various show cause notices received from authorities in respect of: a) Payment of service tax under reverse charge mechanism during FY 2011-12, 2013-14 & 2017-18. b) Sales tax matters for FY 2006-07 to FY 2008-09. c) GST related matters Company has filed appeal in respect of above matters. Against the above, the Company has paid ₹0.48 Crore. The expected outflow will be determined at the time of final outcome.	1.42	0.90
ii) Demand on account of Income Tax matters where Income Tax Department has preferred appeals : a) Upward adjustment in Arms Length Price for AY 2010-11, 2011-12 and 2012-13. Appeal before ITAT is allowed and the issue will be decided afresh by CIT(A) b) Disallowance of warranty provision for AY 2007-08 and 2008-09 The above were decided in favour of the Company by Commissioner Income Tax (Appeals) (CIT(A)) which was preferred by Income tax department to Income Tax Appellate Tribunal (ITAT). ITAT had set aside the issue to the Assessing Officer/CIT(A) for fresh adjudication.	5.03	5.03
iii) Demand on account of Income Tax matters where the Company has preferred appeals. Company has preferred appeal before CIT(A) in respect of: a) Disallowance of education expenditure under Section 143 (3) for AY 2013-14 b) Disallowance of commission paid to non-resident due to non deduction of Tax deducted at source for AY 2017-18 c) Penalty proceedings under section 271I for failure to furnish information or furnishing inaccurate information under section 195 for AY 2018-19. The Company has applied for settlement under the Vivad se Vishwas Scheme 2024 in respect of above penalty proceeding u/s 271-I of the Income Tax Act, 1961. Note: In respect of above matters, Management has assessed that no liability is likely to devolve on the Company and hence no provision has made in the books of accounts.	0.17	0.17
B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances))	2.27	2.18

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 35: Payment to Auditors

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
As Auditor:		
(i) Audit Fees (Statutory audit fees and Limited review Fees)	0.65	0.65
(ii) Tax audit fees	0.02	0.02
Other services:		
(i) Certification	0.03	0.02
Reimbursement of out-of-pocket expenses	0.04	0.05
Total	0.74	0.74

Note 36: Employee Benefits

As per Ind AS 19 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plans

The Company operates defined contribution retirement benefit plans for all qualifying employees in the form of provident fund, superannuation fund, family pension fund and Employee State's Insurance.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employer's Contribution to Provident Fund	3.90	3.41
Employer's Contribution to Superannuation Fund	0.33	0.34
Employer's Contribution to Pension Scheme	1.00	1.06

Compensated absences and earned leaves

The Company's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy.

Defined Benefit Plans

The Company operates a defined benefit plan in form of gratuity plan covering eligible employees, which provide a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

Other long term employee benefit plan

Through its gratuity plans the Company is exposed to a number of risks, the most significant of which are detailed below:

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan liability.

In respect of the Defined Benefit Obligation Plan and Compensated absences and earned leaves, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at March 31, 2025. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

The amounts recognized in the Standalone financial statements as at the year end are as under:

(₹ in Crores)

Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
A Assumptions :				
Discount Rate	6.83%	7.22%	6.83%	7.22%
Rate of Return on Plan Assets	6.83%	7.22%	6.83%	7.22%
Weighted Average Duration of the Defined Benefit Obligation	11	12	-	-
Salary Escalation	7.00%	7.00%	7.00%	7.00%
Mortality	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14
Average Past Service	6.22 years	5.73 years	6.22 years	5.73 years
Average Age	37.19 years	36.80 years	37.19 years	36.80 years
Rate of Employee Turnover	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Ultimate Table	Ultimate Table	Ultimate Table	Ultimate Table
B Table showing changes in Present value of defined benefit obligation:				
Liability at the beginning of the year	12.11	10.34	8.10	5.42
Interest cost	0.87	0.78	0.48	0.41
Current service cost	1.47	0.85	0.57	2.03
Benefit paid	(0.80)	(1.16)	(1.23)	(0.63)
Actuarial (gains) / loss arising from changes in financial assumptions	0.49	0.80	0.28	0.20
Actuarial (gains) / loss arising from experience adjustments	0.25	0.50	0.64	0.67
Liability at the end of the year	14.39	12.11	8.84	8.10

(₹ in Crores)

Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
C Change in Plan Assets:				
Fair value of Plan Assets at the beginning of the year	9.90	9.06	5.16	4.54
Expected Return on Plan Assets	0.72	0.68	0.37	0.34
Contributions	2.20	1.28	1.51	0.88
Benefit Paid	(0.80)	(1.16)	(1.23)	(0.63)
Actuarial gain / (loss) on Plan Assets	0.11	0.04	0.05	0.03
Fair value of Plan Assets at the end of the year	12.13	9.90	5.86	5.16
D Actual Return on Plan Assets:				
Expected Return on Plan Assets	0.72	0.68	0.37	0.34
Actuarial gain / (loss) on Plan Assets	0.11	0.04	0.05	0.03
Actual Return on Plan Assets	0.83	0.72	0.42	0.37
E Amount recognized in the Balance Sheet:				
Present value of Funded defined benefit obligation at the end of the year	14.39	12.11	8.84	8.10
Fair value of Plan Assets at the end of the year	12.13	9.90	5.86	5.16
Net Liability recognized in the Balance Sheet	(2.26)	(2.21)	(2.98)	(2.94)

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
F Expenses recognized in the Statement of Profit & Loss :				
Current Service cost	1.47	0.85	0.57	2.03
Interest Cost	0.15	0.10	0.11	0.07
Net Actuarial (gain) / loss to be recognized	0.63	1.26	0.87	0.84
Expense / (Income) recognized in Statement of Profit & Loss	2.25	2.21	1.55	2.94
G Balance Sheet reconciliation:				
Opening Net Liability	2.21	1.28	2.94	0.88
Expenses recognised in Statement of Profit & Loss	1.62	0.95	1.55	2.94
Expenses recognised in OCI	0.63	1.26	-	-
Employers Contribution	(2.20)	(1.28)	(1.51)	(0.88)
Net Liability / (Assets) recognized in Balance Sheet	2.26	2.21	2.98	2.94
Current	2.26	2.21	1.74	1.66
Non Current	-	-	1.24	1.28

H Other Details:

Gratuity is payable at the rate of 15 days salary for each year of service

Salary escalation is considered as advised by the Company which is in line with the industry practice considering promotion and demand and supply of the employees.

I Experience Adjustment				
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.25	0.50	0.64	0.67
Actuarial (Gains)/Losses on Plan Assets - Due to Experience	(0.11)	(0.04)	(0.05)	(0.03)
J Projected Contribution for next year	3.15	2.97	2.21	2.12

K Sensitivity analysis for each significant actuarial assumption

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

Particulars	March 31, 2025	March 31, 2024
Projected Benefit obligation on current assumption	14.40	12.11
Impact of increase in discount rate by 1%	(1.20)	(1.13)
Impact of decrease in discount rate by 1%	1.40	1.33
Impact of increase in salary escalation rate by 1%	1.38	1.32
Impact of decrease in salary escalation rate by 1%	(1.21)	(1.14)
Impact of increase in rate of employee turnover by 1%	(0.05)	(0.01)
Impact of decrease in rate of employee turnover by 1%	0.06	0.01

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

L Investment details of plan assets

The Plan assets are managed by Insurance group viz. Life Insurance Corporation of India which has invested the funds substantially as under :

(₹ in Crores)

Particulars	Gratuity		Compensated Absences	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Insurance Fund	12.13	9.90	5.86	5.16
Total	12.13	9.90	5.86	5.16

M Maturity Profile

(₹ in Crores)

Particulars	Gratuity	
	March 31, 2025	March 31, 2024
1 st Following Year	1.85	0.63
2 nd Following Year	0.52	0.49
3 rd Following Year	0.77	0.59
4 th Following Year	0.68	1.00
5 th Following Year	0.79	1.29
Sum of Years 6 to 10	6.25	3.91
Sum of Years 11 and above	19.92	22.13

N Asset-liability matching strategies :

In respect of gratuity and Leave encashment plan, the Company contributes to the insurance fund based on estimated liability of the next financial year end. The projected liability statement is obtained from the actuarial valuer.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 37: Share based payments

Note: 37.1 Equity settled share option plan

The Company has instituted Employee Stock Option Scheme (ESOP 2021) to designated employees of the Company and its Subsidiaries. In accordance with the terms of the plan, as approved by shareholders through Postal Ballot on December 02, 2021, designated employees with the Company may be granted options to purchase equity shares.

Each employee share option converts into one equity share of the Company on exercise. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time during the set exercise period. The Options not exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or cancelled Options. Options stands cancelled if the employee leaves the Company before the options vest.

Appraisal process for determining the eligibility of the Employees will be based on designation, criticality, high potential, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

A. The following table sets forth the particulars of the options outstanding as on March 31, 2025 under ESOP 2021:

Particulars	Tranche 1		Tranche 2		Tranche 3	
	Vesting 1	Vesting 2	Vesting 1	Vesting 2	Vesting 1	Vesting 2
Date of Grant	February 01, 2022	February 01, 2022	May 25, 2023	May 25, 2023	May 21, 2024	May 21, 2024
Number of options granted	41,283	83,817	4,158	8,442	5,346	10,854
Number of options outstanding	32,819	63,632	3,267	6,633	5,346	10,854
Exercise price per option	1,392	1,392	1,427	1,427	1,290	1,290
Fair value of option on grant date	600.53	640.33	484.78	528.25	428.18	499.17
Vesting period	2 years from the date of grant	3 years from the date of grant	2 years from the date of grant	3 years from the date of grant	2 years from the date of grant	3 years from the date of grant
Exercise period	upto January 31, 2026	upto January 31, 2026	upto May 24, 2027	upto May 24, 2027	upto May 20, 2028	upto May 20, 2028

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 37: Share based payments (Contd.)

B. Reconciliation of share options outstanding at the end of the year for all the 3 tranches:

Particulars	2024-25		2023-24	
	Number of share options	Weighted average exercise price (in ₹)	Number of share options	Weighted average exercise price (in ₹)
Outstanding at beginning of year	1,19,088	1,395	1,17,900	1,392
Granted during the year	16,200	1,290	12,600	1,427
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	(12,738)	-	(11,412)	-
Outstanding at the end of the year	1,22,550	1,382	1,19,088	1,395
Exercisable at the end of the year	96,450	1,392	36,828	1,392

C. The aggregate of the estimated fair values of the options granted during FY 2024-25 is ₹0.77 Crore. The inputs into the Black Scholes Pricing model are as follows:

Scheme - ESOP 2021 - Tranche 3	2024-25
Vesting 1 - Options	
Share price per option	1,396
Exercise price per option	1,290
Expected volatility	25.63%
Expected life in years	3.00
Risk-free rate	7.04%
Vesting 2 - Options	
Share price per option	1,396
Exercise price per option	1,290
Expected volatility	25.63%
Expected life in years	4.00
Risk-free rate	7.05%

Expected volatility was determined by calculating the historical volatility of the Group's share price on NSE based on the price data for last 12 months up to the date of grant. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The Company has (reversed) / recognised expenses of (₹0.14) Crore and ₹0.87 Crore related to equity-settled share-based payment transactions in 2024-25 and 2023-24 respectively on a net basis after considering recharge of ₹1.08 Crore and ₹1.54 Crore respectively from subsidiary companies for the grant of shares to the employees of subsidiary companies.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 37: Share based payments (Contd.)

Note 37.2: Stock Appreciation Rights

The Company has granted specified units of Stock Appreciation Rights to the eligible employees under the "GMM Pfaudler Stock Appreciation Rights Scheme (Cash Settled) 2024 (SARS Scheme 2024)" on August 7, 2024. The payout is dependent upon achievement of certain identified conditions as defined in the SARS Scheme 2024, which once achieved, a cash payout will be made by the Company. The units of Stock Appreciation Rights have an aggregate fair value of ₹0.01 Crore (basis fair valuation report) and have an expected life of 2.42 years. Accordingly, the Company has recorded cost of ₹0.00# Crore during the year ended March 31, 2025.

Amount less than ₹50,000

Note 38: Financial Ratios

Sr. No.	Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance	Reason for Variance : Explanation for change in ratio by 25%:
I	Current Ratio (in times)	Total current assets	Total current liabilities	1.42	1.34	6%	
II	Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.30	0.38	-21%	
III	Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.97	0.89	10%	
IV	Return on Equity Ratio (in %)	Profit for the year	Average total equity	5.50%	7.00%	-21%	
V	Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	8.53	6.19	38%	Increase in inventory turnover ratio is on account of increase in inventory consumption than revenue recognition.
VI	Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.54	5.58	17%	
VII	Trade payables turnover ratio (in times)	Total purchase	Average trade payables	3.53	3.38	5%	

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 38: Financial Ratios (Contd.)

Sr. No.	Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance	Reason for Variance : Explanation for change in ratio by 25%:
VIII	Net capital turnover ratio (in times)	Revenue from operations	Working capital	6.14	8.91	-31%	Decrease in net capital turnover ratio is on account of increase in working capital coupled with decrease in revenue
IX	Net profit ratio (in %)	Profit for the year	Revenue from operations	4.59%	4.95%	-7%	
X	Return on Capital employed (in %)	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities+ Borrowings	8.27%	10.01%	-17%	
XI	Return on investment	Market value at the end of the year - Market value at the beginning of the year	Market value at the beginning of the year	Not Applicable	Not Applicable	Not Applicable	

Note 39: Financial Instruments

39.1 Capital Management :

The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Company is not subject to any externally imposed capital requirement.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 39: Financial Instruments (Contd.)

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
(a) Interest bearing loans and borrowings	220.74	265.23
(b) Less: cash and bank balance (including other bank balance)	9.54	26.49
(c) Net debt (a) - (b)	211.20	238.74
(d) Equity share capital	8.99	8.99
(e) Other equity	775.77	742.20
(f) Total equity (d) + (e)	784.76	751.19
(g) Total equity and net debt (c) + (f)	995.96	989.93
(h) Gearing ratio (c)/(g)	21%	24%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

39.2 Categories of Financial Instruments :

(₹ in Crores)				
Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets:				
Measured at fair value through profit or loss (FVTPL)				
(a) Investment in equity instruments	0.01	0.01	0.01	0.01
Measured at amortised cost				
(a) Cash and bank balances	9.54	9.54	26.49	26.49
(b) Trade Receivables	110.04	110.04	171.84	171.84
(c) Loans	1.64	1.64	0.95	0.95
(d) Others	227.77	227.77	123.48	123.48
Financial Liabilities :				
Measured at amortised cost				
(a) Borrowings	220.74	220.74	265.23	265.23
(b) Lease Liabilities	16.91	16.91	21.99	21.99
(c) Trade Payables	123.78	123.78	118.70	118.70
(d) Others	19.15	19.15	20.22	20.22

39.3 Financial risk management objectives

The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial market, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 39: Financial Instruments (Contd.)

39.3.1 Market Risk management

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates, interest rates and underlying investment prices.

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and investment prices.

(a) Foreign currency exchange rate risk:

The Company's foreign currency risk arises from its foreign operations and foreign currency transactions. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Since a major part of the Company's revenue and its costs are in Indian Rupees, any movement in currency rates would not have major impact on the Company's performance. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

The carrying amount of Foreign Currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ in Crores)

Particulars	Currency	(Liabilities) / Assets as at	
		March 31, 2025	March 31, 2024
Trade Payables	USD	(1.35)	(1.84)
	EUR	(3.37)	(16.26)
	CHF	(0.98)	(0.02)
	GBP	-	(0.01)
	CNY	0.00#	-
	SGD	(0.38)	-
Other Financial Liabilities	CHF	(0.09)	-
Borrowings	USD	-	(30.27)
Cash & Cash Equivalents	USD	2.56	1.75
	EUR	3.95	0.00#
Other Financial Assets	CHF	0.09	-
Trade Receivables	USD	30.42	57.98
	EUR	5.73	13.98
	CHF	1.75	6.87
	SGD	1.47	-

Amount less than ₹50,000

With respect to the Company's financial instruments (as given above), a 5% increase / (decrease) in relation to foreign currency rate on the underlying would have resulted in increase / (decrease) of ₹1.99 Crore and ₹1.61 Crore in the Company's profit before tax for the year ended March 31, 2025 and March 31, 2024 respectively.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 39: Financial Instruments (Contd.)

(b) Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval. The company have outstanding borrowings of ₹220.74 Crore and ₹265.23 Crore at the end of March 31, 2025 and March 31, 2024 respectively.

As at March 31, 2025, NIL of the Company's Borrowings are at fixed rate of interest (March 31, 2024 : NIL).

The impact of increase / (decrease) of 50 basis points in interest rates would result in (decrease) / increase of ₹1.37 Crore and ₹1.59 Crore in the Company's net profit before tax for the year ended March 31, 2025 and March 31, 2024 respectively.

(c) Commodity price risk

The Company is exposed to price volatility of certain commodities being raw materials for which the Company has developed risk management framework aimed at prudently managing the risk arising from volatility in commodity prices. The commodity risk is managed by entering into procurement contracts for the commodities either in advance or on a back to back basis at or about the same price levels basis which the sales orders are booked.

(d) Other price risk

The Company is not exposed to price risks arising from its investments.

39.3.2 Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables.

All trade receivables are subject to credit risk exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company does not have significant concentration of credit risk related to trade receivables except the details given below for the customers contribute to more than 5% of total outstanding accounts receivable as at any reporting period end.

At March 31, 2025, the Company has 6 customers (March 31, 2024: 5 customers) that owed the Company amounting to ₹67.29 Crore (March 31, 2024: ₹79.51 Crore) aggregating to 36% (March 31, 2024: 33%) of the total amount receivable.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹348.99 Crore and ₹322.76 Crore as at March 31, 2025 and March 31, 2024 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding investments in subsidiary companies, and these financial assets are of good credit quality including those that are past due.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 39: Financial Instruments (Contd.)

39.3.3 Liquidity risk management:

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table below include only principal cash flows in relation to non-derivative financial liabilities.

(₹ in Crores)

Particulars	Up to 1 year	1 to 5 years	5 years and above
As at March 31, 2025			
Trade payable	123.78	-	-
Other Financial Liabilities	19.15	-	-
Borrowings	154.17	66.57	-
Lease Liabilities	8.71	11.08	-
Total	305.81	77.65	-
As at March 31, 2024			
Trade payable	118.70	-	-
Other Financial Liabilities	20.22	-	-
Borrowings	154.28	110.95	-
Lease Liabilities	8.44	18.60	-
Total	301.65	129.55	-

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(₹ in Crores)

Particulars	Up to 1 year	1 to 5 years	5 years and above
As at March 31, 2025			
Trade receivables	110.04	-	-
Cash & cash equivalents	8.64	-	-
Bank balances other than above	0.90	-	-
Current financial assets - loans	1.64	-	-
Other financial assets	218.18	9.59	-
Total	339.40	9.59	-

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 39: Financial Instruments (Contd.)

Particulars	Up to 1 year	1 to 5 years	5 years and above
As at March 31, 2024			
Trade receivables	171.84	-	-
Cash & cash equivalents	23.09	-	-
Bank balances other than above	3.40	-	-
Current financial assets - loans	0.95	-	-
Other financial assets	114.98	8.49	-
Total	314.26	8.49	-

Note 40: Fair Value Measurements

This note provides information about how the Company determines fair values of various financial assets.

Fair Value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

(₹ in Crores)

Financial Assets / Financial Liabilities	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2025	March 31, 2024		
1 Investments in equity instruments (Unquoted) (Note 10)	0.01	0.01	Level 3	Net asset approach - value per equity share of investment is derived by dividing net assets of company with total number of equity shares issued by the Company

Notes :

40.1 Significant unobservable inputs for Financial Instruments classified under "Level - 3" Fair Value hierarchy are Net Assets of the investee company as on the date of Fair Valuation.

40.2 Reconciliation of Level 3 fair value measurements:

(₹ in Crores)

Particulars	Unlisted Equity Instrument
Opening Balance as at April 01, 2023	0.01
Investment made during the year	-
Total Gain/(Loss) in statement of Profit & Loss	-
Closing Balance as at March 31, 2024	0.01
Opening Balance as at April 01, 2024	0.01
Investment made during the year	-
Total Gain/(Loss) in Statement of Profit & Loss	-
Closing Balance as at March 31, 2025	0.01

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 41: Related Party Disclosures

(I) List of Related parties

(a) Subsidiaries:

GMM International S.a.r.l
Mavag AG
GMM Pfaunder Foundation
Pfaunder GMBH
Edlon Inc.
Pfaunder s.r.l.
Pfaunder Limited
Pfaunder LtdA
Pfaunder Services Benelux B.V
Pfaunder Normag Systems GmbH
Pfaunder (Chang Zou) Process Equipment Company Limited
Pfaunder Interseal GMBH
Glasteel Parts and Services, Inc.
Pfaunder Private Limited
Pfaunder S.A. de C.V.
Pfaunder France S.à r.l.
Hydro Air Research Italia S.r.l
Mixel France SAS
Mixel Agitator Co. Limited
GMM Pfaunder US Inc.
Professional Mixing Equipment Inc
GMM Pfaunder JDS LLC

Subsidiary of GMM International S.a.r.l

w.e.f February 02, 2023

w.e.f February 02, 2023

w.e.f December 01, 2023

(b) Key management personnel:

Mr. Tarak Patel	Managing Director	
Mr. Aseem Joshi	Chief Executive Officer	
Mr. Manish Poddar	Chief Financial Officer	Upto February 07, 2025
Mr. Alexander Poempner	Chief Financial Officer	w.e.f February 07, 2025
Ms. Mittal Mehta	Company Secretary	
Mr. Ashok Patel	Non-Executive Director	
Mr. Nakul Toshniwal	Non-Executive, Independent Director	
Ms. Bhawana Mishra	Non-Executive, Independent Director	
Mr. Vivek Bhatia	Non-Executive, Independent Director	
Mr. Harsh Gupta	Non-Executive Director	Upto August 18, 2023
Mr. Malte Woweries	Non-Executive Director	Upto August 18, 2023
Mr. Prakash Apte	Non-Executive, Independent Director	
Ms. Shilpa Divekar Nirula	Non-Executive, Independent Director	w.e.f May 22, 2024
Mr. Raghav Ramdev	Non-Executive, Non-Independent Director	w.e.f February 06, 2025

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 41: Related Party Disclosures (Contd.)

(c) Relative of Key management personnel:

Mrs. Urmi Patel	Mother of Mr. Tarak Patel
Mrs. Uttara Gelhaus	Sister of Mr. Tarak Patel
Mrs. Payal Patel	Wife of Mr. Tarak Patel
Mrs. Pragna Patel	Sister of Mr. Ashok Patel
Mrs. Panna Patel	Sister of Mr. Ashok Patel

(d) Enterprises over which Key Managerial Personnel have Control / Significant influence with whom transaction have been taken place during the reporting period:

Ready Mix Concrete Limited
Ashok J Patel - HUF
A J Patel Charitable Trust
J V Patel & Co.
Prestige Tefparts Private Limited
Millars Machinery Company Private Limited
Millars Concrete Technologies Private Limited
Solaris Chemtech Industries Limited Upto August 18, 2023
DECBectochem Engineering Private Limited
Uttarak Enterprises Private Limited
Toshvin Analytical Pvt Ltd.

(II) Transactions with related parties

(₹ in Crores)

Particulars	Subsidiaries		Key Management Personnel		Relative of Key Management Personnel		Other Related Parties	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Transactions during the year								
Purchase of goods	6.21	24.68	-	-	-	-	0.34	0.48
Purchase of property, plant & equipment	-	-	-	-	-	-	0.14	-
Sale of goods	56.18	159.64	-	-	-	-	-	-
Services received	3.67	0.06	-	-	-	-	-	-
Services provided	0.09	0.39	-	-	-	-	-	-
Royalty paid	3.11	3.55	-	-	-	-	-	-
Lease rent paid	-	-	-	-	-	-	6.85	6.02
Corporate guarantee commission income	0.39	-	-	-	-	-	-	-
Reimbursement of expenses	2.55	-	-	-	-	-	-	-
Remuneration and commission*	-	-	13.10	12.87	-	-	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 41: Related Party Disclosures (Contd.)

Particulars	Subsidiaries		Key Management Personnel		Relative of Key Management Personnel		Other Related Parties	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Dividend paid	-	-	0.11	0.10	0.50	0.51	1.65	1.65
Directors sitting fees	-	-	0.80	0.73	-	-	-	-
Contribution for corporate social responsibility	2.57	1.94	-	-	-	-	-	-
Reimbursement of share based payment expense	1.08	1.54	-	-	-	-	-	-
Balance outstanding #								
Payables	4.08	17.16	3.11	3.85	-	-	-	-
Receivables	18.31	70.02	-	-	-	-	-	-
Advances received	11.86	2.12	-	-	-	-	-	-
ESOP receivable	4.77	3.68	-	-	-	-	-	-
Guarantee commission receivable	0.09	-	-	-	-	-	-	-
Advance given	1.05	0.36	-	-	-	-	0.30	-
Investments	494.83	494.83	-	-	-	-	-	-
Deposit outstanding	-	-	-	-	-	-	2.95	2.95

Balance outstanding are exclusive of unrealised foreign exchange gain / (loss)

* Remuneration disclosed above is approved by Nomination and Remuneration Committee (NRC).

III) Material Related Party Transactions are as under:

(₹ in Crores)

Nature of transactions	Name of Party	For the year ended	
		March 31, 2025	March 31, 2024
Transactions during the year			
Purchase of goods	Pfaudler Gmbh	1.55	4.23
	Pfaudler Interseal Gmbh	2.43	4.50
	Pfaudler S.R.L.	0.54	2.66
	Pfaudler Normag Systems Gmbh	0.34	8.84
Purchase of Property, plant & equipment	Toshvin Analytical Pvt Ltd.	0.14	-
Sale of goods	Mavag AG	3.11	25.90
	Pfaudler S.R.L.	11.98	9.76
	Pfaudler Gmbh	11.40	15.12
	GMM Pfaudler US Inc.	21.63	71.34
	Pfaudler (Chang Zou) Process Equipment Company Limited	0.16	29.67

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 41: Related Party Disclosures (Contd.)

Nature of transactions	Name of Party	For the year ended	
		March 31, 2025	March 31, 2024
Services received	GMM Pfudler US Inc.	1.15	-
	Pfudler Normag Systems GmbH	1.10	-
	Mavag AG	0.65	-
	Hydro Air Research Italia S.R.L.	-	0.03
	Mixel France Sas	-	0.03
Services provided	Pfudler Normag Systems GmbH	-	0.27
	Mavag AG	0.09	0.12
Lease rent paid	Ready Mix Concrete Limited	3.50	3.02
	J V Patel & Co.	3.07	2.74
Reimbursement of expenses	GMM International S.a.r.l Luxembourg	1.93	-
	Pfudler Normag Systems GmbH	0.49	-
Corporate guarantee commission income	Mavag AG	0.39	-
Royalty	GMM Pfudler US Inc.	3.11	3.55
Key Management Personnel Remuneration	Mr. Tarak Patel	7.41	8.08
	Mr. Aseem Joshi	2.77	2.36
	Mr. Manish Poddar	1.57	1.27
Dividend paid	Millars Machinery Company Private Limited	0.87	0.78
	Urmi Patel	0.47	0.47
	Uttarak Enterprises Private Limited	0.25	0.25
Reimbursement of share based payment	GMM International S.a.r.l	0.16	0.31
	GMM Pfudler US Inc.	0.31	0.30
	Mavag AG	0.09	0.16
	Pfudler Interseal GmbH	0.09	0.16
Contribution for Corporate Social Responsibility.	GMM Pfudler Foundation	2.57	1.94

Balances at the end of the year

Payables	Pfudler Normag Systems GmbH	0.07	7.04
	Pfudler GmbH	0.44	4.05
	Pfudler Interseal GmbH	1.02	0.99
	Mavag AG	0.98	0.02
	Mixel (Beijing) Agitator Co Ltd	0.90	0.88
	Pfudler s.r.l.	0.10	2.64

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 41: Related Party Disclosures (Contd.)

Nature of transactions	Name of Party	For the year ended	
		March 31, 2025	March 31, 2024
Receivables	Mavag AG	1.75	8.41
	Pfaudler s.r.l.	5.99	6.19
	Pfaudler Ltda	1.97	0.40
	Pfaudler Limited	1.92	-
	Pfaudler GmbH	2.52	4.48
	GMM Pfaudler US Inc.	3.54	46.48
ESOP receivable	GMM International S.a.r.l	0.85	0.69
	GMM Pfaudler US Inc.	0.88	0.58
Guarantee commission receivable	Mavag AG	0.09	-
Advances received	Mavag AG	-	0.43
	GMM Pfaudler US Inc.	3.97	1.64
	Mixel France Sas	7.86	-
Deposit outstanding	Ready Mix Concrete Limited	1.58	1.58
	JV Patel & Co.	1.33	1.33
Investment	GMM International S.a.r.l	473.43	473.43
Advance given to supplier	Mavag AG	1.03	-
	DECBectochem Engineering Private Limited	0.30	-
	Pfaudler Normag System GmbH	-	0.34
Remuneration payable	Mr. Tarak Patel	1.93	2.86
	Mr. Aseem Joshi	0.80	0.65

Compensation of Key Managerial Personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows :

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Short-term employee benefits	13.25	13.22
Post-employment benefits	0.43	0.34
Other long-term benefits	0.22	0.04
Total	13.90	13.60

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Transactions / balances with related party having equal to / exceeding 10% of each nature of transactions is considered as material and have been disclosed separately as above.

The Company has given guarantee to bankers for the loans taken by a subsidiary as mentioned in note 24.2.

Terms and conditions of transactions with Related Parties

Outstanding balances of related parties at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. During the current year, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 42: Corporate Social Responsibility (CSR) Expenditure

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Expenditure related to CSR as per section 135 of Companies Act, 2013 read with Schedule VII thereof, against the mandatory spend of ₹2.07 Crores is as follows:		
a) Amount required to be spent by the Company during the year	2.07	2.44
b) Amount of expenditure incurred:		
i) Construction/acquisition of any assets	1.23	0.72
ii) On the purpose other than (i) above	1.34	1.22
c) Shortfall at the end of the year (a-b) (Refer Note below)	-	0.50
d) Total of previous years shortfall if any and reason for shortfall	-	-
e) Nature of CSR activities	Promoting rural healthcare, skill development, environment sustainability and education.	
f) Details of related party transactions i.e. Contribution to a section 8 company controlled by the Company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures (Refer Note 41)	2.57	1.94
g) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

Note:

42.1: Details of ongoing projects

(₹ in Crores)

In case of Section 135 (6) (Ongoing Project)							
Opening Balance*		Income earned from Op. Unspent A/c during the year	Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company *	In Separate CSR Unspent A/c			From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
0.50	-	-	2.07	2.57	-	-	-

* The Company has transferred unspent Corporate Social Responsibility (CSR) amounting to ₹0.50 Crore, to a special account within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

Further there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 43: Earnings per Equity Share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
The following reflects the profit and share data used in the Basic and Diluted EPS computation:		
Net profit attributable to Equity shareholders (₹ in Crore)	42.25	51.05
Weighted average number of Equity shares in calculating basic EPS (a)	4,49,57,224	4,49,57,224
Add: Effect of Employee stock option (b)	-	10,719
Weighted average number of Equity Shares in calculating Diluted EPS (a+b)	4,49,57,224	4,49,67,943
Face value of Equity Share in ₹	2	2
Earnings per share (Basic) ₹	9.40	11.36
Earnings per share (Diluted) ₹	9.40	11.35

Note 44: Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
Principal amount due to micro and small enterprise	17.33	14.20
Interest due on above		
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 45: Other Statutory Information

- 45.1** a) The Company did not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company did not have any transactions with companies struck off.
- c) The Company did not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- e) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- f) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with any oral or written understanding that the Intermediary shall:
- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- g) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with any oral or written understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- h) The Company has no such transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

45.2 The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendments Rules, 2021) which is effective from April 01, 2023, state that every Company registered in India 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, and further 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 a SaaS ERP as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility and that has been operative throughout the financial year for the transactions recorded in the software impacting books of account at application level. The database of the software is operated by third party software service provider hence audit trail at the database level is not applicable. The audit trail has been preserved by the Company as per the statutory requirements for record retention.

45.3 The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and / or reporting of subsequent events and transactions in the financial statements. As of May 21, 2025 there were no subsequent events and transactions to be recognised or reported that are not already disclosed.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Note 46: Segment Information

As per Ind AS 108 "Operating Segments" issued by the Institute of Chartered Accountants of India, if financial statements contains standalone financial statements and consolidated financial statements, no separate disclosure on segment information is required to be given in the standalone financial statements. Accordingly, segment information has been given in the Consolidated Financial Statements of the Company.

Note 47: Proposed Dividend

The Board of Directors, in their meeting held on May 21, 2025 have recommended a final dividend of ₹1 per share, subject to approval by shareholders of the Company.

Note 48: Approval of financial statements

The financial statements for the year ended March 31, 2025 were approved for issue by the Board of Directors on May 21, 2025.

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 21, 2025

Alexander Poempner
Chief Financial Officer
Mumbai, May 21, 2025

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 21, 2025

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 21, 2025

Independent Auditor's Report

To The Members of GMM Pfaudler Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GMM Pfaudler Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2025, and 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 ended on that date, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matter section below, 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 prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Revenue recognition on contracts with customer The Group generates its revenue from customer specific contracts where performance obligations are satisfied over a period of time. These contracts are accounted based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue is thus dependent on estimates in relation to total estimated costs of each contract. This area is considered as key audit matter due to the size of revenue generated from customer specific contracts. Furthermore, accounting for the contracts involves both judgement, in assessing whether the criteria set out in the Ind AS 115 "Revenue from contracts with the customers" have been met, and estimates, related to future costs, the final outcome of the contract and the stage of completion. Contingencies related to cost in the estimates are reviewed by the Management on a regular basis throughout the contract life and adjusted where appropriate.	Principal audit procedure performed: As Principal auditors, we had issued written communication to the auditors of the overseas components ('Other Auditors') for audit procedures to be performed by them. The procedures performed by us at the Parent level and the Other Auditors at the Component level, as reported by them, have been provided below: • Evaluated the Group's accounting policies with respect to Revenue recognition in accordance with Ind AS 115 "Revenue from contracts with the customers". • Obtained an understanding of the methodology applied, the internal processes and the key controls used to determine the estimates, related to future costs, final outcome of the contract and the stage of completion. • Evaluated the processes and IT systems used to record actual costs incurred, tested the manual controls and automated controls implemented in the IT systems. • Focused on management's judgement in applying the methodology and the estimates made to determine the amount of revenue to be recorded in their project calculations. • Obtained and reviewed contract list and calculation and tested the calculation of stage of completion including the cost incurred and recorded against the contract for occurrence and accuracy, assessing the basis for determining the costs to complete and total contract cost on sample basis and reperforming the percentage of completion calculation. • Challenged management in respect of the reasonableness of estimates made regarding the cost to complete contract and the timing of recognition of revenue. • Assessed whether management's policies and processes for making these estimates continue to be appropriate and are applied consistently over time and to contracts of a similar nature. Additionally, audit oversight procedures carried out by us over the work performed by the Other Auditors consisted of: a) Reviewing a written summary of the audit procedures performed by the Other Auditors. b) Discussing with the Other Auditors and the management of the component/Parent to understand the basis of identification of the performance obligations and determination of timing of revenue recognition.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, corporate governance report and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements / financial information of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation 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 cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with

the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of entities included in the consolidated financial statements of which we

are the independent auditors. For the 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

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

We did not audit the financial statements / financial information of 2 subsidiaries and consolidated financial information of a subsidiary comprising 20 subsidiaries, whose financial statements / financial information reflect total assets of ₹2,602.44 Crore as at March 31, 2025, total revenues of ₹2,394.17 Crore and net cash inflows amounting to ₹139.63 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information 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 subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements / financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated financial statements above 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 and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. 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 the separate financial statements/ financial information of the subsidiaries referred to in the Other Matter section 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 purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group, including relevant records so far as it appears from our examination of those books and reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2025 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and a subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information

and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

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:

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, - Refer Note 34 to the consolidated financial statements;
- ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 22 to the consolidated financial statements;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.
- iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries to the best of their knowledge and belief, as disclosed in the note 46.1(f) to the consolidated financial statements, 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 Parent or any of such subsidiaries 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or

on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the best of their knowledge and belief, as disclosed in the note 46.1(g) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of a subsidiary company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable. The interim dividend declared and paid

by the Parent during the year and until the date of this report is in accordance with section 123 of the Act.

As stated in note 48 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Based on our examination which included test checks and that performed by the auditor of its subsidiary and based on the other auditor's report of its subsidiary company incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary company incorporated in India have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2025 which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions

recorded in the software. Further, during the course of audit, we and other auditor, whose report has been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent and above referred subsidiary company incorporated in India as per the statutory requirements for record retention.

2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Parent, we report that CARO is applicable only to the Parent and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of the Parent.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
Partner

(Membership No. 106189)
UDIN: 25106189BMNRJP7437

Place: Mumbai
Date: May 21, 2025

Annexure "A" to the Independent Auditor's Report

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

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")

In conjunction with our audit of the consolidated financial statements of GMM Pfaudler Limited (hereinafter referred to as "Parent") as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company which is a company incorporated in India as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's management and Board of Directors of the Parent and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and

the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of a subsidiary company which is a company incorporated in India, in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company, which is a company incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Place: Mumbai

Date: May 21, 2025

Opinion

In our opinion 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 referred to in the Other Matter paragraph below, the Parent and its subsidiary company which is a company incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to a subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS AND SELLS**

Chartered Accountants

(Firm's Registration No. 117365W)

Kartikeya Raval

Partner

(Membership No. 106189)

UDIN: 25106189BMNRJP7437

Consolidated Balance Sheet

as at March 31, 2025

(₹ in Crores)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
I. ASSETS			
(1) Non Current assets			
(a) Property, Plant & Equipment	6	366.19	409.77
(b) Right of Use Assets	7	235.27	220.96
(c) Capital work-in-progress	8	11.93	27.36
(d) Goodwill	9	109.07	115.27
(e) Other Intangible Assets	9	454.49	504.68
(f) Financial Assets			
(i) Investments	10	0.01	0.01
(ii) Loans	11	0.94	1.20
(iii) Others	12	4.97	5.10
(g) Deferred Tax Assets (net)	23	12.80	11.20
(h) Non-current Tax Assets (net)	13	-	0.39
(i) Other non-current assets	14	23.56	26.08
Total Non Current Assets		1,219.23	1,322.02
(2) Current Assets			
(a) Inventories	15	540.31	625.36
(b) Financial Assets			
(i) Trade Receivables	16	386.79	432.83
(ii) Cash & Cash Equivalents	17	444.81	319.63
(iii) Bank balances other than (ii) above	17	22.29	23.94
(iv) Loans	11	2.65	3.52
(v) Others	12	312.00	304.70
(c) Other current assets	14	128.53	141.39
(d) Assets classified as held for sale	6	46.47	0.21
Total Current Assets		1,883.85	1,851.58
Total Assets		3,103.08	3,173.60
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	8.99	8.99
(b) Other Equity	19	1,013.80	955.37
Equity attributable to equity holders of the Parent (A)		1,022.79	964.36
Non-Controlling interests (B)	44	6.82	6.43
Total equity (A+B)		1,029.61	970.79
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	433.64	501.37
(ii) Lease liabilities	21	159.64	155.52
(b) Provisions	22	285.59	300.46
(c) Deferred tax liabilities (net)	23	62.11	78.11
(d) Other non-current liabilities	24	1.79	2.56
Total Non-current liabilities		942.77	1,038.02
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	216.98	210.65
(ii) Lease liabilities	21	40.13	38.49
(iii) Trade payables due to			
- Micro and Small Enterprises	25	17.33	14.20
- Other than Micro and Small Enterprises	25	383.23	388.27
(iv) Others	26	60.25	65.27
(b) Other current Liabilities	24	245.76	263.56
(c) Provisions	22	161.26	170.67
(d) Current tax liabilities (Net)	13	5.76	13.60
(e) Liabilities directly associated with assets classified as held for sale		-	0.08
Total Current liabilities		1,130.70	1,164.79
Total Equity and Liabilities		3,103.08	3,173.60

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date annexed

For and on behalf of the Board of Directors of GMM Pfaudler Limited

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Mumbai
Date: May 21, 2025

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 21, 2025

Alexander Poempner
Chief Financial Officer

Mumbai, May 21, 2025

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 21, 2025

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 21, 2025

Consolidated Statement of Profit & Loss

for the year ended March 31, 2025

(₹ in Crores)

Particulars	Note No.	Year Ended March 31, 2025	Year Ended March 31, 2024
INCOME			
Revenue from operations	27	3,198.69	3,446.48
Other income	28	30.41	20.02
Total income		3,229.10	3,466.50
EXPENSES			
Cost of materials consumed	29	1,188.18	1,249.33
Changes in inventories of finished goods and work in progress	30	68.99	130.99
Employee benefits expense	31	892.37	903.59
Finance cost	32	103.16	94.77
Depreciation and amortisation expense	6,7&9	144.44	150.28
Labour Charges		101.73	110.21
Other expenses	33	586.30	576.52
Total Expenses		3,085.17	3,215.69
Profit before exceptional items and tax		143.93	250.81
Exceptional items	47	47.66	-
Profit before tax		96.27	250.81
Tax expenses			
Current tax	23	69.22	94.56
Deferred tax	23	(22.12)	(14.41)
Total Tax expenses		47.10	80.15
Profit for the year		49.17	170.66
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
(i) Actuarial Gain / (Loss) on gratuity and pension obligations		10.19	(17.88)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3.78)	4.31
(B) Items that will be reclassified to profit or loss			
(i) Exchange difference in translating the financial statements of foreign components		7.10	8.35
Total Other Comprehensive Income / (Loss) (A + B)		13.51	(5.22)
Total Comprehensive Income for the year		62.68	165.44
Profit attributable to:			
Equity Holders of the Parent		52.97	175.47
Non-Controlling interests		(3.80)	(4.81)
Other Comprehensive Income attributable to:			
Equity Holders of the Parent		13.51	(5.22)
Non-Controlling interests		-	-
Total Comprehensive Income attributable to:			
Equity Holders of the Parent		66.48	170.25
Non-Controlling interests		(3.80)	(4.81)
Earnings per equity share :			
Basic (in ₹)	42	11.78	39.03
Diluted (in ₹)		11.78	39.02

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date annexed

For and on behalf of the Board of Directors of GMM Pfaudler Limited

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Mumbai
Date: May 21, 2025

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 21, 2025

Alexander Poempner
Chief Financial Officer

Mumbai, May 21, 2025

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 21, 2025

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 21, 2025

Consolidated Statement of Cash Flow

for the year ended March 31, 2025

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	96.27	250.81
Adjustments for :		
Depreciation and amortisation expense	144.44	150.28
Net gain on disposal of Property, Plant & Equipment including asset held for sale	(1.22)	(0.54)
Fair value loss on financial instruments valued at fair value through profit or loss	2.45	-
Provision for Inventory	7.97	-
Interest income	(5.75)	(13.75)
Finance cost	88.70	94.77
Share based payment to employees (net)	0.94	2.41
Provision for doubtful debts and liquidated damages	3.35	6.32
Provision for warranty	2.68	(4.52)
Exceptional items	37.48	-
Unrealised foreign exchange fluctuation loss	0.50	17.38
Operating Profit before working capital changes	377.81	503.16
Adjustments for :		
Decrease in Inventories	69.10	151.62
Decrease in Trade receivable, loans and other financial & non financial assets	52.40	58.32
(Decrease) in Trade payables, provisions and other financial & non financial liabilities	(44.54)	(335.21)
Cash generated from operations	454.77	377.89
Direct taxes paid	(76.67)	(94.00)
Net cash generated from operating activities	378.10	283.89
A		
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including intangible assets, right of use assets, capital advances & capital creditors)	(62.93)	(63.78)
Payment towards acquisition of business	-	(23.15)
Proceeds from sale of Property, Plant and Equipment including assets held for sale	3.07	1.17
Redemption of deposit from bank (net) (including margin money deposits)	1.67	40.22
Interest received	5.89	13.84
Net cash used in investing activities	(52.30)	(31.70)
B		

Consolidated Statement of Cash Flow (Contd.)

for the year ended March 31, 2025

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short term borrowings	148.64	250.17
Repayment of short term borrowings	(100.04)	(206.15)
Proceeds from long term borrowings	0.33	-
Repayment of long term borrowings	(115.89)	(144.77)
Proceeds from issue of share capital to Non-controlling Interest	4.19	-
Finance cost paid	(79.33)	(88.12)
Dividend paid	(8.78)	(8.87)
Payment of lease liabilities	(49.74)	(46.30)
Net cash used in from financing activities	(200.62)	(244.04)
Net Increase in Cash & Cash Equivalents	(A+B+C)	8.15
Cash & Cash equivalents, at the beginning of the year	319.63	311.48
Cash & Cash equivalents, at the end of the year	444.81	319.63
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on hand	0.24	0.21
Balances with banks		
- In current accounts	444.57	319.42
	444.81	319.63

Disclosure as per para 44A as set out in Ind AS 7 on cash flow statement under companies (Indian Accounting Standards) Rules, 2015 (as amended):

(₹ in Crores)

Particulars of liabilities arising from financing activities	Note	Year ended March 31, 2024	Net cash flows	Non cash changes		Year ended March 31, 2025
				Other changes*	Impact due to Ind AS 116	
Borrowings:						
Long term borrowings including current maturities of long term borrowing	20	613.58	(115.56)	3.85	-	501.87
Short term borrowings	20	98.44	48.60	1.71	-	148.75
Interest accrued on borrowings	26	3.93	(79.33)	79.20	-	3.80
Lease liabilities	21	194.01	(49.74)	13.84	41.66	199.77

* The same relates to amount charged in Statement of Profit and Loss

The Consolidated statement of Cash Flow has been prepared under the "Indirect Method" set out in Ind AS 7 Statement of Cash Flow.

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date annexed

For and on behalf of the Board of Directors of GMM Pfaudler Limited

For Deloitte Haskins & Sells
Chartered Accountants

Kartikya Raval
Partner

Mumbai
Date: May 21, 2025

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 21, 2025

Alexander Poempner
Chief Financial Officer
Mumbai, May 21, 2025

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 21, 2025

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 21, 2025

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

A. Equity Share Capital

Particulars	(₹ in Crores)	
	Amount	
Balance at March 31, 2023	8.99	
Changes in Equity Share capital during the year	-	
Balance at March 31, 2024	8.99	
Balance at April 1, 2024	8.99	
Changes in Equity Share capital during the year	-	
Balance at March 31, 2025	8.99	

B. Other Equity

Particulars	Capital Reserve	Securities Premium	General Reserve	Cash Subsidy Reserve	Retained Earnings	Share options outstanding reserve	Foreign Currency Translation Reserve	Attributable to the equity holders of the parent	Non-Controlling Interests	Total Equity
Balance at April 1, 2023	(13.87)	179.26	24.04	0.07	542.10	3.31	56.79	791.70	11.24	802.94
Profit for the year	-	-	-	-	175.47	-	-	175.47	(4.81)	170.66
Movement during the year in Foreign Currency Translation Reserve	-	-	-	-	-	-	8.35	8.35	-	8.35
Other comprehensive income for the year, net of income tax	-	-	-	-	(13.57)	-	-	(13.57)	-	(13.57)
Total comprehensive income for the year	-	-	-	-	161.90	-	8.35	170.25	(4.81)	165.44
Less: Payment of dividends	-	-	-	-	(8.99)	-	-	(8.99)	-	(8.99)
Add: Issue of Shares under Employee Stock Option Scheme	-	-	-	-	-	2.41	-	2.41	-	2.41
Balance at March 31, 2024	(13.87)	179.26	24.04	0.07	695.01	5.72	65.14	955.37	6.43	961.80
Balance at April 1, 2024	(13.87)	179.26	24.04	0.07	695.01	5.72	65.14	955.37	6.43	961.80
Add: Additional share of Non-Controlling interests in JDS Manufacturing Inc	-	-	-	-	-	-	-	-	4.19	4.19
Profit for the year	-	-	-	-	52.97	-	-	52.97	(3.80)	49.17
Movement during the year in Foreign Currency Translation Reserve	-	-	-	-	-	-	7.10	7.10	-	7.10
Other comprehensive income for the year, net of income tax	-	-	-	-	6.41	-	-	6.41	-	6.41
Total comprehensive income for the year	-	-	-	-	59.38	-	7.10	66.48	0.39	66.87
Less: Payment of dividends	-	-	-	-	(8.99)	-	-	(8.99)	-	(8.99)
Add: Issue of Shares under Employee Stock Option Scheme	-	-	-	-	-	0.94	-	0.94	-	0.94
Balance at March 31, 2025	(13.87)	179.26	24.04	0.07	745.40	6.66	72.24	1,013.80	6.82	1,020.62

As per our report of even date annexed

For Deloitte Haskins & Sells
Chartered Accountants

Kartikaya Raval
Partner

Mumbai
Date: May 21, 2025

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 21, 2025

Alexander Poempner
Chief Financial Officer
Mumbai, May 21, 2025

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 21, 2025
Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 21, 2025

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

1. Corporate Information

GMM Pfaudler Limited (the Company/Parent), together with it's subsidiaries (the "Group"), is the leading technologies, systems and services provider for the chemical and pharmaceutical industries, as well as many others. The Group designs, manufactures, installs and service corrosion-resistant equipment and complete chemical process systems, customized as per the requirements of the customers. The Group has 20 global manufacturing facilities across 4 continents. The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE).

The consolidated financial statements comprise financial statements of the Parent Company, GMM Pfaudler Limited and its subsidiary companies (together referred to as "Group").

The subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of Subsidiary Company	Country of Incorporation	% of Holding	
			Current Year	Previous Year
1	Mavag AG	Switzerland	100%	100%
2	GMM International S.a.r.l	Luxembourg	100%	100%
3	Pfaudler GmbH	Germany	100%	100%
4	Pfaudler Normag Systems GmbH	Germany	100%	100%
5	Pfaudler Interseal GmbH	Germany	100%	100%
6	Pfaudler France S.à r.l.	France	100%	100%
7	Mixel France SAS (w.e.f 2 February 2023)	France	100%	100%
8	Mixel Agitator Company Limited (w.e.f 2 February 2023)	China	100%	100%
9	Pfaudler s.r.l.	Italy	100%	100%
10	Hydro Air Research Italia S.r.l (w.e.f 3 August 2022)	Italy	100%	100%
11	Pfaudler Limited	UK	100%	100%
12	Pfaudler services Benelux B.V.	Netherlands	100%	100%
13	Pfaudler Private Limited	Singapore	100%	100%
14	Pfaudler Ltda.	Brazil	100%	100%
15	Pfaudler SA de CV	Mexico	100%	100%
16	Pfaudler (Chang Zhou) Process Equipment Company Limited	China	100%	100%
17	GMM Pfaudler US Inc	USA	100%	100%
18	Edlon, Inc.	USA	100%	100%
19	GMM Pfaudler JDS LLC (w.e.f 28 November 2022)	USA	51%	51%
20	Glasteel Parts and Services, Inc.	USA	100%	100%
21	Professional Mixing Equipment Inc. (w.e.f 1 December 2023)	Canada	100%	-
22	GMM Pfaudler Foundation	India	100%	100%

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Parent i.e., year ended March 31, 2025.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

2. Statement of compliance

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

3. Basis of Preparation of Consolidated Financial Statements

a. Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. (refer note no. h)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or

liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b. Functional and Presentation Currency

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Parent. All the amounts are stated in the nearest Rupee Crore.

4. Material Accounting Policies

a. Basis of Consolidation

The Group consolidates entities which it owns or controls. The Consolidated Financial Statement comprise the financial statements of the Group and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses including unrealized gain /loss and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

b. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenses related to the acquisition and installation of Property, Plant and Equipment which comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making

the asset ready for its intended use and other incidental expenses.

Machinery spares which can be used only in connection with an item of Property, Plant and Equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant class of assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital Work in Progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit & loss.

Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

c. Depreciation and Amortisation, Useful life of Property, Plant & Equipment and Intangible Assets

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

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

Name of Assets	Useful life
A) Burning Scaffold and Pilot Plant (included under Plant & Machinery)	3 years
B) Telephones (included under Office Equipment)	3 years
C) Vehicles	6 years
D) Solar Power Plant	10 years
E) Machinery and equipment (Foreign Subsidiaries)	1 to 30 years
F) Buildings (Foreign Subsidiaries)	5 to 50 years

Items costing less than ₹5000/- are fully depreciated in the year of put to use/purchase.

Leasehold improvements are amortized equally over the period of lease.

Amortisation

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Name of Assets	Useful life
A) Computer Software	3-6 years
B) Technical Knowhow	3 years
C) Backlog	1 years
D) Process Knowhow	10 years
E) Non- Compete agreement	3 years

Name of Assets	Useful life
F) Technology	20 years
G) Trademark	20 years
H) Customer Relationships	20 years
I) Other Intangibles (Order backlog and POC)	8 -17 months

d. Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its Property, Plant and equipment and intangible assets to determine whether there is an indication that those assets may be impaired. If any such indication exists, the Group estimates the asset's recoverable amount in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount of an individual asset or CGU is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of other assets in the CGU on a pro rata basis.

The Group reviews at each reporting date whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the recoverable amount of an asset or CGU. A previously recognised

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such reversal is made only to the extent that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that the assets may be impaired.

e. Business combination and Goodwill

Business combination

Business Combination is accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired.

Goodwill is not amortized but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) expected to benefit from the

synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

f. Foreign Exchange Transactions and Translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

Foreign Operations

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Statement of profit and loss has been translated using weighted average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

g. Inventories

Inventories are stated at lower of cost and net realizable value. Cost is determined on the weighted average method and is net of tax credits and after providing for obsolescence and other losses. Cost includes all charges in bringing the goods to their existing location and

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

conditions, including various tax levies (other than those subsequently recoverable from the tax authorities), transit insurance and receiving charges. Cost of work-in-progress and finished goods include cost of direct materials consumed, labour cost and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Net realizable value is the contracted selling value less the estimated costs of completion and the estimated costs necessary to make the sales.

h. Financial Instruments

Financial assets and / or financial liabilities are recognized when the Group becomes party to a contract embodying the related financial instruments. All financial assets and financial liabilities are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognized amounts and it is intended to either settle on net basis or to realize the asset and settle the liability simultaneously.

(I) Financial assets:

i. Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Subsequent measurement of financial assets

For purposes of subsequent measurement,

financial assets are classified in below categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost if it 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL.

iii. De-recognition of financial assets

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Group has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

iv. Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for trade receivables. The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables and the economic environment.

(II) Financial liabilities:

i. Initial recognition and measurement of financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. All financial liabilities are recognized initially at fair value, in case of loan and borrowings and payables, fair value is reduced by directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss (FVTPL).

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses on changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities at amortized cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of each subsequent accounting period. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on effective interest method. Interest expenses that is not capitalized as part of cost of an asset is included in the 'finance cost' line item.

Amortized 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 amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

iii. De-recognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

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 recognized in the statement of profit and loss.

(III) Derivative financial instruments

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the Statement of Profit and Loss immediately.

i. Cash & Cash Equivalents

Cash and cash equivalents consist of cash on hand, short demand deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

j. Revenue Recognition

Revenue towards satisfaction of performance obligation from contracts with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, acceptance of delivery by the customer, etc.

In respect of fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting based on the progress towards complete satisfaction of the performance obligation of the contract at the reporting date. The progress is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the costs incurred up to the end of reporting period and costs to complete as a percentage of total estimated costs in the contract.

Estimates of revenues, cost or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by Management.

In respect of variable consideration, the nature of the contracts gives rise to several types of variable considerations including but not limited to claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The Group recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The Group estimates the amount of revenue to be recognized on variable consideration using the expected value or the most likely amount method, whichever is expected to better predict the amount.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and Performance penalty, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Unbilled Revenues are recognised when there is excess of revenue earned over billings on contracts.

Contract assets in the nature of unbilled revenues are initially recognised for revenue earned from operations as receipt of consideration is conditional on successful completion of performance obligation. Upon fulfilment of performance obligation and acceptance by the

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

customer, the amounts recognised as unbilled revenues are reclassified to Trade Receivables.

Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from customer. Contract liabilities are classified as advance from customers and recognised as revenue when the Group performs under the project.

Other Income:

Dividend income is recognized when the right to receive the same is established.

Interest income is recognized on accrual basis.

k. Product Warranty Expenses

Provision is made in the consolidated financial statements for the estimated liability on account of costs that may be incurred on products sold under warranty. The estimates for the costs to be incurred for providing free service under warranty are determined based on historical information, past experience, average cost of warranty claims that are provided for in the year of sale.

l. Employee Benefits

Employee benefits include provident fund, superannuation fund, family pension fund, medical plan, gratuity fund, compensated absences, Partial or Early Retirement and Incentives.

Defined contribution plans

The Group's contribution to provident fund, family pension fund and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, pension fund, Seniority plan and Medical plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance

sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit & loss. Past service cost is recognised in statement of profit & loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in statement of profit & loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, sick leave and other short term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of long-term employee benefits in form of compensated absences are measured at the present value of

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for the year ended March 31, 2025

the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Share-based payment transactions of the Group

Certain eligible Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions) of the listed parent entity i.e., GMM Pfaudler Limited.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction,

or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

m. Operating Expenses

Operating Expenses are charged to statement of Profit and Loss on accrual basis.

n. Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

Right of Use Assets

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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for the year ended March 31, 2025

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses.

Lease liabilities:

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised

discount rate at the effective date of the modification.

o. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the financial statements. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable in the financial statements.

p. Taxation

Tax expense comprise of current and deferred tax. Current income tax comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in jurisdictions where such operations are domiciled.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax are recognised in statement of profit & loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income Tax Act regulation are recognized in statement of changes in equity as part of associated dividend payment.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction and the Group intends to settle the asset and liability on a net basis. The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

q. Segment Reporting

The Group identifies segments as operating segments whose operating results are regularly reviewed by the Chief Operating Decision Maker [CODM] to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The Group has classified

geography (India and Overseas) as reportable segments which is in line with Ind AS 108, Operating Segments.

All reporting segments within the Group follow a common accounting policies. Segment assets include all operating assets used by the business segments and consist principally of property plant and equipment, intangible assets, debtors and inventories. Segment liabilities include the operating liabilities that result from operating activities of the business segment. Assets and Liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

r. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in right 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 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.

s. Non-current assets held for sale

The Group classifies non-current assets (or disposal Group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions

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required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

t. Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

u. Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

v. Exceptional Items

An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Group is treated as an exceptional item in the Statement of Profit and Loss account.

w. Use of Estimates

The preparation of consolidated financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

1. Useful lives of property, plant and equipment

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

- (refer note no. 4c, 6, 7 & 9)
2. Recognition of Revenue over a period of time (refer note no. 4j & 27)
3. Defined benefit plans (refer note no. 4l & 36)
4. Impairment of Goodwill (refer note no. 4e & 9)

5. Recent Pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended on March 31, 2025, the MCA has notified Ind AS 117 Insurance Contracts and amendments to Ind AS 116 Leases, relating to sale and leaseback transactions, applicable

to the Group effective from April 01, 2024. The Group has evaluated the new pronouncements or amendments and there is no material impact on its Financial Statements.

On May 7, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Group is currently assessing the probable impact of these amendments on its financial statements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 6: Property, Plant & Equipment

Note 6: Property, Plant & Equipment														₹ in Crores
CLASS OF ASSETS	GROSS BLOCK				DEPRECIATION & IMPAIRMENT					NET BLOCK				
	As on 01.04.2024	Additions	Deduct- ions	Assets classified as held for sale (Refer Note 3 below)	Foreign currency translation	As on 31.03.2025	Upto 01.04.2024	For the Year	Impairment Loss (Refer Note 47)	On Deduc- tions	Assets classified as held for sale (Refer Note 3 below)	Foreign currency translation	Upto 31.03.2025	As on 31.03.2025
Freehold land	55.60	1.69	-	38.29	0.42	19.42	0.32	-	-	-	-	0.01	0.33	19.09
Leasehold Improvement	39.68	1.84	-	-	0.80	42.32	13.60	2.44	-	-	-	0.16	16.20	26.12
Buildings	137.15	5.30	8.38	7.66	2.09	128.50	22.48	6.08	0.41	7.79	3.34	0.14	17.98	110.52
Plant & Machineries	288.28	42.71	49.10	2.50	3.33	282.72	107.76	41.65	4.59	48.07	1.55	0.08	104.46	178.26
Office Equipment	36.26	8.42	1.81	3.78	0.92	40.01	12.93	6.66	-	2.10	0.87	(0.02)	16.60	23.41
Furniture & Fixtures	11.19	0.60	1.56	0.00	0.24	10.47	5.85	1.58	-	1.56	0.00	0.11	5.98	4.49
Vehicles	10.90	1.39	0.78	-	0.09	11.60	6.35	1.34	-	0.47	-	0.08	7.30	4.30
Total	579.06	61.95	61.63	52.23	7.89	535.04	169.29	59.75	5.00	59.99	5.76	0.56	168.85	366.19

CLASS OF ASSETS	GROSS BLOCK						DEPRECIATION				NET BLOCK			
	As on 01.04.2023	Acquisitions through business combination (Refer Note 45)	Additions	Deductions	Assets classified as held for sale (Refer Note 4 below)	Foreign currency translation	As on 31.03.2024	Upto 01.04.2023	For the Year	On Deduct- ions	Assets classified as held for sale (Refer Note 4 below)	Foreign currency translation	Upto 31.03.2024	As on 31.03.2024
Freehold land	55.16	-	0.22	-	-	0.22	55.60	0.32	-	-	-	0.00	0.32	55.28
Leasehold Improvement	38.55	-	0.67	-	-	0.46	39.68	10.09	3.45	-	-	0.06	13.60	26.08
Buildings	128.27	-	8.58	-	0.38	0.68	137.15	16.50	6.10	-	0.17	0.05	22.48	114.67
Plant & Machineries	287.65	0.09	36.06	35.91	-	0.39	288.28	102.41	40.96	35.63	-	0.02	107.76	180.52
Office Equipment	28.88	0.27	7.45	0.70	-	0.36	36.26	6.66	6.67	0.69	-	0.29	12.93	23.33
Furniture & Fixtures	7.92	-	3.26	0.08	-	0.09	11.19	4.06	1.81	0.07	-	0.05	5.85	5.34
Vehicles	10.65	-	0.84	0.64	-	0.05	10.90	4.83	1.80	0.32	-	0.04	6.35	4.55
Total	557.08	0.36	57.08	37.33	0.38	2.25	579.06	144.87	60.79	36.71	0.17	0.51	169.29	409.77

Notes:

- There are no adjustment to Property, Plant & Equipment on account of borrowing costs.
- Refer Note 20 for details of Charge/ pledge on above assets.
- During the current year, the Group has decided to sell its Hyderabad Facility in India. Accordingly, the Group has reclassified these assets as "Assets held for sale" at their carrying value amounting to ₹46.47 Crores as they met the criteria laid out under Indian Accounting Standard 105. The Group has plan to close the deal within a year. The proceeds of sale are expected to exceed the carrying value of the related assets and hence, no impairment loss has been recognised on the reclassification of the said assets.
- During previous year, the Group had decided to sell its branch office. Accordingly, the Group had reclassified these assets as "Assets held for sale" at their carrying value amounting to ₹0.21 Crores as they met the criteria laid out under Indian Accounting Standard 105. During the current year, the sale of the office has been completed.

Note 7: Right of Use Assets

Note 7: Right of Use Assets												(₹ in Crores)	
CLASS OF ASSETS	GROSS BLOCK					AMORTISATION					NET BLOCK		
	As on 01.04.2024	Additions	Deductions	Foreign currency translation	As on 31.03.2025	Upto 01.04.2024	For the Year	On Deductions	Foreign currency translation	Upto 31.03.2025	As on 31.03.2025		
Leasehold Land	0.25	-	-	-	0.25	0.15	0.05	-	-	0.20	0.05		
Land and Buildings	286.41	44.94	3.41	4.79	332.73	86.17	34.90	1.78	1.48	120.77	211.96		
Plant & Machineries	6.41	0.52	0.05	0.27	7.15	3.05	1.11	0.05	0.14	4.25	2.90		
Office Equipment	6.61	3.29	2.51	(0.11)	7.28	2.73	1.86	1.92	(0.06)	2.61	4.67		
Vehicles	24.22	9.39	6.62	0.91	27.90	10.84	7.33	6.35	0.39	12.21	15.69		
Total	323.90	58.14	12.59	5.86	375.31	102.94	45.25	10.10	1.95	140.04	235.27		

	GROSS BLOCK					AMORTISATION				NET BLOCK		
CLASS OF ASSETS	As on 01.04.2023	Acquisitions through business combination (Refer Note 45)	Additions	Deductions	Foreign currency translation	As on 31.03.2024	Upto 01.04.2023	For the Year	On Deductions	Foreign currency translation	Upto 31.03.2024	As on 31.03.2024
Leasehold Land	0.25	-	-	-	-	0.25	0.10	0.05	-	-	0.15	0.10
Land and Buildings	240.95	3.38	48.01	6.47	0.54	286.41	53.02	31.11	0.44	2.48	86.17	200.24
Plant & Machineries	5.88	-	0.51	0.16	0.18	6.41	1.81	1.34	0.16	0.06	3.05	3.36
Office Equipment	4.92	-	2.01	0.39	0.07	6.61	1.74	1.20	0.24	0.03	2.73	3.88
Vehicles	18.86	-	10.10	5.11	0.37	24.22	8.49	6.15	3.96	0.16	10.84	13.38
Total	270.86	3.38	60.63	12.13	1.16	323.90	65.16	39.85	4.80	2.73	102.94	220.96

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 8: Capital work in progress

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital work in progress	11.93	27.36
Total	11.93	27.36

(a) Capital work in progress ageing schedule

(₹ in Crores)

Particulars	As at March 31, 2025					As at March 31, 2024				
	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
Projects in progress	5.26	0.37	6.30	-	11.93	14.96	11.08	0.35	0.97	27.36
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	5.26	0.37	6.30	-	11.93	14.96	11.08	0.35	0.97	27.36

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, the project wise details of when the project is expected to be completed is given below:

(₹ in Crores)

Particulars	As at March 31, 2025					As at March 31, 2024				
	To be completed in				Total	To be completed in				Total
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
Buildings	0.16	-	-	-	0.16	1.52	-	-	-	1.52
Plant & machineries	2.38	-	-	-	2.38	7.30	-	-	-	7.30
Office equipment	-	-	-	-	-	0.22	-	-	-	0.22
Total	2.54	-	-	-	2.54	9.04	-	-	-	9.04

CLASS OF ASSETS	GROSS BLOCK				AMORTISATION & IMPAIRMENT					NET BLOCK		
	As on 01.04.2024	Additions	Deductions	Foreign currency translation	As on 31.03.2025	Upto 01.04.2024	For the Year	Impairment Loss (Refer Note 47)	On Deductions	Foreign currency translation	Upto 31.03.2025	As on 31.03.2025
Computer software	12.27	0.60	1.08	0.04	11.83	10.87	0.60	-	1.08	0.02	10.41	1.42
Technical knowhow	0.22	-	-	-	0.22	0.18	0.01	-	-	-	0.19	0.03
Backlog	73.38	0.94	-	1.15	75.47	65.36	7.36	-	-	1.19	73.91	1.56
Process knowhow	12.07	-	-	-	12.07	5.96	1.21	-	-	-	7.17	4.90
Non- compete agreement	15.64	-	-	-	15.64	15.64	-	-	-	-	15.64	-
Supplier relationships	9.24	-	-	0.19	9.43	1.49	0.93	-	-	-	2.42	7.01
Customer relationships	214.84	-	-	2.39	217.23	27.30	12.09	6.28	-	0.69	46.36	170.87
Trade marks	344.76	-	-	6.07	350.83	50.94	17.24	12.45	-	1.50	82.13	268.70
Total	682.42	1.54	1.08	9.84	692.72	177.74	39.44	18.73	1.08	3.40	238.23	454.49

	GROSS BLOCK					AMORTISATION				NET BLOCK		
	As on 01.04.2023	Acquisitions through business combination (Refer Note 45)	Additions	Deductions	Foreign currency translation	As on 31.03.2024	Upto 01.04.2023	For the Year	On Deductions	Foreign currency translation	Upto 31.03.2024	As on 31.03.2024
CLASS OF ASSETS												
Computer software	15.38	-	0.14	3.40	0.15	12.27	12.18	1.95	3.40	0.14	10.87	1.40
Technical knowhow	0.22	-	-	-	-	0.22	0.16	0.02	-	-	0.18	0.04
Backlog	63.32	9.30	0.03	0.02	0.75	73.38	47.72	16.97	-	0.67	65.36	8.02
Process knowhow	12.07	-	-	-	-	12.07	4.74	1.22	-	-	5.96	6.11
Non- compete agreement	15.64	-	-	-	-	15.64	13.62	2.02	-	-	15.64	-
Supplier relationships	9.16	-	-	-	0.08	9.24	0.57	0.92	-	-	1.49	7.75
Customer relationships	187.16	25.36	-	-	2.32	214.84	17.41	9.62	-	0.27	27.30	187.54
Trade marks	334.61	6.70	-	-	3.45	344.76	33.59	16.92	-	0.43	50.94	293.82
Total	637.56	41.36	0.17	3.42	6.75	682.42	129.99	49.64	3.40	1.52	177.74	504.68

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 9: Other Intangible Assets (Contd.)

Depreciation and Amortisation Expense

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Depreciation of Property, plant and equipment (Refer Note 6)	59.75	60.79
Amortisation on Right to Use Assets (Refer Note 7)	45.25	39.85
Amortisation of Intangible Assets (Refer Note 9)	39.44	49.64
Total Depreciation and Amortisation expense	144.44	150.28

Movement of Goodwill

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Carrying value at the beginning of the year	115.27	98.35
Goodwill on business combinations (Refer note 45)	-	14.33
Impairment of Goodwill (Refer Below Note)	(5.76)	-
Translation differences	(0.44)	2.59
Carrying value at the end of the year	109.07	115.27

Note:

Impairment tests on goodwill are performed at the level of the CGUs. The recoverable amount of a CGU is determined by calculating the value in use using a net present value method.

The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to direct costs during the year. Management estimates discount rates using the capital market parameters (WACC) to discount future cash flows to their present value as at the measurement date. The growth rates are based on management's forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. The Group prepares its forecasts based on the most recent financial budgets approved by management.

Applied discount rates (WACC) for Goodwill impairment testing purposes were in a range from 9.77% to 20.66% and terminal growth of 2%.

Impairment testing at the level of each CGU as at March 31, 2025 and as at March 31, 2024 did not reveal any indications that Goodwill was impaired except below:

The Group decided to shut down its glass-line manufacturing operations within its CGU "Pfautler Ltd", United Kingdom, and therefore adjusted its business expectations for this entity / CGU accordingly. This shut down / restructuring of the UK glass-line manufacturing operations resulted in an impairment of PPE, Goodwill, and Intangibles amounting to ₹29.49 Crores (Refer note 6 and 9). As a consequence, goodwill allocated to this CGU in the amount of ₹5.76 Crores was impaired as at March 31, 2025.

Goodwill is attributable to future growth of business out of synergies. Goodwill acquired through acquisitions and business combinations pertains to following Cash Generating Units (CGUs).

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
GMM Pfautler Limited	5.93	5.93
Pfautler Normag Systems GmbH	18.39	17.93
Pfautler interseal GmbH	14.72	14.35
Mixel France SAS including Mixel Agitator Co. Ltd.	1.05	1.02
Pfautler Service BeNeLux B.V.	6.95	6.77
Pfautler S.r.l.	4.75	4.63
Hydro Air Research Italia S.r.l	11.06	10.79
Pfautler Limited	-	5.63
Pfautler S.A. de C.V.	2.96	3.56
Edlon Inc.	18.25	17.80
GMM Pfautler US Inc.	46.73	45.57
Pfautler Ltda.	19.73	22.27
Professional Mixing Equipment Inc.	13.86	14.33
Goodwill allocated to Non Controlling Interest	(55.31)	(55.31)
Total	109.07	115.27

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 10: Investments

(₹ in Crores)

Particulars	Face value (₹)	Quantity	Amount	Quantity	Amount
		As at March 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2024
Non Current					
Shares in Co-operative Society (unquoted) (at fair value)					
Charotar Gas Sahakari Mandli Ltd#	500	10	0.00	10	0.00
Equity Shares (unquoted) (at fair value)					
Futura Polyster Ltd *	10	100	0.00	100	0.00
Mana Effluent Treatment Plant Limited	1000	50	0.01	50	0.01
			0.01		0.01
Total unquoted investments			0.01		0.01

(* Unit 100 and Value ₹385/-)

(# Unit 10 and Value ₹5000/-)

Note:

For category wise classification of investments - as per Ind AS 109, Refer Note 38.2

Note 11: Loans

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Non Current		
(Unsecured, Considered good)		
Loans to employees	0.94	1.20
Total	0.94	1.20
(ii) Current		
(Unsecured, Considered good)		
Loans to employees	2.65	3.52
Total	2.65	3.52

Note: There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any person.

Note 12: Other Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Non Current		
Security Deposits (including considered doubtful as at 31.03.2025 ₹0.07 Crore and as at 31.03.2024 ₹0.07 Crore)	5.04	4.87
Less : Provision for doubtful security deposits	0.07	0.07
Total	4.97	4.80
Fixed deposits with maturity more than twelve months (including margin money deposit lodged against bank guarantee as at 31.03.2025 NIL and as at 31.03.2024 ₹0.30 Crore)	-	0.30
Total	4.97	5.10

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 12: Other Financial Assets (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(ii) Current		
Accrued income	0.52	0.66
Security deposits	6.09	24.40
Unbilled Revenue (Net of advance from customers of ₹252.87 Crore as at March 31, 2025 and as at ₹520.18 Crore March 31, 2024)	305.13	278.71
Others	0.26	0.93
Total	312.00	304.70

Note 13: (Current Tax Liabilities) / Non Current Tax Assets

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Non Current		
Provision for Income Tax	-	(22.13)
Advance payment of Tax	-	22.52
Total	-	0.39
(ii) Current		
Provision for Income Tax	(56.86)	(50.88)
Advance payment of Tax	51.10	37.28
Current Tax Liabilities	(5.76)	(13.60)

Note 14: Other Assets

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Non Current		
Capital Advances (Unsecured, Considered Good)	5.18	4.27
Balances With Government Tax Authorities (Net off provision of doubtful balance of ₹0.30 Crore for March 31, 2025 and ₹0.30 Crore for March 31, 2024)	0.16	0.16
Prepaid expenses	18.22	21.65
Total	23.56	26.08
(ii) Current		
Balances With Government Tax Authorities (Net off provision of doubtful balance of ₹0.40 Crore for March 31, 2025 and ₹0.40 Crore for March 31, 2024)	50.92	37.41
Prepaid expenses	33.83	32.23
Advance to suppliers (Unsecured, Considered Good)	38.32	55.65
Employee Advances*	2.65	4.67
Export benefit receivable	1.27	2.28
Others	1.54	9.15
Total	128.53	141.39

***Note:** There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any person.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 15: Inventories

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(Valued at lower of cost and net realisable value)		
Raw materials (including in transit as at March 31, 2025 ₹10.21 Crore and as at March 31, 2024 ₹13.58 Crore)	293.93	308.67
Work-in-progress	131.71	195.68
Finished goods (including in transit as at March 31, 2025 ₹15.27 Crore and as at March 31, 2024 ₹12.52 Crore)	105.80	110.82
Stores and spares	8.87	10.19
Total	540.31	625.36

Note:

a Inventories are hypothecated as security for borrowings as disclosed under Note 20.

b Write down of inventories was recognised amounting to ₹15.95 Crore for the year ended March 31, 2025 and ₹13.34 Crore for the year ended March 31, 2024.

Note 16: Trade receivables

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered good	402.01	440.85
Trade Receivables – which have significant increase in credit risk	15.23	19.87
Trade Receivable – credit impaired	3.12	2.33
	420.36	463.05
Less : Allowance for doubtful debts	33.57	30.22
Total	386.79	432.83

Note:

- Trade Receivables are given as security for borrowings as disclosed under Note 20
- No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies in which any director is a partner, a director or a member.
- Trade receivable are collectable between 30-60 days considering business and commercial arrangements with the customers. Also trade receivables are non interest bearing.
- Includes Trade Receivables from Related Parties, Refer Note 40
- There has been no change in estimation technique for expected credit loss during the current year.
- Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.
- The Group has entered into receivables purchase agreements with banks to unconditionally and irrevocably sell, transfer, assign and convey all the rights, titles and interest of the Group in the receivables as identified. Receivables sold as on March 31, 2025 are of ₹19.53 Crore and March 31, 2024 are of ₹32.49 Crores. The Group has derecognized these receivables as it has transferred its contractual rights to the banks with substantially all the risks and rewards of ownership and retains no control over these receivables as the banks have the right to further sell and transfer these receivables.

(₹ in Crores)

Movement in the Expected Credit loss Allowance	Year Ended March 31, 2025	Year Ended March 31, 2024
Balance at beginning of the year	30.22	27.91
Add : Provision made during the year	16.11	11.63
Less: Provision used during the year	(13.06)	(9.52)
Add/(Less): Exchange differences	0.30	0.20
Balance at the end of the year	33.57	30.22

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 16: Trade receivables (Contd.)

Trade receivables ageing schedule as at March 31, 2025

(₹ in Crores)

Particulars	Outstanding for following period from due date of Payments						Total
	Not Due	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	208.65	149.95	35.40	3.55	1.52	0.37	399.44
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	1.39	2.46	8.51	0.89	0.39	13.64
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.74	-	0.48	1.22
(iv) Disputed Trade Receivables–considered good	-	2.30	-	-	0.27	-	2.57
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	0.15	1.44	1.59
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	0.17	1.73	1.90
Total	208.65	153.64	37.86	12.80	3.00	4.41	420.36
Less : Allowance for doubtful debts							33.57
Total Trade receivables							386.79

Trade receivables ageing schedule as at March 31, 2024

(₹ in Crores)

Particulars	Outstanding for following period from due date of Payments						Total
	Not Due	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	196.32	197.61	45.54	0.70	0.03	0.65	440.85
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.99	4.71	10.42	1.74	0.19	18.05
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	0.48	0.48
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	0.07	1.07	0.68	1.82
(vi) Disputed Trade Receivables – credit impaired	-	-	-	0.16	-	1.69	1.85
Total	196.32	198.60	50.25	11.35	2.84	3.69	463.05
Less : Allowance for doubtful debts							30.22
Total Trade receivables							432.83

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 17: Cash and Cash equivalents

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and Cash Equivalents		
Cash on hand	0.24	0.21
Balances with banks		
- In current accounts	444.57	319.42
Total	444.81	319.63
Other Bank Balances		
Fixed deposits with original maturity more than three months and less than twelve months (including margin money deposit lodged against bank guarantee and letter of credit as at 31.03.25 ₹21.65 Crore and as at 31.03.24 ₹23.02 Crore)	21.65	23.02
In unpaid dividend accounts - Earmarked balances (Refer Note 26(a))	0.64	0.42
In unspent Corporate Social Responsibility fund - Earmarked balances (Refer Note 26(b))	-	0.50
Total	22.29	23.94

Note 18: Equity Share Capital

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised:		
50,000,000 (March 31, 2024: 50,000,000) Equity shares of ₹2/- each	10.00	10.00
	10.00	10.00
Issued, Subscribed and Paid Up:		
4,49,57,224 (March 31, 2024: 4,49,57,224) Equity shares of ₹2/- each fully paid up	8.99	8.99
Total	8.99	8.99

(a) Reconciliation of equity shares outstanding at the beginning and end of the reporting year

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Shares	₹ in Crores	No of Shares	₹ in Crores
At the Beginning of the year	4,49,57,224	8.99	4,49,57,224	8.99
Balance at the end of the year	4,49,57,224	8.99	4,49,57,224	8.99

(b) Terms/rights attached to equity shares :

The parent has only one class of equity shares having a par value ₹2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 18: Equity Share Capital (Contd.)

(c) Details of shareholders holding more than 5% shares :

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% holding	No. of Shares	% holding
Millars Machinery Company Private Limited	43,36,357	9.65%	43,36,357	9.65%
Urmi Ashok Patel	23,60,022	5.25%	23,60,022	5.25%

(d) Buyback of Shares, Bonus Shares and Shares issued for Consideration other than cash

- Pursuant to approval granted by the shareholders of the Parent on June 26, 2022 through Postal ballot for issue of Bonus Shares, the Allotment Committee of Board of Directors at their meeting held on July 14, 2022 approved allotment of 2,92,35,000 Equity Shares having face value of ₹2/- each as fully paid-up Bonus Equity Shares, in the ratio of 2:1 i.e. 2 (Two) Equity Shares having face value of ₹2/- each for every 1 (One) equity share having face value of ₹2/- each held by the shareholders of the Parent as on July 12, 2022 being the record date.
- Pursuant to approval granted by the Board of Directors and after obtaining all the relevant approvals on September 01, 2022, The Parent has allotted 11,04,724 fully paid-up equity shares of the Parent having face value of ₹2 each, at a price of ₹1,542.43 each on a preferential basis to Millars Concrete Technologies Private Limited on September 29, 2022 for consideration other than cash for the transfer of 1,24,84,846 ordinary shares of GMM International S.a.r.l to the Parent.
- The Parent has not bought back any shares in the past five years.

(e) Shares reserved for issue under options and contracts:

Refer Note 37 for details of shares to be issued under employee stock option Scheme (ESOP 2021)

(f) Details of Equity shares held by promoter and promoter group at the end of year :

Shares held by promoters at the end of the year		As at March 31, 2025		
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Tarak Ashok Patel	5,21,880	1.16%	-
2	Ashok Jethabhai Patel	20,235	0.05%	-
3	Urmi Ashok Patel	23,60,022	5.25%	-
4	A J Patel HUF	8,31,705	1.85%	-
5	Panna Shailendra Patel	1,01,250	0.23%	-
6	Pragna Satish Patel	48,480	0.11%	-
7	Palomita Shailendra Patel	3,600	0.01%	-
8	A J Patel Charitable Trust	7,59,375	1.69%	-
9	Millars Machinery Company Private Limited	43,36,357	9.65%	-
10	Uttarak Enterprises Private Limited	12,32,655	2.74%	-
11	Millars Concrete Technologies Private Limited	11,04,724	2.46%	-
	Total	1,13,20,283	25.18%	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 18: Equity Share Capital (Contd.)

Shares held by promoters at the end of the year		As at March 31, 2024		
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Tarak Ashok Patel	5,21,880	1.16%	-
2	Ashok Jethabhai Patel	20,235	0.05%	-
3	Urmi Ashok Patel	23,60,022	5.25%	-
4	A J Patel HUF	8,31,705	1.85%	-
5	Panna Shailendra Patel	1,01,250	0.23%	-
6	Pragna Satish Patel	48,480	0.11%	-
7	Palomita Shailendra Patel	3,600	0.01%	-
8	A J Patel Charitable Trust	7,59,375	1.69%	-
9	Millars Machinery Company Private Limited	43,36,357	9.65%	1.00%
10	Uttarak Enterprises Private Limited	12,32,655	2.74%	-
11	Pfaudler Inc.#	-	0.00%	-14.56%
12	Millars Concrete Technologies Private Limited	11,04,724	2.46%	-
	Total	1,13,20,283	25.18%	

Pfaudler Inc. has sold off its entire holding and have ceased to be 'Promoter and Promoter Group'.

Note 19: Other Equity

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Reserve		
Balance at the beginning of the year	(13.87)	(13.87)
Movement during the year	-	-
Balance at the end of the year	(13.87)	(13.87)
Cash Subsidy Reserve		
Balance at the beginning of the year	0.07	0.07
Movement during the year	-	-
Balance at the end of the year	0.07	0.07
Securities Premium		
Balance at the beginning of the year	179.26	179.26
Movement during the year	-	-
Balance at the end of the year	179.26	179.26
Foreign Currency Translation Reserve		
Balance at the beginning of the year	65.14	56.79
Movement during the year	7.10	8.35
Balance at the end of the year	72.24	65.14

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 19: Other Equity (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
General Reserve:		
Balance at the beginning of the year	24.04	24.04
Movement during the year	-	-
Balance at the end of the year	24.04	24.04
Share options outstanding reserve:		
Balance at the beginning of the year	5.72	3.31
Add: Issue of Shares under Employee Stock Option Scheme (Refer Note 37)	0.94	2.41
Balance at the end of the year	6.66	5.72
Surplus in Statement of Profit and loss		
Balance at the beginning of the year	695.01	542.10
Add : Net Profit for the year	59.38	161.90
Less : Appropriations		
Interim Dividend [Dividend Per Share ₹1 (Previous Year ₹1)]	4.50	4.50
Final Dividend [Dividend Per Share ₹1 (Previous Year ₹1)]	4.49	4.49
Balance at the end of the year	745.40	695.01
Total	1,013.80	955.37

Nature and Purpose of Reserves:

Capital Reserve:

The parent executed merger of wholly owned subsidiary with it's step down wholly owned subsidiary. Since the transaction met the definition of "Common Control Transaction" it was accounted in accordance with Appendix C to Ind AS 103 "Business combinations". In accordance with the requirements of the Standard, difference between the amount previously recorded as investment in wholly owned subsidiary and the share capital including Security premium of step down wholly owned subsidiary has been transferred to capital reserve. It is not available for the distribution to shareholders as dividend.

Cash Subsidy Reserve:

Cash Subsidy Reserve represents subsidies received from state government. It is not available for distribution as dividend to shareholders.

Securities Premium:

Securities Premium represents Security Premium received at the time of issuance of Equity Shares. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Foreign Currency Translation Reserve:

Foreign Currency Translation Reserve arises as a result of translating the financial statement items from the functional currency into the parents presentational currency i.e. Indian Rupee.

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the Consolidated Statement of Profit & Loss.

Share options outstanding reserve:

This reserve relates to share options granted by the parent to its employee stock option scheme (refer note 37).

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 20: Borrowings

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Long Term Borrowings (at amortised cost)		
a. Non Current		
Secured		
Term Loan from bank (Refer note 1.1)	433.64	492.10
Unsecured		
Term Loan from bank (Refer note 1.1)	-	9.27
Total (i)	433.64	501.37
b. Current Maturities of Long terms borrowings		
Secured		
Term Loan from bank (Refer note 1.1)	58.56	102.93
Unsecured		
Term Loan from bank (Refer note 1.1)	9.67	9.28
Total	68.23	112.21
Total Long Term Borrowings	501.87	613.58
ii. Short Term Borrowings (at amortised cost)		
Secured		
Working Capital Loans repayable on demand from Banks (Refer note 1.2)	100.00	83.85
Unsecured		
Working Capital Loans repayable on demand from Banks & Financial Institutions (Refer note 1.2)	48.75	14.59
Current Maturities of Long term borrowings	68.23	112.21
Total Short Term Borrowings (ii)	216.98	210.65
Total Borrowings (i+ii)	650.62	712.02

Note:

1: The key terms and conditions of outstanding borrowings are as follows:

(₹ in Crores)

Particulars	Currency	Interest rate	Repayment Terms	March 31, 2025	March 31, 2024	Note
Secured Term Loan	INR	8.74%	Quarterly installments until September 2027	28.78	36.07	i
Secured Term Loan	INR	8.21%	Monthly installments until September 2027	46.88	65.63	i
Secured Term Loan	INR	8.35%	Quarterly installments until September 2027	35.29	49.41	i
Secured ECB Term Loan	USD	7.89%	Quarterly installments until January 2025 however pre-paid in June, 2024	-	30.27	i
Secured Term Loans	USD / EURO	SOFR / EURIBOR + 0.96 to 3.75 (Spread range)	August 2025 to August 2028	381.25	413.65	iv & v
Unsecured Term Loan	CHF	1.70%	Quarterly installments until March 2026	9.67	18.55	
1.1 Total Term Loan from Banks				501.87	613.58	

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 20: Borrowings (Contd.)

(₹ in Crores)

Particulars	Currency	Interest rate	Repayment Terms	March 31, 2025	March 31, 2024	Note
Secured Working Capital Loans	INR	7.10% to 7.15%	Repayable within 1 year	100.00	83.85	i & iii
Unsecured Working Capital Loan	INR	9.00%	Repayable within 1 year	9.79	-	
Unsecured Working Capital Loan	CHF	4.20%	Repayable within 1 year	19.54	14.59	iii
Unsecured Working Capital Loan	CHF	2.90%	Repayable within 1 year	19.42	-	iii
1.2 Total Working Capital Loans				148.75	98.44	
Total Borrowings (1.1+1.2)				650.62	712.02	

- i All the above mentioned secured loans have been secured and a charge has been filed with the Ministry of Corporate Affairs in favor of Axis Trustee Services Limited, on behalf of all the lenders. The details of security is as under:
 - (a) The term loan lenders shall have a first ranking pari passu charge over the immovable properties, moveable fixed assets and a second ranking pari passu charge over the current assets.
 - (b) The working capital lenders shall have a first ranking pari passu charge over the current assets and a second ranking pari passu charge over the immovable properties and moveable properties.
- ii Instalments falling due within a year in respect of all the above Loans aggregating ₹68.23 Crore (Previous Year 2023-24: ₹112.21 Crore) have been grouped under "Current Maturities of Long term borrowings".
- iii With regards to the working capital loans, the Parent has been duly submitting with all banks from whom such facilities are taken, the quarterly statements comprising details of said current assets viz. raw material, stores and spares, finished goods, book debts and reduced by relevant trade payables. The said quarterly statements are in agreement with the unaudited books of account of the Parent of the respective quarters and there are no material discrepancies.
- iv Loans availed by the subsidiary GMM International S.a.r.l and its downward subsidiaries carries an interest rate of SOFR / EURIBOR + applicable margin as per the Senior Facilities Agreement ("SFA") entered with the banks. The applicable margin depends on leverage ratio levels and may vary from 0.75% to 4.50%. Leverage is defined as a ratio of net debt and EBITDA adjusted according to the definitions included in the SFA. As per March 31, 2025 observable margins of the SFA facilities were in a range from 0.96% to 3.75%. The maturity date for such loans varies from August 2025 to August 2028 which is repayable in installment semi-annually / one-time payment on termination date. During the current year the Group has refinanced the loans availed by such foreign subsidiaries and have prolonged the maturity of such loans from August 2026 to August 2028. The said loans are secured by various pledge and charge agreements in favor of the lender. Also, certain assets, shares, account receivables, bank accounts and intellectual property rights have been granted as security.
- v GMM Pfaudler US Inc entered into an interest rate swap that secures loan of USD 31,500,000 at a Base SOFR rate of 4.30% + applicable margin spread. The said interest rate swap is accounted at 'Fair Value through Profit and Loss'.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 21: Lease Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Non Current	159.64	155.52
Current	40.13	38.49
Total	199.77	194.01

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Movement in Lease Liabilities		
Opening Balance	194.01	175.71
Add : On account of acquisition through business combination (Refer Note 45)	-	3.51
Add: Addition made during the year	44.10	58.96
Less: Deletion made during the year	(2.44)	(7.03)
Add: Finance cost accrued during the year	9.50	7.23
Less: Payment of lease liabilities	(49.74)	(46.30)
Add/(Less): Exchange differences	4.34	1.93
Closing Balance	199.77	194.01
(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:		
Payable within one year	51.25	45.37
Payable later than one year and not later than five years	178.92	103.45
Payable after five years	214.41	72.32
(iii) Lease payments recognised for short term leases in Statement of Profit and Loss during the year (Refer Note 33)	8.64	11.88

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Group leases mainly Land, Buildings, office premises, warehouses, vehicles and office equipment. As per Ind AS 116, contracts and related assets that fulfill the definition of a lease are recognized and shown separately as respective Right of Use assets. Such assets are valued by the present value of the discounted lease payments less accumulated amortizations over the lease period. The leases for Buildings, office premises, warehouses, vehicles and office equipment typically run for a period of 3 to 10 years, partially with an option to renew the lease after the ending date. Land leases are entered into for a longer periods. The Group leases IT equipment with contract terms of one to three years. These leases are mainly short-term and/or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases. Lease payments for these leases are expensed over the lease term.

Interest expenses for lease liabilities are reported in the Finance cost in the Statement of Profit and Loss (Refer Note 32).

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 22: Provisions

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Non Current		
Provision for employee benefits (Note (i))	285.59	293.52
Contract related provisions (Note (iii))	-	6.94
Total	285.59	300.46
(ii) Current		
Provision for employee benefits (Note (i))	96.75	103.60
Provision for unexpired warranty (Note (ii))	27.28	24.59
Contract related provisions (Note (iii))	21.53	33.98
Provision for selling expenses (Note (iv))	15.70	8.50
Total	161.26	170.67

Note:

- Provision for employee benefits includes amount payable to employees on account of Gratuity, Pension, Medical plan, compensated absences, Partial or Early Retirement and Incentives. Movement of such Provision for employee benefits is disclosed under Note 36.
- As per the contractual terms with customers, Group provides warranty to the customers. The provision is made for such returns/rejections on the basis of historical warranty trends as per the policy of the Group.

Provision for unexpired warranty

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	24.59	29.11
Add : On account of acquisition through business combination (Refer Note 45)	-	1.79
Add: Additional provision made during the year	21.40	19.83
Add/(Less): Exchange differences	0.17	(0.11)
Less: Provision amount used during the year	(18.88)	(26.03)
Closing balance	27.28	24.59

Contract related provisions

- Contract related provisions includes provision on foreseeable losses on revenue contracts with customers.

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	33.98	30.30
Add: On account of acquisition through business combination (Refer Note 45)	-	12.00
Add: Additional provision made during the year	(1.50)	15.08
Add/(Less): Exchange differences	(1.05)	0.54
Less: Provision amount used during the year	(9.90)	(23.94)
Closing balance	21.53	33.98

(iv) Provision for Selling Expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	8.50	6.27
Add: Additional provision made during the year	18.01	13.45
Add/(Less): Exchange differences	0.11	0.08
Less: Provision amount used during the year	(10.92)	(11.30)
Closing balance	15.70	8.50

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 25: Trade payables

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Dues to Micro & Small Enterprises	17.33	14.20
Dues to other than Micro and Small Enterprises:		
- Acceptances (Refer Note (b) below)	25.00	8.68
- Payable to Others	358.23	379.59
Total	400.56	402.47

Trade payables ageing schedule as at March 31, 2025

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Micro and Small Enterprise	17.07	0.03	-	-	0.23	17.33
(ii) Acceptances	25.00	-	-	-	-	25.00
(iii) Other than Micro and Small Enterprise	187.38	41.00	1.40	0.13	3.12	233.03
(iv) Disputed dues - Micro and Small Enterprise	-	-	-	-	-	-
(v) Disputed dues - Other than Micro and Small Enterprise	-	-	-	-	-	-
Total	229.45	41.03	1.40	0.13	3.35	275.36
Add: Accrued Expenses						125.20
Total						400.56

Trade payables ageing schedule as at March 31, 2024

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Micro and Small Enterprise	11.33	2.64	-	-	0.23	14.20
(ii) Acceptances	8.68	-	-	-	-	8.68
(iii) Other than Micro and Small Enterprise	165.36	64.52	0.74	0.03	2.94	233.59
(iv) Disputed dues - Micro and Small Enterprise	-	-	-	-	-	-
(v) Disputed dues - Other than Micro and Small Enterprise	24.40	-	-	-	-	24.40
Total	209.77	67.16	0.74	0.03	3.17	280.87
Add: Accrued Expenses						121.60
Total						402.47

Note :

- a) Includes Trade Payables from Related Parties, Refer Note 40.
- b) The Group has entered into a Supply Chain Financing arrangement underwhich its suppliers can elect to receive a early payment of their invoice from the bank and the bank receives the settlement from the Group at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and enable the Group's suppliers to receive a payment before their due date.

These balances are classified as Acceptances under Trade Payables as the terms are similar to those agreed with the suppliers. The related payments are shown as Cash Flow from operating activities as they continue to be part of the normal operating cycle of the Group.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 26: Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Unclaimed dividend (Refer Note 17 & a below)	0.64	0.42
Unspent Corporate Social Responsibility Fund (Refer Note b below)	-	0.50
Payables for capital expenditure	0.06	0.03
Employee benefits payable	34.94	37.45
Interest accrued but not due	3.80	3.93
Deferred Purchase Consideration (Refer Note c below)	15.81	15.38
Others	5.00	7.56
Total	60.25	65.27

Note:

- a) The amount of Unclaimed Dividend reflects the position as at March 31, 2025. During the year, the Parent has transferred an amount of ₹0.04 Crore (Previous year ₹0.04 Crore) to the Investors' Education and Protection Fund in accordance with the provisions of section 125 of the Companies Act, 2013.
- b) During the previous year, the Group has created the Unspent Corporate Social Responsibility (CSR) fund and transferred ₹0.50 Crore to a special account within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Companies Act, 2013 and subsequently in the current year company has utilised the amount as per the provision of section 135(6).
- c) Purchase price considertion amounting to ₹15.81 Crores (Previous year ₹15.38 Crores) that refers to a deferred consideration which will be paid out in future once certain conditions are met to the erstwhile owners of Professional Mixing Equipment Inc. ("MixPro") which the Group acquired during the previous year. Group Management expects the fulfillment of these conditions are more likely than not. Refer Note 45.

Note 27: Revenue from Operations

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue from Sale of products	3,174.48	3,424.56
Other Operating revenues	24.21	21.92
Total	3,198.69	3,446.48

Disaggregate Revenues from contracts with customer:

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue from Technology	1,839.26	2,057.08
Revenue from Systems	428.33	418.20
Revenue from Services	931.10	971.20
Total	3,198.69	3,446.48

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 27: Revenue from Operations (Contd.)

Reconciliation of Revenue from operations with contract price: (₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Contract price	3,199.96	3,457.55
Less : Adjustment made to contract price on account of:		
Liquidated damages	1.27	11.07
Total	3,198.69	3,446.48

Note 28: Other Income

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest income on:		
- Deposits with banks	0.23	0.22
- Others	5.52	1.94
Fair value gain on financial instruments at fair value through profit or loss	12.01	11.60
Donation	0.27	0.18
Profit on sale of Property, Plant & Equipment (Net)*	1.22	0.54
Miscellaneous Income	8.92	3.49
Net gain on foreign exchange translations	2.24	2.06
Total	30.41	20.02

* Profit on sale of Property, Plant & Equipment includes ₹0.22 Crores from assets held for sale.

Note 29: Cost of Materials Consumed

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening Stock of Raw Materials	308.67	322.17
Add: Purchases during the year	1,173.44	1,235.83
	1,482.11	1,558.00
Less: Closing stock of Raw Materials	293.93	308.67
Total	1,188.18	1,249.33

Note 30: Changes In Inventories of Finished Goods and Work-In-Progress

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventory of finished good at the beginning of the year	110.82	125.43
Inventory of work in progress at the beginning of the year	195.68	312.06
	306.50	437.49
Inventory of finished good at the closing of the year	105.80	110.82
Inventory of work in progress at the closing of the year	131.71	195.68
	237.51	306.50
Total	68.99	130.99

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 31: Employee benefits expense

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries and wages	704.40	709.06
Contribution to provident and other funds	172.82	174.28
Share based payments to employees (Refer Note 37)	0.95	2.41
Staff welfare expenses	14.20	17.84
Total	892.37	903.59

Note 32: Finance cost

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest expense on borrowings	62.20	69.61
Other financial charges	17.00	10.14
Fair value loss on financial instruments at fair value through profit or loss	14.46	7.79
Interest on lease liabilities (Refer Note 21)	9.50	7.23
Total	103.16	94.77

Note 33: Other expenses

(₹ in Crores)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Power & Fuel	87.02	98.77
Stores & Spares Consumption	96.16	111.96
Repairs to Machinery	5.19	6.38
Repairs to Buildings	0.91	1.33
Repairs - Others	41.90	40.29
Rent (Refer Note 21)	8.64	11.88
Insurance	21.04	19.20
Rates & Taxes	14.21	8.63
Travel & Conveyance	48.78	46.15
Communication	8.39	8.68
Bad debts written off (net)	0.74	0.73
Provision for doubtful debts and advances	4.89	4.01
Provision for Warranty expenses	2.68	(3.31)
Advertisement and sales promotion	6.75	8.81
Commission	23.39	12.08
Legal and professional fees	107.67	85.25
Freight outward	53.27	54.85
Payments to auditors	0.74	0.74
Expense on CSR activities	2.28	2.58
IT Expenses	23.62	21.13
Miscellaneous Expenses	28.03	36.38
Total	586.30	576.52

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 34: Contingent Liabilities & Commitments

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
A) Contingent Liabilities not provided for:		
1. Claims against the Group not acknowledged as debts comprises:		
i) Demands relating to Indirect Taxes: Various show cause notices received from authorities in respect of: a) Payment of service tax under reverse charge mechanism during FY 2011-12, 2013-14 & 2017-18. b) Sales tax matters for FY 2006-07 to FY 2008-09. c) GST related matters Group has filed appeal in respect of above matters. Against the above, the Group has paid ₹0.48 Crore. The expected outflow will be determined at the time of final outcome.	1.42	0.90
ii) Demand on account of Income Tax matters where Income Tax Department has preferred appeals : a) Upward adjustment in Arms Length Price for AY 2010-11, 2011-12 and 2012-13. Appeal before ITAT is allowed and the issue will be decided afresh by CIT(A) b) Disallowance of warranty provision for AY 2007-08 and 2008-09 The above were decided in favour of the Group by Commissioner Income Tax (Appeals) (CIT(A)) which was preferred by Income tax department to IncomeTax Appellate Tribunal (ITAT). ITAT had set aside the issue to the Assessing Officer/CIT(A) for fresh adjudication.	5.03	5.03
iii) Demand on account of Income Tax matters where the Group has preferred appeals. Group has preferred appeal before CIT(A) in respect of: a) Disallowance of education expenditure under Section 143 (3) for AY 2013-14 b) Disallowance of commission paid to non-resident due to non deduction of Tax deducted at source for AY 2017-18 c) Penalty proceedings under section 271I for failure to furnish information or furnishing inaccurate information under section 195 for AY 2018-19. The Group has applied for settlement under the Vivad se Vishwas Scheme 2024 in respect of above penalty proceeding u/s 271-I of the Income Tax Act, 1961. Note: In respect of above matters, Group Management has assessed that no liability is likely to devolve on the Group and hence no provision has made in the books of accounts.	0.17	0.17
B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	146.07	2.80

35: Other Statutory Information

The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendments Rules, 2021) which is effective from April 01, 2023, state that every Company registered in India 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, and further 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 Parent uses a SaaS ERP as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility and that has been operative throughout the financial year

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 35: Other Statutory Information (Contd.)

for the transactions recorded in the software impacting books of account at application level. The database of the software is operated by third party software service provider hence audit trail at the database level is not applicable. The audit trail has been preserved by the Parent as per the statutory requirements for record retention

In respect of one subsidiary incorporated in India, accounting software used for maintaining its books of accounts has a feature of recording audit trail (edit log) facility and the same has operated throughout the year. Further, The audit trail has been preserved by a subsidiary as per the statutory requirements for record retention.

Note 36: Employee Benefits

As per Ind AS 19 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plans

The Group operates defined contribution retirement benefit plans and medical plans for all qualifying employees in the form of provident fund, superannuation fund and family pension fund.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employer's Contribution to Provident Fund	3.90	3.41
Employer's Contribution to Superannuation Fund	0.33	0.34
Employer's Contribution to Pension Scheme	6.36	6.51
Employer's Contribution to Medical Plan	1.78	1.58

Compensated absences and earned leaves

The Group's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy.

Defined Benefit Plans

The Group operates a defined benefit plan in form of gratuity plan and pension scheme covering eligible employees, which provide a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

These plans typically expose the group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the year on government bonds. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan liability.

In respect of the Defined Benefit Obligation Plan and Compensated absences and earned leaves, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at March 31, 2025. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

The amounts recognized in the Group's financial statements as at the year end are as under:

1	Pension and Medical Scheme	As at March 31, 2025	As at March 31, 2024
a.	Assumptions :		
	UK Pension plan		
	Discount rate	5.50%	4.70%
	Inflation Rate	2.70% to 3.35%	2.70% to 3.35%
	German Pension plan		
	Discount rate	3.62% to 3.77%	3.28% to 3.62%
	Salary Increase	3.00%	2.50%
	Inflation Rate	2.00%	2.00%
	US Medical plan		
	Discount rate	5.20%	4.98%
	Mexico Pension plan		
	Discount rate	10.08%	9.44%
	Salary Increase	5.25%	5.25%
	Inflation Rate	3.70%	3.70%
	Switzerland Pension plan		
	Discount Rate	1.20%	1.45%
	Salary Increase	1.00%	1.00%
	Inflation Rate	1.00%	1.50%

b.	Table Showing Change in the Present Value of Projected Benefit Obligation	As at March 31, 2025	As at March 31, 2024
	Present Value of Benefit Obligation at the beginning of the year	599.64	569.65
	Interest Cost	20.00	20.78
	Current Service Cost	8.41	7.59
	Plan participants' contribution	3.19	3.53
	(Benefit Paid Directly by the Employer)	(1.78)	(1.58)
	(Benefit Paid From the Fund)	(45.97)	(31.09)
	The Effect Of Changes in Foreign Exchange Rates	20.92	11.77
	Amendments to the plan	-	(6.71)
	Total Actuarial (Gains)/Losses on Obligations	(32.37)	25.70
	Present Value of Benefit Obligation at the end of the year	572.04	599.64

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

c.	Table Showing Change in the Fair Value of Plan Assets	As at March 31, 2025	As at March 31, 2024
	Fair Value of Plan Assets at the beginning of the year	301.11	280.04
	Interest Income	10.42	10.55
	Contributions by the Employer	7.13	7.03
	Expected Contributions by the Employees	3.60	3.94
	(Benefit Paid from the Fund)	(33.61)	(18.82)
	(Expenses and Tax for managing the Benefit Obligations- paid from the fund)	(0.22)	(0.21)
	The Effect of Changes In Foreign Exchange Rates	14.12	9.50
	Return on Plan Assets, Excluding Interest Income	(21.55)	9.08
	Fair Value of Plan Assets at the end of the year	281.00	301.11

d.	Amount Recognized in the Balance Sheet	As at March 31, 2025	As at March 31, 2024
	Present Value of Benefit Obligation at the end of the year	(572.04)	(599.64)
	Fair Value of Plan Assets at the end of the year	281.00	301.11
	Funded Status (Surplus/ (Deficit))	(291.04)	(298.53)
	Net (Liability)/Asset Recognized in the Balance Sheet	(291.04)	(298.53)
	Net Liability reduced due to risk sharing	(3.16)	(4.03)

e.	Expenses Recognized in the Statement of Profit or Loss for Current year	As at March 31, 2025	As at March 31, 2024
	Current Service Cost	8.41	7.59
	Net Interest Cost	9.58	10.23
	Administration expense	0.22	-
	Expenses Recognized	18.21	17.82

f.	Expenses Recognized in the Other Comprehensive Income (OCI) for Current year	As at March 31, 2025	As at March 31, 2024
	Actuarial (Gains)/Losses on Obligation for the year	(32.37)	25.70
	Return on plan Assets, excluding Interest Income	21.55	(9.08)
	Net (Income)/Expense for the year recognized in OCI	(10.82)	16.62

g.	Category of Assets	As at March 31, 2025	As at March 31, 2024
	Bonds	100.80	109.84
	Cash and Cash Equivalents	2.94	5.31
	Equity Securities	65.68	68.83
	Diversified Growth Fund	67.27	75.75
	Real Estate	23.54	25.09
	Alternative Investment	5.14	4.24

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

Category of Assets	As at March 31, 2025	As at March 31, 2024
Qualified Insurance Policy	10.38	7.25
Others	5.25	4.80
Total	281.00	301.11

	As at March 31, 2025	As at March 31, 2024
h. Projected Contribution for next year	31.22	28.77

i. Sensitivity analysis for each significant actuarial assumption

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate, expected salary increase, pension escalations and life expectancy. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year, while holding all other assumptions constant.

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Delta Effect of +1% Change in Rate of Discounting	(59.95)	(65.48)
Delta Effect of -1% Change in Rate of Discounting	73.90	78.72
Delta Effect of +1% Change in Rate of Salary Increase	6.18	6.14
Delta Effect of -1% Change in Rate of Salary Increase	(5.73)	(5.59)
Delta Effect of +1% Change in Rate of Pension Escalation	37.97	41.56
Delta Effect of -1% Change in Rate of Pension Escalation	(33.95)	(37.35)
Delta Effect of +1 Year Change in Life Expectancy	18.58	20.52
Delta Effect of -1 Year Change in Life Expectancy	(19.22)	(21.01)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the year, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

2. Below is the movement of other provision for employee benefits payable such as Partial or Early Retirement, Vacation and Holiday , Anniversary payments and Incentives.

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	93.44	105.25
Add : On account of acquisition through business combination (Refer 45)	-	1.80
Add: Additional provision made during the year	195.66	186.77
Add/(Less): Exchange differences	1.81	1.15
Less: Provision amount used during the year	(204.85)	(201.53)
Closing balance	86.06	93.44

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

3. Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
a. Assumptions :				
Discount Rate	6.83%	7.22%	6.83%	7.22%
Rate of Return on Plan Assets	6.83%	7.22%	6.83%	7.22%
Weighted Average Duration of the Defined Benefit Obligation	11	12	-	-
Salary Escalation	7.00%	7.00%	7.00%	7.00%
Mortality	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14
Average Past Service	6.22 years	5.73 years	6.22 years	5.73 years
Average Age	37.19 years	36.80 years	37.19 years	36.80 years
Rate of Employee Turnover	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.

	Gratuity (Funded)		Compensated Absences (Funded)	
	March 31, 2025 Ultimate Table	March 31, 2024 Ultimate Table	March 31, 2025 Ultimate Table	March 31, 2024 Ultimate Table
b. Table showing changes in Present value of defined benefit obligation:				
Liability at the beginning of the year	12.11	10.34	8.10	5.42
Interest cost	0.87	0.78	0.48	0.41
Current service cost	1.47	0.85	0.57	2.03
Benefit paid	(0.80)	(1.16)	(1.23)	(0.63)
Actuarial (gains) and loss arising from changes in financial assumptions	0.49	0.80	0.28	0.20
Actuarial (gains) and loss arising from experience adjustments	0.25	0.50	0.64	0.67
Liability at the end of the year	14.39	12.11	8.84	8.10

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Ultimate Table	Ultimate Table	Ultimate Table	Ultimate Table
c. Change in Plan Assets:				
Fair value of Plan Assets at the beginning of the year	9.90	9.06	5.16	4.54
Expected Return on Plan Assets	0.72	0.68	0.37	0.34
Contributions	2.20	1.28	1.51	0.88
Benefit Paid	(0.80)	(1.16)	(1.23)	(0.63)
Actuarial gain / (loss) on Plan Assets	0.11	0.04	0.05	0.03
Fair value of Plan Assets at the end of the year	12.13	9.90	5.86	5.16
d. Actual Return on Plan Assets:				
Expected Return on Plan Assets	0.72	0.68	0.37	0.34
Actuarial loss on Plan Assets	0.11	0.04	0.05	0.03
Actual Return on Plan Assets	0.83	0.72	0.42	0.37
e. Amount Recognized in the Balance Sheet:				
Present value of Funded defined benefit obligation at the end of the year	14.39	12.11	8.84	8.10
Fair value of Plan Assets at the end of the year	12.13	9.90	5.86	5.16
Net (Liability)/Asset Recognized in the Balance Sheet	(2.26)	(2.21)	(2.98)	(2.94)
f. Expenses Recognized in the Statement of Profit & Loss :				
Current Service cost	1.47	0.85	0.57	2.03
Interest Cost	0.15	0.10	0.11	0.07
Net Actuarial (gain) / loss to be recognized	0.63	1.26	0.87	0.84
Expense / (Income) Recognized in Statement of Profit & Loss	2.25	2.21	1.55	2.94
g. Balance Sheet Reconciliation:				
Opening Net Liability	2.21	1.28	2.94	0.88
Expenses recognised in Statement of Profit & Loss	1.62	0.95	1.55	2.94
Expenses/ (Income) recognised in OCI	0.63	1.26	-	-
Employers Contribution	(2.20)	(1.28)	(1.51)	(0.88)
Net Liability / (Assets) Recognized in Balance Sheet	2.26	2.21	2.98	2.94
Current	2.26	2.21	1.74	1.66
Non Current	-	-	1.24	1.28

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Ultimate Table	Ultimate Table	Ultimate Table	Ultimate Table
h. Other Details:				
Gratuity is payable at the rate of 15 days salary for each year of service.				
Salary escalation is considered as advised by the Company which is in line with the industry practice considering promotion and demand and supply of the employees.				
i. Experience Adjustment				
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.25	0.50	0.64	0.67
Actuarial (Gains)/Losses on Plan Assets - Due to Experience	(0.11)	(0.04)	(0.05)	(0.03)
j. Projected Contribution for next year	3.15	2.97	2.21	2.12

k. Sensitivity analysis for each significant actuarial assumption

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year, while holding all other assumptions constant.

(₹ in Crores)

Particulars	March 31, 2025	March 31, 2024
Projected Benefit obligation on current assumption	14.40	12.11
Impact of increase in discount rate by 1%	(1.20)	(1.13)
Impact of decrease in discount rate by 1%	1.40	1.33
Impact of increase in salary escalation rate by 1%	1.38	1.32
Impact of decrease in salary escalation rate by 1%	(1.21)	(1.14)
Impact of increase in rate of employee turnover by 1%	(0.05)	(0.01)
Impact of decrease in rate of employee turnover by 1%	0.06	0.01

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the year, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

I. Investment details of plan assets

The Plan assets are managed by Insurance group viz. Life Insurance Corporation of India which has invested the funds substantially as under:

(₹ in Crores)

Particulars	Gratuity		Leave Encashment	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Insurance Fund	12.13	9.90	5.86	5.16
Total	12.13	9.90	5.86	5.16

m. Maturity Profile

(₹ in Crores)

Particulars	Gratuity		Pension	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
1 st Following Year	1.85	0.63	42.98	32.93
2 nd Following Year	0.52	0.49	35.16	33.34
3 rd Following Year	0.77	0.59	35.26	40.11
4 th Following Year	0.68	1.00	34.79	34.70
5 th Following Year	0.79	1.29	36.29	34.09
Sum of Years 6 to 10	6.25	3.91	170.80	168.51
Sum of Years 11 and above	19.92	22.13	-	-

n. Asset-liability matching strategies :

In respect of Gratuity and Leave encashment plan, the Parent contributes to the insurance fund based on estimated liability of the next financial year end. The projected liability statement is obtained from the actuarial valuer.

Note 37: Share based payments

1 Employee Stock Options Scheme

Equity-settled share option plan

The Group has instituted Employee Stock Option Scheme (ESOP 2021) to designated employees of the Parent and its Subsidiaries. In accordance with the terms of the plan, as approved by shareholders through Postal Ballot on 2nd December 2021, designated employees with the Group may be granted options to purchase equity shares.

Each employee share option converts into one equity share of the Parent Company on exercise. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time during the set exercise period. The Options not exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or cancelled Options. Options stands cancelled if the employee leaves the Group before the options vest.

Appraisal process for determining the eligibility of the Employees will be based on designation, criticality, high potential, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 37: Share based payments(Contd.)

A. The following table sets forth the particulars of the options outstanding as on March 31, 2025 under ESOP 2021:

Scheme - "ESOP 2021"

Particulars	Tranche 1		Tranche 2		Tranche 3	
	Vesting 1	Vesting 2	Vesting 1	Vesting 2	Vesting 1	Vesting 2
Date of Grant	01-Feb-22	01-Feb-22	25-May-23	25-May-23	21-May-24	21-May-24
Number of options granted	41,283	83,817	4,158	8,442	5,346	10,854
Number of options outstanding	32,819	63,632	3,267	6,633	5,346	10,854
Exercise price per option	1,392	1,392	1,427	1,427	1,290	1,290
Fair value of option on grant date	600.53	640.33	484.78	528.25	428.18	499.17
Vesting period	2 years from the date of grant	3 years from the date of grant	2 years from the date of grant	3 years from the date of grant	2 years from the date of grant	3 years from the date of grant
Exercise period	Upto 31 st January, 2026	Upto 31 st January, 2026	Upto 24 th May, 2027	Upto 24 th May, 2027	Upto 20 th May, 2028	Upto 20 th May, 2028

B. Reconciliation of share options outstanding at the end of the year for all the 3 tranches:

Particulars	2024-25		2023-24	
	Number of share options	Weighted average exercise price (in ₹)	Number of share options	Weighted average exercise price (in ₹)
Outstanding at beginning of year	1,19,088	1,395	1,17,900	1,392
Granted during the year	16,200	1,290	12,600	1,427
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	(12,738)	-	(11,412)	-
Outstanding at the end of the year	1,22,550	1,382	1,19,088	1,395
Exercisable at the end of the year	96,450	1,392	36,828	1,392

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 37: Share based payments(Contd.)

- C. The aggregate of the estimated fair values of the options granted during FY 2024-25 is ₹0.77 Crore. The inputs into the Black Scholes Pricing model are as follows:

Scheme - "ESOP 2021"	2024-25
Vesting 1 - Options	
Share price per option	1,396
Exercise price per option	1,290
Expected volatility	25.63%
Expected life in years	3.00
Risk-free rate	7.04%
Vesting 2 - Options	
Share price per option	1,396
Exercise price per option	1,290
Expected volatility	25.63%
Expected life in years	4.00
Risk-free rate	7.05%

Expected volatility was determined by calculating the historical volatility of the Group's share price on NSE based on the price data for last 12 months up to the date of grant. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The Group recognised total expenses of ₹0.94 Crore and ₹2.41 Crore related to equity-settled share-based payment transactions in FY. 2024-25 and 2023-24 respectively.

2. Stock Appreciation Rights

The Parent has granted specified units of Stock Appreciation Rights to the eligible employees of the Group under the "GMM Pfaudler Stock Appreciation Rights Scheme (Cash Settled) 2024 (SARS Scheme 2024)" on August 7, 2024. The payout is dependent upon achievement of certain identified conditions as defined in the SARS Scheme 2024, which once achieved, a cash payout will be made by the respective entities where the beneficiary employee is employed. The units of Stock Appreciation Rights have an aggregate fair value of ₹0.05 Crore (basis fair valuation report) and have an expected life of 2.42 years. Accordingly, the Group has recorded cost of ₹0.01 Crore during the year ended March 31, 2025.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 38: Financial Instruments

38.1 Capital Management :

For the purposes of the Group's capital management, capital includes issued capital and all other equity. The primary objective of the Group's capital management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Group is not subject to any externally imposed capital requirement.

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Interest bearing loans and borrowings	650.62	712.02
(b) Less: cash and bank balance (including other bank balance)	467.10	343.57
(c) Net debt (a) - (b)	183.52	368.45
(d) Equity share capital	8.99	8.99
(e) Other equity	1,013.80	955.37
(f) Total capital (d) + (e)	1022.79	964.36
(g) Total capital and net debt (c) + (f)	1206.31	1,332.81
(h) Gearing ratio (c)/(g)	15.21%	27.64%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

38.2 Categories of Financial Instruments :

(₹ in Crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Measured at fair value through profit or loss (FVTPL)				
(a) Investment in equity instruments	0.01	0.01	0.01	0.01
Measured at amortised cost				
(a) Cash and bank balances	467.10	467.10	343.57	343.57
(b) Trade Receivables	386.79	386.79	432.83	432.83
(c) Loans	3.59	3.59	4.72	4.72
(d) Others	316.97	316.97	309.80	309.80
Financial Liabilities :				
Measured at amortised cost				
(a) Borrowings	650.62	650.62	712.02	712.02
(b) Lease Liabilities	199.77	199.77	194.01	194.01
(c) Trade Payables	400.56	400.56	402.47	402.47
(d) Others	60.25	60.25	65.27	65.27

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 38: Financial Instruments (Contd.)

38.3 Financial risk management objectives

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial market, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

38.3.1 Market Risk management

Market risk refers to the possibility that changes in the market rates may have impact on the Group's profits or the value of its holding of financial instruments. The Group is exposed to market risks on account of foreign exchange rates, interest rates and underlying investment prices.

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and investment prices.

(a) Foreign currency exchange rate risk:

The Group's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries and foreign currency transactions. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Group.

The Group operates locally in India and internationally and a portion of the business is transacted in several currencies and consequently, the Group at consolidated level is exposed to foreign exchange risk through its business transactions in the India and Overseas.

Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

The foreign currency risk from financial assets and liabilities as at March 31, 2025 is as follows :

(₹ in Crores)

Particulars	Cash and cash equivalents	Trade receivables	Other financial assets	Trade payables	Borrowings	Other financial liabilities
EUR	170.64	139.33	40.31	(102.07)	(53.20)	(119.43)
GBP	17.95	20.16	4.47	(6.43)	-	(5.93)
CNY	86.56	12.00	19.99	(12.80)	-	(25.32)
MXN	5.88	2.30	0.15	(0.82)	-	(0.19)
BRL	10.32	12.61	-	(4.60)	-	(0.09)
SGD	0.60	1.47	-	(0.38)	-	-
USD	125.79	117.58	34.43	(46.11)	(328.06)	(21.77)
CAD	14.19	12.11	-	(6.34)	-	(2.14)
CHF	20.97	18.78	9.62	5.87	-	8.84

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 38: Financial Instruments (Contd.)

(₹ in Crores)

The foreign currency risk from financial assets and liabilities as at March 31, 2024 is as follows :

Particulars	Cash and cash equivalents	Trade receivables	Other financial assets	Trade payables	Borrowings	Other financial liabilities
EUR	111.81	164.09	62.49	(124.08)	(63.47)	(111.32)
GBP	20.46	17.70	4.99	(9.18)	-	(5.36)
CNY	31.02	14.93	48.47	(14.79)	-	(23.89)
MXN	2.96	1.70	0.18	(0.71)	-	(0.74)
BRL	16.97	20.83	0.10	(6.74)	-	(0.20)
SGD	0.01	0.64	-	(0.01)	-	-
USD	92.56	155.81	44.47	(43.65)	(380.45)	(24.02)
CAD	28.78	7.93	-	(5.30)	-	(3.19)
CHF	3.66	32.13	44.96	(20.94)	-	(9.88)

With respect to the Group's financial instruments (as given above), a 5% increase / decrease in relation to foreign currency rate on the underlying would have resulted in increase / decrease of ₹8.86 Crore (Previous year 2023-24: ₹4.09 Crore) in the Group's net profit before tax for the year ended March 31, 2025 and March 31, 2024 respectively.

(b) Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group have outstanding borrowings of ₹650.62 Crore and ₹712.02 Crore at the end of March 31, 2025 and March 31, 2024 respectively. The impact of decrease / increase of 50 basis points in interest rates would result in decrease / increase of ₹3.25 Crore (Previous year 2023-24: ₹3.56 Crore) in the Group's net profit before tax for the year ended March 31, 2025 and March 31, 2024 respectively.

(c) Commodity price risk

The Group is exposed to price volatility of certain commodities being raw materials for which the Group has developed risk management framework aimed at prudently managing the risk arising from volatility in commodity prices. The commodity risk is managed by entering into procurement contracts for the commodities either in advance or on a back to back basis at or about the same price levels basis which the sales orders are booked.

(d) Other price risk

The Group is not exposed to price risks arising from its investments.

38.3.2 Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables.

All trade receivables are subject to credit risk exposure. The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 38: Financial Instruments (Contd.)

assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

The group does not have significant concentration of credit risk related to trade receivables and there are no customers which contribute to more than 5% of total outstanding accounts receivable as at any year end.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹1,174.46 Crore and ₹1,090.93 Crore as at March 31, 2025 and March 31, 2024 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding investments in subsidiary companies, and these financial assets are of good credit quality including those that are past due.

38.3.3 Liquidity risk management:

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table below include only principal cash flows in relation to non-derivative financial liabilities.

(₹ in Crores)

Particulars	Up to 1 year	1 to 5 years	5 years and above
As at March 31, 2025			
Trade payable	400.56	-	-
Other Financial Liabilities	60.25	-	-
Borrowings	216.98	433.64	-
Lease Liabilities	51.25	178.92	214.41
Total	729.04	612.56	214.41
As at March 31, 2024			
Trade payable	402.47	-	-
Other Financial Liabilities	65.27	-	-
Borrowing	210.65	501.37	-
Lease Liabilities	45.37	103.45	72.32
Total	723.76	604.82	72.32

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 38: Financial Instruments (Contd.)

(₹ in Crores)

Particulars	Up to 1 year	1 to 5 years	5 years and above
As at 31st March, 2025			
Investments	-	0.01	-
Trade receivables	386.79	-	-
Cash & Cash equivalents	444.81	-	-
Bank balances other than above	22.29	-	-
Loans	2.65	0.94	-
Other Financial Assets	312.00	4.97	-
Total	1,168.54	5.92	-
As at 31st March, 2024			
Investments	-	0.01	-
Trade receivables	432.83	-	-
Cash & Cash equivalents	319.63	-	-
Bank balances other than above	23.94	-	-
Loans	3.52	1.20	-
Financial Assets	304.70	5.10	-
Total	1,084.62	6.31	-

Note 39: Fair Value Measurements

This note provides information about how the group determines fair values of various financial assets

Fair Value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis:

Financial Assets / Financial Liabilities

(₹ in Crores)

Financial Assets / Financial Liabilities	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2025	March 31, 2024		
1 Investments in equity instruments (Unquoted) (Note 10)	0.01	0.01	Level 3	Net asset approach - value per equity share of investment is derived by dividing net assets of group with total no. of equity shares issued by the group

Note 1: Significant unobservable inputs for Financial Instruments classified under "Level - 3" Fair Value hierarchy are Net Assets of the investee group as on the date of Fair Valuation.

Note 2: Reconciliation of Level 3 fair value measurements

(₹ in Crores)

Particulars	Unlisted Equity Instrument
Opening Balance as at 1 st April, 2023	0.01
Investment made during the year	-
Total Gain/(Loss) in statement of P&L	-
Closing Balance as at 31st March, 2024	0.01
Opening Balance as at 1 st April, 2024	0.01
Investment made during the year	-
Total Gain/(Loss) in statement of P&L	-
Closing Balance as at 31st March, 2025	0.01

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 40: Related Party Disclosures

(I) List of Related parties

(A) Key management personnel:

Mr. Tarak Patel	Managing Director	
Mr. Aseem Joshi	Chief Executive Officer	
Mr. Alexander Poempner	Chief Financial Officer	w.e.f February 7, 2025
Mr. Manish Poddar	Chief Financial Officer	Upto February 7, 2025
Ms. Mittal Mehta	Company Secretary	
Mr. Ashok Patel	Non-Executive Director	
Mr. Nakul Toshniwal	Non-Executive, Independent Director	
Ms. Bhawana Mishra	Non-Executive, Independent Director	
Mr. Vivek Bhatia	Non-Executive, Independent Director	
Mr. Harsh Gupta	Non-Executive Director	Upto August 18, 2023
Mr. Malte Woweries	Non-Executive Director	Upto August 18, 2023
Mr. Prakash Apte	Non-Executive, Independent Director	
Ms. Shilpa Divekar Nirula	Non-Executive, Independent Director	w.e.f May 22, 2024
Mr. Raghav Ramdev	Non-Executive, Non-Independent Director	w.e.f February 06, 2025

(B) Relative of Key management personnel

Mrs. Urmi Patel	Mother of Mr. Tarak Patel
Mrs. Uttara Gelhaus	Sister of Mr. Tarak Patel
Mrs. Payal Patel	Wife of Mr. Tarak Patel
Mrs. Pragna Patel	Sister of Mr. Ashok Patel
Mrs. Panna Patel	Sister of Mr. Ashok Patel

(C) Enterprises over which Key Managerial Personnel have Control / Significant influence with whom transaction have been taken place during the reporting periods:

Ready Mix Concrete Limited	
Ashok J Patel - HUF	
A J Patel Charitable Trust	
J V Patel & Co.	
Prestige Tefparts Private Limited	
Millars Machinery Company Private Limited	
Millars Concrete Technologies Private Limited	
Solaris Chemtech Industries Ltd	Upto August 18, 2023
DECBectochem Engineering Pvt. Ltd	
Uttarak Enterprises Private Limited	
Toshvin Analytical Pvt Ltd.	

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 40: Related Party Disclosures (Contd.)

(II) Transactions with related parties

(₹ in Crores)

Particulars	Key Management Personnel		Relative of Key Management Personnel		Other Related Parties	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Transactions during the year						
Purchase of goods	-	-	-	-	0.34	0.48
Purchase of Property, plant & equipment	-	-	-	-	0.14	-
Lease Rent paid	-	-	-	-	6.85	6.02
Remuneration * and Commission	15.85	14.87	-	-	-	-
Dividend paid	0.11	0.10	0.50	0.51	1.65	1.65
Donations received	-	-	-	-	0.12	0.18
Directors Sitting Fees	0.80	0.73	-	-	-	-
Balance outstanding#						
Payables	3.37	3.85	-	-	-	-
Advance given	-	-	-	-	0.30	-
Deposit outstanding	-	-	-	-	2.95	2.95

Balance outstanding are exclusive of unrealised foreign exchange gain / (loss)

*Remuneration disclosed above is approved by Nomination and Remuneration Committee (NRC).

(III) Material Related Party Transactions are as under:

(₹ in Crores)

Nature of transactions	Name of Party	For the year ended	
		March 31, 2025	March 31, 2024
Transactions during the year			
Purchase of Property, plant & equipment	Toshvin Analytical Pvt Ltd.	0.14	-
Purchase of Goods	DECBectochem Engineering Private Limited	0.34	0.48
Lease rent paid	Ready Mix Concrete Limited	3.50	3.02
	J V Patel & Co.	3.07	2.74
Remuneration paid	Mr. Tarak Patel	7.41	8.38
	Mr. Ashok Patel	1.83	1.69
	Mr. Aseem Joshi	2.77	2.36
	Mr. Manish Poddar	1.57	1.27
Dividend paid	Millars Machinery Company Private Limited	0.87	0.78
	Urmi Patel	0.47	0.47
	Uttarak Enterprises Private Limited	0.25	0.25
Donations received to GMM Pfaudler Foundation	Ms. Panna Shailendra Patel	-	0.15
	A J Patel Charitable Trust	0.12	0.03

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 40: Related Party Disclosures (Contd.)

(III) Material Related Party Transactions are as under (contd):

(₹ in Crores)

Nature of transactions	Name of Party	For the year ended	
		March 31, 2025	March 31, 2024
Balances outstanding as at year end			
Advance Given	DECBectochem Engineering Private Limited	0.30	-
Deposit outstanding	Ready Mix Concrete Limited	1.58	1.58
	J V Patel & Co.	1.33	1.33
Key Managerial Personal			
Remuneration Payable	Mr. Tarak Patel	1.93	2.86
	Mr. Assem Joshi	0.80	0.65

Compensation of Key Managerial Personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows :

(₹ in Crores)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Short-term employee benefits	15.96	15.22
Post-employment benefits	0.47	0.34
Other long-term benefits	0.22	0.04
Total	16.65	15.60

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Transactions / balances with related party having equal to / exceeding 10% of each nature of transactions is considered as material and have been disclosed separately as above.

Terms and conditions of transactions with related parties

Outstanding balances of related parties at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. During the current year, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 41: Segment Reporting

(a) Reportable segment based on geographical area

(₹ in Crores)

Particulars	India		Overseas		Total	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Segment Revenue :						
Revenue from Operations	853.62	896.23	2,345.07	2,550.25	3,198.69	3,446.48
Segment Results:						
Profit before Tax and Interest*	77.85	112.52	121.58	233.06	199.43	345.58
Less: Interest Expense					103.16	94.77
Profit before Tax*					96.27	250.81
Taxes					47.10	80.15
Net Profit after Tax					49.17	170.66
Segment Assets	671.70	620.73	2,431.38	2,552.87	3,103.08	3,173.60
Segment Liabilities	425.50	452.06	1,647.97	1,750.75	2,073.47	2,202.81
Capital Expenditure	40.85	74.28	82.17	87.50	123.02	161.78
Depreciation on Property, Plant & Equipment and Other Intangible assets*	22.95	29.30	99.97	81.13	122.92	110.43

*The above figures are derived after considering exceptional items. For exceptional item details refer note 47.

Notes:

- The Group reviews its business segments in line with the reviews performed by Chief operating decision maker (CODM) regarding resource allocation and performance management and hence the group has classified geograpy (India and Overseas) as reportable segments which is in line with Ind AS 108, Operating Segments.
- Segment revenue, results, assets and liabilities include amounts that are directly attributable to the respective segments. Amounts not directly attributable have been allocated to the segments on the best judgment of the management.
- All reporting segments within the group follow a common accounting policies described in Note 4.

Geography wise Disclosure

(₹ in Crores)

Non-current operating assets:	Year Ended 31.03.2025	Year Ended 31.03.2024
India	180.79	234.26
Overseas	910.65	954.58
Total	1,091.44	1,188.84

(b) Revenue from external customers for each product line

(₹ in Crores)

Product line	Year Ended 31.03.2025	Year Ended 31.03.2024
Technologies	1,839.26	2,057.08
Systems	428.33	418.20
Services	931.10	971.20
Total	3,198.69	3,446.48

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 42: Earning Per Share (EPS)

(₹ in Crores)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
The following reflects the Profit and Share data used in the Basic and Diluted EPS computations:		
Net profit attributable to equity shareholders of the Parent (₹ in Crore)	52.97	175.47
Weighted average number of Equity Shares in calculating basic EPS (a)	4,49,57,224	4,49,57,224
Add: Effect of Employee stock option (b)	-	10,719
Weighted average number of Equity Shares in calculating Diluted EPS (a+b)	4,49,57,224	4,49,67,943
Face value of Equity Share in ₹	2	2
Earnings per share (Basic) ₹	11.78	39.03
Earnings per share (Diluted) ₹	11.78	39.02

Note 43: Additional Information as required under Schedule III to the Companies Act, 2013 of Enterprises Consolidated as Subsidiaries

(a) As at and for the year ended March 31, 2025

Sr. No.	Name of Entity	Net Asset i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net asset	(₹ in Crores)	As % of Consolidated share in Profit or Loss	(₹ in Crores)	As % of Consolidated other comprehensive Income	(₹ in Crores)	As % of Consolidated Total Comprehensive income	(₹ in Crores)
	Parent								
	GMM Pfaudler Limited	76.22%	784.76	85.92%	42.25	-4.66%	(0.63)	66.39%	41.62
	Subsidiaries								
	Foreign								
1	Mavag AG	11.04%	113.69	-76.45%	(37.59)	25.06%	3.39	-54.56%	(34.20)
2	GMM International S.a.r.l	50.08%	515.63	67.55%	33.21	0.00%	-	52.98%	33.21
3	Pfudler GmbH (Germany)	29.41%	302.80	2.09%	1.03	114.27%	15.44	26.27%	16.47
4	Pfudler Normag Systems GmbH (Germany)	7.37%	75.84	50.70%	24.93	-0.01%	(0.00)	39.78%	24.93
5	Pfudler Interseal GmbH (Germany)	2.95%	30.33	-7.81%	(3.84)	0.00%	-	-6.12%	(3.84)
6	Mixel France SAS	2.23%	23.00	5.56%	2.73	-1.08%	(0.15)	4.12%	2.58
7	Pfudler services Benelux B.V. (Netherlands)	1.95%	20.05	18.36%	9.03	0.00%	-	14.40%	9.03
8	Pfudler s.r.l. (Italy)	29.23%	300.92	31.90%	15.69	0.00%	-	25.02%	15.69
9	Hydro Air Research Italia S.r.l (Italy)	0.22%	2.22	-8.76%	(4.31)	0.00%	-	-6.87%	(4.31)

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 43: Additional Information as required under Schedule III to the Companies Act, 2013 of Enterprises Consolidated as Subsidiaries (Contd.)

Sr. No.	Name of Entity	Net Asset i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net asset	(₹ in Crores)	As % of Consolidated share in Profit or Loss	(₹ in Crores)	As % of Consolidated other comprehensive Income	(₹ in Crores)	As % of Consolidated Total Comprehensive income	(₹ in Crores)
10	Pfudler Limited (UK)	7.54%	77.64	-49.34%	(24.26)	-37.49%	(5.07)	-46.79%	(29.33)
11	Pfudler (Chang Zou) Process Equipment Company Limited (China)	7.98%	82.21	24.72%	12.15	0.00%	0.00	19.39%	12.15
12	Mixel Agitator Company Limited (China)	1.23%	12.64	7.08%	3.48	0.00%	-	5.55%	3.48
13	Pfudler SA de CV (Mexico)	0.57%	5.85	4.55%	2.24	-2.96%	(0.40)	2.93%	1.84
14	Edlon, Inc. (USA)	8.21%	84.51	48.01%	23.61	0.00%	-	37.66%	23.61
15	GMM Pfaudler US Inc (USA)	17.80%	183.25	135.61%	66.67	3.04%	0.41	107.01%	67.08
16	GMM Pfaudler JDS LLC (USA)	1.40%	14.44	-15.78%	(7.76)	0.00%	-	-12.38%	(7.76)
17	Professional Mixing Equipment Inc	2.40%	24.74	5.63%	2.77	0.00%	-	4.42%	2.77
18	Pfudler Ltda. (Brazil)	4.72%	48.55	47.16%	23.19	0.00%	-	36.99%	23.19
19	Pfudler Private Limited (Singapore)	0.06%	0.60	-0.03%	(0.02)	0.00%	-	-0.02%	(0.02)
	Indian								
20	GMM Pfaudler Foundation	0.03%	0.33	0.14%	0.07	0.00%	-	0.11%	0.07
	Non Controlling Interest	0.66%	6.82	-7.73%	(3.80)	0.00%	-	-6.06%	(3.80)
	Consolidation Adjustment	-163.29%	(1,681.21)	-269.09%	(132.30)	3.82%	0.52	-210.23%	(131.78)
	Total		1,029.61		49.17		13.51		62.68

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

b) As at and for the year ended March 31, 2024

Sr. No.	Name of Entity	Net Asset i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net asset	(₹ in Crores)	As % of Consolidated share in Profit or Loss	(₹ in Crores)	As % of Consolidated other comprehensive Income	(₹ in Crores)	As % of Consolidated Total Comprehensive income	(₹ in Crores)
	Parent								
	GMM Pfaudler Limited	77.38%	751.19	29.91%	51.05	24.10%	(1.26)	30.10%	49.79
	Subsidiaries								
	Foreign								
1	Mavag AG	15.23%	147.89	4.24%	7.23	-28.69%	1.50	5.28%	8.73
2	GMM International S.a.r.l	48.44%	470.28	-4.64%	(7.93)	0.00%	-	-4.79%	(7.93)
3	Pfaudler GmbH (Germany)	28.75%	279.08	6.02%	10.27	240.13%	(12.53)	-1.37%	(2.26)
4	Pfaudler Normag Systems GmbH (Germany)	5.07%	49.20	10.15%	17.32	1.25%	(0.07)	10.43%	17.25
5	Pfaudler Interseal GmbH (Germany)	3.44%	33.39	0.15%	0.25	0.00%	-	0.15%	0.25
6	Mixel France SAS	2.05%	19.86	-0.41%	(0.70)	-4.45%	0.23	-0.28%	(0.47)
7	Pfaudler services Benelux B.V. (Netherlands)	1.37%	13.28	2.17%	3.69	0.00%	-	2.23%	3.69
8	Pfaudler s.r.l. (Italy)	33.87%	328.82	12.31%	21.01	0.00%	-	12.70%	21.01
9	Hydro Air Research Italia S.r.l (Italy)	0.66%	6.44	3.48%	5.95	0.00%	-	3.59%	5.95
10	Pfaudler Limited (UK)	10.64%	103.26	6.11%	10.43	-5.54%	0.29	6.48%	10.72
11	Pfaudler (Chang Zou) Process Equipment Company Limited (China)	8.34%	80.97	10.71%	18.28	0.00%	-	11.05%	18.28
12	Mixel Agitator Company Limited (China)	0.92%	8.94	2.20%	3.76	0.00%	-	2.27%	3.76
13	Pfaudler SA de CV (Mexico)	0.46%	4.42	0.51%	0.88	-4.06%	0.21	0.66%	1.09
14	Edlon, Inc. (USA)	7.81%	75.84	22.57%	38.52	0.00%	-	23.28%	38.52
15	GMM Pfaudler US Inc (USA)	11.60%	112.62	37.54%	64.06	-40.62%	2.12	40.00%	66.18
16	GMM Pfaudler JDS LLC (USA)	1.38%	13.40	-5.75%	(9.81)	0.00%	-	-5.93%	(9.81)
17	Professional Mixing Equipment Inc	2.34%	22.76	-1.06%	(1.81)	0.00%	-	-1.10%	(1.81)
18	Pfaudler Ltda. (Brazil)	6.01%	58.31	13.41%	22.88	0.00%	-	13.83%	22.88
19	Pfaudler Private Limited (Singapore)	0.06%	0.60	0.03%	0.06	0.00%	-	0.03%	0.06
	Indian								
20	GMM Pfaudler Foundation	0.03%	0.26	0.02%	0.04	0.00%	-	0.02%	0.04
	Non Controlling Interest	0.66%	6.43	-2.82%	(4.81)	0.00%	-	-2.91%	(4.81)
	Consolidation Adjustment	-166.51%	(1,616.45)	-46.86%	(79.96)	-82.12%	4.29	-45.74%	(75.67)
	Total		970.79		170.66		(5.22)		165.44

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 44: Non-controlling interest

(₹ in Crores)

Particulars	As at 31.03.2025	As at 31.03.2024
Balance at the beginning of the year	6.43	11.24
Additional investment in Non-Controlling Interest	4.19	-
Share of Loss for the year	(3.80)	(4.81)
Total	6.82	6.43

Note 45: Business Combination

During the year ended March 31, 2024, the Group had acquired "Professional Mixing Equipment Inc. ("MixPro") by way of acquisition of 100% share capital of its holding company "2012875 Ontario Inc." through its subsidiary company GMM Pfaudler US Inc. based in USA.

GMM Pfaudler US Inc. through a special purpose vehicle incorporated in Canada acquired MixPro at a consideration of ₹55.04 Crores w.e.f December 01, 2023 with a deferred consideration of ₹15.81 Crores which will be paid out in future once certain conditions are met. The Group expects the fulfillment of these conditions are more likely than not.

For the year ended March 31, 2024 the acquisition was provisionally accounted as per acquisition method of accounting in accordance with Ind AS 103 - "Business Combinations", effective from December 01, 2023 being the acquisition date.

The Group has completed the final determination of fair values of identified assets and liabilities for the purpose of Purchase Price Allocation for the aforesaid acquisitions in the current year.

The following table summarises the recognised amounts of assets acquired and liabilities assumed: (₹ in Crores)

Particulars	Mix Pro Final Fair Value	Mix Pro Provisional Fair Value
Non-current assets		
(a) Property, Plant & Equipment	0.36	0.36
(b) Right of Use Assets	3.38	3.38
(c) Capital work-in-progress	-	-
(d) Other Intangible Assets	41.36	-
(e) Investments	-	-
(f) Deferred Tax Assets (net)	-	1.22
(g) Other non-current assets	-	-
Current assets		
(a) Inventories	4.10	3.12
(b) Financial Assets		
(i) Trade Receivables	16.57	16.57
(ii) Cash & Cash Equivalents	16.51	16.51
(iii) Bank balances other than above Cash & Cash Equivalents	-	-
(iv) Others current financial assets	-	-
(v) Other current assets	0.06	0.06
(c) Current tax assets (net)	-	-
Accumulated retained earnings	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 45: Business Combination (Contd.)

(₹ in Crores)		
Particulars	Mix Pro Final Fair Value	Mix Pro Provisional Fair Value
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	-
(ii) Lease Liabilities	(2.55)	(2.55)
(b) Deferred tax liabilities (Net)	(9.36)	-
(c) Long term provisions	-	-
(d) Others non current liabilities	-	-
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	-
(ii) Lease Liabilities	(0.96)	(0.96)
(iii) Trade payables	(4.02)	(4.02)
(iv) Other current financial liabilities	-	-
(b) Current Provisions	(15.60)	(3.60)
(c) Current tax liabilities (net)	(3.27)	(3.27)
(d) Other current liabilities	(5.87)	(5.87)
Net assets acquired	40.71	20.95

Goodwill arising on acquisition (₹ in Crores)

Particulars	Mix Pro Final Fair Value
Consideration transferred	55.04
Less: Fair value of identifiable net assets acquired	(40.71)
Goodwill arising on acquisition	14.33

Consequent to above the Group has restated the reported figures for the year ended March 31, 2024.

The summarized reconciliation of the reported and restated figures are as below:

Consolidated Statement of Profit and Loss (₹ in Crores)

Particulars	Year Ended March 31, 2024	
	Reported	Restated
Profit Before Tax	255.40	250.81
Profit After Tax	174.10	170.66
Total Other Comprehensive Income	(5.22)	(5.22)

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 45: Business Combination (Contd.)

(₹ in Crores)		
Consolidated Balance Sheet		
Particulars	March 31, 2024	
	Reported	Restated
(i) Non Current assets	1,305.33	1,322.02
(ii) Current assets	1,851.58	1,851.58
Total Assets	3,156.91	3,173.60
(i) Total Equity	974.23	970.79
(ii) Non - current liabilities	1,029.88	1,038.02
(ii) Current liabilities	1,152.80	1,164.79
Total Equity and Liabilities	3,156.91	3,173.60

Note 46: Other Statutory Information

- 46.1** a) The Group did not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b) The Group did not have any transactions with companies struck off.
- c) The Group did not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Group has not been declared wilful defaulter by any bank or financial institution or other lender.
- e) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- f) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with any oral or written understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- g) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with any oral or written understanding (whether recorded in writing or otherwise) that the Group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- h) The Group has no such transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

- 46.2** The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and / or reporting of subsequent events and transactions in the financial statements. As of May 21, 2025 there were no subsequent events and transactions to be recognised or reported that are not already disclosed.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Note 47: Exceptional Items

During the year ended March 31, 2025, the Group decided to close its site at UK Leven. The cost related to closure of this site, which consisting of asset impairment, severance pay, inventory write-offs and other closure costs amounting to ₹47.66 Crores (Cash cost: ₹10.18 Crore) is disclosed as exceptional item.

Note 48: Proposed Dividend

The Board of Directors, in their meeting held on May 21, 2025 have recommended a final dividend of ₹1 per share, subject to approval by shareholders of the Parent.

Note 49: The financial statements for the year ended March 31, 2025 were approved for issue by the Board of Directors on May 21, 2025.

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 21, 2025

Alexander Poempner
Chief Financial Officer

Mumbai, May 21, 2025

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 21, 2025

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 21, 2025

GRI Content Index

Statement of use	GMM Pfaudler has reported the information cited in this GRI content index for the period 01-Apr-2024 to 31-Mar-2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

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NOTE

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GMM Pfaudler Limited
902, Vios Tower, Commercial Tower 1, New Cuffe Parade
Sewri-Chembur Road, Mumbai 400 037

www.gmmpfaudler.com