

Resilient Growth

Annual Report 2024-2025



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Safety and Industrial Business



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Transportation and Electronics Business



Our business segments

Contribution to revenue

32%

Safety & Industrial

10.5%

Consumer



Visit our [website](#) to know more

Consumer Business

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Healthcare Business

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In an environment marked by economic and supply chain volatility, resilience has become an imperative. At 3M India, we constantly strive to anticipate change and adapt with agility.

During FY 24–25 we remained anchored to our core strengths – science-based problem solving, customer trust, disciplined execution and a culture of integrity.

Resilience stems from all aspects of our operations, including innovation, supply chain, commercial and other functions. It also stems from the commitment of our people and the trust of our customers.

38%

Transportation
& Electronics

19.5%

Healthcare



Resilient

Growth



Leveraging science to shape greater possibilities



We engage with customers through a robust go-to-market framework that includes direct sales, distribution, e-commerce and other specialised channel partnerships. Our deep-rooted relationships with both channel partners and end-users are built on trust, collaboration and a shared commitment to quality. Drawing from 3M's global innovation engine, we deliver differentiated solutions that solve real-world problems for Indian markets.

Every 3M product starts with at least one of our 49 technology platforms, which we apply and combine in unique ways. Technologies do not apply to just one business group – they flow across to create various products that make lives easier and better for people around the world.

Our code of conduct shapes every interaction and decision, earning us the trust of our stakeholders.

3M Company

A culture built on a century of innovation

In 1902, 3M started as a mining venture whose very premise quickly required reinvention to prevent an early end to our fledgling company. The founders' perseverance, optimism and commitment to R&D saw the company through the initial challenges and became the very foundations of our success.

It is the power of innovation that has driven who we are today.

3M acquired its first patent in 1924 and since received a total of ~135,000 patents in 3M's history.

We employ approximately 61,500 people globally across 50 countries. Our brand stands for quality, innovation and integrity.

We relentlessly innovate and adapt our technologies to help solve the problems of today and tomorrow while driving sustainable growth for 3M. Whether it is technology, manufacturing, global capabilities, or our brand, we are committed to connecting our fundamental strengths to create value for our customers.

We have one Code of Conduct that applies to all employees. The Code of Conduct sets clear expectations for employees, relevant stakeholders and business partners and is available in applicable languages. It summarises 3M's compliance principles and raises awareness of 3M's expectations about how to do business the right way, at all times, at every site.



In 2024, 3M Company delivered strong adjusted sales of \$23.6 billion



Globally we are focused on 11 priority verticals which are aligned with growing markets and our differentiated technologies. These are:

Aerospace	AR/VR	Automotive	Industrial Automation
Electronics	Data Centres	Home Cleaning	Home Improvement
Energy	Safety	Semiconductors	

3M India Limited, established in 1987, is a subsidiary of 3M Company, USA.



CORPORATE IDENTITY

Leveraging science to shape greater possibilities (Contd.)

**Powered by innovation,
built for India**

We blend science with purpose to solve real-world problems and improve everyday lives. With over three decades of presence in the country, we have built a strong foundation backed by scale, talent and a commitment to innovation.

37 years

Of innovation and
impact in India

₹39,342 Cr

Market capitalisation
(as on December 31, 2024)

1,200+

Employees driving
excellence across functions

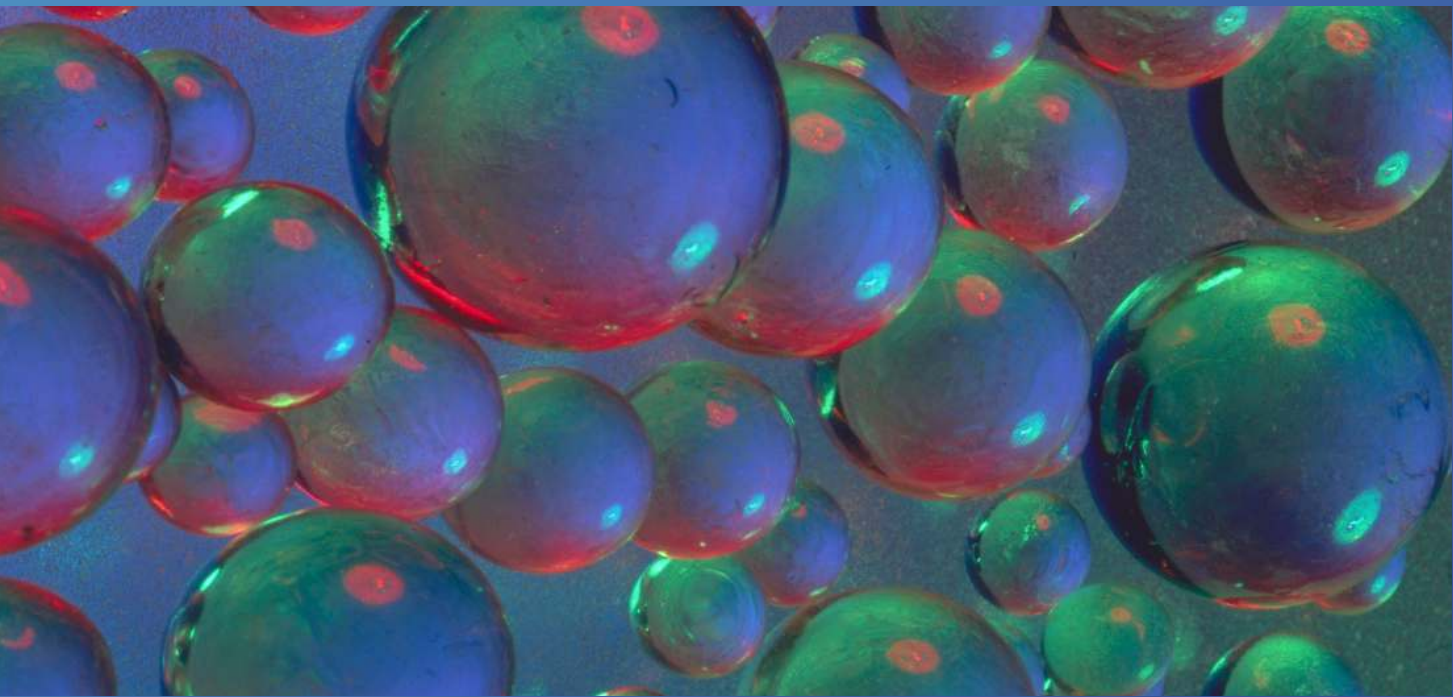
3

Manufacturing
facilities

2

Innovation
centres





Financial results - growth summary

We delivered the following results in a dynamic environment with focus on customers and disciplined execution.

6.1%

Revenue growth



0.3%

Growth in EBITDA



1%

De-growth in profit before tax



As reported in our last Annual Report, on April 1, 2024, your Company's parent company, 3M Company, USA successfully implemented the planned spin-off of its Healthcare business into a new stand-alone publicly traded US company called Solventum. In India, 3M India Limited continues in the Healthcare business as an exclusive licensed manufacturer and reseller as well as an independent distributor for most of Solventum's healthcare products.

Our balanced business mix reflects the strength of our innovation engine and the trust of customers across sectors. Each of our business groups contributes to solving unique industry challenges – safely, efficiently and sustainably.

6.0%

Growth in Safety and Industrial Business



1.6%

Growth in Transportation and Electronics Business



8.6%

Growth in Consumer Business



13.7%

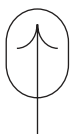
Growth in Healthcare Business





CHAIRPERSON'S MESSAGE

Steering growth with responsibility and resilience



“I am pleased to report that we continue to pursue a sustainable growth path. Our disciplined execution supported sales growth while maintaining margins.”

Dear Shareholders,

As I take on the role of Chairperson of 3M India, I do so with a deep sense of honour. It is a privilege to lead an organisation whose purpose-driven ethos continues to shape its impact across industries and communities. 3M India has consistently delivered solutions that address real-world challenges while creating sustainable value for stakeholders.

Navigating an evolving global landscape

We enter FY 25-26 amidst considerable global economic uncertainty and trade tensions.

Amidst these headwinds, India remains relatively resilient. The country continues to lead among major global economies, driven by robust domestic demand, thriving service-led sectors and a deepening focus on infrastructure and innovation. This sustained growth momentum reflects the underlying strength and adaptability of our economy, even in the face of external volatility.

Strategic investments in rural development, digital transformation and inclusive policies are laying a strong foundation for long-term prosperity, positioning India as a beacon of stability and opportunity in a shifting global landscape.



Creating impact with purpose

I am pleased to report that we continue to pursue a sustainable growth path. Our disciplined execution delivered sales growth of 6.1%.

The foundation of our impact lies in the strength and diversity of our four business groups: Safety & Industrial, Transportation & Electronics, Consumer and Healthcare.

Together, these businesses demonstrate the breadth of our technology, the depth of customer trust and our enduring commitment to improving lives through science.

Accelerating sustainable progress

Our vision of progress is rooted in responsibility. We are actively advancing environmental stewardship across our value chain supporting industries in their decarbonisation efforts and contributing

to a global transition toward a circular, climate-resilient economy. Our sustainability efforts are anchored in science, powered by our innovation platforms and guided by a philosophy of doing more with less.

We believe long-term success is rooted in inclusivity. At 3M India, we are committed to building and fostering a culture of belonging. Our people strategy prioritises inclusive hiring, equal growth opportunities and diverse perspectives strengthening our culture and sharpening our impact.

Beyond our operations, we continue to invest in communities. Our social impact initiatives are focused on expanding access to STEM education, providing scholarships to young women, improving community health and building water resilience through grassroots partnerships.

In closing

I am optimistic about what lies ahead. At 3M India, we remain driven by our purpose, strengthened by our people and energised by the opportunity to create long-lasting value for stakeholders.

I would like to extend grateful thanks to the outgoing Directors of the Board: Mr. Bharat Shah, Mr. Amit Laroya, Mr. Andrew Bennett and Ms. Yun Jin. Their guidance and counsel were invaluable.

On behalf of the Board of Directors, I thank you, shareholders, for your continued trust and confidence in your Company.

Thank you,

Radhika Rajan
Chairperson of the Board



MANAGING DIRECTOR'S REVIEW

Building on resilience, advancing with purpose



Dear Shareholders,

I am pleased to present the Annual Report of 3M India Limited for FY 24-25.

Economic overview

India's GDP was estimated to have grown by about 6.5% in FY 24-25. The Indian Index of Industrial Production (IIP) registered an estimated growth of 4.0% in FY 24-25, with the manufacturing sector delivering about 3.9% growth.

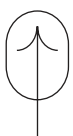
Your Company's performance

In August 2024, the Hon'ble Bengaluru NCLT approved the merger between 3M Electro & Communication India Private Limited and 3M India Limited. Due to this, we will no longer present consolidated results, but only a single set of accounts and results for the Company.

3M India delivered a revenue growth of 6.1% in FY 24-25.

The Company achieved revenues of ₹4,446 crores, PBT of ₹773 crores and PAT of ₹476 crores with EPS at ₹422.60 per share.

During FY 24-25, we returned ₹771.66 crores to our shareholders, in dividends.



“3M India has been in operation for 37 years and over this time has built a strong foundation of people, lab, manufacturing and supply chain capabilities and customer & partner relationships.”

Business highlights

3M India has been in operation for 37 years and over this time has built a strong foundation of people, lab, manufacturing and supply chain capabilities and customer & partner relationships. We will continue to strengthen these to position the Company well to participate in the multi-year growth opportunity in front of us.

We selectively invested in improving our customer coverage during FY 24-25 and will continue to do so in the current year. We have opportunities in segments aligned to 3M's innovation and market trends in India – including automotive, electronics, safety, infrastructure and home cleaning and improvement.

Safety and Industrial Business

This business serves a broad range of customers with products spanning multiple markets, including personal safety, industrial adhesives and tapes and abrasive systems. These businesses drive some of 3M's largest technologies and portfolios.

Transportation & Electronics Business

This business partners closely with customers across a range of industries, including automotive, aerospace and defense, data centre and networks, electronics and semiconductor to develop industry-first innovations and focuses on collaborative innovation.

Consumer Business

This business has a family of iconic and valuable brands, all underpinned by 3M's proprietary technology. CBG leverages this differentiated technology to establish a strong retail presence and increase loyalty with consumers.

Healthcare Business

This business works closely with the healthcare and dental facilities to upgrade practices and help them adopt global best practices and recommend

guidelines/protocols. The quality improvement programmes driven by the business have helped many healthcare facilities achieve global recognition for their practices.

For each of these business groups, we have highlighted notable achievements from FY 24-25, which are discussed later in this report.

Environment, Social & Governance (ESG)

Your Company aligns its Environmental, Social and Governance strategies with the commitments and actions of its parent organisation. Globally 3M has refined targets and aspirations with a focus on carbon, water and plastics.

Sustainability for the environment is integral to our operations, innovation and development. Our efforts are driven by scientific principles and our technological foundations.

We continue to build stronger and resilient communities through our CSR programmes which range from equitable access to STEM education and scholarships for young women, to healthcare initiatives and other community welfare projects. In addition, we encourage employees to contribute time and effort to volunteer through multiple community-based programmes.

Board Update

After serving for ten years as an Independent Director, Mr. Bharat Shah retired as the Chairman of the Board of 3M India Limited on March 26, 2025. We greatly benefited from his leadership and astute counsel and we place on record our sincere gratitude for his contributions.

We welcome Ms. Radhika Rajan as the Chairperson of the Board effective March 26, 2025. Ms. Rajan has served on the Board for several years and has a strong understanding of the Company and will provide the necessary leadership and guidance to the Board.

In other changes to the Board composition, Ms. Vidya Sarathy resigned as Whole-Time Director and CFO and Mr. Andrew Bennett, Mr. Amit Laroya and Ms. Yun Jin resigned as Non-Executive Directors. We sincerely thank them for their numerous contributions. We welcome Mr. Jayanand V. Kaginalkar as Whole-Time Director and Ms. Kong Sau Wai Elizabeth and Ms. Jung Hyun Kim as Non-Executive Directors on the Board. Detailed profiles of the Board members are provided in later pages.

We also welcomed Mr. Nikhil Arora as Chief Financial Officer effective May 5, 2025.

Acknowledgements

In closing, we take this opportunity to thank the Board of Directors for their able guidance.

Our sincere thanks to the Government of India, the State Governments and various Government agencies for their continued support. My sincere gratitude to all our customers, partners, vendors and employees for their involvement, encouragement and validation throughout the year.

Thank you,

Ramesh Ramadurai
Managing Director



Transforming how work gets done

The **Safety & Industrial Business** drives performance, safety and reliability to protect people and transform how work gets done. Through the power of our products and our people, we have been driving this purpose for and with our customers over many decades. The business serves a broad range of customers with products spanning multiple markets, including personal safety, industrial adhesives and tapes and abrasive systems. These businesses drive some of 3M's largest technologies and portfolios.



Success story

Revolutionising bonding solutions (industrial adhesives) for the electric vehicle industry

As electric vehicles reshape mobility, the demand for faster, stronger and smarter bonding solutions is accelerating. At 3M, we are meeting this challenge with innovation rooted in collaboration.

Rising to the demands of the electric vehicles evolution

The electric vehicle (EV) industry is evolving fast and with this rapid transformation comes a set of challenges for manufacturers. The task at hand is to meet the design criteria set by OEMs and ensure that the bonding strength of EV components can withstand the intense conditions of high-stress environments.

But here is the challenge: these solutions need to be delivered with reduced process times and they must seamlessly integrate into automated production lines. Consistency, quality and speed are all essential, as the durability and reliability of the final product depend on the bonds that hold components together.

Building relationships to drive innovation

At 3M, we understand that solving these challenges would require a deep understanding of the needs of

the industry, along with a collaborative approach between end customers, Tier 1 suppliers and our team of experts.

Our strategy was to engage, listen and innovate. By working closely with stakeholders, we gained valuable insights into their unique requirements.

This allowed us to develop tailored solutions through a process of prototyping with 3M adhesives, customer training on dispensing automation with technical engagement at every step of the way.

Proven results of our innovative solutions

The 3M solution met all customer requirements and strengthened our position in the industry. This enabled our customer to localise the battery bonding application. We strive hard every day to earn the confidence of customers as a trusted partner committed to advancing EV bonding solutions.

Success story

Revolutionising armoured vehicle manufacturing with 3M™ Cubitron™ II Abrasives

A leading manufacturer of armoured vehicles faced significant challenges with their conventional weld grinding and finishing processes. Relying on legacy grinding wheels resulted in extended cycle times and quality inconsistencies in the final finish. Recognising the need for innovation, we introduced a transformative solution: 3M™ Cubitron™ II abrasives.

Optimised abrasive solutions for enhanced productivity & safety

The introduction of 3M™ Cubitron™ II abrasives marked a turning point in the manufacturing process. These advanced abrasive products have revolutionised the way our customer approaches weld grinding and finishing. By significantly reducing lead and cycle times, the discs have streamlined operations with a more efficient workflow. Moreover, the exceptional durability of these discs offered significantly improved life performance compared to traditional grinding wheels, aligning perfectly



with productivity and sustainability goals. With the adoption of this new generation process, our customer was able to improve throughput.

The successful implementation of 3M™ Cubitron™ II abrasives exemplifies our commitment to delivering solutions that empower

our customers to achieve their goals. As we continue to innovate and collaborate, we look forward to further advancements that will contribute to the future of manufacturing in India.



Taking on our customers' toughest challenges, together

The **Transportation & Electronics Business** partners closely with customers across a range of industries, including automotive, aerospace and defence, data centre, networks and electronics, to develop industry-first innovations. The business focuses on collaborative innovation – working bench-to-bench with leading innovators and in partnership with the broader value chain – to shape the technology and product roadmaps that drive our customers' growth.

Success story

3M India works on NVH package for 'born electric' vehicles

Two years ago, a unique collaboration began between 3M India and a leading auto OEM, focused on enhancing Noise, Vibration & Harshness (NVH) performance for their new line of Born Electric Vehicles.

The goal was clear - develop a cost-effective, locally manufactured NVH package that meets global acoustic standards, tailored for the Indian market.

The beginning of a collaborative journey

A dedicated cross-functional team was formed to align solutions with the vehicle's positioning, segment benchmarks and customer aspirations. This agile setup allowed for a holistic understanding of acoustic targets and product expectations.

A process built on trust and collaboration

3M was trusted as a strategic partner. We worked closely with the customer, reviewing test results and iterating as required to optimise the solutions.

Leadership from both sides played a crucial role in maintaining strategic alignment. 3M supported the customer with unwavering focus, co-engineering solutions to deliver world-class acoustic performance.

Innovative solutions and results achieved

After several iterations, the 3M NVH package was approved by the customer. This package also delivered overall weight savings using more sustainable chemistry principles.

At the Supplier Awards Ceremony, 3M was recognised as an Innovation Partner, earning the coveted Supplier Award for our contribution to the groundbreaking Born Electric Vehicle.

For 3M, this project marked a turning point of a new era of innovation, one that would continue to shape the future of automotive sound management.





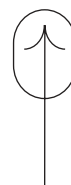
Voices of Leadership

3M's NVH Specialist from India region, one of the key players in the collaboration, said:



"Our customer follows a unique evaluation methodology, which helped 3M to provide tunable solutions and enhance NVH performance for new-age electric vehicles."

3M's Key Account Manager added:



"3M and the customer worked collaboratively to build solutions that enhance vehicle acoustics benefits. They were very supportive in allowing 3M to expand our ideas and refine our earlier benchmark technology."



Success story

**Building safer roads
through innovation
and collaboration**

While India has the second-largest road network in the world, there is a daunting challenge that needs to be addressed: thousands of lives are lost to road accidents every year.

In response, the 3M India Transportation Safety team set out to help reduce fatalities by transforming the way India thinks about road safety. This effort went far beyond improving visibility; it was about protecting lives.

Backed by a multidisciplinary team, 3M built a collaborative ecosystem that connected policymakers, contractors and frontline workers to reimagine safety from the ground up.

2,500 voices, one vision

In 2024, the team mobilised by hosting seminars, demonstrations and in-person conversations with more than 2,500 traffic safety professionals.

These included various authorities, contractors, engineers and consultants who listened, asked questions and left empowered with the knowledge of best-in-class signage, safety standards and design practices.

Listening, adapting, leading

The 3M India team engaged deeply with customers to understand the pain points then tailored their solutions to match. From this came new collaborations with regulatory bodies, ministries and testing agencies.

These were now the building blocks for new safety specifications and execution models across national highways, state roads and urban networks.

At the heart of 3M India's road safety push were key technologies:

- **3M™ Diamond Grade™ DG³ Reflective - Type XI Sheeting:**
The brightest and most advanced reflective sheeting, ensuring signs remain visible in low light, during fog and even in heavy rain.
- **3M™ Raised Pavement Markers (RPMs):** Small but mighty, these markers guide drivers safely through lanes and turns – especially at night or in poor visibility. These innovations were brought to life through pilot projects, validated by top institutes and supported by customer testimonials.



Bringing families home safely

That is more than a slogan. It is central to everything 3M India's Transportation Safety team does. 3M endeavours to change the story of Indian roads, in partnership with all the stakeholders, from one of risk to one of resilience.



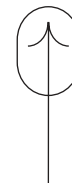
Voices of Leadership

Head of 3M Traffic Engineering reflects on the momentum:



“These sessions have opened doors—connecting us with NHAI officials, consultants and motor vehicle departments. This is not just about selling products. It is about building long-term solutions.”

3M Regional Sales Manager added:



“The interest and excitement from departments and consultants is incredible. Our demos and case studies position us as trusted advisors—not just suppliers.”



CONSUMER BUSINESS

Re-inventing the everyday to make a world of difference

The **Consumer Business** comprises a portfolio of iconic, trusted and enduring brands, each powered by 3M's proprietary technology. For decades, millions of consumers have integrated 3M products into their daily lives—relying on brands such as Scotch™, Post-it®, Command™, Scotch-Brite®, Filtrete™, Meguiar's® and others. The business combines differentiated technology with the strength of its brands to build a robust retail presence and drive greater consumer loyalty.

Success story

Cracking the quick-commerce code

In the fast-moving world of e-commerce, a new model emerged—Quick Commerce. Built on speed, limited assortments and impulse-led purchases, it challenged traditional norms. For many, it seemed too unpredictable. But for 3M's Consumer Business Group (CBG) India, it was an opportunity to rewrite the rules.

As the channel found its footing, CBG India moved decisively. We expanded into over 100 towns and more than 1,000 dark stores. The focus was not just on being available, but on being relevant to the Q-commerce shopper. Relevance meant knowing what the consumer wanted, when they wanted it and why.

Rethinking the playbook

Quick Commerce did not follow the rules of traditional retail. With narrow assortments and purchase decisions made in under three minutes, speed mattered. We needed to build a model that was not only fast but also feasible, sustainable and profitable.



Our strategy hinged on deep shopper insight. We identified specific use cases, built contextual associations and drove demand through targeted interventions. During the festive season, we launched influencer-backed campaigns for Command™'s damage-free décor solutions, tapping into the consumer's desire for effortless home upgrades.

From bold bet to growth engine

What started as an experiment quickly evolved into a repeatable model. By turning challenges into insights and insights into action, CBG India unlocked the potential of Q-commerce. The journey was built on timing, relevance and a deep understanding of the Indian shopper.

Enabling better, smarter and safer healthcare

3M India Healthcare Business is committed to Leveraging our Portfolio, Advancing our Commercial model and Developing Market access through a robust digital eco system.

Success story

Empowering the hands that care: Elevating PICC line management

In cancer wards across India, the Peripherally Inserted Central Catheter (PICC) line plays a quiet yet vital role. It supports chemotherapy, blood draws and other extended treatments. However, this essential lifeline requires skilled handling to ensure patient comfort, safety and continuity of care.

Recognising this critical need, 3M India introduced P.A.C.E. (PICC Access Competency Enhancement)—a structured workshop created to upskill healthcare professionals in effective PICC line care. The programme offered comprehensive six-hour learning experience, combining theoretical knowledge with hands-on practice using simulation models and advanced vascular access solutions.

Expert guidance and real-world impact

The sessions were led by a seasoned industry professional at the Central Venous Access Device (CVAD) Clinic at a leading tertiary care hospital. With decades of clinical experience, this professional's guidance brought unmatched depth and relevance to every training session. Her mentorship helped transform the workshop into a meaningful learning experience rooted in patient-centric care.



A growing community of trained caregivers

Conducted across four cities initially, the programme has trained over 150 healthcare professionals including oncology nurses, IV therapists, infection control specialists and ward staff. Each participant left with the skills and confidence to enhance patient outcomes and improve the quality of care delivered.

The impact

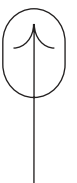
- Live demonstrations and real-case scenarios helped embed practical skills and clinical confidence
- Improved PICC line competence led to fewer complications, better treatment adherence and reduced re-admissions
- Enhanced awareness of dressing protocols, securement methods and infection control improved long-term patient safety



Voice of Leadership

Country Business Leader for Healthcare commented:

“P.A.C.E. is more than a workshop. It is a movement to recognise caregiver expertise as a cornerstone of cancer care. We continue to scale this mission in partnership with industry professionals, ensuring every caregiver feels equipped and every patient feels cared for.”





ENVIRONMENT

Building on what is next Our global impact

Sustainability and driving environmental stewardship are core for 3M, globally. We are continuing our commitment to innovate to decarbonise the industry, accelerate climate solutions and do more with less. As we move ahead with 3M's continuing operations, we remain aligned around our three sustainability pillars:



Science for Circular

Design solutions that do more with less material, advancing a global circular economy.



Science for Climate

Innovate to accelerate global climate solutions and decarbonise industry.



Science for Community

Create a more positive world through science and inspire people to join us.

In 2024, we continued to make progress globally, including:



59.1%

Reduction in our greenhouse gas emissions since 2019



21.4%

Increase in water efficiency since 2019



98.2 Mn lb

Reduction in our use of virgin fossil-based plastic since 2021



~90,000

Global general volunteer hours in 2024

A history of taking action

Environmental sustainability is deeply embedded in how we operate, innovate and grow. We have made several commitments throughout our history. Our actions are guided by science, our technology platforms and a consistent focus on doing more with less.





PEOPLE

Empowering every 3Mer to prosper

Our people are our driving force. We are committed to creating an environment where every individual feels valued, supported and inspired. In FY 24-25, we focused on building a culture rooted in continuous learning, meaningful engagement and well-being.



By investing in people-first programmes and experiences, we are shaping a workplace that is resilient, future-ready and empowered.





Prioritising health and well-being

Workplace well-being has evolved from a peripheral initiative to a core business driver. We recognise that a comprehensive approach to employee health – one that addresses physical, mental, social and financial well-being enhances productivity, resilience and aligns with our purpose.

Key factors that have contributed to workplace well-being are:

Prioritising mental health: Leaders participated in focused workshops to better support team members in managing stress and encouraging open dialogue around emotional well-being.

Driving strategy through research: Insights from ongoing studies on work and well-being helped us implement targeted initiatives that enhance employee satisfaction and workplace experience.

Through our *Healthier You* programme, we are building a Culture of Health where people and business grow together.

We enhanced our benefits by benchmarking term life insurance and offering top-up health insurance options for employees and their families.

To promote daily wellness, we also extended gym memberships, encouraging fitness as a part of everyday life.



Road Ahead

- Continued focus on employee safety through the Journey to Safety roadmap, supporting a stronger safety culture.
- Ongoing financial wellness sessions to help employees navigate both new and old tax regimes.
- Onsite engagement activities including digital fitness assessments, blood donation camps, elderly care support and OPD consultations.
- Annual Health Check programme enables early detection of health risks and timely interventions through comprehensive assessments.



PEOPLE



People and communities

We believe that diverse perspectives fuel innovation. By bringing together people with different skills, backgrounds and experiences, we create a more connected and dynamic workplace. Our Employee Resource Networks (ERNs) are voluntary, employee-led communities that champion belonging and engagement across the organisation.

In FY 24-25, our four ERNs led impactful initiatives:

The Women's Leadership Forum hosted sessions on personal branding, enabled external networking via CII-IWN and organised *Milan 2024* - a gathering for women employees to connect and exchange ideas.

New Employee Onboarding Network continued to support onboarding by participating in welcome programmes and offering buddy support to new hires.

PRIDE celebrated Pride Month across locations and partnered with the CSR team on *Ellaru Nammavare (We Are All Us)*, a year-long initiative supporting transgender individuals through awareness, skill building and livelihood enablement.

Diverse Abilities Network conducted sensitisation workshops for production employees and contributed to accessibility audits for our new corporate office. In 2024, 3M India also launched the Equal Opportunities for People with Disabilities standards to formalise our workplace guidelines.





Empowering growth through learning

We continued to deepen the adoption of 3M Learn, our global learning platform designed to enable personalised, self-paced development. This modern and flexible tool empowers every employee to take ownership of their growth by accessing curated resources tailored to their learning goals.

Our development philosophy centres on providing continuous development and growth opportunities for employees while establishing a common standard of management excellence and investing in targeted development to prepare our pipeline of future leaders.

Culture and employee engagement

Throughout the year, we continued to strengthen employee engagement across our plant locations. From scholarships for children of plant employees to Kaizen events and employee-led safety and quality committees, we actively involved not just our workforce but their families too. Our 3M Clubs organised Family Day and Sports Day events that reinforced community bonds and created memorable shared experiences.

We launched a customised Leadership development programme for supervisors and plant leaders at our Ranjangaon and Bengaluru plants, while also introducing soft skills training for production operators at the Bengaluru facility.

We ensured that new hires felt welcomed and connected from day one. Our monthly Feel@Home virtual onboarding is followed by a one-and-a-half-day immersive experience at our Innovation Centre and Bengaluru Plant, helping new employees align quickly with 3M's values, behaviours and culture.

Employee communication also took centre stage through Connections Forums—our quarterly, company-wide town halls. These are live-streamed and led by the Managing Director, with India Leadership Team members travelling across cities to engage directly with employees, build visibility and share strategic updates in person.

A culture of appreciation remained strong, with platforms like Everyday Wins, encouraging peer-to-peer recognition and celebration of individual and team achievements.

Our employee-led 3M Clubs continued to be vibrant hubs of cultural engagement. Run by employee committees, these clubs curated events throughout the year that strengthened belonging and deepened pride in being part of 3M.





CORPORATE SOCIAL RESPONSIBILITY

Building stronger communities through access and empowerment

We believe progress is meaningful only when it is sustainable. Guided by this belief, we have invested in impactful programmes that address critical social needs—from equitable access to STEM education and scholarships for young women, to healthcare and community-based water resilience initiatives.

Through strategic partnerships and volunteer engagement, we are creating opportunities that unlock human potential, strengthen social infrastructure and foster lasting change across diverse communities.

Pragyaan STEM Scholarships for Girls

In today's fast-paced world, STEM fields are crucial for shaping our future, yet women continue to be underrepresented. The skill gap for transitioning from classrooms to the workforce further diminishes the employability of STEM graduates.

Pragyaan STEM Scholarships for Girls Scholarship is 3M's effort to support women and girls in science to increase representation in emerging STEM fields. In partnership with the Foundation for Excellence, this scholarship programme is helping 200 female students gain access to quality education while also equipping them with the skills needed for future job readiness.

The programme goes beyond financial support by offering holistic development through a series of quarterly connects led by 3M volunteers. The programme includes industry exposure through interactions with women leaders in STEM, mentorships and internships, providing students broader perspectives on the diversity of career opportunities in STEM.



We Are All Us Programme

In March 2024, we launched the We Are All Us programme in Bengaluru to support gender and sexual minorities. In collaboration with Sangama and Solidarity Foundation, we established a Community Resource Centre (Help Desk) to offer a safe space and access to essential services. The initiative focuses on social security, healthcare, economic independence and self-identity and serves as a hub where individuals can access essential services and engage in activities aimed at their overall well-being. So far, over 500 community members have secured social security benefits, 388 have received healthcare support and 60 have completed vocational training.



Community Water Resilience Project



Water scarcity is a major concern in parts of India, especially in drought-prone regions like Shirur block, Ranjangaon, Pune, where 3M's facility is located. With annual rainfall under 550 mm, Kendur village in this area scores 4–5 on the Aqueduct™ Water Risk Atlas, indicating extreme water stress.

To address this, 3M India partnered with Water For People India Trust to launch a water conservation programme focused on enhancing water availability, improving agricultural practices and building sustainable water management systems.

During January–March 2024, a pilot project in Kendur introduced watershed interventions using a ridge-to-valley approach, including rainwater harvesting, check-dams and sunken ponds to capture monsoon runoff and recharge groundwater.

The project also engaged the local community through training in water stewardship and climate-resilient farming. Following good rainfall in July–August 2024, these efforts helped improve water retention significantly, earning strong appreciation from farmers. Over the next 3–5 years, the initiative will scale to 11 villages, combining infrastructure and awareness to build long-term resilience.

Impact

- The project has positively impacted approximately 1,100 households and over 4,800 people in Kendur village, providing them with a more reliable water source for farming, drinking and domestic use.
- The project has created long-term water resilience in the region by establishing systems that manage water resources more effectively, reducing dependence on erratic rainfall patterns.

~1,100

Households positively impacted

4,800+

People in Kendur village received a reliable water source



GOVERNANCE

Embedding integrity at the core

At 3M India, we believe that good governance is a strategic imperative that underpins sustainable growth and long-term stakeholder trust. Our governance practices are rooted in the conviction that doing business the right way, every day, creates enduring value. By operating with uncompromising integrity, we have consistently strengthened our reputation and ability to outperform in a dynamic and increasingly scrutinised global environment.

Our governance framework clearly defines the roles, responsibilities and rights of various stakeholders across the organisation. The Board of Directors provides oversight of Executive Directors and Senior Management (the Leadership Team), ensuring that ethical standards are upheld at every level. This includes rigorous protocols and internal controls that guide day-to-day operations, with the aim of safeguarding stakeholder interests and maintaining accountability.

Central to our governance approach is the 3M Code of Conduct, which serves as a unifying set of principles that bind our diverse teams together across business groups and geographies. It outlines clear expectations on how we conduct ourselves and make decisions, reinforcing our culture of integrity, fairness, accuracy and respect. The Code also encompasses the Respectful Workplace Principle, which promotes a safe and inclusive environment free from discrimination and harassment.

For consistent implementation, 3M has built a globally aligned compliance culture supported by a robust deployment programme. This includes regular training and awareness campaigns, audits, risk assessments and periodic evaluations to measure effectiveness. Employees, vendors and external partners have access to a 24x7 global helpline and online platform to raise concerns anonymously and without fear of retaliation. These channels are governed by our whistleblower protection and non-retaliation policies, which are designed to ensure transparency and trust in our grievance redressal mechanisms.

Our 'Speak Up' programme plays a pivotal role in fostering openness by offering multiple, secure reporting options and encouraging ethical dialogue across the organisation. The programme is central to our efforts to create a safe space for reporting violations, supported by thorough investigations and appropriate remedial action when needed.

**Be 3M**

3M's Code of Conduct defines the expectations for how we work.

 Be Good	 Be Honest
 Be Fair	 Be Loyal
 Be Accurate	 Be Respectful

The Board



Radhika Rajan

Chairperson, Independent Director



Ramesh Ramadurai

Managing Director



N. V. Sivakumar

Independent Director



Jayanand V. Kaginalkar

Whole-time Director



Kong Sau Wai Elizabeth

Non-Executive Director



Jung Hyun Kim

Non-Executive Director



AWARDS AND RECOGNITIONS

Recognitions that reflect our pursuit of excellence

Our focus on performance, innovation, safety and sustainability continues to earn us the trust of our partners and industry stakeholders. From zero-defect deliveries to pioneering sustainable chemistry solutions, these recognitions underscore the impact of our cross-functional teams and the value we create for customers, communities and the environment.

Top 50 Sustainable Companies BW Businessworld

Ranked 46th among India's top 250 listed companies for outstanding ESG performance in 2024, as assessed through BRSR disclosures.

Zero Defect Award

In 2024, our Electronics City Plant received the prestigious award from a key automotive customer for zero-defect deliveries in FY 23-24, highlighting our operational rigour.

Industrial Safety Recognition - Government of Karnataka

Bengaluru Plant was awarded third place in the Large Industry Category for maintaining high standards in workplace safety and compliance.

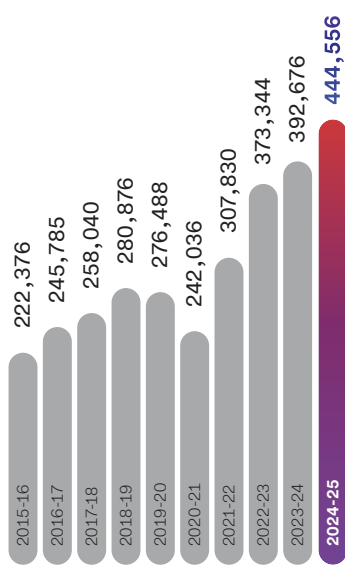
Training Excellence

Appreciation received for conducting impactful training sessions on best practices for cable accessories installation.

FINANCIAL HIGHLIGHTS

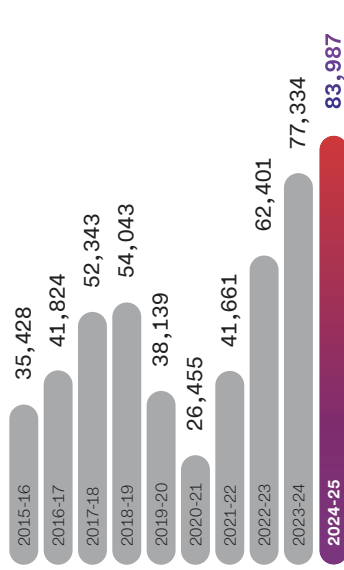
Gross Sales

(₹ in lakhs)



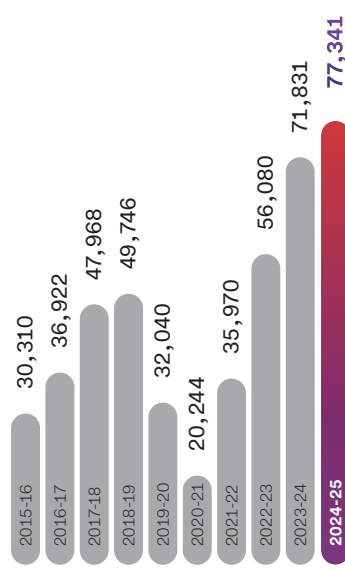
Profit Before Depreciation, Interest and Tax (PBITDA)

(₹ in lakhs)



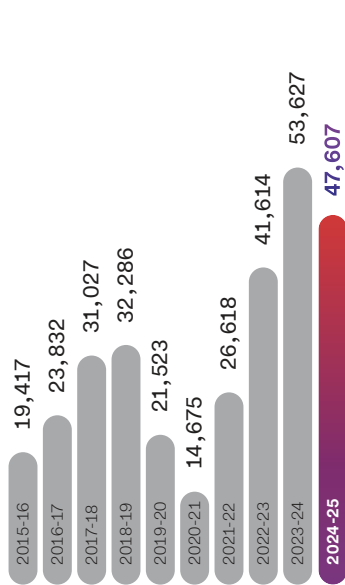
Profit Before Tax (PBT)

(₹ in lakhs)



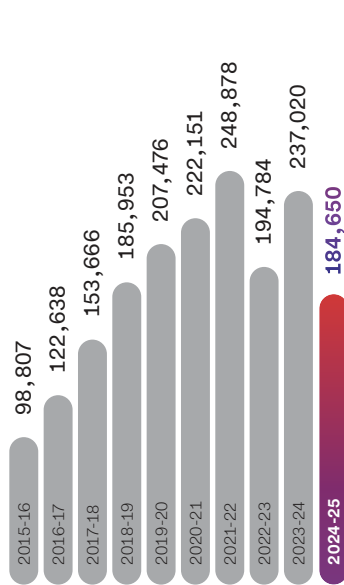
Profit After Tax (PAT)

(₹ in lakhs)



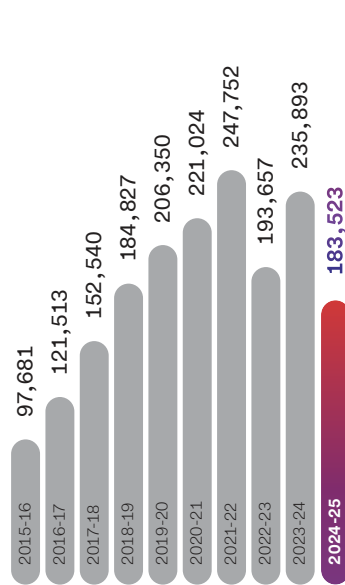
Net Worth

(₹ in lakhs)



Reserves & Surplus

(₹ in lakhs)





12 months ended (April to March)

(₹ in lakhs)

Sl. No.	Summary of Information	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 [#]
1	Gross Sales*	222,376	245,785	258,040	280,876	276,488	242,036	307,830	373,344	392,676	444,556
2	Total Income	224,159	250,732	262,401	284,159	280,646	244,723	311,302	379,766	399,423	451,582
3	Profit Before Depreciation, Interest and Tax(PBITDA)	35,428	41,824	52,343	54,043	38,139	26,455	41,661	62,401	77,334	83,987
4	Profit Before Tax(PBT)	30,310	36,922	47,968	49,746	32,040	20,244	35,970	56,080	71,831	77,341
5	Profit After Tax(PAT)	19,417	23,832	31,027	32,286	21,523	14,675	26,618	41,614	53,627	47,607
6	Net Fixed Assets	34,873	31,467	28,491	26,927	24,277	22,380	26,503	29,296	29,731	31,804
7	Share Capital	1,126.51	1,126.51	1,126.51	1,126.51	1,126.51	1,126.51	1,126.51	1,126.51	1,126.51	1,126.51
8	Reserves & Surplus	97,681	121,513	152,540	184,827	206,350	221,024	247,752	193,657	235,893	183,523
9	Net Worth	98,807	122,638	153,666	185,953	207,476	222,151	248,878	194,784	237,020	184,650
10	Retained Earnings	19,417	23,832	31,027	32,286	21,523	14,675	26,727	41,659	53,501	47,125
11	Employee cost to sales	11.17	11.17	12.49	10.59	10.61	13.76	11.22	9.63	8.98	9.69
12	Net Deferred Tax Asset	837	780	1,135	2,347	1,666	2,561	2,735	2,222	2,241	1,963
13	Capital Investment	1,387	1,412	1,641	3,084	1,984	4,042	6,999	6,999	3,133	5,542
Sl No.	Ratio Analysis										
1	PBT to Total Income(%)	13.52	14.73	18.28	17.51	11.42	8.27	11.55	14.77	17.98	17.13
2	PAT to Total Income(%)	8.66	9.50	11.82	11.36	7.67	6.00	8.55	10.96	13.43	10.54
3	Return on Capital Employed(%)	30.68	30.11	31.22	26.75	15.44	9.11	14.45	28.79	30.31	41.89
4	Return on Equity(%)	19.65	19.43	20.19	17.36	10.37	6.61	10.69	21.36	22.63	25.78
5	EPS	172.89	213.72	275.66	286.72	194.38	132.53	236.28	369.41	476.05	422.60
6	No. of shareholders	12,974	16,290	18,607	23,240	31,047	29,720	38,503	30,854	30,092	35,439

Notes/Glossary:

*Sales before Excise duty charged up to FY 17-18.

[#]The FY 15-16 to FY 23-24 reflect standalone values for 3M India Limited. Similarly, FY 24-25 also presents standalone financial values, but with the inclusion of merged financials resulting from the scheme of amalgamation for the merger of 3M Electro & Communication India Private Limited (a wholly owned subsidiary) with 3M India Limited.

Ind AS - Financials

Previous year/period's figures have been regrouped/ reclassified wherever necessary to ensure uniformity.

Net worth=Share Capital+ Reserves & Surplus

RONW=PAT/ Networth

Return on Capital Employed(%)=PBT/Capital employed

Return on Equity=PAT/Networth

Board of Directors

Ms. Radhika Rajan
Chairperson, Independent Director

Mr. Ramesh Ramadurai
Managing Director

Mr. N. V. Sivakumar
Independent Director

Ms. Kong Sau Wai Elizabeth
Non-Executive Director

Ms. Jung Hyun Kim
Non-Executive Director

Mr. Jayanand V. Kaginalkar
Whole-time Director

Committees of Board

Audit Committee:

Mr. N. V. Sivakumar - Chairperson
Ms. Radhika Rajan
Ms. Kong Sau Wai Elizabeth

Stakeholders Relationship Committee:

Ms. Radhika Rajan - Chairperson
Ms. Kong Sau Wai Elizabeth
Mr. Ramesh Ramadurai

Corporate Social Responsibility Committee:

Ms. Radhika Rajan - Chairperson
Ms. Jung Hyun Kim
Mr. Ramesh Ramadurai
Mr. Jayanand V. Kaginalkar

Nomination and Remuneration Committee:

Mr. N. V. Sivakumar - Chairperson
Ms. Radhika Rajan
Ms. Jung Hyun Kim

Risk Management Committee:

Mr. N. V. Sivakumar - Chairperson
Ms. Radhika Rajan
Ms. Kong Sau Wai Elizabeth
Mr. Ramesh Ramadurai
Mr. Jayanand V. Kaginalkar

Address for correspondence

Registered Office: 3M India Limited,
Plot Nos. 48-51, Electronic City,
Hosur Road, Bengaluru – 560100

Corporate Office: 3M India Limited,
5th Floor Marksquare, 61 St Marks
Road, Bengaluru - 560001

Registrar & Transfer Agent

KFin Technologies Limited
Karvy Selenium Tower-B,
Plot Nos. 31 & 32, Financial District,
Gachibowli, Nanakramguda,
Serilingampally,
Hyderabad- 500 032

Bankers

- BNP Paribas
- Citibank N.A
- Deutsche Bank AG
- HDFC Bank Limited
- ICICI Bank Limited
- The Hong Kong and Shanghai Banking Corporation Limited
- Sumitomo Mitsui Banking Corporation

Statutory Auditor

Messrs. B S R & Co. LLP
Chartered Accountants

Cost Auditor

Messrs. Rao, Murthy & Associates

Secretarial Auditor

Mr. Parmeshwar G. Bhat
(FY 24-25)

Key Managerial Personnel

Mr. Ramesh Ramadurai
Managing Director

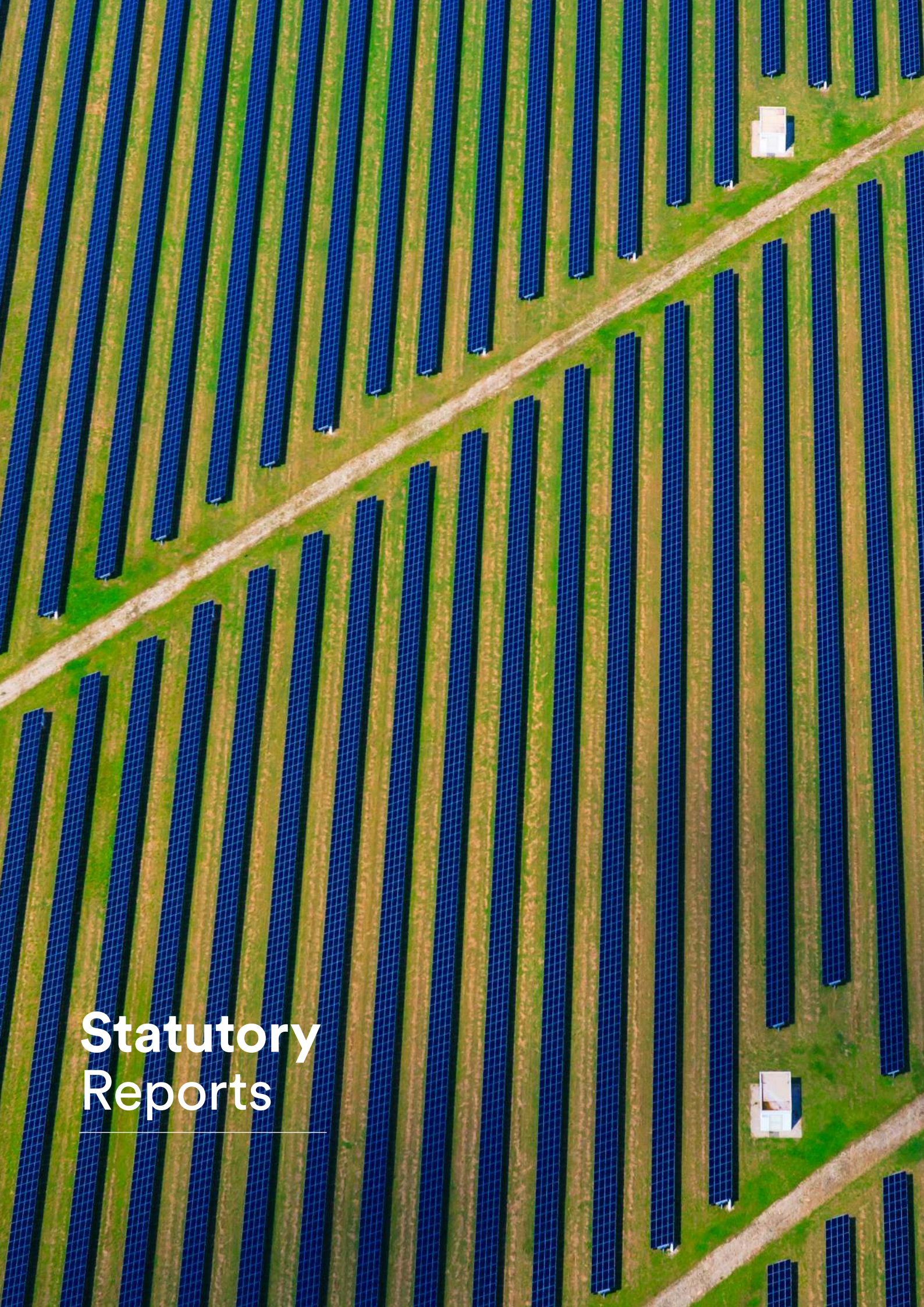
Mr. Nikhil Arora
Chief Financial Officer

Mr. Pratap Rudra Bhuvanagiri
Company Secretary
& Compliance Officer

Listing on Stock Exchanges

National Stock Exchange of India Limited
(Stock Code: 3MINDIA)
BSE Limited (Stock Code: 523395)
International Securities Identification
Number (ISIN): INE470A01017
Website: www.3m.com/in
E-mail: investorhelpdesk.in@mmm.com

Annual General Meeting will be held at 10:30 am (IST) on Tuesday, August 26, 2025 through Video Conferencing/Other Audio Visual Means



Statutory Reports

3M INDIA LIMITED

CIN: L31300KA1987PLC013543

Registered Office: Plot Nos. 48-51, Electronic City, Hosur Road, Bengaluru – 560100
Phone: 080-22231414, Email: investorhelpdesk.in@mmm.com, Website: www.3m.com/in

NOTICE is hereby given that the Thirty Eight (38th) Annual General Meeting (“AGM/eAGM”) of 3M India Limited (“the Company”) will be held at **10:30 am (IST) on Tuesday, August 26, 2025** through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements for the financial year ended March 31, 2025.

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2025, together with the Auditors’ Report thereon and the Board’s Report, be and are hereby received, considered and adopted.”

2. Declaration of Dividend for the financial year ended March 31, 2025.

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** in terms of the recommendation of the Board of Directors of the Company, approval of Members of the Company be and is hereby accorded for declaration and payment of final dividend of ₹ 160 (Rupees One Hundred and Sixty only) and a special dividend of ₹ 375 (Rupees Three Hundred and Seventy-Five only), aggregating to ₹ 535 (Rupees Five Hundred and Thirty-Five only) per equity share of face value ₹ 10 each, for the financial year ended March 31, 2025, and be payable to all those shareholders whose names appear in the Register of Members as on the record date for payment of the Dividend.”

3. Re-appointment of Ms. Kong Sau Wai Elizabeth (DIN: 10879418) who retires by rotation, as a Director.

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Ms. Kong Sau Wai Elizabeth (DIN: 10879418) Director, who retires by rotation at this Annual General Meeting, and being eligible, having offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

4. Approval of Material Related Party Transactions with 3M Company, USA.

To consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including any statutory modifications(s) or re-enactments(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (including any Committee thereof) to enter into Material Related Party Transactions with its Holding Company, 3M Company, USA, being related party as defined under Regulation 2(1)(zb) of the Listing Regulations, for an amount not exceeding in aggregate ₹ 763 crores (Rupees Seven Hundred and Sixty-Three Crores only) for the period from the 38th Annual General Meeting until the 39th Annual General Meeting of the Company on such terms as may be mutually agreed for between the Company and 3M Company, USA.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, expedient in order to give effect to this resolution.”

5. Approval for payment of Royalty to 3M Company, USA.

To consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including any amendment(s) or modification(s) or re-enactment thereof), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (including any Committee thereof) for the payment of Royalty by the Company to 3M Company, USA, being a related party, for an amount not exceeding ₹ 97 crores (Rupees Ninety Seven Crores only), for the period from the 38th Annual General



Meeting until the 39th Annual General Meeting of the Company, on such terms as may be mutually agreed for between the Company and 3M Company, USA.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, expedient in order to give effect to this resolution.”

6. Appointment of Secretarial Auditor.

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for appointment of Messrs. V Sreedharan & Associates, Company Secretaries in Practice (Firm’s Registration No. P1985KR14800) as the Secretarial Auditor of the Company for a period of five (5) years, commencing on April 1, 2025, until March 31, 2030, to conduct Secretarial Audit of the Company and to furnish the Secretarial Audit Report.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, as determined by the Audit Committee in consultation with the said Secretarial Auditor.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution.”

7. Ratification of remuneration payable to Messrs. Rao, Murthy & Associates, Cost Auditors for FY 25-26.

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof), the remuneration payable to Messrs. Rao, Murthy & Associates, Bengaluru (Firm’s Registration No. 000065), Cost Auditors, appointed by the Board of Directors based on the recommendation of the Audit Committee of the Company to conduct the audit of the cost records of the Company for FY 25-26 for a fee of ₹ 575,000 (Rupees Five Lakhs Seventy-Five Thousand only) excluding applicable taxes and re-imbursement of out of pocket expenses incurred by them in connection with the audit of cost records, be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, expedient in order to give effect to this resolution.”

By order of the Board
Pratap Rudra Bhuvanagiri
Company Secretary (ACS 22297)

Place: Bengaluru

Date : May 28, 2025

Registered Office: Plot Nos. 48-51, Electronic City,
Hosur Road, Bengaluru – 560100

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS AMENDED.

The following statements set out all material facts relating to Ordinary/Special business proposed to be transacted under Item No. 4 to 7 of the accompanying Notice dated May 28, 2025 and shall be taken as forming part of the Notice.

Item No. 4 and 5: Approval of Material Related Party Transactions with 3M Company, USA and Payment of royalty to 3M Company, USA.

The Company is the flagship listed company of 3M Company, USA in India. 3M Company, USA holds 75% equity stake, with the balance of the outstanding equity being held by public shareholders. 3M Company, USA is a diversified technology company with a global presence in the following businesses: Safety and Industrial; Transportation & Electronics and Consumer. 3M and its group companies (3M Group) are among the leading manufacturers of products for many of the markets they serve. Most 3M products involve expertise in technology, product development, manufacturing, and marketing, and are subject to competition from products manufactured and sold by other technologically oriented companies. The Company manages its operations in four (4) operating business segments: Safety and Industrial; Transportation & Electronics; Consumer and Health Care. The Company's four business segments bring together common or related 3M technologies which enhance the development of innovative products and services and provide for efficient sharing of business resources. The Company has 3 (three) Manufacturing Plants and a nationwide sales network in India.

In the ordinary course of its business, the Company enters into transactions for the sale and purchase of goods and

raw materials with, for availing/ rendering services from/to, and other commercial transactions with 3M Company, USA, being a related party as defined under Regulation 2(1) (zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), at arm's length basis. Among these related-party transactions, there has been an on-going intellectual property arrangement under which 3M Company, USA has granted the Company access to 3M Group's synergies, state of art products and technologies, competencies and "3M" and other 3M-owned brands in an increasingly global and competitive business environment.

In the absence of such arrangement and the full performance of the duties and obligations thereunder by the Company, the Company would no longer have access to 3M products or technologies or the use of the "3M" and other 3M-owned brands.

3M Company, USA is a Holding Company (Promoter) of the Company, and together with other members of 3M Group are "related parties" as per the definition under Regulation 2(1) (zb) of the Listing Regulations.

Members may note the following particulars:

- (i) The approval being sought from the Members through this notice pertains specifically to material related party transactions with the Parent Company viz., 3M Company, USA. These transactions are estimated based on historical trends and adjusted for anticipated business activity and prevailing market conditions during the relevant period. The said transactions are essential for the Company to carry out its business operations and maximise its growth and performance.
- (ii) The table below provides details of actual transactions with all Related Parties within the 3M Group entities over the past three financial years:

(₹ in crores)			
Nature of Transaction	Actual Value of transaction for FY 22-23	Actual Value of transaction for FY 23-24	Actual Value of transaction for FY 24-25 ¹
INCOME			
Income from Contract Research	14.58	12.50	22.40
Sale of Goods	81.22	89.34	23.78
Re-charge of expenses	38.04	48.80	46.88
Total	133.83	150.64	93.06
EXPENDITURE			
Purchase of Materials	1,453.74	1392.35	1,333.07
Royalty	57.45	76.76	75.48
Corporate Management Fee	117.71	118.43	124.18
Total	1,629.90	1587.54	1,532.73
Grand Total	1,763.73	1738.18	1,625.79

1. The values for FY 24-25 include the values of merged entity—3M Electro & Communication India Private Limited.



- (iii) The table below provides details of actual transactions with the Parent Company viz. 3M Company, USA for the previous financial year, along with the estimated transaction values from 37th AGM to 38th AGM, and the projected transaction values for the period from 38th AGM to 39th AGM of the Company.

(₹ in crores)

A	B	C	D	E	F
Nature of Transaction	Actual Value of transaction for FY 22-23	Actual Value of transaction for FY 23-24	Actual Value of transaction for FY 24-25	Estimated value for the period from 37 th AGM to 38 th AGM ¹	Estimated value of transactions for which approval is sought for the period from 38 th AGM to 39 th AGM
INCOME					
Income from Contract Research	15	12	22	27	35
Sale of Goods	1	3	9	7	20
Re-charge of expenses	-	-	9	11	20
Total	16	16	41	46	75
EXPENDITURE					
Purchase of Materials	634	562	461	475	673
Re-charge of expenses	-	-	-	-	10
Purchase of capital goods	-	-	-	-	5
Total	634	562	461	475	688
Grand Total	650	578	502	521	763
Royalty	57	77	75	79	97²

- The values are actuals upto June 2025 and estimates for July 2025 to August 2025.
- Royalty expense is wholly attributed to estimated volume in manufacturing activities.
- The proposed increase in cost of purchase of materials from August 2025 to August 2026 is attributable to growth in business volumes, supply chain adjustments and probable changes in the sources of supply.
- The reduction in the value of goods purchased for FY 24-25 compared to FY 23-24 is attributed to the transition of Health Care-related purchases to Solventum Inc, which, effective April 1, 2024, is no longer a related party for the Company.

- (iv) At Sl. (iii), Column F, the values shown against various categories of the nature of transactions are indicative and may vary inter se. The approval of Members is being sought for the total value of related party transactions specified in the resolution with 3M Company USA, and transactions will remain within such overall values proposed for approval of the Members.
- (v) The payment of royalty to 3M Company, USA has been carved out as a separate resolution. The intent is to separate the payment of royalty from the other transactions which pertain to ongoing purchase and sale of goods, income from ongoing contract research activities, and cost recharges from ongoing business operations.
- (vi) Members may kindly note that in terms of SEBI Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2022/40 dated March 30, 2022 and SEBI/ HO/CFD/ CMD1/ CIR/P/2022/47 dated April 8, 2022, the approval of Members is sought to the aforesaid material related party transactions for a period commencing from 38th AGM to 39th AGM of the Company.
- (vii) Information on the Intellectual Property agreement entered by the Company with 3M Company, USA, basis for Royalty and benefits derived by the Company from the Intellectual Property Agreement and Royalty payment:
- 3M Company, USA has granted the Company access to 3M Group's synergies, state of art products and technologies, competencies and "3M" and other 3M-owned brands which are very critical and essential for the Company to carry out its business operations and maximise its growth and performance in an increasingly global and competitive business environment.
 - The Intellectual Property agreement with 3M allows the Company to access and rights to manufacture using the parent company's licensed technologies, product portfolio and the "3M" brand. The parent company, 3M Company, USA and 3M Group has a broad portfolio of products across multiple technology platforms protected by Intellectual Property Rights. 3M Company, USA owns 49 technology platforms, which cover platforms such as adhesives, abrasives, ceramics, nanotechnology and several more. 3M Company, USA and its affiliates invested about USD 1.1 Billion in Research and Development in 2024. The consistent investment in R&D over the years helped produce 135,077 patents in the company's history, and a steady stream of unique products for customers that are accessible to 3M India. New products have been introduced in all the business segments.

- c. The “3M” brand was ranked among the top 100 list of global best brands ranking, by Interbrand in 2023. Further, 3M Company, USA along with its global affiliates, is highly regarded in the business world as well as with stakeholders. The 3M Group has received several global accolades and recognition. To name a few, 3M Company was recognised as:
1. 50 Most Innovative Companies, by Boston Consulting Group
 2. Top 100 Global Innovators 2023 by Clarivate
 3. Brands That Matter 2023 by Fast Company.
 4. World’s Most Trustworthy Companies 2023 by Newsweek.
 5. Top 100 Global Leaders in Sustainable Innovation 2023, by LexisNexis.
- (viii) Such global recognition earned over several years, gives the 3M brand a strong value in the marketplace, which the Company benefits from. Access to and use of the “3M” brand has benefited the Company to gain business and customers for its innovative products and deliver business growth.
- (ix) As a result of the IP agreement, the Company has significantly increased its manufacturing footprint in India over the past several years.
- 63% of the incremental growth delivered over the last six years was contributed by the increase in manufacturing activities. This increase in manufacturing is dependent on access to 3M Company’s intellectual property, product portfolios and the 3M brand.
 - As at March 31, 2014 locally manufactured products contributed 52.9% to total sales. The contribution of locally manufactured products increased to 59.4% of total sales as at March 31, 2025. During the same period, the Company’s profit before tax increased from 3.9% to sales in FY 13-14 to 17.4% in FY 24-25. This represents a compounded growth rate in the value of profit before tax by 24.56%.
- (x) Effective April 1, 2023, the Company does not pay any royalty on trading sales and royalty are paid on sales of manufactured products only, on net sales value. This change in royalty arrangement aligned the royalty payment closely with the increase in the mix and sales of locally manufactured products and aligned 3M India with 3M Group’s royalty arrangement across entities/affiliates in the Group. Additionally, this benefits the Company in the medium to long-term to increase the local manufacturing footprint and build sustainable competitive moats in the marketplace.
- (xi) The Company is strengthening the Profit Before Tax (PBT) since the Company is able to penetrate better by accessing the technologies of 3M which is clearly seen in PBT growth and topline growth.
- (xii) Payment of Royalty to parent company is on the following categories:
- a. Manufacturing & Services: 3.25% on sale of manufactured products, consistent with previous approvals. There has been no change in the royalty rate payable compared to previous year. The current approval sought is for ₹ 97 Crores, covering royalties for these products and services.
 - b. Other Software: 17.5% on net sales. Historically, there have been no payments under “Other Software”. Transactions are not anticipated, and no specific approval has been sought for this category.
- (xii) The terms and conditions and the rates of royalty remain unchanged from April 1, 2024 and consistent with the previous year’s approval.
- (xiii) Effective April 01, 2024 Parent 3M Company, USA has spun off Healthcare Business to Solventum Inc, USA which is not a related party. Accordingly the value of royalty proposed to be paid to 3M Company, USA does not include royalty payable on Health Care business.
- (xiii) For FY 23-24, the royalty paid was ₹ 76.76 crores (1.95 % to sales) and for FY 24-25, the royalty paid was ₹ 75.48 crores (1.70 % to sales).
- (xiv) Although approval was sought last year for transactions with two entities - 3M Company, USA and 3M Innovation Singapore Pte Limited - the actual value of transactions with 3M Innovation Singapore Pte Limited did not exceed the materiality threshold. Furthermore, the estimated value of transactions with 3M Innovation Singapore Pte Limited from 38th AGM to 39th AGM is also unlikely to exceed this threshold. Therefore, only the transaction with 3M Company USA, considered material, is being proposed to shareholders for the period from 38th AGM to 39th AGM.
- (xv) Transactions relating to Corporate Management Fee:
- a. The Company has established an inter-company services agreement with 3M Global Service Center Management Company, USA (“3M GSCMC”), aimed at leveraging technical expertise, usage of various IT platforms, market intelligence to drive business growth, sales strategy, product customisation support based on business needs, technical support and product training and familiarisation to end customers, transaction processing in various areas such as sourcing, accounting, IT and wide range of support services, thus benefiting from the operational capabilities and cost efficiencies through economies of scale. These services are competitively provided, optimising cost efficiencies and capitalising on 3M’s expertise in international business management and diverse product portfolios.



- b. Under the 3M global support services arrangement the Company receives and also renders support services.
- c. The services received and rendered are in the nature of:
- Laboratory, Technical assistance and Manufacturing
 - Selling and Marketing
 - Strategic and Managerial
 - Information Technology
 - Routine Administration
 - Foreign Services Employees Expenses and
 - Outsourced Services of Transaction Processing on competitive conditions.
- d. Basis for Corporate Management Fee:
- The Company incurs support service charges in the mentioned areas, calculated based on the hours dedicated by employees from other 3M Group companies to 3M India.
 - The cost allocation of the common IT platforms (such as ERP, office, HR, security applications etc.), infrastructure and security ecosystem expenses housed globally, incurred by 3M group and being utilised by 3M India are allocated on the basis of sales ratio / utilisation.
 - Globally, 3M operates captive shared service centers responsible for handling a spectrum of transactional activities, including Source to Pay, Record to Report, HR, and Customer Service. For 3M India, these essential activities are managed by outsourcing to 3M's Shared Service Centers. Costs incurred in this process are meticulously allocated to 3M India, based on actual time spent and capacity utilisation.
 - On similar lines 3M India also recharges for the services rendered by 3M India to other 3M global entities based on the time spent.
 - Therefore, resulting in both recharge of expenses by 3M India to 3M GSCMC accounted as revenue from Operation (refer note 18 of Financial Statements and recharge of expenses by 3M GSCMC to the Company, accounted under 'Other expenses – Corporate Management Fee' (refer note 25 of Financial Statements).
- e. It is pertinent to note that, while 3M India pays a Corporate Management Fee of 2.79% of revenues from operations for FY 24-25, if the same is adjusted for similar recharge from 3M India to 3M GSCMC, then the cost of net Corporate Management Fee will be 2.48% of the revenue from operations. Further, if the cost of transactional process outsourcing (which is 0.11% of sales) is adjusted being a direct cost, the net cost of Corporate Management Fee to revenue from operation will be only 2.37%.
- e. The Company's continued arrangement with 3M Global Service Center Management Company, USA includes services like sales strategy development, product application engineering, technical support, and transaction processing across multiple areas. By doing so, 3M India benefits from operational efficiencies and cost saving owing to economies of scale. This partnership has allowed 3M India to lower its expenses on the back of total sales, thereby leading to improved profitability.
- f. The Corporate Management Fee as a percentage to sales has been reducing over the last 3 years, while contributing to the Company's growth.
- g. The above services are availed on a continuous basis and benefit the Company to continue delivering consistent, competitive and profitable growth.
- h. It is clarified that the proposal in Resolution No. 5 is exclusively for the payment of royalty to 3M Company, USA, and does not cover the corporate management fee. The Corporate Management Fee is paid to 3M GSCMC, and the combined value of all related party transactions with GSCMC does not exceed the materiality threshold. Therefore, the proposals for approval of shareholder in this notice do not include the Corporate Management Fee.
- i. Details of the proposed related party transactions between the Company, 3M Company, USA, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Master Circular No. SEBI/HO/CFD/PoD2/ CIR/P/015 dated November 11, 2024, are as follows:

Sl. No	Description	Details
1	Details of Summary of information provided by the management to the Audit Committee	
	a. Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	3M Company, USA
	b. Type, material terms, monetary value and particulars of the proposed RPTs.	Transactions in the nature of sale and purchase of goods and raw materials with, for availing/ rendering services from/ to, and other commercial transactions with 3M Company, USA, for an amount not exceeding in aggregate ₹ 763 crores (and royalty of ₹ 97 crores) for a period from 38 th AGM to 39 th AGM of the Company. These transactions are in the ordinary course of business and are on an arm's length basis.
	c. Percentage of the Company's annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	RPTs (other than royalty) 17.16% Royalty 2.18%
2	Justification for the proposed RPTs.	As set out in the explanatory notes, pursuant to Section 102(1) of the Companies Act, 2013.
3	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary.	NA
4	Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	All the transactions are on arm's length basis. Valuation report wherever required will be obtained for proposed related party transaction(s) and will be made available to the shareholders on request.
5	Any other information that may be relevant.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

The proposed related party transactions are in the ordinary and normal course of business and on arm's length basis and play a significant role in the Company's business operations. Accordingly, the Board, based on the recommendation and approval of the Audit Committee, recommends the Ordinary Resolutions set forth at Item No. 4 and 5 for approval of the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company, nor their relatives, are considered to have any direct or indirect interest in the resolutions outlined in Item No. 4 and 5 of the Notice convening the AGM. However, it may be noted that the Non-Executive Non-Independent Directors, Ms. Kong Sau Wai Elizabeth and Ms. Jung Hyun Kim, are employees of the 3M Group.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolutions set forth in this Notice, whether the entity is a Related Party to the particular transaction or not.

The Board recommends the Ordinary Resolutions set forth at Item No. 4 and 5 of the Notice for the approval of the Members of the Company.

Item No. 6: Appointment of Secretarial Auditor.

As per Section 204 of the Companies Act, 2013 (effective April 1, 2013), every listed company is required to include a Secretarial Audit Report – prepared by a Company Secretary in Practice – in its Annual Report. This report must follow the format prescribed under the Act. SEBI reinforced this requirement through a circular dated February 8, 2019, which introduced Regulation 2A to the SEBI Listing Regulations. This regulation mandates listed companies to include a Secretarial Audit Report from the financial year ending March 31, 2019, onwards, in the prescribed format. Further more, as per the revised Regulation 24A of the SEBI Listing Regulations

- Every listed company must conduct a Secretarial Audit through a Peer-Reviewed Company Secretary.
- The company may appoint either an individual Company Secretary in Practice or a firm of Company Secretaries in Practice for this audit.
- An individual may serve as Secretarial Auditor for only one term of five consecutive years, while a firm can serve for up to two such terms.



- The appointment of the Secretarial Auditor must be approved by the shareholders at the Annual General Meeting (AGM). Further, the Auditor cannot be removed before the end of their term unless such removal is also approved by shareholders at the AGM.

Based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of Messrs. V Sreedharan & Associates, Company Secretaries in Practice, bearing Unique Identification No. P1985KR14800, as the Secretarial Auditors of the Company for a term of 5 (five) consecutive years commencing on April 1, 2025, and ending on March 31, 2030, covering audits for FY 25-26 through FY 29-30. The appointment is subject to shareholders' approval at the Annual General Meeting.

While recommending Secretarial Auditor for appointment, the Board and the Audit Committee evaluated various factors, including their professional credentials, experience, ability to handle the audit, industry standing, their clientele, and they was found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

Messrs. V Sreedharan & Associates is a peer-reviewed and a well-established firm of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India, New Delhi. The firm is led by experienced partners, all of whom are distinguished professionals in the field of corporate governance and compliance. Their collective expertise is seen across different fields such as audits, advisory, transactional services, due diligence, and compliance management.

The remuneration for the Secretarial Audit for the financial year ending March 31, 2026 is proposed at ₹ 300,000 (Rupees Three Lakh only), plus applicable taxes and other out-of-pocket costs incurred in connection with the audit. Additional fees for statutory certifications and other professional services will be determined separately by the management, in consultation with Messrs. V Sreedharan & Associates, and will be subject to approval by the Board of Directors and/or the Audit Committee. The remuneration for the subsequent years from 2026 to 2030 will also be approved by the Board and/ or the Audit Committee.

Messrs. V Sreedharan & Associates have provided consent to act as the Secretarial Auditors of the Company and have confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations.

The current auditor, CS Parameshwar Bhat, has completed a five-year term. As a good corporate governance, the Board has recommended this change and proposed the appointment of Messrs. V Sreedharan & Associates.

The proposed remuneration to the new Secretarial Auditor Rs. 300,000 is lower than fee of Rs. 500,000 paid to the outgoing Secretarial Auditor for the FY 24-25. The remuneration to the new Secretarial Auditor is based on

independent fee proposal provided by the auditor, which, based on the scope of work, has been mutually agreed upon. Additionally, the fee was compared to other independent quotes to ensure a fair and competitive determination of the remuneration.

Accordingly, the consent of the shareholders is sought for the appointment of Messrs. V Sreedharan & Associates as the Secretarial Auditor of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested, directly or indirectly, in this resolution.

The Board recommends the Ordinary Resolution set forth at Item No. 6 of the Notice for the approval of the Members of the Company.

Item No. 7: Ratification of remuneration payable to Messrs. Rao, Murthy & Associates, Cost Auditors for FY 25-26.

The Board of Directors of the Company at its meeting held on May 28, 2025 had on the recommendation of the Audit Committee, approved the re-appointment and remuneration of Messrs. Rao, Murthy & Associates, Cost Accountants, Bengaluru, (Firm's Registration No. 000065), to conduct the audit of the cost records of the Company for the financial year ending March 31, 2026 for the products covered (as per the details below) as per the Companies (Cost Records and Audit) Rules, 2014, on a remuneration of ₹ 575,000 (Rupees Four Lakhs Seventy-Five Thousand Only) plus applicable taxes and out of pocket expenses at actuals.

In terms of the provisions of Section 148(3) of the Act read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. The proposed remuneration to the Cost Auditor will commensurate with the size and complexity of the Business. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors as set out in the resolution for the aforesaid services to be rendered by them.

None of the Directors or Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested, directly or indirectly, in this resolution.

The Board recommends the Ordinary Resolution set forth at Item No. 7 of the Notice for the approval of the Members of the Company.

By order of the Board
Pratap Rudra Bhuvanagiri
Company Secretary (ACS 22297)

Place: Bengaluru

Date : May 28, 2025

Registered Office: Plot Nos. 48-51, Electronic City,
Hosur Road, Bengaluru – 560100

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT PURSUANT TO SECRETARIAL STANDARD-2 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Item No. 3: Re-appointment of Ms. Kong Sau Wai Elizabeth (DIN: 10879418) who retires by rotation, as a Director.

Information in relation to re-appointment of Ms. Kong Sau Wai Elizabeth as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Secretarial Standards:

Name of the Director	Kong Sau Wai Elizabeth
Director Identification Number	10879418
Category	Non-Executive and Non-Independent Director
Date of Birth	November 28, 1981
Nationality	Singapore
Qualification	Bachelor of Arts in Law and MBA
Brief Profile of the Director	Ms. Kong brings over four years of experience with the 3M Group, where she currently serves as the Asia General Counsel based in Singapore. She has previously supported various business segments, including Safety & Industrial, Transportation & Electronics, Enterprise Supply, and also Enterprise Operations. Prior to joining 3M, she worked as Counsel at Clifford Chance, focusing on cross-border mergers and acquisitions, private equity, joint ventures, corporate restructuring, and anti-trust matters. She also served as an International Partner at Morgan Lewis Stamford, specialising in equity capital markets, public mergers and acquisitions, corporate finance, funds, corporate governance, and securities regulation. Ms. Kong holds a Bachelor of Arts in Law with Double First Class honors from the University of Cambridge and an Executive MBA with distinction from the INSEAD-Tsinghua Dual Masters programme, where she excelled in advanced corporate finance, strategy, financial and management accounting, marketing, operations management, economics, and organisational behavior.
Date of first appointment on the Board	January 1, 2025
No. of Board Meeting attended during FY 24-25	4 (Attended all Board meetings held after the date of appointment)
Shareholding in 3M India Limited including shareholding as a beneficial owner	Nil
Expertise in specific functional areas	Law, Mergers and Acquisitions, Finance, and Securities market.
Last Remuneration drawn as Non- Executive Director	NA
Details of Remuneration sought to be paid	NA
List of Directorships held in other companies	Nil
Resignation from the directorship of the listed companies in the past three years	Nil
Memberships / Chairmanships of Committees of Boards in Companies (Including 3M India Limited)	3M India Limited – Audit Committee, Stakeholders Relationship Committee and Risk Management Committee
Disclosure of relationships between Directors/KMP inter-se	Nil

This Statement may also be regarded as a disclosure under the Listing Regulations.



NOTES TO E-AGM NOTICE:

1. Pursuant to General Circular nos. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022 dated May 5, 2022, General Circular 10/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023, and No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) (collectively “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/CFD/ CMD1/ CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/ HO/ CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/ HO/CFD/CMD2/ CIR/P/2022/62 on May 13, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Circular SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, issued by the Securities and Exchange Board of India (collectively referred to as ‘SEBI Circulars’) permitted the holding of the Annual General Meeting (‘AGM’) through VC/OAVM, without the physical presence of the Members. In compliance with the provisions of the Companies Act, 2013 (‘the Act’), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘the Listing Regulations’), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of Members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. As per the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Pursuant to the Circulars, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Bodies Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM, participate thereat and cast their votes through e-voting. Since this AGM is being held pursuant to the above MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. The Proxy Form and Attendance Slip are not annexed to this Notice.
3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Explanatory Statement pursuant to Section 102 of the Act in respect of Special Business is annexed hereto.
5. The Shares of the Company are mandated by Securities and Exchange Board of India for trading in dematerialised form by all investors. Members holding Shares in physical form are advised to dematerialise their Shares to avoid the risks associated with the physical holding of such Share Certificates.
6. The Registrar and Transfer Agent: KFin Technologies Limited, KFinTech Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serlingampally Mandal, Gachibowli, Hyderabad – 500 032 is handling registry work in respect of Shares held both in physical form and in electronic/ demat form.
7. In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. The Company shall send physical copy of the Annual Report for FY 24-25 to those members who request for the same at investorhelpdesk.in@mmm.com and rajeev.kr@kfinetech.com mentioning their Folio No./DP ID and Client ID. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company’s website at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local, 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 NSDL at www.evoting.nsdl.com.
8. Members may refer to additional information on Directors recommended for appointment/ re-appointment under the provisions of Listing Regulations.
9. Members holding Shares in electronic form are requested to register their e-mail addresses with their respective Depository Participants and Members holding Shares in Physical form are requested to register their e-mail address with the Company’s Registrar and Transfer Agents and participate in the “Green initiative” launched by the Ministry of Corporate Affairs in future. As per rule 3 of the Companies (Management & Administration) Rules, 2014, Registers of Members of all the Companies now should have additional details pertaining to e-mail, PAN/ CIN, UID, Occupation, Status, Nationality. The Company seeks from all the Members of the Company to update their details with their respective Depository Participants in case of Shares held in electronic form and with the Company’s Registrar and Transfer Agents in the case of physical holding immediately.
10. Members holding Shares in physical form are requested to notify to the Company’s Registrar and Transfer Agent of any change in their address and update their Bank

account details. Members holding Shares in electronic form are requested to notify any change of address and update bank account details to their respective Depository Participants directly.

11. Pursuant to Section 72 of the Act, Shareholders holding Shares in physical form may file nomination in the prescribed Form SH- 13 with the Company's Registrar and Transfer Agent. In respect of Shares held in electronic/ demat form, the nomination form may be filed with the respective Depository Participant.
12. Electronic copy of the Notice of the 38th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting is being sent only to all the Members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes.
13. e-AGM: The Company has appointed National Securities Depository Limited (NSDL), to provide VC/OAVM facility for the AGM and the attendant enablers for conducting of the e-AGM.
14. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
15. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations (as amended) and the MCA Circulars, the Company is providing

facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the day of the AGM will be provided by NSDL.

16. The Company has appointed Mr. Vijayakrishna K.T, Company Secretary in practice (C.P. No. 980, Membership No. FCS 1788), who in the opinion of the Board is a duly qualified person, as Scrutiniser who will collate the electronic voting process in a fair and transparent manner, provided that the Scrutiniser so appointed may take assistance of a person who is not in employment of the Company and who is well- versed with the electronic voting system.

17. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING e-AGM ARE AS UNDER:

The remote e-voting period begins at **9.00 am (IST)** on **Saturday, August 23, 2025** and ends at **5.00 pm IST** on **Monday, August 25, 2025**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. **Monday, August 18, 2025**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up Equity Share Capital of the Company as on the cut-off date, being **Monday, August 18, 2025**.



How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password . Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password . 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting . Additionally, there is also links provided to access the system of all e-Voting Service Providers , so that the user can visit the e-Voting service providers' website directly . 3. If the user is not registered for Easi/Easiest , option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option . 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers .
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility . Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting .

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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.com 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 at toll free no. 1800-21-09911



B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 134827 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to Mr. Vijayakrishna K.T. at vijaykt@vjkt.in with a copy marked to evoting@nsdl.com. Institutional shareholders (other than Individuals, HUF, NRI, etc.) can also upload their Board Resolution/Power of Attorney/ Authority letter etc., by clicking on “Upload Board Resolution/ Authority Letter” displayed under ‘e-voting’ tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022-48867000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the Resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorhelpdesk.in@mmm.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investorhelpdesk.in@mmm.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.



INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Members questions prior to e-AGM:

Shareholders who desire to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investorhelpdesk.in@mmm.com till **5.00 pm (IST) on Saturday, August 23, 2025**. The same will be replied by the Company suitably at the AGM. Please note that only those Members who continue to hold shares as of cut-off date as on **Monday, August 18, 2025** will be entitled to this facility. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, 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 investorhelpdesk.in@mmm.com. Questions/queries received by the Company till 5.00 pm IST on Saturday, August 23, 2025 shall only be considered and responded during the AGM.

Speaker Registration for e-AGM:

Members who would seek to express their views or ask questions during the AGM may register themselves as a speaker by using the login method explained at note no. 1A i.e, under the sub head “Step 1: Access to NSDL e-Voting system” till 5.00 pm (IST) on **Friday, August 22, 2025**. After successful login, Members will be able to register

themselves as a speaker shareholder by clicking on the link available against the EVEN of 3M India Limited. Members may also send request for speaker registration to email ID investorhelpdesk.in@mmm.com.

OTHER IMPORTANT GENERAL INSTRUCTIONS:

- (a) The Company urges Members to support 3M's commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Limited at einward.ris@kfintech.com to receive copies of the Annual Report 2024-25 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the Annual Report.
- (b) Members may note that the VC/OAVM Facility, provided by NSDL, has capacity to allow participation of at least 1,000 Members on a first-come first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 37th AGM without any restriction on account of first-come first-served principle.
- (c) Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial Standards on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Monday, August 18, 2025 are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at 9.00 am (IST) on Saturday, August 23, 2025 and ends at 5.00 pm IST on Monday, August 25, 2025. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility and a Member may avail of the facility at his/ her/its discretion, subject to compliance with the instructions prescribed in the notes. The Company has engaged the services of NSDL for facilitating remote e-voting for the Annual General Meeting. The Members desiring to vote through remote e-voting mode may refer to the detailed procedure on e-voting provided in the notes.

- (d) Once the vote on the Resolution is cast by the Shareholder, he shall not be allowed to change it subsequently.
- (e) The voting rights of the Shareholders shall be in proportion to their Shares of the Paid-up Equity Share Capital of the Company as on the cut-off date i.e. Monday, August 18, 2025.
- (f) The Members, whose names appear in the Register of Members/list of Beneficial Owners as on **Monday, August 18, 2025**, are entitled to vote on the Resolutions set forth in this Notice.
- (g) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes Member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. **Monday, August 18, 2025**, may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022-48867000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. **Monday, August 18, 2025** may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- (h) A Member may participate in the AGM through VC/OAVM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- (i) The Scrutiniser shall, within 2 (two) working days of the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and submit a Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairperson or designated Director or Key Managerial Personnel of the Company.
- (j) The Results shall be declared within 2 (two) working days from the date of AGM. The results declared along with the Report of the Scrutiniser shall be placed on the website of the Company https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/ and on NSDL immediately after the result is declared by the Chairperson (or a person authorised by him). The Company shall, simultaneously, forward the results to the Stock Exchanges where the Shares are listed.
- (k) In case of joint Shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (l) Institutional members (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc., to the Scrutiniser through e-mail at vijaykt@vjkt.in. File naming convention should be 'Corporate Name'. The documents should reach the Scrutiniser on or before the close of working hours on Monday, August 25, 2025.

Webcast facility:

The Company is pleased to provide the facility of live webcast of the proceedings of AGM. Members who are entitled to participate in the AGM can view the proceeding of AGM at www.evoting.nsdl.com using their secure login credentials. Members are encouraged to use this facility of webcast.

Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com or call 022-48867000.

Procedure for Inspection of documents:

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and all the documents referred to in the accompanying Notice and Explanatory Statements will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. August 26, 2025. Members seeking to inspect such documents can send an email to investorhelpdesk.in@mmm.com.



Report of the Board of Directors

To the Members of
3M India Limited,

Your Directors are pleased to present the Thirty Eight (38th) Annual Report of the Company. The Financial Statements of the Company for the financial year ended March 31, 2025 are prepared in compliance with the applicable provisions of the Companies Act, 2013 including Indian Accounting Standards. The audited Financial Statements together with the Auditors' Report thereon form a part of the Annual Report.

FINANCIAL HIGHLIGHTS

(₹ in lakhs)

Particulars	Year ended March 31, 2025 ¹	Year ended March 31, 2024 ¹	% increase / decrease (-)
Revenue from Operations	444,555.63	418,936.24	6.12%
Of which -Export Sales	2,377.99	1,643.76	44.67%
Other Income, net	7,026.52	7,829.09	-10.25%
Total Income	451,582.15	426,765.33	5.82%
Less: Expenditure	367,595.28	343,028.70	7.16%
Profit before Interest and Depreciation	83,986.87	83,736.63	0.30%
Less: Finance costs	1,117.51	321.65	247.43%
Less: Depreciation and amortisation expense	5,528.70	5,293.56	4.44%
Profit before Taxation	77,340.66	78,121.42	-1.00%
Less: Tax expense	29,733.92	19,779.74	50.33%
Profit for the year	47,606.74	58,341.68	-18.40%
Items that will not be re- classified subsequently to profit or loss	(481.66)	(133.32)	261.27%
Total Comprehensive income for the year	47,125.08	58,208.36	-19.04%

1. The financial year ending March 31, 2025, reflects merged financials following the amalgamation of 3M Electro & Communication India Private Limited (a wholly owned subsidiary) with 3M India Limited. To facilitate comparison, the values for the financial year ended March 31, 2024, have been adjusted to include the effects of the merger.

DIVIDEND

The Board is pleased to recommend a dividend of ₹ 535 per equity share (final dividend of ₹ 160 per equity share and special dividend of ₹ 375 per equity share) at its meeting held on May 28, 2025. This payment is subject to the approval of the Members in the ensuing Annual General Meeting of the Company. The dividend will be paid to all those equity shareholders of the Company whose names appear in the Register of Members and whose names appear as beneficial owners as per the beneficiary list furnished for the purpose by National Securities Depository Limited and Central Depository Services (India) Limited as on record date fixed for this purpose.

The Board of Directors approved the Dividend Distribution Policy on February 9, 2017 in terms of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. The Policy is available at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/ and the same is annexed as “Annexure J”, which forms part of this report.

Transfer of dividend to the Investor Education and Protection Fund, if any: NA

TRANSFER TO RESERVES

The Company does not propose to transfer any amounts to general reserves.

STATE OF COMPANY'S AFFAIRS

The global economic environment remained uncertain during the year, as geopolitical tensions led to cautious investments, rising costs, and supply chain challenges. Despite these headwinds, India's economy stayed strong and delivered steady growth. During the year, your Company continued to monitor external trends and their impact on operations. The Company remained resilient, maintaining stable revenues while focusing on efficiency and agility to create value for all stakeholders.

Strong growth in automobile and industrial market segments

India's automotive industry remains a key contributor to the country's GDP and manufacturing sector. The increasing adoption of electric vehicles has created new opportunities for the Company to introduce innovative products and solutions. Additionally, the Company's offerings across the automotive value chain include adhesives, abrasives,

and products designed for the automotive aftermarket segments. Demonstrating a strong commitment to growth, the Company expanded its presence across various segments of the broader industrial market.

Increased Government spending on infrastructure projects

The government's increased capital expenditure in infrastructure development aimed at modernising roads, railways, regional airports, and other key projects has opened growth avenues for the Company. These initiatives have driven demand for the Company's transportation safety solutions, as well as its commercial and industrial offerings.

Attractive policy initiatives for emerging sectors

Government policies, particularly the Product Linked Incentive (PLI) schemes, have been instrumental in fostering growth in emerging sectors such as mobile phones, electronics manufacturing, and defense. The Company has strategically aligned itself with leading manufacturing firms, supplying essential materials and supporting the broader manufacturing ecosystem.

Growth in modern trade and e-commerce channels

The fiscal year saw significant expansion of modern trade and e-commerce channels. This rise in consumer demand across these channels directly impacted the Company's home improvement and cleaning products, enhancing market share and driving forward the penetration of its various consumer product lines.

Discipline in operational execution

The Company effectively maintained a stable cash position and managed costs efficiently across all business operations. In response to inflationary pressures, strategic price adjustments were implemented, while proactive cost-streamlining measures helped mitigate the impact of other external constraints throughout the year.

Managing supply chain and raw material

During FY 24-25, the Company's sourcing operations continued to monitor the markets and optimised the costs across the goods and services, including raw materials procured.

The Company's revenue from operations increased by 6.12% at ₹ 444,555.63 lakhs for the financial year ended March 31, 2025 compared to ₹ 418,936.24 lakhs in the previous financial year. The Profit Before Interest and Depreciation is ₹ 83,986.87 lakhs compared to ₹ 83,736.63 lakhs for the previous financial year. Profit Before Tax is ₹ 77,340.66 lakhs compared to ₹ 78,121.42 lakhs for the previous financial year. The operating margin for the current year is 18.60% compared to 19.62% for the previous financial year. Total Comprehensive Income is ₹ 47,125.08 lakhs compared to ₹ 58,208.36 lakhs for the previous financial year. Export Sales is ₹ 2,377.99 lakhs for the financial year

ended March 31, 2025 compared to ₹ 1,643.76 lakhs in the previous financial year, a increase of 44.67% due to higher demand in the global market.

The Safety and Industrial business increased by 6.04%; Transportation business increased by 1.65%; Health Care business increased by 13.71%; and Consumer business increased by 8.62%.

The Earnings Per Share (Basic and Diluted) of the Company for FY 24-25 was ₹ 422.60 per share as compared to ₹ 517.90 per share in the previous financial year, with an decrease of 18.40%. Detailed analysis of the performance has been discussed in the Management's Discussion and Analysis Section of the Annual Report.

Scheme of Arrangement between the Company and 3M Electro & Communication India Private Limited

During the period under review, the Hon'ble National Company Law Tribunal (NCLT), Bengaluru, approved the Scheme of Amalgamation of 3M Electro & Communication India Private Limited, wholly owned subsidiary of the Company with 3M India Limited by its Order dated August 8, 2024. Pursuant to Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. In terms of the Order, the Hon'ble NCLT has directed the Appointed Date of the Scheme to be treated as April 1, 2023.

Information Technology

The Company operates an Information Security Management System (ISMS), centered at the Head Office, St. Paul, USA which is certified to the requirements of ISO/ IEC 27001:2013 and has continued to meet the certification requirements since 2014. In 2022, we added ISO/ IEC 27017:2015 requirements for cloud services. Enhancing and optimising cybersecurity protection continues to remain one of the top priorities. The Company conducts monthly social engineering simulation assessments for all users globally to increase their knowledge on how to identify and report phishing attempts. Training is delivered to employees worldwide on an annual basis to mitigate human-based cybersecurity risk. Awareness efforts include relevant communications disseminated on various channels to promote a secure culture within 3M. Other frameworks include NIST CSF (The National Institute of Standards and Technologies, Cybersecurity Framework) which is a cross-industry standardised framework that several organisations use to manage their cybersecurity programmes. NIST CSF provides a common language and lifecycle approach to understand, manage and express cybersecurity risks. It helps identify and prioritise actions to reduce risk and aligns policy, business and technology approaches to manage that risk. The cybersecurity landscape is constantly evolving and new threats and challenges emerge. The Company consistently reviews and re-evaluates its capabilities to identify and respond to these threats.



Supply Chain

Continued disruptions due to geopolitical tensions, natural disasters, and labour shortages have affected supply chains worldwide, leading to delays and increased costs. Uncertainty due to tariffs adds to that complexity. Focus is on building resilient supply chains and reducing complexity by localisation.

Contribution to Exchequer

During FY 24-25, the Company paid various taxes on account of its business/operation viz., CGST, IGST, Direct Taxes and Customs Duty amounting to ₹ 144,689 lakhs in aggregate.

Investments

Capital Investments during FY 24-25 was ₹ 5,542.02 lakhs (Net of capital work-in-progress and capital advances) (PY 23-24: ₹ 3,141.42 lakhs).

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and/or commitments affecting the financial position of the Company since the close of the financial year and till the date of this report.

CHANGE IN THE NATURE OF BUSINESS

There were no changes in the nature of business during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report is annexed herewith as “Annexure A”, which forms part of this report.

CORPORATE GOVERNANCE AND SHAREHOLDER INFORMATION

A separate Report on Corporate Governance in terms of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) along with a Certificate from a Practicing Company Secretary regarding compliance to the conditions stipulated under Chapter IV of the Listing Regulations is provided as “Annexure B”, which forms part of this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

A separate section on Business Responsibility and Sustainability Report (BRSR) is annexed as “Annexure C” and forms a part of this report as required under Regulation 34(2)(f) of the Listing Regulations.

SHARE CAPITAL EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS

The Company has only one class of Share, i.e. Equity Share with a face value of ₹ 10 each.

The Authorised Share Capital as at March 31, 2025 is ₹ 117,650,700 (divided into 1,17,65,070 Equity Shares of ₹ 10 each).

The Issued/Subscribed and fully Paid-up Share Capital as at March 31, 2025 is ₹ 112,650,700 (divided into 1,12,65,070 Equity Shares of ₹ 10 each).

Pursuant to the Scheme of Arrangement for amalgamation of 3M Electro & Communication India Private Limited (“3M E&C”) with 3M India Limited (“the Company”), as approved and Order dated August 8, 2024 passed by Hon’ble National Company Law Tribunal, Bengaluru, the authorised share capital of 3M E&C (₹ 50 lakhs) is combined with the authorised share capital of the Company. According, the authorised share capital of the Company stands revised (increased) by an amount of ₹ 50 lakhs i.e., revised from ₹ 112,650,700 to ₹ 117,650,700 (consisting of 1,17,65,070 shares of ₹ 10 each).

During the year under review, the Company has not issued Equity Shares nor Shares with differential voting rights nor granted Stock Options nor Sweat Equity.

LISTING WITH STOCK EXCHANGES

The Company has upto date paid the requisite listing fee to the National Stock Exchange of India Limited and BSE Limited where the Company’s Equity Shares are listed.

BOARD OF DIRECTORS

Appointment and Re-appointment:

The following appointment and re-appointment were made during the financial year till the date of the report:

- The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, at its meeting held on May 28, 2024 appointed Mr. Narumanchi Venkata Sivakumar (DIN: 03534101) as an Additional Director in the category Non-Executive Independent Director of the Company with effect from July 15, 2024. The Members of the Company have approved his appointment by way of an Ordinary Resolution at the 37th Annual General Meeting held on August 6, 2024.
- The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, at its meeting held on May 28, 2024 appointed Mr. Andrew Bennett (DIN: 10681735) as an Additional Director in the category Non-Executive Non-Independent Director of the Company with effect from July 15, 2024. The Members of the Company have approved his appointment by way of an Ordinary Resolution at the 37th Annual General Meeting held on August 6, 2024.
- The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, on December 25, 2024 appointed Ms. Kong Sau Wai Elizabeth (DIN: 10879418) as an Additional Director in the category Non-Executive Non-Independent Director of the Company with effect from January 1, 2025. The Members of the Company have approved her appointment by way of an

Ordinary Resolution through Postal Ballot notice dated December 25, 2024.

- The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, at its meeting held on March 13, 2025 appointed Mr. Jayanand V. Kaginalkar (DIN: 07904558) as an Additional Director and Whole-Time Director of the Company for the period from April 1, 2025 to March 31, 2027, categorised as Executive, Non-Independent Director. The Members of the Company have approved his appointment by way of an Ordinary Resolution through Postal Ballot notice dated March 13, 2025.
- The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, at its meeting held on March 13, 2025 appointed Ms. Jung Hyun Kim (DIN: 10954275) as a Non-Executive and Non- Independent Director of the Company with effect from April 1, 2025. The Members of the Company have approved her appointment by way of an Ordinary Resolution through Postal Ballot notice dated March 13, 2025.
- The Board has unanimously appointed Ms. Radhika Rajan (DIN: 00499485) (Non-Executive, Independent Director of the Company) as the “Chairperson of the Board”, with effect from March 26, 2025.
- Ms. Kong Sau Wai Elizabeth (DIN: 10879418) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The details of Ms. Kong Sau Wai Elizabeth are provided in the Notice of the Annual General Meeting. The Board of Directors recommend her re-appointment.

Resignation/ Retirement:

The following resignation/ retirement were accepted during the financial year till the date of the report:

- Mr. Biren Gabhawala (DIN: 03091772) ceased to be Independent Director of the Company upon completion of his second term of 5 (five) on August 13, 2024.
- Mr. Amit Laroya (DIN: 00098933) resigned as a Director of the Company with effect from November 12, 2024, due to impending retirement from the Company.
- Ms. Vidya Sarathy (DIN: 01689378) resigned as a Whole-time Director and Chief Financial Officer (Key Managerial Personnel) of the Company with effect from January 29, 2025 to pursue opportunities outside of the Company.
- Mr. Bharat D. Shah (DIN: 00136969) ceased to be Independent Director of the Company and as a Chairperson of the Board upon completion of his second term of 5 (five) on March 26, 2025.

- Mr. Andrew Paul Bennett (DIN: 10681735) resigned as a Director of the Company with effect from April 1, 2025, due to various other professional commitments and responsibilities within the 3M Group.
- Ms. Yun Jin (DIN: 09474323) resigned as a Director of the Company with effect from April 1, 2025, consequent upon her taking up a new role and responsibility within 3M Group.

The Board place on record their sincere appreciation for the valuable contributions made by Mr. Biren Gabhawala, Mr. Bharat D. Shah, Mr. Amit Laroya, Ms. Vidya Sarathy, Mr. Andrew Paul Bennett and Ms. Yun Jin, to the progress of the Company during their tenure as Directors of the Company.

KEY MANAGERIAL PERSONNEL (KMP)

Based on the recommendation of the Nomination and Remuneration Committee and the Audit Committee, the Board of Directors of the Company appointed Mr. Nikhil Arora as Chief Financial Officer with effect from May 5, 2025. Mr. Prasad Balakrishnan, acted as the interim CFO with effect from January 30, 2025 following the resignation of Ms. Vidya Sarathy as a Whole-time Director and Chief Financial Officer (Key Managerial Personnel) of the Company with effect from January 29, 2025.

As at the financial year ended March 31, 2025, Mr. Ramesh Ramadurai, Managing Director, Mr. Prasad Balakrishnan, Interim Chief Financial Officer and Mr. Pratap Rudra Bhuvanagiri, Company Secretary and Compliance Officer, were the Key Managerial Personnel of the Company.

DECLARATIONS FROM INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Director of the Company under the provisions of Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence laid down under the provisions of Section 149(6) of the Companies Act, 2013 read with Listing Regulations. All the Independent Directors have also confirmed under Regulation 16(b) of SEBI (LODR) Regulations, 2015 that they are not Non-Independent Director of another Company on the Board of which any Non- Independent Director of the listed entity is an Independent Director. In the opinion of the Board, all the independent directors have the integrity, expertise, experience and proficiency necessary for the role.

DETAILS OF BOARD AND COMMITTEE MEETINGS DURING THE FINANCIAL YEAR

During FY 24-25, Seven (7) Meetings of the Board were held. The Company has Five (5) Board Committees. The composition and number of Meetings attended by each Director/Committee Member are furnished in the Corporate Governance Report.



COMPOSITION OF AUDIT COMMITTEE

As on the financial year ended March 31, 2025, the Audit Committee of the Company consisted of Two (2) Non-Executive Independent Directors and One (1) Non-Executive Director and all of them have financial and accounting knowledge. The Members of the Committee as on March 31, 2025, were Mr. N. V. Sivakumar (Chairperson), Ms. Radhika Rajan and Ms. Yun Jin. The Committee comprises majority of Independent Director. The Board has accepted all the recommendations made by the Audit Committee during the year under review.

NOMINATION AND REMUNERATION COMMITTEE POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a Policy for the selection and appointment of Directors, Senior Management and other employees and their remuneration. The Policy is available at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/.

The composition, criteria for selection of Directors and the terms of reference of the Nomination and Remuneration Committee is stated in the Corporate Governance Report.

ANNUAL BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and Directors pursuant to the requirements of the Companies Act, 2013, Listing Regulations and as per the Guidance Note issued by SEBI. Further, the Independent Directors, at their separate meeting held during the year, reviewed the performance of the Board, its Chairperson and Non-Executive Directors and other items as stipulated under the Listing Regulations. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

DETAILS OF REMUNERATION OF DIRECTORS

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as “Annexure D”, which forms part of this report.

REMUNERATION RECEIVED BY MANAGING/ WHOLE TIME DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANY

During the year under review, no Commission or Remuneration was paid to the Executive Directors from Holding/ Subsidiary Companies.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief and according to the information and explanations obtained, your Directors state in terms of Section 134 (5) of the Companies Act, 2013 (the Act):

- (a) that in the preparation of the annual financial statements for the year ended March 31, 2025, the applicable

accounting standards have been followed along with proper explanation relating to material departures, if any.

- (b) that they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date.
- (c) that they had taken proper and sufficient care for the 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 fraud and other irregularities.
- (d) that they had prepared the annual financial statements on a going concern basis.
- (e) that they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) that they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company's Internal controls are aligned with 3M Global's internal control over financial reporting which is based on the framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Controls — Integrated Framework (2013).

This framework essentially has two elements:

- (1) structures, policies and guidelines designed to achieve efficiency and effectiveness in operations and compliance with laws and regulations and
- (2) an assurance function provided by Internal Audit.

The Directors have laid down internal financial controls to be followed by the Company and such policies and procedures are adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has in place adequate systems of internal controls commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets

from unauthorised use or losses, executing transactions with proper authorisation and ensuring compliance of corporate policies.

The Company, through its own Corporate Internal Audit Department, carries out periodic audits to cover all the offices, factories and key areas of business segments based on the plan approved by the Audit Committee and bring out any deviation to internal controls procedures. The Internal Auditor functionally reports to the Audit Committee and administratively to the Managing Director. The observations arising out of audit are periodically reviewed and compliance ensured. The summary of the Internal Audit observations and status of the implementation is submitted to the Audit Committee of the Board of Director. The status of implementation of the recommendations is reviewed by the Committee on a regular basis and concerns, if any, are reported to the Board.

DISCLOSURE REGARDING FRAUDS

During the year under review, there were no frauds reported by the Auditor to the Audit Committee or to the Board.

DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not given any Loans, provided any guarantees or made any Investments covered under Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPTs) which were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All RPTs are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are foreseeable and repetitive in nature. A statement exhibiting details of all actual RPTs versus the approval is placed before the Audit Committee for approval on a quarterly basis. A Policy on RPTs as approved by the Board is available at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/.

The Company being a part of 3M conglomerate, has rights to carry out the business within India and accordingly, has access to the Group's synergies, state of the art products and technologies, competencies and "3M" brand name which are very critical and essential to carry out its business operations more efficiently in an increasingly globalised and competitive scenario. As a part of its regular business, the Company purchases, avails/renders services from/to 3M Company, USA and/or its group companies at arm's

length basis. None of the Directors and the Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis the Company.

The RPTs are necessary, normal to business and play a significant role in the Company's business operations and also form an integral part of the Company's business.

The Company obtained the approval of the Members at the 37th Annual General Meeting held on August 7, 2024 for material related party transactions with 3M Company, USA and 3M Innovation Singapore Pte Ltd for the period of 1 year i.e., upto the ensuing 38th Annual General meeting.

The Company proposes to seek approval of the Members for material related party transactions to be entered by the Company with 3M Company, USA at the 38th Annual General Meeting, commencing from the date of Members' approval at the 38th Annual General Meeting to the 39th Annual General Meeting. The estimated/proposed RPTs are in the Ordinary and normal course of business and on Arms' Length basis and accordingly the Board recommends the Ordinary Resolution set forth in the Notice for the approval of the Member.

Details of the related party transactions as required under Section 134(3)(h) read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure E", which forms part of this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to supporting communities in India through education, community and environmental programmes, with a focus on underrepresented and underserved communities. The Company helps build sustainable communities through strategic CSR investments and partnerships around the geographical areas of operation. Programmes are implemented in accordance with the activities listed under Schedule VII of the Companies Act, 2013. During FY 24-25, 58% of the CSR funds were spent towards education programmes, 18% on community programmes and 24% on environmental initiatives. The main project interventions under each of the focus areas have been highlighted below:

EDUCATION:

As a science-based company, 3M is motivated to support equitable pathways to science and technology education. During FY 24-25, the Company implemented a STEM Scholarships programme for undergraduate girls, expanded the existing STEM education programme to Government schools in other locations and continued to support the education of girl students in rural areas.

1. Project Nanhi Kali: Educating the Girl Child:

Since 2018, the Company has collaborated with the K.C. Mahindra Education Trust to support girl child education through their flagship programme, *Project Nanhi Kali*. In the fiscal year 2024-25, the Company continued its commitment by aiding the education of



2,851 girls across 189 Academic Support Centers in the rural blocks of Ambegaon and Khed in Pune district, Maharashtra. This initiative has implemented several impactful interventions aimed at improving learning outcomes and boosting the confidence of girls to pursue higher education. Digital learning tools have significantly enhanced academic performance, while the integration of life skills and physical education into the curriculum has promoted holistic development. To encourage physical activity and sportsmanship, Project Nanhi Kali organises the annual *Toofaan Games* at the village, district, and national levels across all its Academic Support Centers in India. This serves as an inspiring testament to the growing confidence and talent among these young girls. Furthermore, the programme recognises the achievements of its graduates to motivate current students. Last year, 171 students who completed Class 10 were honoured, with many receiving distinctions. The initiative has also helped prevent school dropouts stemming from household responsibilities or economic pressures. Parents, witnessing their daughters thrive academically, have become more supportive of their aspirations for higher education, marking a significant shift in community attitudes and a powerful outcome of this ongoing initiative.

2. 3M Wonder Tinkering Labs Programme to encourage and promote Science:

The Company has maintained its investment in the Wonder Tinkering Lab initiative that started in fiscal year 2022-23. Officially launched in 2023 in Pune, the programme has now extended to Bengaluru and Ahmedabad. Collaborating with the Learning Links Foundation, it seeks to inspire future innovators in 30 government schools across these cities.

These labs serve as dedicated maker spaces in government schools, allowing over 8000 students from grades 5 to 10 to engage hands-on with STEM concepts. They help students build essential skills such as problem-solving, critical thinking, and collaboration through project work and prototype development that addresses real-world challenges. Under the guidance of Innovation Coaches, students develop prototypes of their models to showcase at interschool science carnivals and the Annual Science Fair. Additionally, they visit the Company's manufacturing and R&D campuses to gain exposure to a professional environment. Over 60 teachers are actively involved, equipped with the skills to integrate STEM learning into their classrooms, ensuring sustained impact over time. Students have developed over 400 unique projects, showcasing their creativity and problem-solving abilities. These projects reflect their growing capacity to innovate and apply STEM knowledge in meaningful ways.

3. Pragyaa Girls in STEM Scholarships Programme:

The Company has reinforced its commitment to STEM education by introducing the Pragyaa Girls in STEM Scholarships for the FY 23-24. In partnership with the Foundation for Excellence, this initiative aims to empower 200 academically talented girls from underprivileged backgrounds by providing them with scholarships and essential skills for future job readiness. The programme goes beyond just financial assistance; it also offers holistic development through a series of quarterly sessions led by 3M volunteers. These sessions are designed to ensure that students acquire academic knowledge and practical skills vital for success in STEM careers. Moreover, the programme provides industry exposure by facilitating interactions with women leaders in STEM. These interactions offer students broader perspectives on the diverse career opportunities available in STEM and introduces them to successful role models who have established strong professional careers.

COMMUNITY:

Community initiatives include interventions addressing specific community needs related to health, infrastructure, skilling and livelihood in underserved communities, in and around the geographical areas of operation or the Company's response to natural disasters.

1. We. Are All Us Programme.

In March 2024, the Company launched the *We Are All Us* programme to support the Gender and Sexual minorities in Bengaluru, reinforcing its commitment to equality and inclusion. In partnership with Sangama, a leading NGO for gender and sexual minority rights, and Solidarity Foundation, the initiative established a Community Resource Center (CRC-Help Desk) — a safe space that offers essential services and support. The CRC has facilitated providing access to 500+ community members to social security services; 388 received healthcare access, including several members who received self-identity support through regular meetings and awareness sessions. 40 members received skill development training, out of which 12 have been placed in various roles. Over 5000 individuals have participated in awareness and sensitisation sessions. The Community Resource Center serves as a one-stop hub for resources that enable community members to lead safer, healthier, and more empowered lives.

2. Smile on Wheels Programme: Mobile Health Clinics in Aspirational Districts.

The Company is committed to enhancing community health and well-being through its impactful partnership with the Smile Foundation. This collaboration focuses on providing primary healthcare services to underserved and remote rural populations across India. Specially equipped mobile medical vans are deployed in four identified districts: Siddharthnagar in Uttar

Pradesh, Balangir in Odisha, Goalpara in Assam, and Ranjangaon in Maharashtra. These regions have been selected based on their healthcare access challenges and developmental needs. The mobile clinics offer a combination of preventive and medical services. The vans are fully equipped to provide general health check-ups, maternal and child healthcare, diagnostic tests, and health education sessions. The core idea is to deliver “health at the doorstep”, particularly for communities where traveling to the nearest hospital or clinic may be prohibitively difficult due to distance, lack of transportation, or financial constraints. Since the launch of the programme in September 2021, this mobile healthcare initiative has made a significant impact, providing medical attention to over 2,35,644 people.

ENVIRONMENT:

Our environment commitments extend to our communities through interventions to promote water conservation in water-stressed areas and transitioning to renewables in rural areas. We are working with local communities to promote water recycling and conservation since our manufacturing sites are located in water stressed regions. Ultimately, we aim to help these communities build and manage their own water efforts in the future.

1. Community Water Resilience Programme:

Water scarcity is a significant challenge across many regions of India, especially in drought-prone areas where communities rely heavily on rainfall for agriculture and daily needs. Considering this urgent issue, the Company recognised water usage and availability as an environmental risk. Using the Aqueduct™ Water Risk Atlas (Aqueduct 3.0) to evaluate its manufacturing locations, the Company discovered that its plant in the Shirur block of Ranjangaon, Pune, was in a high water-stress zone. With average annual rainfall below 550 mm, the region is susceptible to drought. Kendur, one of the villages amongst 11 that were identified as high water-stressed, has a water stress score between 4 and 5 on the Water Risk Atlas. In response, the Company launched a water conservation and management initiative in collaboration with the Water for People India Trust to enhance regional water sustainability, support local farmers, and promote efficient agricultural practices. Hydrogeological studies were conducted, and Kendur was also chosen as the pilot site due to its unique topography, which features hilly ridges and narrow plateaus that are suitable for watershed development. Launched in the first quarter of 2024 (January–March), the project implemented a ridge-to-valley watershed approach that included rainwater harvesting, desiltation, and the construction of deep contour trenches, sunken ponds, check dams, and gabion structures designed to capture and store rainwater during the

monsoon season and reduce runoff. In addition to developing physical infrastructure, the project emphasised community engagement and training in sustainable water and agricultural practices amongst farmers. These efforts aimed to build local capacity for managing water resources and adapt to climate variability. During the July–August 2024 monsoon, the region experienced favourable rainfall, and the interventions successfully captured significant volumes of water. The local farming community reported improved access to water for agriculture, attributed to enhanced rainwater harvesting and groundwater recharge. The programme plans to extend similar initiatives to cover all 11 additional water-stressed villages over the next 3 to 5 years. This expansion will include community engagement, training in climate-resilient farming techniques, and awareness programmes for sustainable water use. Approximately 1,100 households and over 4,800 individuals in Kendur village benefited from improved access to water for agriculture, domestic use, and drinking. This initiative lays the foundation for lasting, community-led water sustainability and helps rural populations better adapt to changing environmental conditions.

2. Rainwater Harvesting at 3M Wonder Tinkering Labs in Bengaluru

In line with its commitment to promoting water conservation, the Company has partnered with Biome Environmental Trust to implement a rainwater harvesting system at four Government schools with the ongoing 3M Wonder Tinkering Labs initiative, located in Anekal, Bengaluru. This programme extends beyond just infrastructure; it actively engages teachers and students in understanding, managing, and taking ownership of the rainwater harvesting system. This approach ensures its long-term effectiveness, encourages responsible usage, and reduces dependency on groundwater. The partnership between the Company and Biome is helping schools in Anekal transform into resilient, water-conscious learning environments, equipping the next generation to think critically about environmental issues and take meaningful action.

3. Solar Electrification of Wonder Tinkering Labs in Pune

To address energy shortages in underserved communities, the Company teamed up with the SELCO Foundation to implement solar electrification projects at all 10 3M Wonder Tinkering Labs in Pune. This initiative aims to combat frequent power outages that disrupt the learning environment and hinder access to quality education. By introducing a reliable and clean energy source, the project seeks to provide uninterrupted learning experiences to students while promoting sustainability and energy equity in schools.



Each solar system installed is tailored to meet the specific needs of the respective schools, ensuring optimal performance and efficiency. Additionally, the systems come with a 5-year warranty after installation, providing ongoing maintenance support and peace of mind for the schools.

The Annual Report on CSR activities is annexed herewith as “Annexure F”, which forms part of this report.

DETAILS OF REMUNERATION OF EMPLOYEES

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rules 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing details of the top Ten (10) employees in terms of remuneration drawn during the financial year and other employees of the Company employed throughout the year and employees employed for part of the year who were in receipt of remuneration of ₹ 1.02 crores or more per annum and ₹ 8.50 lakhs or more per month respectively is annexed herewith as “Annexure G”, which forms part of this report.

ENERGY CONSERVATION, 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 Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 is annexed as “Annexure H”, which forms part of this report.

RISK MANAGEMENT POLICY

The Company has a Risk Management Policy pursuant to the requirements of Listing Regulations. The details of the Risk Management Committee and its terms of reference are set out in the Corporate Governance Report forming a part of the Board's Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant and material orders passed during FY 24-25 by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

INSOLVENCY AND BANKRUPTCY CODE, 2016

There was no application made nor did the Company receive notice of any proceedings against it as pending under the Insolvency and Bankruptcy Code, 2016 during FY 24-25.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has an effective vigil mechanism by way of the Business Conduct Concern Reporting Policy (Whistle Blower Policy) for upholding 3M's Code of Conduct. The details of the said Policy are stated in the Corporate Governance Report and also available at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/. During

the year, the Company reached out to employees through e-learning modules to create greater awareness with respect to Fair Competition and Anti-Bribery and Corruption. This has helped in achieving a high level of engagement and compliance among the employees.

STATUTORY AUDITOR

Messrs. BSR & Co. LLP, Chartered Accountants, Bengaluru (ICAI Firm Registration No. 101248W/W-100022) were re-appointed as the Statutory Auditor of the Company at the 34th Annual General Meeting held on August 26, 2021 to hold office for a second term of five (5) years i.e. from the conclusion of the 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in the year 2026.

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the cost audit records maintained by the Company in respect of the products covered under the said rules are required to be audited by a Cost Accountant. Accordingly, the Board of Directors of the Company at its Meeting held on May 28, 2025 on the recommendation of the Audit Committee, approved the re-appointment of Messrs. Rao, Murthy & Associates, Cost Accountants, Bengaluru, (Firm's Registration No. 000065), to conduct the audit of the cost records of the Company for FY 25-26 at a remuneration of ₹ 575,000 (Rupees Five lakhs Seventy-Five Thousand only) plus taxes as applicable and out of pocket expenses at actuals.

The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length relationship with the Company.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members at the General Meeting for their ratification. Accordingly, a resolution seeking ratification of the remuneration payable to Messrs. Rao, Murthy & Associates, Cost Accountants, Bengaluru is included in the Notice convening the Annual General Meeting.

For the financial year ended March 31, 2024, the Cost Audit Report submitted by Messrs. Rao, Murthy & Associates, Cost Accountants, Bengaluru, was filed with the Ministry of Corporate Affairs, well within the due/extended date. Messrs. Rao, Murthy & Associates, has confirmed the cost records for the financial year ended March 31, 2024 are free from any disqualifications as specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Parameshwar G. Bhat, Company Secretary in practice (FCS: 8860, CP: 11004) to

undertake the Secretarial Audit of the Company for FY 24-25. The Report of the Secretarial Audit Report is annexed herewith as “Annexure I”, which forms part of this report.

The Company had undertaken an audit for FY 24-25 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

EXPLANATIONS IN RESPONSE TO AUDITORS' QUALIFICATIONS

During the year under review, there were no qualifications, reservations or adverse remarks made by the Statutory Auditors / Secretarial Auditor in their respective Reports.

COMPLIANCE WITH SECRETARIAL STANDARDS

During FY 24-25, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft of the Annual Return in Form MGT 7 of the Company for the financial year ended March 31, 2025 is uploaded on the website of the Company and can be accessed at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/.

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

The Company has a Prevention of Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy is available on the website of the Company https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/. Internal Complaints Committees (ICC) have been set up to redress complaints received regarding sexual harassment.

Status of Complaints during FY 24-25:

1. Number of complaints of sexual harassment received During FY 24-25: 3
2. Number of complaints disposed off during FY 24-25: 2
3. Number of cases pending at the end of the financial year: 1 (90 days enquiry period spilled into April 2025)
4. Number of workshops or awareness programmes carried out: 7
5. Remedial measures taken by the Company:
 - A mandatory interactive virtual training session was conducted for employees on “Sexual Harassment at the Workplace”. This session reinforced the understanding of what constitutes sexual harassment, complaint process and behavioral do’s and don’ts at the workplace.

- Location specific trainings were imparted to the plant employees in vernacular languages to reinforce their understanding of POSH Act and the rights and responsibilities of employees pertaining to the Act.
- In-depth capacity building training was conducted for all Internal Committee member Train the Trainer session was conducted for all Internal Committee members. This session equipped participants with the knowledge & resources to conduct general awareness sessions at their respective locations.

HUMAN RESOURCES

During FY 24-25, the Company undertook many initiatives to increase organisational capability and productivity to be value driven and future ready. As on March 31, 2025, the Company had an employee strength of 1,213 personnel.

OTHER DISCLOSURES

During the financial year under review, the Company:

1. has not bought its own Shares nor has it given any loan to the employees (including KMPs) of the Company for purchase of the Company’s Shares.
2. has not issued any Shares to trustees for the benefit of employees.
3. there was no revision in the Financial Statements.

ENVIRONMENT, HEALTH AND SAFETY

3M is committed to the safety, health, and well-being of its employees. The Company continuously evaluates opportunities to raise safety and health standards, training site leaders and conducting site visits to identify and manage environmental health and safety risks; evaluating compliance with regulatory requirements and 3M policy; and maintaining a global security operation for the protection of facilities and people on 3M sites.

The Company has three (3) manufacturing plants operating in India. All three plants have Environmental Management Systems (EMS) certified to the ISO 14001: 2015 environmental management systems standard and ISO 45001:2018 for Occupational Health and Safety Management System. We continue to be guided by our global Responsible Operations framework, which provides consistency and structure for implementing programmes and helps us be proactive to mitigate risks.

1. Journey to Zero

In 2024, 3M launched a safety campaign focusing on advancement of our safety culture. As one part of the campaign, we set reduction goals for injury, fire, and spill incidents. The Journey to Zero campaign challenges all 3M employees to do their part to help achieve those goals.

Core Safety programmes to ensure the Journey to Zero are driven through Priority initiatives for with special focus on Machine Guarding, Electrical Safety, Powered industrial vehicles, fire protection and



prevention, Lock out and Tag out, Work at heights, Hearing protection, ergonomics etc.,

We strongly believe:

- The behavior of every individual defines the culture of the organisation.
- All accidents and injuries are preventable.
- Everyone in the organisation is accountable for their safety performance.

Some Safety initiatives in 2024 to promulgate Safety in workplaces were as follows:

a. Investments to improve EHS infrastructure :

Multiple campaigns brought focus to areas where hazards and incidents are most frequent. These campaigns focused on increased hazard identification and reduction and stronger awareness in several key topics such as Hand cut Safety, Slips Trips, Falls, Forklift safety, Fire Protection etc. Investments were improved infrastructure and provided resources to drive the right behavior and actions on the shop floor.

b. EHS See & Act and Field Verification of Critical Controls (FVCC):

3M's EHS Culture excellence programme "See and Act" which follows the concept of FVCC – Field verification of critical controls, helped to continue build strong EHS Culture throughout 2024. The focus is not just the identification of Unsafe Acts and Conditions but to understand the root cause of their occurrence.

FVCCs allow us to intentionally build systems around workers that verifies the presence of controls and absorbs normal worker drift, allowing our people to "fail safely."

We use FVCC to ask better questions to the workforce, to better understand the risk and ensure we have proper controls in place to protect our people.

c. EHS Commitment:

EHS Commitments are a simple way to describe 3M's key environment, health, and safety expectations based on 3M's Code of Conduct, Policies, and Standards. There is a shared responsibility for EHS and to keep each other safe.

Worker safety, health, and wellbeing are important to 3M, and the Safety Always campaign was implemented across all facilities. Safety is each worker's responsibility. Since the launch of Safety Always we have seen a reduction in Slip-

trip and fall. The Company strives to continuously improve performance and foster a safety culture that engages the entire workforce to help prevent incidents, injuries, and occupational illnesses.

d. Environmental Health and Safety Policy:

A new Environment, Health and Safety Policy was developed and shared across the company. This policy further integrates the company's intent towards safety, health & environmental aspects to not only internal operations but also among the wider communities within which the company operates.

e. Recognition:

The Company's facility in Electronic City, Bengaluru had received State Level Recognition from Department of Factories, Boilers, Industrial Safety and Health, Government of Karnataka.

The Bengaluru facility hosted a Seminar organised by the Department as part of Disaster Prevention Day which was attended by industries from different parts of the state as well as expert speakers from academia & industry. The Company was also invited to share our views on Personal Protective Equipment to all the industry leaders at this event.

2. RESPONSIBLE OPERATIONS DRIVING EHS CULTURE ACTIVATION

Driving Responsible operations was implemented globally in 2023 and continued into 2024, to reduce injuries and incidents and drive right behaviors to set EHS performance to world class levels. The path of EHS excellence through Responsible Operations was attained by drawing up an EHS Facility Plan focusing on three key areas,

- a. Leadership Behavior & Accountability
- b. Standards & Systems
- c. Employee Training & Engagement

The Company is committed to managing risks responsibly and has refined its management system by focusing on Leadership, Behavior and Accountability as the cornerstones to drive Responsible operations.

3. EHS MANAGEMENT STANDARDS AND SYSTEMS

The 3M Environment, Health, and Safety Management Standard (EHS-MS) provides the basis to address EHS risks and compliance obligations applicable to all workers within 3M operations. Workers at all 3M locations understand, manage, and mitigate their EHS risks and comply with all applicable 3M and local

government requirements. All 3M manufacturing, Research & Development, and other locations maintain EHS self- assessment records of the elements that apply to their respective operations and workers.

Technology is important in achieving excellence and EHS is no exception to this. Some of the Systems and tools to enable EHS management programme implementation are:

- **CAMMS:** A portal which is customised to 3M requirements to track and monitor applicable EHS compliance and legal obligations.
- **EHS 360:** Used for documenting, reporting, investigating and action item tracking related to workplace incidents, potential hazards or near miss events.
- **EHS Global Audits:** All our three manufacturing plants have successfully completed 3M's EHS Global Audits based on the complexity of the site, without any primary audit finding.
- **Guarding and Prioritization (GAP):** The Guarding Assessment and Prioritization (GAP) tool was implemented at all the Company Sites. This provides a systematic method for assessing risk to workers from machine hazards. All the Company Facilities implemented GAP tool to analyze the risk posed from machine operations.
- **Management of Change (MOC):** Revised MOC was implemented at the Company Sites which went online to track all the changes made at facilities, processes, materials, equipment, procedures and/or utility. This helps to ensure changes do not inadvertently introduce new hazards or unknowingly increase the risk of existing hazards.

To mitigate Environmental Risk the following systems are utilised in the Company:

- **Environmental Inventory Toolkit:** EIT is a set of tools and templates to maintain a consistent inventory of foundational manufacturing process and equipment information, specifically Process Flow Diagrams (PFD) and Equipment Inventory (EI) to enable various EHS related programmes.
- **Pollution Prevention Pays (3P):** The Pollution Prevention Pays (3P) Programme began in 3M, USA in 1975 with the goal of eliminating or reducing sources of pollution in 3M products and processes. The programme has been recognised the world over for its innovation in environmental management by focusing on pollution prevention, rather than pollution control.

4. ENVIRONMENT

The Company follows the Environmental Management programme framework which comprises 18 elements mainly focusing on Air Quality, Water Quality, Land Management, Waste management. All these are tracked through an Environmental target database.

a. Air Quality Management:

The purpose is to identify the requirements necessary to minimise the impact to air quality/ atmosphere by having right programmes with sufficient resources in place. The following are some of the programmes for Air quality at the Company's sites:

- Air Emission Control Operation and Maintenance
- Air Emission Reduction Programme (AERP)
- Greenhouse Gas Management
- Refrigerant Management
- Thermal Oxidiser Optimisation

b. Water Quality:

The Company embraces commitment to water conservation for our operations, following a Global Water Stewardship Standard. 3M operations worldwide manage their water resources through compliance with regulatory requirements, conservation, and reuse, reporting water usage internally as well complying with the local laws. Our Water framework focuses on the following:

- Water Management Standard (WMS)
- Stormwater Management
- Wastewater Emission Control Operation and Maintenance
- Wastewater Management

c. Land Management:

Ensuring operations do not impact the land, and in order to prevent possible contamination 3M has deployed the following programmes across the globe. Aqueous Film Forming Foam (AFFF) management.

- Asbestos management
- Sewer management
- Spill and release prevention
- Underground and Aboveground Storage Tanks



d. Waste management:

The Company practices waste minimisation whenever practical to reduce the volume and hazards of waste materials generated. All 3M locations are required to manage all returned, recycled, and waste materials from the time of generation until reused, recycled, treated, or disposed. The programme includes all the Onsite Waste Management & Offsite Waste Management Processes including but not restricted to Activities, Processes Products & Services. The Waste management programme encompasses the following:

- Waste collection, Storage, Disposal,
- Waste Identification, Characterisation and Documentation
- Identification of applicable regulations and requirements & ensuring compliance
- Compliance with 3M Environment policies, standards, guidelines and procedures
- Proper handling, labelling, and storage of wastes
- Preparation of waste transportation documents, necessary approvals and Record keeping
- Training programmes
- Audit and Approval of Waste Management Companies
- Ensuring Contracts and Agreements for waste disposal are in place for FY 24-25 Environmental Waste management initiatives are as follows:
 - Installation of Retrofit Emission Control Devices for all Diesel generators supporting the manufacturing operations at Pune, Ahmedabad and Bengaluru much ahead of the regulatory enforcement.
 - Replacement of the old Diesel Generator with a brand-new DG in Bengaluru.
 - Reduction of waste in operations through design yield improvement and packaging material reductions at sites.
 - Water Management improvements to maintain Net Water Balance to achieve “Zero Liquid Discharge (ZLD) facility.

- Use of MEE (Multiple Effect Evaporator, MEE) with capacity 10 CMD installed for RO rejects with recycling option.

e. Industrial hygiene:

The Company has placed a competent industrial hygienist at each site, to work in close collaboration with 3M corporate teams to prioritise monitoring health-related issues at individual sites.

- Critical evaluation of various hazards ranging from chemical exposure to physical hazards like noise, heat, illumination and ergonomic standards.
- Proactive preventive approach of 3M teams at regional facilities have enabled mechanisation of certain activities and improvements in ventilation systems.
- All three sites conducted Heat Stress assessments in the peak summer period and identified additional improvements needed. These are being followed with long-term and short-term actions with management support.

5. ERGONOMICS

3M's Ergonomics Risk Reduction Process is a comprehensive global programme that identifies and assesses ergonomic risk in industrial and office workspaces. The successful application of ergonomics promotes worker health and well-being, improves quality and increases production, by providing employees with appropriate tools, workstations, and working environments.

3M requires that all manufacturing sites complete an ergonomic footprint assessment and establish yearly reduction targets. All 3 sites in India have completed ergonomics risk reduction projects to meet corporate requirements.

6. HEALTH AND WELLNESS EFFORTS

3M believes in the philosophy that “your health matters as much as your work”. In 2024 there were several initiatives that promoted health & wellness of employees at the factories including an elaborate Medical Surveillance Programme. This included:-

- Vision tests were conducted at all sites.
- Audiogram was conducted at Ranjangaon site, in a calibrated audiometric booth for external noise cancellation.

- Skin evaluation, Complete Eye test and Chest X-ray are done to rule out Tuberculosis as a part of Pre- Employment Medical Check Up at Ranjangaon site, for new hires to Microbiology Lab.
- A medical checkup is done for Food Handlers at all sites.
- A health checkup of the Emergency Response Team members is conducted at Bengaluru site and employee cab drivers are provided with Vision and hearing checkups.

AWARDS AND RECOGNITION

- The Company was ranked 46th among India's top 250 listed companies for outstanding ESG performance, as assessed through BRSR disclosures by BW Businessworld.
- The Company's Automotive & Aerospace Solutions Division received the "Special Recognition" and "Innovation Recognition" from its customers for our strong support and all-round contributions across operational and service aspects.
- The Company's manufacturing site at Electronics City, Bengaluru received the prestigious award for "zero-defect deliveries in 2023-24". This highlights our operational rigour.
- The Company's manufacturing site at Electronics City, Bengaluru was awarded by Government of Karnataka under Large Industry Category for maintaining high standards in workplace safety and compliance. This state-level recognition is the highest honor bestowed on manufacturing workers for their focus on safety at the workplace.
- The Company received appreciation for conducting impactful training sessions on best practices for cable accessories installation from its customers.

- 3M Company, USA i.e., the Company's Holding Company, was awarded the Health & Safety Award at the 2024 Global Excellence Assembly (GEA) Awards. This award highlights 3M's extensive contributions to health and safety products and solutions, especially during the COVID-19 pandemic.
- 3M Company was recognised as a finalist in the Science and Technology category of Fast Company's 2024 World Changing Ideas Awards for Sorbent-on-a-roll (SOAR) for direct air capture, a materials science-based climate tech solution developed in partnership with Sante.

Over the year, the Company employees received internal accolades for excellence in sales, marketing, technical and support functions, winning recognition from 3M Company, as well as Business and Area level awards.

ACKNOWLEDGEMENT

Your Directors thank and acknowledge with gratitude the co-operation, assistance and support received from the Central Government, State Governments of Karnataka, Maharashtra and Gujarat, Bankers, Shareholders, Dealers, Vendors, Promoters of the Company and all other Stakeholders.

The Directors also wish to place on record their sincere appreciation and gratitude towards the contribution made by every employee.

On behalf of the Board of Directors

Ramesh Ramadurai
Managing Director
DIN: 07109252

Jayanand V. Kaginalkar
Whole-time Director
DIN: 07904558

Place: Bengaluru
Date: May 28, 2025



ANNEXURE 'A' TO THE REPORT OF THE BOARD OF DIRECTORS

Management Discussion and Analysis Report

Cautionary Statement:

Members and Investors are cautioned that the discussion in this section of the Annual Report may contain statements that involve risks and uncertainties. Forward-looking statements mentioned may involve risks and uncertainties that could cause results to differ materially from those projected. Consequently, actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no obligations, assumptions and expectations of future events and trends that are subject to risks and uncertainties. Actual future results and trends may differ materially from historical results or those reflected in any such forward- looking statements depending on a variety of factors.

THE COMPANY

The Company is the flagship listed Company of 3M Company, USA in India. 3M Company, USA is a diversified technology and science company with a global presence in the following businesses: Safety and Industrial; Transportation & Electronics; and Consumer and is among the leading manufacturers of products for many of the markets it serves. Most of its products involve expertise in technology, product development, manufacturing and marketing and are subject to competition from products manufactured and sold by other technologically oriented companies.

The Company has manufacturing facilities in India at Ahmedabad, Bengaluru, Pune. Its Corporate Office and Customer Innovation Center (R&D Center) are located at Bengaluru. As on March 31, 2025, the Company had an employee strength of 1,213 personnel. As on December 31, 2024, the Company was ranked 222 (PY as on March 31, 2024: 200) based on Market Capitalisation @ ₹ 39,34,290 lakhs (PY as on March 31, 2024: ₹ 35,13,953 lakhs) and is among the top 500 Companies based on Market Capitalisation (Source: NSE). The Company manages its operations in four (4) operating business segments: Safety and Industrial; Transportation & Electronics; Consumer and Health Care. The Company's four business segments bring together common or related 3M technologies, enhancing the development of innovative products and services and providing for efficient sharing of business resources.

3M products are sold through numerous distribution channels, including directly to users and through numerous e-commerce and traditional wholesalers, retailers, jobbers, distributors and dealers in a wide variety of trades. Management believes that the confidence of wholesalers, retailers, jobbers, distributors and dealers of 3M and its products — a confidence developed through long association with skilled marketing and sales representatives — has contributed significantly to 3M's position in the marketplace and to its growth.

The Company is committed to creating long-term value to shareholders. Accordingly, the Company is dedicated to achieving high levels of operating performance, cost competitiveness, enhancing the productive asset and resource base and striving for excellence in all areas of

operation. The Company firmly believes that its success in the marketplace and good reputation are important determinants of shareholder value. Its close relationship with customers and a deep understanding of their needs drive the development of new products and services. Anticipating customer requirements early and being able to address them effectively requires a strong commercial backbone. The Company continues to develop this strength by institutionalising sound commercial processes and building world-class commercial capabilities across its marketing and sales teams. The Company uses different innovative approaches in the development of its products and services, as well as execution of growth opportunities. The Company is also committed to creating value for all its stakeholders by ensuring that its corporate actions positively impact all the dimensions of sustainable development viz., economic, social and environment.

GLOBAL ECONOMIC OVERVIEW

The global economy experienced moderate growth of 3.3% in 2024, reflecting a period of relative stability, though ongoing growth constraints persisted. In 2025, countries are adjusting their policies in response to escalating geopolitical tensions and economic pressures. The introduction of new tariff measures elevated global trade tensions, placing pressure on global GDP. As the situation continues to unfold, the broader economic impact remains uncertain and is likely to weigh on the global growth outlook.

Global growth is expected to be around 2.8% in 2025 and 3.0% in 2026, falling short of the historical average of 3.8%. According to IMF projections, inflation is expected to decline to 4.3% in 2025, and further to 3.6% in 2026. Growth rates for advanced economies are projected to decline from 1.8% in 2024 to 1.4% in 2025, with a slight recovery to 1.5% in 2026. In contrast, emerging markets and developing economies are expected to maintain stable growth, with projections of 4.3% in 2024 and 3.7% in 2025.

Despite the ongoing challenges facing the global economy, this moment presents a unique opportunity to build resilience and pave the way toward a more sustainable future.

Through aligned strategies, strong leadership, and a shared commitment to progress, the global economy can regain momentum, rebuild buffers, and unlock new opportunities for inclusive and sustained growth.

INDIA ECONOMIC OVERVIEW

India has emerged as a beacon of resilience and stability, demonstrating consistent GDP growth, easing inflation, and robust domestic demand, even in the face of persistent challenges from global markets. The country's GDP grew by 6.5% in FY 24-25, supported by strong performance across key sectors such as construction, trade, and financial services. This growth is fueled by sustained consumption trends, which remain a vital driver of the economy, and strategic government spending aimed at bolstering infrastructure and fostering investment. Additionally, the government's focus on reforms and initiatives like the Production-Linked Incentive (PLI) schemes, infrastructure development, and digital transformation continue to create a conducive environment for long-term growth. As a result, India remains a high-growth economy with a diverse and expanding industrial base, which is enhancing its resilience against external shocks and providing a solid foundation for future economic prosperity.

India's economy is expected to remain stable in FY 25-26, driven by resilient domestic consumption, increased public investment, and reform-focused governance. Strong contributions from services, manufacturing, and construction further solidify its economic foundation. While global uncertainties, trade volatility, and geopolitical tensions pose risks, India's ongoing structural transformation—fueled by rapid digital adoption, a thriving startup ecosystem, and policy initiatives ensures long-term resilience.

FINANCIAL RESULTS OF THE OPERATIONS OF THE COMPANY

The Company's revenue from operations increased by 6.12% at ₹ 444,555.63 lakhs for the financial year ended March 31, 2025 compared to ₹ 418,936.24 lakhs in the previous financial year. The Profit Before Interest and Depreciation is ₹ 83,986.87 lakhs compared to ₹ 83,736.63 lakhs for the previous financial year. Profit Before Tax is ₹ 77,340.66 lakhs compared to ₹ 78,121.42 lakhs for the previous financial year. The operating margin for the current year is 18.60% compared to 19.62 % for the previous financial year. Total Comprehensive Income is ₹ 47,125.08 lakhs compared to ₹ 58,208.36 lakhs for the previous financial year. Export Sales is ₹ 2,377.99 lakhs for the financial year ended March 31, 2025 compared to ₹ 1,643.76 lakhs in the previous financial year, a increase of 44.67 %, due to less demand in the global market.

Other Income:

The other income is ₹ 7,026.52 lakhs for FY 24-25 compared to ₹ 7,829.09 lakhs for the previous FY 23-24.

Cost of Goods sold:

The % of cost of raw material consumed as against sales for FY 24-25 is lower by 0.08% at 58.67% as against 58.75% for the previous FY 23-24, due to product mix and decrease in foreign currency exchange rate.

Employee Benefits Expense:

Employee cost as a % of sales for FY 24-25 stood at 9.69% (previous financial year was 9.18%) at ₹ 43,779.48 lakhs (previous financial year: ₹ 39,184.88 lakhs). Sales per employee has increased by 5.82% to ₹ 372.29 lakhs (no. of employee's 1,213) in the current FY 24- 25 from ₹ 351.83 lakhs (no. of employees 1,033) for the previous FY 23-24.

Finance Cost:

The interest cost for FY 24-25 is ₹ 1,117.51 lakhs compared to ₹ 321.65 lakhs in the previous FY 23-24. The interest cost is on account of lease rentals of vehicles, office equipment and real estate.

Interest earned:

The Company earned ₹ 6,186.60 lakhs on the surplus during FY 24-25 when compared to ₹ 6,669.97 lakhs during FY 23-24 by keeping the funds in deposits with the Banks.

Earnings per Share (EPS):

The EPS (Basic and Diluted) of the Company for FY 24-25 was ₹ 422.60 per Share as compared to ₹ 517.90 per Share in the previous FY 23-24, a decrease of 18.40%.

Share Capital:

The Authorised Capital as on March 31, 2025 is ₹ 117,650,700 (divided into 1,17,65,070 Equity Shares of ₹ 10 each). The Issued/Subscribed and Paid-up Capital as on March 31, 2025 is ₹ 112,650,700 (divided into 1,12,65,070 Equity Shares of ₹ 10 each). During the year under review, the Company has not issued Shares with differential voting rights nor granted Stock Options nor Sweat Equity.

Reserves & Surplus:

₹ 47,125.08 lakhs is retained in profit and loss account for the year ended March 31, 2025. The Reserves & Surplus is ₹ 183,523.18 lakhs including the current financial year retained profit.

Shareholder's Fund:

The total shareholder funds decreased to ₹ 184,649.69 lakhs as at March 31, 2025 from ₹ 214,690.34 lakhs as of the previous FY 23- 24, representing a decrease of 13.99% mainly because of payment of dividend offset by profits for the year.

Depreciation:

The depreciation charge for the current financial year is lower at ₹ 5,528.70 lakhs when compared to ₹ 5,293.56 lakhs of previous FY 23-24.

Fixed Assets-Capital Expenditure:

The gross Fixed Assets as at March 31, 2025 was ₹ 65,996.54 lakhs as compared to ₹ 61,892.68 lakhs of previous FY 23-24. Capital Investments during FY 24-25 were at ₹ 5,542.02 lakhs (Net of capital work-in-progress and capital advances) (FY 23-24: ₹ 3,141.42 lakhs) an increase of 76.42% year on year.



Inventories:

Inventory as at March 31, 2025 amounted to ₹ 64,823.85 lakhs as compared to ₹ 53,179.35 lakhs of previous FY 23-24. The inventory ratio has decreased to 81 days as at March 31, 2025 from 83 days of previous FY 23-24.

Trade Receivables:

Trade Receivables as at March 31, 2025 amounted to ₹ 79,026.74 lakhs as against ₹ 70,308.98 lakhs of previous FY 23-24. The debtor's turnover ratio is 62 days (previous financial year: 59 days).

Cash and Bank balances:

The total balance of cash and bank balances as at March 31, 2025 was ₹ 93,277.92 lakhs as compared to ₹ 104,428.88 lakhs as at March 31, 2024.

Key Financial Ratios:

During the year, the significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarised below:

Particulars	March 31, 2025	March 31, 2024	% Change	Reasons for Variance
1 Debtors Turnover (Days)	62	59	5.08%	
2 Inventory Turnover (Days)	81	83	-3.57%	
3 Interest Coverage Ratio	70.21	243.88	-71.21%	Increase in interest expenses due to capitalisation of new lease
4 Current Ratio	2.34	2.52	-7.14%	
5 Debt Equity Ratio	0.05	0.01	400%	Increase in debt for capitalisation of new lease
6 Operating Profit Margin (%)	18.60	19.62	-5.20%	
7 Net Profit Margin (%)	10.54	13.67	-22.90%	
8 Return on Net Worth (%)	25.78	27.17	5.12%	

Overall analysis of the Profit and Loss:

Particulars	Year Ended March 31, 2025 ¹		Year Ended March 31, 2024 ¹	
	₹ in lakhs	%	₹ in lakhs	%
Revenue from operations	444,555.63	98.44%	418,936.24	98.17%
Other income, net	7,026.52	1.56%	7,829.09	1.83%
Total Revenue	451,582.15	100.00%	426,765.33	100.00%
Cost of Materials consumed	170,807.10	37.82%	159,946.30	37.48%
Purchases of stock-in-trade	101,273.02	22.43%	85,928.13	20.13%
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7,139.44)	-1.58%	4,848.31	1.14%
Employee benefits expense	43,779.48	9.69%	39,184.88	9.18%
Other Expenses	58,875.12	13.04%	53,121.08	12.45%
Profit before Finance costs and Depreciation	83,986.87	18.60%	83,736.63	19.62%
Finance Costs	1,117.51	0.25%	321.65	0.08%
Depreciation and amortisation expense	5,528.70	1.22%	5,293.56	1.24%
Total Expenditure	374,241.49	82.87%	348,643.91	81.69%
Profit Before Tax	77,340.66	17.13%	78,121.42	18.31%
Tax	29,733.92	6.58%	19,779.74	4.63%
Profit for the year	47,606.74	10.54%	58,341.68	13.67%
Items that will not be reclassified subsequently to profit or loss	(481.66)	-0.11%	(133.32)	-0.03%
Total comprehensive income for the year	47,125.08	10.44%	58,208.36	13.64%

1. The financial year ending March 31, 2025, reflects merged financials following the amalgamation of 3M Electro & Communication India Private Limited (a wholly owned subsidiary) with 3M India Limited. To facilitate comparison, the values for the financial year ended March 31, 2024, have been adjusted to include the effects of the merger.

SEGMENT-WISE PERFORMANCE:

The Safety and Industrial business increased by 6.04%; Transportation & Electronics business increased by 1.65%; Consumer business increased by 8.62% and Health Care business increased by 13.71%.

1. Safety and Industrial Business:

This business segment serves the core industrial, electrical, vehicle maintenance and safety markets and offers a range of solutions including personal safety products, industrial adhesives and tapes, abrasives, electrical products and products for the automotive aftermarket.

		(₹ in lakhs)	
		March 31, 2025	March 31, 2024
Financial Highlights	Segment Revenue	141,386.63	133,328.70
	Profit Before Interest & Tax	14,672.35	17,784.34
	Capital Employed	32,357.82	23,609.30
Highlights of Safety and Industrial Business	- Abrasive: The Company concentrated on expanding its portfolio offerings to the MSME segment through new product launches and enhanced reach. The Company is committed to addressing industry challenges by providing high productivity and safer solutions. - Electrical Products: The Company achieved gains with its Cable Accessories solutions in conventional energy public utilities, as well as the solar and wind energy segments. - Automotive Aftermarket: The Company closely collaborated with major AOEMs in India to elevate customer experience through innovative solutions and services. The Company also upheld its strong leadership position in the Collision Repair segment by upgrading customers to 3M's high-productivity solutions. - Industrial Adhesives & Tapes Division: The Company is leveraging its innovative application development capabilities to establish a robust presence in the growing Electric Vehicle (EV) segment in India. - Personal Safety Division: The Company expanded its Pressurised Supplied Air Respirators and Fall Protection solutions.		

2. Transportation and Electronics Business:

This business segment serves global transportation and electronic original equipment manufacturers (OEM) with products for automotive and aerospace, commercial solutions, advanced materials and solutions for transportation safety.

		(₹ in lakhs)	
		March 31, 2025	March 31, 2024
Financial Highlights	Segment Revenue	167,655.60	164,940.62
	Profit Before Interest & Tax	30,092.23	36,686.22
	Capital Employed	44,812.41	34,368.58
Highlights of Transportation Business	- Government of India continues its focus on infrastructure investment with specific capex allocations for new rail cars and to develop urban infrastructure that are expected to offer growth opportunities for 3M's transportation safety and commercial branding portfolios. - Passenger vehicle production grew mid-single digit during the year. - Demand for graphics and branding solutions continued to grow with increase in GCCs, hospitality and retail investment in Tier 2 cities. - While electronics manufacturing output has grown sharply, greater traction is now seen in localisation initiatives in the value chain. - Investments in semiconductor manufacturing facilities, provide good opportunities in the future.		



3. Consumer Business:

This business segments serves consumers with home care, office supply and stationery, home improvement and consumer healthcare products.

		(₹ in lakhs)	
		March 31, 2025	March 31, 2024
Financial Highlights	Segment Revenue	46,485.81	42,795.93
	Profit Before Interest & Tax	8,232.40	8,103.87
	Capital Employed	6,786.52	3,496.37
Highlights of Consumer Business	- Sales of all products grew – Home Care, Stationery and Home Improvement. Further, witnessed growth in all 3 channels – General trade, Modern trade and E-comm. - Increased penetration of scouring products with increase in distribution reach. - Realised growth in categories of broom, and home improvement product through focused demand generation programs.		

4. Healthcare Business:

This segment provides products and services such as medical and surgical supplies, oral care solutions (dental and orthodontic products). Effective April 1, 2024, the company is an exclusive Licensed Manufacturer and Reseller as well as an Independent Distributor, for most of Solventum Corporation's healthcare products in India.

		(₹ in lakhs)	
		March 31, 2025	March 31, 2024
Financial Highlights	Segment Revenue	86,521.71	76,092.59
	Profit Before Interest & Tax	17,466.82	7,276.72
	Capital Employed	16,212.34	10,673.25
Highlights of Healthcare Business	- Growth of the hospital facing and dental businesses continues due to increase in the number of elective surgeries/ dental procedures and better coverage of key cities across India. - The Company continues to be a technical partner with professional bodies such as CAHO (Consortium of Accredited Healthcare Organizations), INS (Infusion Nurses Society), IDA (India Dental Association) and AORN (Association of Peri Operative Registered Nurses) to upgrade medical practices in hospital settings & dental clinics. The adoption and compliance of guidelines and protocols laid down by the PMSOs has resulted in better penetration of the company's solutions. - Better understanding of guidelines and protocols by the clinical and sales team has helped the healthcare facilities and dental clinics in adoption of the best practices resulting in adoption of appropriate healthcare solutions.		

OPPORTUNITIES AND THREATS

3M Company's wide range of technologies, product portfolio, and strong brand continues to help 3M India build its market position.

Operating in a highly competitive market, the Company may face pressure on both the top and bottom lines. The Company's products require expertise in product development, manufacturing, and marketing, and face competition from technologically oriented companies both domestically and internationally. Additionally, challenges such as rupee depreciation, geo-political uncertainties and fluctuating oil and commodity prices require focused attention.

RISKS AND CONCERNS

Provided below are cautionary statements outlining what the Company believes to be the most important risk factors applicable to the Company:

- The Company's results are affected by competitive conditions and customer preferences.
- Foreign currency exchange rates and fluctuations in those rates may affect the Company's ability to realise projected growth rates in its sales and earnings.
- The Company's growth objectives largely depend on the timing and market acceptance of its new product offerings, including its ability to continually renew its pipeline of new products and bring those products to market.

- The Company's future results are subject to fluctuations in the costs and availability of purchased components, compounds, raw materials, and energy, including oil, natural gas, and their derivatives, due to shortages, increased demand, supply interruptions, currency exchange risks, natural disasters, and other factors like the global pandemic.
- Security breaches and other disruptions to the Company's information technology infrastructure could interfere with the Company's operations, compromise information belonging to the Company or its customers, suppliers, and employees, exposing the Company to liability that could adversely impact the Company's business and reputation.
- The Company's strategy for growth, future revenues, earnings, cash flow, uses of cash, and other measures of financial performance and market position.
- The Company's future results may be affected by its operational execution, including scenarios where the Company generates fewer productivity improvements than estimated.
- Asset impairments.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

All key functions and divisions of the Company are independently responsible for monitoring risks associated with their respective areas of operations such as production, supply chain, marketing, finance, accounting, treasury, legal and other areas like health, safety and environment. The Company has identified various risks through an internal self-assessment compliance checklist and has laid out necessary procedures to mitigate the same.

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use or losses, executing transactions with proper authorisation and ensuring compliance with corporate policies. The Company, through its own Corporate Internal Audit Department, carries out periodic audits to cover all the offices, factories and key areas of business segments based on the plan approved by the Audit Committee and bring out any deviation to internal control procedures. The Internal Auditor functionally reports to the Audit Committee and administratively to the Managing Director. The observations arising out of the audit are periodically reviewed and compliance is ensured. The summary of the Internal Audit observations and status of the implementation is submitted to the Audit Committee of the Board of Directors. The status of implementation of the recommendations is reviewed by the Committee on a regular basis and concerns, if any, are reported to the Board.

DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Learning and Development:

The Company continued to deepen the usage of 3M Learn, a global learning platform that was launched in the previous year which has provided options to employees to pursue self-paced learning. This modern, personalised, and flexible platform creates an environment for every employee to own their development and find the learning resources that will best help them grow at 3M.

3M Learn houses 10,000+ learning resources in more than 15 languages. From eModules and videos to tip sheets and live sessions, employees can use 3M Learn to create a learning plan, explore areas meaningful to them, and take ownership of their growth and development.

There was a focus this year on leadership development through multiple leadership learning tracks that all supervisors and leaders were expected to complete. The leadership learning tracks were customised and curated, building on the foundations of our Leadership expectations and the Culture pillars. A unique aspect of these learning tracks was the ability of 3M leaders across the globe to collaborate and learn with each other on their journeys.

Human Resource Business Partnering/Total Rewards/ Employee Engagement

The year saw Family Day events and Sports Day activities from 3M club which is an employee interest group that fosters a sense of belonging for employees and their families. In FY 24-25, we ensured that our supervisors were equipped with key leadership skills through a curated, customised leadership development programme which covered supervisors and Plant leadership at both our Ranjangaon and Bengaluru plants. Furthermore, production operators also saw attention being given to soft skills development at our Bengaluru Plant. Furthermore, production operators also saw attention being given to soft skills development at our Bengaluru Plant. Our Bengaluru production employees participated in programs on Effective communication, Teamwork and Collaboration, working with supervisors, Time management techniques and professional behaviour at workplace. The programme was well received and we intend to replicate the programme across other Plants in FY 25-26.

3M takes steps to ensure that employees are engaged right from the time of joining the organisation to ensure that they become productive very quickly as well as to start demonstrating 3M values, behaviours and co-creating 3M's culture. As part of this effort, 3M offers a virtual 'Feel@ Home' programme every month for all our new employees to enable an orientation to 3M, which is followed by an immersive 1.5-day experience at our Innovation Centre and our Bengaluru Plant.

In today's dynamic work environment, HR Operations Partners have helped business and function leaders embrace



and evolve our flexible work policy “Work Your Way”. To drive innovation and growth across the organisation, Work your Way has evolved to include more Collaboration days across all businesses and functions, which has seen all employees coming together in our offices to solve problems, brainstorm and align to business needs.

FY 24-25 also saw continued participation in our Connections Forums, which are company-wide quarterly town halls, led by the Managing Director. These townhalls help employees stay informed of the Company’s performance and related topics.

Employee Relations:

The Company continues to strengthen employee relations and maintain a harmonious working environment at the manufacturing sites.

The Company’s drive towards Self-Managed teams continues across multiple sites and workstreams and the outcomes of these teams are being suitably recognised, through competitions that help to solve problems on the manufacturing floors.

3M India engaged plant-based employees with several initiatives. These initiatives included kaizen events as well as employee led committees on Safety and Quality education that also included family members of employees.

Other initiatives include:

- Enhanced ownership and participation of plant employees in CSR initiatives.
- Outreach programmes from the Manufacturing -Women’s Leadership Forum (WLF) to build awareness about careers in manufacturing, through active partnerships and collaborations with the STEM projects and education projects that the Company supports through CSR.
- Our 3M Clubs across our Plants are employee led and organised a number of activities through the year with an intent to bring both 3Mers and their families together. These activities spanned across sports days, family days and team building events and over the years have contributed to creating, building and sustaining the culture of 3M.

On behalf of the Board of Directors

Ramesh Ramadurai
Managing Director
DIN: 07109252

Jayanand V. Kaginalkar
Whole-time Director
DIN: 07904558

Place: Bengaluru
Date: May 28, 2025

ANNEXURE 'B' TO THE REPORT OF THE BOARD OF DIRECTORS

Report on Corporate Governance

THE COMPANY'S GOVERNANCE PHILOSOPHY

3M's Corporate Governance principles govern how the Company carries on its business daily, enabling the Company to outperform and lead the way to sustainable growth. The governance principles provide a framework that defines the roles, rights and responsibilities of different groups within the organisation. The Board of Directors oversees the Executive Directors and Senior Management (viz., the Leadership Team) including Key Managerial Personnel and ensures that appropriate procedures and controls are in place covering the management's activities in operating the Company on ethical grounds on a day-to-day basis. The Company has adhered to all the applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') for the financial year ended March 31, 2025.

BOARD OF DIRECTORS

Composition:

As at the financial year ended March 31, 2025, the Board comprised of Two (2) Independent Directors, One (1) Executive Director and Three (3) Non-Executive Non-Independent Directors. The Board of Directors of the Company is headed by a Non-Executive and Independent Director.

As at the financial year ended March 31, 2025, the Board of Directors of the Company had an optimum combination of Executive and Non-Executive Directors including Three (3) Women Directors and not less than Fifty percent (50%) of the Board of Directors comprises Non-Executive Directors and the composition is in conformity with the provisions of the Companies Act, 2013 and the Listing Regulations. None of the Directors of the Company is related to each other and with any employees of the Company.

The Board of Directors confirm that all the Independent Directors of the Company fulfill the conditions specified under the Listing Regulations and are Independent of the Management of the Company.

All the Directors have confirmed that they are neither debarred nor disqualified from being appointed or continuing as Director by Securities and Exchange Board of India / The Ministry of Corporate Affairs or any such statutory authority. The Company has obtained a Certificate to this effect from Mr. Vijayakrishna K.T., Practising Company Secretary, Bengaluru as mandated under Schedule V, Para C, Clause 10(i) of the Listing Regulations.

Skills / Expertise/Competencies of the Board of Directors:

The present Directors of the Board have vast and varied experience and possess professional background and experience in General Management of Business, Industry,

Marketing, Finance, Taxation, Human Resource, Supply Chain and Law. Following is the gist of skills / expertise / competencies identified by the Board of Directors.

- Knowledge on the Company's businesses, policies and culture, risks / threats and opportunities and knowledge of the industry in which the Company operates.
- Behavioral skills - attributes and competencies to use their knowledge, professional skills to contribute effectively to the growth of the Company.
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Securities Market, Administration and Decision Making.
- Banking, Financial, Taxation, Mergers and Acquisitions, Law and Management skills.

Brief Profile of the Directors as on March 31, 2025:

Ms. Radhika Govind Rajan

(Chairperson, Independent Director)

Ms. Radhika Rajan (69 years) was appointed as an Independent Director of the Company for a period of Five (5) years with effect from May 27, 2016. She was re-appointed by Members as Independent Director of the Company for a second term of Five (5) years with effect from May 27, 2021. She was appointed as Chairperson of the Board with effect from March 26, 2025. Ms. Radhika is Executive Vice President at DSP Investment Pvt Ltd., the Family Office of Hemendra Kothari in Mumbai, India. She manages the investments of this Family office and has been with the group since July 2011. Her special focus is Private Equity and Venture investments. Ms. Radhika is a results-focused financial-market professional with over 40 years of profit-responsible experience in New York till 2011 and the last 11 years in Mumbai, India, with DSP. Ms. Radhika has focused on India as an investment destination since 1999, when she made a brief foray into IT and was appointed as the New York based Executive Vice-President of Mphasis, a US based IT services start-up, which is now a leading listed Indian IT services company. Post Mphasis, she joined the TCG Group in New York to set up an Indian Equities Hedge Fund and advising TCG and several other private equity groups on US start-ups and proposed investments in the US-India corridor. Prior to 1999, Ms. Rajan worked as a global-macro proprietary trader at different large financial institutions like JP Morgan (formerly Chemical Bank), Itochu, UBS, Bank of America and Bank of Montreal. As a global macro trader, she traded and took proprietary positions in a range of currencies, in interest rate and commodity futures and in derivatives, with a focus on emerging markets.

Ms. Radhika Rajan holds Master's in Science degree from the Indian Institute of Technology, Mumbai and also holds



an MBA degree from, the Indian Institute of Management Ahmedabad. She was a National Science Talent Scholar through her college years.

She also serves as an Independent Director on the Boards of Exide Industries Limited and Bayer CropScience Limited. She is a Board observer of a Digital media start-up. Previously she was an Independent Director of Sonata Software Limited, Sonata Information Technology Limited, Tata Advanced Systems Limited, Tata Sikorsky Aerospace, Tata Lockheed Martin, Nova Integrated and TAS-AGT Systems.

Ms. Radhika Rajan was an invited contributing author of "The Global Internet Economy," a book published by MIT Press in 2003. She is a Charter Member of TIE Tristate, the New York based chapter of TIE, a global association of entrepreneurs active in accelerating the globalisation of Indian business.

Expertise in Specific Functional Areas	General Management of Business, Forex Management, Securities Market
List of Directorships held in other companies (excluding foreign, private and section 8 companies) as on March 31, 2025	- Exide Industries Limited - Bayer CropScience Limited

Mr. Narumanchi Venkata Sivakumar

(Independent Director)

Mr. Narumanchi Venkata Sivakumar (62 years) was appointed as an Independent Director of the Company for a period of Five (5) years with effect from July 15, 2024. Mr. Sivakumar is an institution builder and a trusted business adviser, he has been with PricewaterhouseCoopers Private Limited for over 22 years assuming varied roles within the Advisory Line of Service (2001-2023) serving a diverse set of domestic and international clients. Prior to that he was with Lovelock and Lewes, Chartered Accountants (1982 - 2001) rendering audit and advisory services to varied clients. He retired from PricewaterhouseCoopers Private Limited on March 31, 2023.

In his role as Entrepreneurial and Private Business Leader at PricewaterhouseCoopers Private Limited, Mr. Sivakumar has extensively worked with family businesses, advising them on ownership issues (governance, succession planning and structuring) and business issues (strategy and business transformation, deals and growth, risk and regulation, talent and profitability). He played an active role in the roll out of the PwC global thought leadership studies (Family Business Survey and NextGen Survey) and also actively engaged with CII-FBN in their annual Family Business and NextGen conventions.

As a Global Client Partner on large accounts, Mr. Sivakumar spearheaded the engagement with the clients at the promoter / board / senior executive level and ensured that advisory services were seamlessly delivered. With his functional

expertise in Mergers and Acquisitions, Mr. Sivakumar led the Deals practice at PricewaterhouseCoopers Private Limited for four years overseeing rendering of deals strategy, corporate finance, valuation and transaction advisory services for clients in India and Overseas.

Mr. Sivakumar holds a Bachelor's degree in Commerce and is qualified Chartered Accountant and a fellow member of the Institute of Chartered Accountants of India.

Expertise in Specific Functional Areas	Finance, Tax, Mergers and Acquisitions, General Management of Business
List of Directorships held in other companies (excluding foreign, private and section 8 companies) as on March 31, 2025	- Kennametal India Limited - Schaeffler India Limited - Computer Age Management Services Limited

Mr. Ramesh Ramadurai

(Managing Director, Executive Director)

Mr. Ramesh Ramadurai (63 years) was initially appointed as a Non-Executive Non-Independent Director of the Company with effect from March 27, 2015. He is Managing Director of the Company from June 1, 2019. He was re-appointed by Members as Managing Director of the Company for a further period of Three (3) years from February 13, 2024 to February 12, 2027. Previously, Mr. Ramesh Ramadurai served as Business Director for 3M Industrial Business from July 2014 to May 2019. During this period, he was based in Shanghai, China and was responsible for the entire Asia Pacific Area. Prior to this role, Mr. Ramesh Ramadurai served as Managing Director of 3M Philippines from August 2011 until June 2014, based in Manila.

He Joined 3M India in 1989 as a sales engineer and held positions as the Country Business Leader for the Industrial and Electro & Telecommunications businesses. He was seconded to Global Headquarters in St Paul, USA, from November 2003 to December 2008, where he worked as Market Segment Manager, Global Product Manager and International Business Manager in 3M's Industrial Business. Prior to 3M, Mr. Ramesh Ramadurai worked for a year as a Production Engineer at an Offshore Oil Production facility in India and for about 3 years in a business planning role at an automotive parts and motorcycle manufacturer in India. Mr. Ramesh Ramadurai served as the Chairperson of Confederation Indian Industry (CII), Karnataka State Council, for FY 21-22. Mr. Ramesh Ramadurai is also a member of Confederation of Indian Industry (CII), Southern Region and a member of the India Advisory Committee of the US India Business Council.

Mr. Ramesh Ramadurai holds a Post Graduate Diploma in Management (PGDM) with specialisation in Marketing from the Indian Institute of Management, Calcutta and a Bachelor of Technology in Chemical Engineering from the Indian Institute of Technology, Kanpur.

Expertise in Specific Functional Areas	General Management of Business and Marketing
List of Directorships held in other companies (excluding foreign, private and section 8 companies) as on March 31, 2025	Nil

Ms. Kong Sau Wai Elizabeth,
(Non-Executive Director)

Ms. Kong Sau Wai Elizabeth (43 years), was appointed as a Non-Executive Non-Independent Director of the Company with effect from January 1, 2025. Ms. Kong brings over four years of experience with the 3M Group, where she currently serves as the Asia General Counsel based in Singapore. She has previously supported various business segments, including Safety & Industrial, Transportation & Electronics, Enterprise Supply, and also Enterprise Operations.

Prior to joining 3M, she worked as Counsel at Clifford Chance, focusing on cross-border mergers and acquisitions, private equity, joint ventures, corporate restructuring, and anti-trust matters. She also served as an International Partner at Morgan Lewis Stamford, specialising in equity capital markets, public mergers and acquisitions, corporate finance, funds, corporate governance, and securities regulation.

Ms. Kong holds a Bachelor of Arts in Law with Double First Class honors from the University of Cambridge and an Executive MBA with distinction from the INSEAD-Tsinghua Dual Masters program, where she excelled in advanced corporate finance, strategy, financial and management accounting, marketing, operations management, economics, and organisational behavior.

Expertise in Specific Functional Areas	Law, Mergers and Acquisitions, Finance, and Securities market
List of Directorships held in other companies (excluding foreign, private and section 8 companies) as on March 31, 2025	Nil

Ms. Yun Jin
(Non-Executive Director)

Ms. Yun Jin (51 years) was appointed as a Non-Executive Non-Independent Director of the Company with effect from February 4, 2022. She was named as Vice President Finance, 3M Asia from December 1, 2021. She has rich experience, partnering with business and finance leadership teams to drive growth and improve profitability. She has over 28 years of diverse experiences across Greater China Area and the United States in finance and business. She has held several roles of increased responsibility in the finance organisation, including business finance, operational accounting, treasury and tax in China, Greater China Area Financial Planning & Analysis leader and Country General

Manager of 3M Hong Kong. Her immediate prior role was as Global Finance Director for 3M Personal Safety Division based in 3M's headquarters in St. Paul, Minnesota, USA.

Ms. Yun graduated from the Shanghai University with a Major in Accounting and holds a Masters in Business Administration jointly from Shanghai University of Finance and Economy and Webster University and is a Certified Public Accountant in China.

Ms. Yun resigned as a Director of the Company with effect from April 1, 2025, consequent upon her taking up a new role and responsibility within 3M Group.

Expertise in Specific Functional Areas	Finance, Tax, Treasury, General Management of Business
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies) as on March 31, 2025	Nil

Mr. Andrew Paul Bennett
(Non-Executive Director)

Mr. Andrew Paul Bennett (57 years) was appointed as a Non-Executive Non-Independent Director of the Company with effect from July 15, 2024. He has extensive senior leadership experience of 3M and its International operations over a career spanning more than 27 years most recently in his role as Senior Vice President Country Governance and Emerging Markets reporting direct to the CFO. Prior to that Mr. Bennett served as Global Vice President Automotive Aftermarkets and before that was Vice President North Europe. He also has significant experience in Business Transformation leading 3Ms implementation of SAP in North Europe and is a certified Six Sigma Black Belt and Master Black Belt. Mr. Bennett's career has enabled him to live all over the world with assignments in US, Germany, Switzerland, Japan, Australia and Brazil.

He has broad knowledge on 3Ms operations and Global Strategy including leadership roles in IT, Sourcing and Customer Service across its multiple business groups including Healthcare, Safety, Industrial and Automotive.

Mr. Bennett holds Bachelor of Economics (Honors) and Postgraduate Certificate in Education from the University of Leeds.

Mr. Bennett resigned as a Director of the Company with effect from April 1, 2025, due to various other professional commitments and responsibilities within the 3M Group.

Expertise in Specific Functional Areas	General Management of Business, Mergers and Acquisitions, Finance
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies) as on March 31, 2025	Nil



Details of Committees Membership/Chairmanships held by Directors as on March 31, 2025 including names of other listed companies, where directors of the Company are directors and category of directorship:

Name of the Director	Name of the Company (Including 3M India Limited)	Category	Membership of Committee		Chairmanship of Committees	
			Audit	Stakeholders' Relationship	Audit	Stakeholders' Relationship
Radhika Rajan	3M India Limited	Independent Director	Yes			Yes
	Exide Industries Limited	Independent Director	Yes			
	Bayer CropScience Limited	Independent Director	Yes			
N. V. Sivakumar	3M India Limited	Independent Director			Yes	
	Kennametal India Limited	Independent Director			Yes	
	Schaeffler India Limited	Independent Director			Yes	
	Computer Age Management Services Limited	Independent Director			Yes	
Ramesh Ramadurai	3M India Limited	Executive Director		Yes		
Kong Sau Wai Elizabeth	3M India Limited	Non-Executive Director		Yes		
Yun Jin ¹	3M India Limited	Non-Executive Director	Yes			
Andrew Bennett ¹	3M India Limited	Non-Executive Director				

1. Director upto April 1, 2025.

MEETINGS

The Companies Act, 2013 facilitates the participation of a Director in Board/ Committee Meetings through video conference / other audio- visual modes. Accordingly, the option to participate at the Meetings through video/audio conference is made available for the Directors.

The Meetings are generally scheduled well in advance and the notice of each Board / Committee Meeting is given in writing to each Director. The yearly calendar of the Meetings is finalised before the beginning of the year. Additional Meetings are held when necessary. The Board meets at least once a quarter to review the quarterly performance and financial results of the Company. The Board is provided with the relevant information as stipulated in the Listing Regulations. The Meetings are governed by a structured agenda. The Board papers, agenda and other explanatory notes are circulated to the Directors, Seven (7) days prior to the Meetings. In addition, for any business exigencies, the Resolutions are passed by circulation and later placed at the subsequent Board/ Committee Meeting for ratification. The Minutes of the Committee Meetings are sent to all Directors individually within the time limits prescribed under the Companies Act, 2013 and are further tabled at the Board Meetings. The Company Secretary is responsible for

convening the Board and Committee Meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the Meetings. He/she acts as an interface between the Board and the Management and provides required assistance and assurance to the Board and the Management on compliance and governance aspects. During FY 24-25, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Details of Board Meetings during FY 24-25:

During FY 24-25, Seven (7) Meetings of the Board were held on May 28, 2024, August 6, 2024, November 12, 2024, January 29, 2025, February 7, 2025, February 24, 2025 and March 13, 2025.

The 37th AGM for FY 23-24 was held on August 7, 2024.

None of the Directors is a Director in more than Seven (7) Listed Companies or Ten (10) Public Limited Companies or acts as an Independent Director in more than Seven (7) Listed Companies. Further, none of the Directors acts as a member of more than Ten (10) Committees or acts as Chairperson of more than Five (5) Committees across all Public Limited Companies in which he/she is a Director.

Name of the Director	Category	No. of Board Meetings held during the year under review		No. of other Directorships and Committee Memberships / Chairmanships (Including 3M India Limited)			Whether attended last AGM
		Held ³	Attended ³	Directorships held ¹	Committee Memberships ²	Committee Chairmanships ²	
Radhika Rajan (Chairperson from March 26, 2025)	Non-Executive & Independent Director	7	7	4	4	1	Yes
N. V. Sivakumar (Director from July 15, 2024)	Non-Executive & Independent Director	6	6	9	9	5	Yes
Ramesh Ramadurai	Executive Director (Managing Director)	7	7	2	1	-	Yes
Kong Sau Wai Elizabeth (Director from January 1, 2025)	Non-Executive Director	4	4	1	1	-	NA
Yun Jin	Non-Executive Director	7	6	1	1	-	Yes
Andrew Bennett (Director from July 15, 2024)	Non-Executive Director	6	5	1	-	-	Yes
Bharat D. Shah (Director and Chairperson of the Board upto March 26, 2025)	Non-Executive & Independent Director	7	7	4	2	1	Yes
Biren Gabhawala (Director upto August 13, 2024)	Non-Executive & Independent Director	2	2	2	2	1	Yes
Amit Laroya (Director upto November 12, 2024)	Non-Executive Director	3	3	2	2	-	Yes
Vidya Sarathy (Whole-time Director and CFO upto January 29, 2025)	Executive Director (Whole-time Director and CFO)	4	4	1	1	1	Yes

1. Excludes directorship in private companies, foreign companies, Section 8 Companies and includes directorship in 3M India Limited.

2. Excludes committees other than Audit Committee and Stakeholders' Relationship Committee.

3. No. of Meetings held during the term of the Director.



The gap between any Two (2) Board Meetings did not exceed One Hundred and Twenty (120) days in line with the requirements of the Act and the Listing Regulations.

Attendance details of Board Meetings:

Name of the Director	May 28, 2024	August 6, 2024	November 12, 2024	January 29, 2025	February 7, 2025	February 24, 2025	March 13, 2025
Radhika Rajan (Chairperson from March 26, 2025)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
N. V. Sivakumar (Director from July 15, 2024)	NA	Yes	Yes	Yes	Yes	Yes	Yes
Ramesh Ramadurai	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Kong Sau Wai Elizabeth (Director from January 1, 2025)	NA	NA	NA	Yes	Yes	Yes	Yes
Yun Jin	Yes	Yes	Yes	Yes	Yes	LOA	Yes
Andrew Bennett (Director from July 15, 2024)	NA	Yes	LOA	Yes	Yes	Yes	Yes
Bharat D. Shah (Director and Chairperson of the Board upto March 26, 2025)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Biren Gabhawala (Director upto August 13, 2024)	Yes	Yes	NA	NA	NA	NA	NA
Amit Laroya (Director upto November 12, 2024)	Yes	Yes	Yes	NA	NA	NA	NA
Vidya Sarathy (Whole-time Director and CFO upto January 29, 2025)	Yes	Yes	Yes	Yes	NA	NA	NA

LOA - Leave of Absence

Board Training and Induction:

At the time of appointing a Director, a “Familiarisation Programme for Directors of the Company” brochure is handed over which inter- alia explains the history of the Company, products / divisions of the Company in which it operates, performance of the Company during the last quarter/year, other Directors’ profile, Leadership Team details, situation of factories and branch offices etc., role, function, duties and responsibilities expected as a Director of the Company. In the same document, the Director is also explained in detail the compliances required from him under the Companies Act, the Listing Regulations and other relevant regulations. The Managing Director of the Company also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his role as a Director of the Company. Apart from the above, business heads also make presentations on their respective business groups and update the Board. Some of the updates to the Board during FY 24-25 includes updates from respective business groups, key risks identified and action, updates on of MCA/SEBI notifications etc. The familiarisation document is also disclosed on the website of the Company at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/.

The Company has issued formal letters of appointment to all the Independent Directors of the Company in the

manner as provided in the Companies Act, 2013 including the tenure of appointment. The terms of appointment have also been disclosed on the website of the Company at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/. The Company also conducted a plant visit (Electronic City Plant) for Mr. N. V. Sivakumar, Independent Director, as part of the familiarisation programme.

COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory Committees viz. Audit Committee, Stakeholders’ Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. The Meetings of each of these Committees are convened by the respective Chairpersons, who also apprise the Board about the summary of discussions held at its Meetings.

The Minutes of the Committee Meetings are sent to all Directors individually for their approval/comments as per the prescribed Secretarial Standards-1 and after the minutes are duly approved, these are circulated to the Board of Directors and presented at the Board Meetings. The constitution, terms of reference and the functioning of the existing Committees of the Board are explained hereunder.

AUDIT COMMITTEE

The Audit Committee of the Company functions in accordance with the requirements of Section 177 of the Companies Act, 2013 and the Listing Regulations.

Terms of Reference of the Audit Committee:

The terms of reference of the Audit Committee as per guidelines set out under the Listing Regulations read with Section 177 of the Companies Act, 2013, are set out below:

1. The Audit Committee shall have minimum Three (3) Directors as Members. Two-thirds (2/3) of the members of Audit Committee shall be Independent Directors.
 2. All Members of the Audit Committee shall be financially literate and at least One (1) member shall have accounting or related financial management expertise.
 3. Chairperson of the Audit Committee shall be an Independent Director.
 4. Chairperson of the Audit Committee shall be present at Annual General Meeting to answer Shareholder queries.
 5. The Audit Committee may invite such executives of the Company as it considers appropriate (and particularly the head of the finance function) to be present at the Meetings of the Committee, but on occasions it may also meet without the presence of any of the executives of the Company. The Chief Financial Officer (CFO), Internal Auditor and a representative of the Statutory Auditor may be present as invitees for the Meetings of the Audit Committee.
 6. Company Secretary shall acts as Secretary of the Audit Committee.
 7. The Audit Committee shall meet at least Four (4) times in a financial year and not more than 120 days shall lapse between two Meetings. The quorum shall be either Two (2) Members or One-third (1/3) of the Members of the Audit Committee, whichever is higher but there shall be a minimum of Two (2) Independent Members present.
2. Recommendation for appointment, remuneration and terms of appointment of Statutory Auditors and Cost Auditors of the Company;
 3. Approval of payment to Statutory Auditors and Cost Auditors and 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 Report of the Board of Directors in terms of clause (c) of Sub-Section 3 of Section 134 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 judgement by management.
 - (d) Significant adjustments, if any, made in the financial statements arising out of audit findings.
 - (e) Compliance with listing and other legal requirements relating to financial statements.
 - (f) Disclosure in financial statements including related party transactions.
 - (g) Qualification/Modified opinion, if any, 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 utilised for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter, if any;
 7. Review and monitor the auditors' independence and performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;

Powers of Audit Committee

The Audit Committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise if it considers necessary.

Role of Audit Committee

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;



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 there on;
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. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (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;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis;
22. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 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;
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Review of information by the Audit Committee

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
3. Internal Audit Reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the Chief Internal Auditor, if any.

Composition and details of Audit Committee Meetings during FY 24-25:

As on March 31, 2025, the Audit Committee of the Company consisted of Two (2) Non-Executive Independent Directors and One (1) Non- Executive Director and all of them have financial and accounting knowledge. As on March 31, 2025, the members of the Committee were Mr. N. V. Sivakumar, Ms. Radhika Rajan and Ms. Yun Jin.

Mr. N. V. Sivakumar is Chairperson of the Audit Committee. Company Secretary is the Secretary to the Committee. At the invitation of the Committee, the Managing Director, Whole-time Director, CFO, the Internal Auditor, General Counsel and Statutory Auditors attend the Audit Committee Meetings.

During FY 24-25, Six (6) Meetings of the Audit Committee were held on May 28, 2024, August 6, 2024, November 12, 2024, January 29, 2025, February 7, 2025 and March 13, 2025. The number of Meetings held and attendance of the Members at the Audit Committee Meetings held during the financial year under review are as under:

Name of the Committee Members	No. of Meetings held during the year under review ¹	No. of Meetings attended
N. V. Sivakumar (Chairperson) (Member and Chairperson from August 14, 2024)	4	4
Radhika Rajan	6	6
Yun Jin	6	6
Biren Gabhawala (Member and Chairperson upto August 13, 2024)	2	2
Bharat D. Shah (Member upto March 26, 2025)	6	6

1. No. of Meetings held during the term as Committee Member.

Attendance details of the Audit Committee Meetings:

Name of the Director	May 28, 2024	August 6, 2024	November 12, 2024	January 29, 2025	February 7, 2025	March 13, 2025
N . V . Sivakumar (Chairperson)	NA	NA	Yes	Yes	Yes	Yes
Radhika Rajan	Yes	Yes	Yes	Yes	Yes	Yes
Yun Jin	Yes	Yes	Yes	Yes	Yes	Yes
Biren Gabhawala	Yes	Yes	NA	NA	NA	NA
Bharat D. Shah	Yes	Yes	Yes	Yes	Yes	Yes

NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013 and the Listing Regulations, the Board has formed the “Nomination and Remuneration Committee”. The terms of reference of the Committee inter-alia, are as follows:

- (a) Chairperson of the Committee shall be an Independent Director as may be elected by the Members of the Committee.
- (b) Quorum for Meeting of the Committee shall be either Two (2) Members or 1/3rd of the Members of the Committee, whichever is greater, including at least One (1) Independent Director in attendance .
- (c) The Committee may meet at such times and at such intervals as it may deem necessary and shall at least meet once a year.
- (d) The Role of the Committee shall include inter-alia the following:
 - Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
 - Formulation of criteria for evaluation of Independent Directors and the Board;
 - For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - d) consider the time commitments of the candidates.
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Consider whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- Such other matters as may be prescribed under the Companies Act, 2013, Listing Regulations and by the Board of Directors of the Company from time to time.
- (e) The Committee may invite such executives of the Company and such other persons as it may consider appropriate.
- (f) The Company Secretary acts as the Secretary of the Committee who flag the actions and serve as executive support to the Committee.

The Nomination and Remuneration Policy for Directors, Key Managerial Personnel and for other employees is available at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/.

Criteria of selection of Non-Executive Independent Directors

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management. The NRC shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively. The NRC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The NRC shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;



- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

The Diversity of the Board aims to:

- enhance the quality of performance of the Board,
- usher in independence in the performance of the Board,
- achieve sustainable and balanced performance and development in the Company,
- support the attainment of strategic objectives of the Company,
- remove the gender bias in the Board, and
- compliance of applicable law/s and good corporate practices.

In case of re-appointment of Directors, the Board shall take into consideration the performance evaluation of the Director and his/ her engagement level.

Criteria of selection of Non-Executive and Executive Directors

For the purpose of selection of the Non-Executive and Executive Directors, the incumbent shall possess relevant expertise, experience and leadership qualities required for that position. The NRC will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013.

Criteria of selection of Senior Management personnel (including KMPs)

For the purpose of selection (including internal selection) of the senior management personnel (including KMPs), criteria such as relevant expertise, experience, qualifications are taken into consideration.

Remuneration Policy of the Company

3M is a pay-for-performance company and offers a competitive pay structure to attract and motivate a well-qualified, diverse workforce.

The Company is committed to fair and equitable pay. The Company differentiates pay based on role, responsibilities, skill set, competence and performance. Our global market pricing process allows the Company to provide market competitive compensation for employees and drives consistency and transparency in compensation practices across regions. The Company follows a global process using data from multiple surveys to benchmark pay levels and map job grades, which helps drive principles for fair and equitable pay.

As an annual activity, the Total Rewards & Services (TRS) team works closely with the Global Market Pricing (GMPP) Process Experts to determine the salary range of each job by doing a market benchmark study.

The Company benchmarks and compares itself with Total Cash Compensation (TCC) which includes Fixed and Variable Pay of selected comparator basket/peer companies from where the Company attracts/loses its talent.

After identification and shortlisting of peer companies, the GMPP team works with external consultants to conduct the Peer basket survey, which compares compensation across similar roles in the peer group. Upon completion of this exercise, process experts, based on the mapping & market median draw the Market Reference Point (MRP). Leveraging the insights from market outlook and data, the annual budget and Annual Salary Review (ASR) is established. Simulated analysis, Salary Forecast, Market Insights are presented to the Leadership Team and a detailed timeline for the Annual Salary Review cycle is tabled to the Leaders. The Total Rewards team further extracts the Annual Increase for the Managing Director and the leadership team and shares the same with the Company Secretary for the Board's Approval. The Annual salary Review then gets implemented across the organisation with effect from the new financial year.

Effective April 1, 2024, based on the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors, The Company pays a fixed Commission not exceeding ₹ 2,500,000 P.A. to each of the Independent Directors and additional ₹ 250,000 P.A. to Chairperson of the Board, ₹ 130,000 P.A. to a Chairperson of the Audit Committee and ₹ 60,000 P.A. to the Chairperson of the Other Committees of the Board.

The Maximum amount payable to all Independent Directors is restricted to One percent (1%) of the net profit of the Company computed as per the provisions of Section 198 of the Companies Act, 2013.

The Company pays ₹ 60,000 to each Independent Director per Board and Audit Committee Meetings, ₹ 40,000 to each Independent Director for other Committee Meetings as sitting fees (effective from April 1, 2024).

The Non-Executive Non-Independent Directors are not paid any Sitting Fees and Commission.

The remuneration by way of commission paid to the Independent Directors is commensurate with the activities of the Company, the responsibilities of the Independent Directors under the provisions of the Listing Regulations and under the Companies Act, 2013 and the responsibilities as Member/Chairperson of the Board and Member/Chairperson of Committee/s of the Board and all other relevant factors.

Composition and details of Nomination and Remuneration Committee Meetings during FY 24-25:

As on March 31, 2025, the Nomination and Remuneration Committee of the Company consisted of Two (2) Non-Executive Independent Directors and One (1) Non-Executive Director. As on March 31, 2025, the members of the Committee were Mr. N. V. Sivakumar, Ms. Radhika Rajan and Mr. Andrew Bennett.

During FY 24-25, Seven (7) Meetings of the Nomination and Remuneration Committee were held i.e., on May 28, 2024, August 6, 2024, November 12, 2024, January 29, 2025, February 7, 2025, February 24, 2025 and March 13, 2025. The numbers of Meetings held and attendance

of the Members at the Nomination and Remuneration Committee Meetings held during the financial year under review are as under:

Name of the Committee Members	No. of Meetings held during the year under review ¹	No. of Meetings attended
N . V . Sivakumar (Chairperson) (Member and Chairperson from March 26, 2025)	-	-
Radhika Rajan (Chairperson from August 14, 2024 upto March 26, 2025)	5	5
Andrew Bennett	5	4
Biren Gabhawala (Chairperson upto August 13, 2024)	2	2
Bharat D. Shah (Member upto March 26, 2025)	7	7
Amit Laroya (Member upto November 12, 2024)	2	2

1. No. of Meetings held during the term as Committee Member.

Attendance details of Nomination and Remuneration Committee Meetings

Name of the Director	May 28, 2024	August 6, 2024	November 12, 2024	January 29, 2025	February 7, 2025	February 24, 2025	March 13, 2025
N . V . Sivakumar	NA	NA	NA	NA	NA	NA	NA
Radhika Rajan	NA	NA	Yes	Yes	Yes	Yes	Yes
Andrew Bennett	NA	NA	LOA	Yes	Yes	Yes	Yes
Biren Gabhawala	Yes	Yes	NA	NA	NA	NA	NA
Bharat D. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Amit Laroya	Yes	Yes	NA	NA	NA	NA	NA

Remuneration to Directors:

As on March 31, 2025, the Company had One (1) Executive Director, Mr. Ramesh Ramadurai, Managing Director.

Mr. Ramesh Ramadurai, is a Managing Director of the Company from June 1, 2019. Based on the recommendation of the Nomination and Remuneration Committee and performance evaluation carried out, the Board at its Meeting held on December 11, 2023 approved the re-appointment of Mr. Ramesh Ramadurai as Managing Director of the Company for a further period of Three (3) years from February 13, 2024 to February 12, 2027. The Members of the Company have approved his re-appointment by way of an Ordinary Resolution through Postal Ballot Notice dated December 11, 2023.

Ms. Vidya Sarathy was appointed as a Whole-time Director (designated as Whole-time Director and Chief Financial Officer) of the Company with effect from June 1, 2022 and her appointment was approved by the Members at the Thirty Fifth (35th) Annual General Meetings. She resigned as Whole-time Director and Chief Financial Officer with effect from January 29, 2025.

Managing Director and Whole-time Directors of the Company have been appointed based on employment contract and their terms of appointment were fixed by the Board.

The elements of the remuneration package of Executive Directors comprise Salaries and Allowances, Perquisites, Company Leased Accommodation, Company Car and driver, Telephone at home, Club Fees, Contribution to Provident Funds and Other Funds. The contract of employment of Executive Directors is terminable by serving a notice of Ninety (90) days. No severance fee is payable to the executive directors on termination of the agreement. The Company has no Stock Option/Equity-based awards or any other Stock Linked Incentive Plans. However, Senior Executives of the Company including Managing Director and Whole-time Director of the Company are entitled to the Restricted Stock Options/ Stock Appreciation Unit Plans declared by the Parent Company, 3M Company USA, from time to time. As per 3M Group Policy, the Company which employs the respective employees is required to bear the cost of the options.



Details of remuneration for the financial year ended March 31, 2025:

(a) Executive Directors:

Name and Designation	No. of Shares Held	Salaries & Allowances ¹ (₹)	Contribution to Provident Fund (₹)	Estimated Value of Benefits (₹)	Total (₹)	Present term expired/s on
Ramesh Ramadurai (Managing Director)	Nil	44,293,710	1,467,098	743,508	46,504,316	February 12, 2027
Vidya Sarathy (Whole-time Director and CFO – upto January 29, 2025)	Nil	10,123,015	502,840	-	10,625,856	January 29, 2025 (Resigned)

1. Salaries and Allowances include the variable pay.

Variable pay as a % of fixed pay for Ramesh Ramadurai, Managing Director was 26% and for Vidya Sarathy, Whole-time Director and CFO was 16.67 %, based on performance rating and the overall performance of the enterprise.

Exceptional performance will receive a performance accelerator both in the fixed pay and the variable pay.

(b) Non-Executive Independent Directors:

Name of the Director	No. of Shares Held	Sitting Fees for Board Meetings (Gross) (paid during FY 24-25) (₹)	Sitting Fees for Committee Meetings (Gross) (paid during FY 24- 25) (₹)	Commission ¹ (Gross) (₹)	Total (₹)
Radhika Rajan	Nil	420,000	880,000	2,542,219	3,842,219
N. V. Sivakumar	Nil	360,000	360,000	1,901,534	2,621,534
Bharat D. Shah	Nil	420,000	960,000	2,829,671	4,209,671
Biren Gabhawala	Nil	120,000	320,000	1,017,123	1,457,123

1. Remuneration by way of Commission for FY 24-25 will be paid to the Independent Directors after the financial statements for FY 24-25 have been adopted and approved by the Members at the ensuing Annual General Meeting.

The Executive and Non-Executive Non-Independent Directors do not receive sitting fees and Commission. None of the Non-Executive Directors have any pecuniary relationship with the Company.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178(5) of the Companies Act, 2013 and the provisions of the Listing Regulations, the Board has formed the "Stakeholders, Relationship Committee".

The terms of Reference of the Committee are as under:

- To look into the redressal of grievances of Shareholders, Debenture holders and other security holders including complaints related to transfer of Shares, non-receipt of Balance Sheet and non-receipt of dividends.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of Shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by Shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.
- Report to the Board about the important developments in the area of servicing of the shareholders.

The Committee meets at least once in a year. Company Secretary acts as the Secretary of the Committee who shall flag actions and serve as executive support to the Committee.

Composition and details of Stakeholders' Relationship Committee Meetings during FY 24-25:

As on March 31, 2025, the Stakeholders' Relationship Committee of the Company consisted of Three (3) Directors, of which One (1) is Non-Executive Independent Director, One (1) is Non-Executive Non-Independent Director and One (1) is Executive Director. As on March 31, 2025, the members of the Committee were Ms. Radhika Rajan, Ms. Kong Sau Wai Elizabeth, and Mr. Ramesh Ramadurai.

Ms. Radhika Rajan is Chairperson of the Committee. The Company Secretary Mr. Pratap Rudra Bhuvanagiri is the Compliance Officer of the Company and acts as Secretary to the Committee.

During FY 24-25, Four (4) Meetings of the Stakeholders' Relationship Committee were held on May 28, 2024, August 6, 2024, November 12, 2024 and February 7, 2025. The number of Meetings held and attendance of the Members at the Stakeholders' Relationship Committee Meetings held during the financial year under review is as under:

Name of the Committee Members	No. of Meetings held during the year under review ¹	No. of Meetings attended
Radhika Rajan (Chairperson) (From March 26, 2025)	4	4
Bharat D. Shah (Member and Chairperson upto March 26, 2025)	4	4
Ramesh Ramadurai	4	4
Kong Sau Wai Elizabeth (Member from March 26, 2025)	NA	NA
Biren Gabhawala (Member upto August 13, 2024)	2	2

1. No. of Meetings held during the term as Committee Member.

Attendance details of Stakeholders' Relationship Committee:

Name of Member	May 28, 2024	August 6, 2024	November 12, 2024	February 7, 2025
Radhika Rajan	Yes	Yes	Yes	Yes
Bharat D. Shah	Yes	Yes	Yes	Yes
Ramesh Ramadurai	Yes	Yes	Yes	Yes
Kong Sau Wai Elizabeth	NA	NA	NA	NA
Biren Gabhawala	Yes	Yes	NA	NA

The Company through its Registrar and Share Transfer Agent has addressed / resolved most of the investor grievances/ correspondence within a period of 7 days from the date of their receipt except in cases that are constrained by disputes or legal impediments. The statistics of Members complaints received / redressed, during the period under review are as under:

No. of Shareholders' complaints pending as at April 01, 2024	2
No. of complaints received during FY 24-25	133
No. of Shareholders' complaints resolved during FY 24-25	127
No. of Shareholders' complaints pending as on March 31, 2025	6 ¹

1. Resolved subsequently in the 1st week of April, 2025

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Board constituted a Corporate Social Responsibility Committee. The CSR Policy of the Company has been disclosed on the website of the Company at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/. The CSR Policy have been revised in line with the amendments to the provisions/the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as amended from time to time.

The terms of Reference of the Committee are as under:

- Chairperson of the CSR Committee shall be an Independent Director as may be elected by the Members of the CSR Committee.
- Quorum of the CSR Committee shall be minimum of Two (2) Members provided One (1) of them shall always be an Independent Director.
- The CSR Committee may meet at such times and at such intervals as it may deem necessary.
- The Role of the CSR Committee shall include inter-alia the following:
 - Formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company from time to time as enumerated in Schedule VII of the Companies Act, 2013;
 - Recommend the amount of expenditure to be incurred on the activities undertaken as specified in Schedule VII of the Companies Act, 2013;
 - Monitor the Corporate Social Responsibility Policy of the Company from time to time;
 - Perform such functions as may be statutorily required by the CSR Committee;
 - Other matters as may be assigned by the Board from time to time.
- The CSR Committee may invite such executives of the Company and such other persons as it may consider appropriate.

Composition and details of Corporate Social Responsibility Meetings during FY 24-25:

As on March 31, 2025, the CSR Committee of the Company consisted of Three (3) Directors, of which One (1) is Non-Executive Independent Directors, One (1) is Non-Executive Non-Independent Director and One (1) is Executive Director. As on March 31, 2025 the members of the Committee are Ms. Radhika Rajan, Ms. Kong Sau Wai Elizabeth, and Mr. Ramesh Ramadurai.

Ms. Radhika Rajan is Chairperson of the CSR Committee. Company Secretary acts as Secretary to the Committee.

During FY 24-25, Two (2) Meetings of the CSR Committee were held on May 28, 2024 and November 12, 2024. The



numbers of Meetings held and attendance of the Members at the CSR Committee Meetings held during the financial year under review are as under:

Name of the Committee Members	No. of Meetings held during the year under review ¹	No. of Meetings attended
Radhika Rajan (Chairperson from March 26, 2025)	2	2
Bharat D. Shah (Member and Chairperson Upto March 26, 2025)	2	2
Ramesh Ramadurai	2	2
Vidya Sarathy (Member upto January 29, 2025)	2	2
Kong Sau Wai Elizabeth (Member from March 26, 2025 to April 1, 2025)	NA	NA

1. No. of Meetings held during the term as Committee Member.

Attendance details of Corporate Social Responsibility Meetings:

Name of Member	May 28, 2024	November 12, 2024
Radhika Rajan	Yes	Yes
Bharat D. Shah	Yes	Yes
Ramesh Ramadurai	Yes	Yes
Vidya Sarathy	Yes	Yes
Kong Sau Wai Elizabeth	NA	NA

INDEPENDENT DIRECTORS' MEETING

During the financial year under review, the Independent Directors met on February 7, 2025, inter-alia, to discuss:

- Evaluation of the performance of the Non-Independent Directors and the Board as a whole,
- Evaluation of the performance of Chairperson of the Company, Chairperson of the Committee's considering the views of the Executive and Non-Executive Directors,
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

All the Independent Directors viz., Mr. Bharat D. Shah, Ms. Radhika Rajan and Mr. N. V. Sivakumar were present at the Meeting held on February 7, 2025. Ms. Radhika Rajan acted as the Lead Independent Director for the meeting of the Independent Directors.

PERFORMANCE EVALUATION OF BOARD/ COMMITTEES /DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board carried out the Annual Performance Evaluation of: (i) the Board as a whole, (ii) individual Directors (including Independent Directors and

Chairperson) and (iii) various Committees of the Board based on SEBI's Guidance Note on Board Evaluation issued in January 2017.

A structured and detailed questionnaire was prepared by the Company internally, covering the following criteria:

Board as a whole:

Structure of the Board, Meetings of the Board, Functions of the Board, Board and Management, Professional Development.

Committees of the Board:

Mandate and Composition, effectiveness of the Committee, structure of the Committee and Meetings, Independence of the Committee from the Board and contributions to decisions of the Board.

Individual Directors and Chairperson (including Chairperson, CEO, Independent Directors, Non-Independent Directors, etc.):

Qualifications, experience, knowledge and competency, fulfillment of functions, initiatives, availability and attendance, commitment, contribution and integrity.

Following additional criteria for Independent Directors were covered:

Independence and independent views and judgment.

Effectiveness of leadership and ability to steer the Meetings, Impartiality, Commitment and ability to keep Shareholder's interest in mind.

Based on the above criteria, rating sheets were filled by each of the Directors with regard to Annual Performance Evaluation of: (i) the Board as a whole, (ii) individual Directors (including Independent Directors and Chairperson) (except for the Director being evaluated) and (iii) various Committees of the Board.

The Head-HR was invited for the Independent Directors Meeting held on February 7, 2025 for facilitating, summarising and sharing the results of the evaluation of the performance of Non-Independent Directors and Board as a whole and of the Chairperson of the Company taking into account the views of Executive Directors and Non-Executive Directors. Chairperson of the Meeting of Independent Directors briefed the Board. The Head-HR facilitated by summarising and sharing the results from the filled in questionnaire for each of the Directors. The Directors were satisfied with the evaluations results which reflected the overall engagement and effectiveness of the Board and its Committees.

RISK MANAGEMENT

The Risk Management Policy of the Company is intended to:

- Serve as a document wherein risks affecting the entire organisation, at a macro-level are enumerated.
- Describe the measures employed by the management in managing these risks across all divisions and functions.

- Act as a reference to comprehend how mitigation measures employed by 3M India play a role in reducing the impact and likelihood of these risks.
- Enterprise Risk Management Framework for Risk Governance, Risk Identification and Risk Assessment.

The Management revisits the Policy to keep abreast of changes through a process of periodical monitoring of risks and the level of operational efficiency of controls. Newly identified risks are assessed, understood and impact measured. An evaluation of checks and balances and the need for additional measures are considered. This is achieved through the collaborative efforts of all heads of business and functional divisions. The business and functional heads also seek information from their respective teams to address critical risks that may arise from the grassroots level. The Company has identified many important risks which may have a significant impact on the business, if ignored. The Company has established a set of proactive and reactive measures to address them. These risks were determined based on detailed analysis of the markets where the Company operate, nature of the Company's products and services rendered and inherent risks in various functions.

The Company has constituted a Risk Council comprising members of the Leadership Team and from other functional leaders. The members of the Council are jointly responsible for recommending to the Board of Directors the methodology for risk oversight and management.

The Members of the Risk Council are vested with the following responsibilities:

1. Laying down a framework for identification of risk elements which are pertinent to achieving the Company's strategic objectives.
2. Reviewing strategies, policies, procedures, systems and processes in place for identification of new risks.
3. Assessing the identified risks vis-à-vis their impact and likelihood on the different business divisions.
4. Determining the adequacy of existing mitigation factors including the infrastructure and resources in place and considering the adoption of new systems and processes, in case necessary.
5. Laying down policies and procedures for timely implementation of the mitigation factors.
6. Setting out the roles and responsibilities of various personnel responsible for the mitigation of risks at different processes.
7. Monitoring compliance with policies and procedures related to risk identification and mitigation.
8. Hold Meetings on a bi-annual basis to discuss and evaluate the Risk Management Policy.

RISK MANAGEMENT COMMITTEE (RMC)

As per Listing Regulations, the majority of Members of the Risk Management Committee would consist of Members

of the Board of Directors. The Chairperson of the Risk Management Committee should be a Member of the Board of Directors. The Board of Directors shall define the role and responsibilities of the RMC and may delegate monitoring and reviewing of the Risk Management plan to the Committee and such other functions as it may deem fit.

The Company has constituted a Risk Management Committee of the Board with effect from April 1, 2019. The Board has delegated the monitoring and reviewing of the Risk Management Plan to the Leadership Team Members of the Company, who shall be jointly responsible for recommending to the Risk Management Committee the methodology for risk oversight and management through a team consisting of Members from Business Services group, Sourcing, Corporate Secretarial and Finance.

Composition and details of Risk Management Committee Meetings during FY 24-25:

As on March 31, 2025, the Risk Management Committee of the Company consisted of Three (3) Directors, of which Two (2) are Non-Executive Independent Directors and One (1) is Executive Director. As on March 31, 2025 the members of the Committee were Mr. N. V. Sivakumar, Ms. Radhika Rajan and Mr. Ramesh Ramadurai.

Mr. N. V. Sivakumar is Chairperson of the Risk Management Committee. Company Secretary is the Secretary to the Committee.

During FY 24-25, 2 (two) Meetings of the Risk Management Committee held on May 6, 2024 and November 12, 2024. The number of Meetings held and attendance of the Members at the RMC Meeting held during the financial year under review are as under:

Name of Member	No. of Meetings held during the year under review ¹	No. of Meetings attended
N. V. Sivakumar (Chairperson from August 14, 2024)	1	1
Bharat D. Shah (Member upto March 26, 2025)	2	2
Radhika Rajan	2	2
Ramesh Ramadurai	2	2
Biren Gabhawala (Chairperson upto August 13, 2024)	1	1

1. No. of Meetings held during the term as Committee Member.

Attendance details of Risk Management Committee Meeting:

Name of Member	May 6, 2024	November 12, 2024
N. V. Sivakumar	NA	Yes
Bharat D. Shah	Yes	Yes
Radhika Rajan	Yes	Yes
Ramesh Ramadurai	Yes	Yes
Biren Gabhawala	Yes	NA



PARTICULARS OF SENIOR MANAGEMENT

As on March 31, 2025, the Company had following senior management personnel as defined under regulations 16(1)(d) of SEBI Listing Regulations.

Name	Designation
Aparna Sardar	Senior Manager HR Operations Leader
Ashutosh Shirodkar	Head Safety & Industrial Business
Pawan Kumar Singh	Head Transportation & Electronics
Priya Menon	General Counsel
Rajiv Gupta	Head Health Care Business
Rajiv Porwal	Senior Manager Customer Operations
Siddhesh Varde Borkar	Head Consumer Business
Venkatesh T H	Senior Manager R&D Operations

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In accordance with the requirements of Section 177(9) and (10) of the Companies Act 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the provisions of Listing Regulations, the Company has established an effective Vigil Mechanism by way of this Business Conduct Concern Reporting Policy (Whistle Blower Policy) for Upholding 3M's Code of Conduct (available at [3M.com/business-conduct](https://www.3m.com/business-conduct)), 3M's values and all laws applicable to 3M India Limited's operations in India is the responsibility of everyone acting on 3M's behalf. The Policy sets out ways through which 3M's employees, investors, customers, vendors and other stakeholders can raise concerns that relate to actual or suspected violations of 3M's Code of Conduct, accounting or auditing matters and applicable national and international laws. The details of the website/hotline are as under:

Website: www.3m-ethics.com or the International Toll-Free Service (ITFS) from India – 000-800-100-1071/000-800- 001-6112.

The Company prohibits retaliation against anyone who raises a business conduct concern or cooperates in a Company investigation. Complaints made in good faith will not expose the Concerned Party to any sanctions, regardless of whether the underlying facts prove to be correct or result in any corrective action. If a Concerned Party believes that he /she has faced retaliation of any kind, he / she can report it to any of the persons mentioned in the Policy so that the Company can investigate.

Status update on the above Policy is reported to the Audit Committee every quarter and the Policy has been disclosed on the website of the Company at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/.

SUBSIDIARY COMPANIES

As on March 31, 2025, the Company does not have any subsidiary. During the period under review, the Hon'ble National Company Law Tribunal (NCLT), Bengaluru, have approved the Scheme of Amalgamation of 3M Electro & Communication India Private Limited, wholly owned subsidiary of the Company with 3M India Limited by its Order dated August 8, 2024.

RELATED PARTY TRANSACTIONS

The Company has formulated a Policy on materiality of related party transactions and also on dealing with Related Party Transactions. Prior approvals of all Related Party Transactions (RPTs) are obtained from the Audit Committee. The Company has obtained the approval of the Members at the 36th AGM held on August 7, 2024 for material related party transactions with 3M Company, USA and 3M Innovation Singapore Pte Ltd for the period of 1 year.

The Company follows the following Policy in disclosing the Related Party Transactions to the Audit Committee:

- A statement in summary form of transactions with related parties at arm's length price in the normal course of business.
- All material individual transactions with related parties, which are not in the normal course of business and which are not on an arm's length basis.
- All material financial and commercial transactions relating to senior management where they have personal interest that may have a potential conflict with the interest of the Company at large.

DISCLOSURES

Related Party Transactions:

Details of all material transactions with related parties are disclosed along with the Compliance Report on Corporate Governance. The Company has disclosed the Policy on dealing with Related Party Transactions on the website of the Company at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/.

Accounting Treatment:

The Company's Financial Statements for the financial year ended March 31, 2025 are prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Indian GAAP as of the transition date have been recognised directly in equity at the transition date.

Proceeds from Public issues, rights issue, preferential issues etc.:

The Company has not made any capital issues during FY 24-25.

General Body Meetings:

Details of Annual General Meetings (AGM) of the Company held for the last Three (3) years:

Date	Meeting	Mode	Location/Deemed Location	Time
August 25, 2022	AGM	Video Conference/ Other audio-visual means	Plot Nos. 48-51, Electronic City, Hosur Road, Bengaluru – 560100 (Registered Office)	10:30 am
August 25, 2023	AGM	Video Conference/ Other audio-visual means	Plot Nos. 48-51, Electronic City, Hosur Road, Bengaluru – 560100 (Registered Office)	10:30 am
August 7, 2024	AGM	Video Conference/ Other audio-visual means	Plot Nos. 48-51, Electronic City, Hosur Road, Bengaluru – 560100 (Registered Office)	10:30 am

Particulars of Special Resolutions passed in the last Three (3) AGMs are given below:

August 25, 2022	Nil
August 25, 2023	Nil
August 7, 2024	Appointment of Mr. Narumanchi Venkata Sivakumar (DIN: 03534101) as a Non-Executive and Independent Director of the Company.

Particulars of Special Resolution passed through Postal Ballot Process:

During FY 24-25 the Company has passed one special resolution which was to alter and adopt new set of Articles of Association of the Company, inter alia pursuant to the Companies Act, 2013, through the Postal Ballot Notice dated December 25, 2024.

Procedure for Postal Ballot:

The procedure prescribed under Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Secretarial Standard 2, Regulation 44 of the Listing Regulations and the Ministry of Corporate Affairs, Government of India, General Circulars issued was followed for conduct of the Postal Ballot. The Company provided electronic voting facility to all its members, to enable them to cast their votes electronically. The Company had engaged the services of “KFin Technologies Limited”, for the purpose of providing e-voting facility to all its Members. The Postal Ballot notices were sent to Members in electronic form to the e-mail IDs which were registered in the records of the Depository Participants/the Company’s Registrar and Transfer Agent. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules. Voting rights were reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date. Members were requested to cast their vote electronically on or before the close of voting period. The scrutiniser submitted his report to Chairperson after the completion of scrutiny and the results of the Postal Ballot were then announced. The results of the Postal Ballot were submitted to the Stock Exchanges and displayed on the notice board at the Registered Office, on the Company’s website at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/ and on the website of

Kfin at <https://evoting.kfintech.com/> pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. The last date specified by the Company for receipt of e-voting was deemed to be the date of passing of the resolutions.

Currently no resolution is proposed to be passed through Postal Ballot. However, if required, the same shall be passed in compliance with the provisions of Companies Act, 2013 and Listing Regulations and other applicable Laws.

Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years: There have been no instances of non-compliance by the Company on any matter related to Capital Markets.

Compliance with Mandatory Requirements:

The Company has complied with all the mandatory requirements of the provisions of the Listing Regulations. As regards the non-mandatory requirements the extent of compliance has been stated in this report against each item.

The Auditor’s opinion on the financial statements is Unmodified.

Management Discussion and Analysis:

The Management Discussion and Analysis Report on the Company’s activities during the financial year is published as part of the Company’s Annual Report. This report has been placed before the Members of the Audit Committee.

Insider Trading:

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures



for Fair Disclosure of Unpublished Price Sensitive Information ("Code"). The Code has been revised in line with the amendments to the Prohibition of Insider Trading Regulations, as amended from time to time. The amended Code has been hosted on the Company's website at: https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/. Pursuant to the Code, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the Prohibition of Insider Trading Regulations.

Means of Communication:

Quarterly/half yearly/annual financial results are published in The Business Line (All India Edition) and PrajaVani (Bengaluru Edition). The Company's financial results and shareholding pattern are also displayed on the Company's website at: https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/ and are also notified to the Stock Exchanges as required under the Listing Regulation. Shareholding pattern, Compliance on Corporate Governance and other Corporate Announcement are uploaded in the NSE Electronic Application Processing System (NEAPS) and in BSE Listing Centre website. The website also displays official news releases and the presentations made to the institutional investors, if any.

Shareholders:

Details of the Directors seeking appointment/re-appointment at the ensuing AGM are provided in the Notice convening the AGM.

Secretarial Audit for Reconciliation of Capital:

Secretarial Audits were carried out periodically by a qualified Practicing Company Secretary for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital agrees with the total number of Shares held in physical form and the total number of dematerialised shares held with NSDL

and CDSL. This audit is carried out every quarter and the report thereon are submitted to the Stock Exchanges and is also placed before the Board of Directors.

NON-MANDATORY REQUIREMENTS**Chairperson's Office:**

The Company has a Non-Executive Independent Director as Chairperson. However, no separate Chairperson's office is maintained at the Company's expense. The Company has separate positions for Chairperson and Managing Director.

Shareholders' Rights:

Quarterly/half yearly/annual financial results are published in English Newspaper having a circulation all over India and in Kannada newspaper (having circulation in Bengaluru). Significant events of the Company are being disclosed to the Stock Exchanges from time to time. The Company's financial results, shareholding pattern and other corporate announcements are also displayed in the Company's website: https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/ and are also notified to the Stock Exchanges as per the provisions of the Listing Regulations. The Company also displays in their website, the quarterly report sent to the Stock Exchanges on the Compliance on Corporate Governance, Shareholding Pattern, Quarterly Financial Results and other Corporate Announcements. The Shareholding Pattern, Corporate Governance details and other Quarterly Compliances and Corporate Announcements are uploaded in the NSE Electronic Application Processing System (NEAPS) and in BSE Listing Centre website.

Audit qualifications:

During the financial year under review, there were no qualifications, reservations or adverse remarks made by the Statutory Auditors/ Secretarial Auditors in their respective Reports.

Reporting of Internal Auditor:

The Company has an in-house Internal Auditor and reports to the Audit Committee.

GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	August 26, 2025 (Tuesday) at 10.30 am (IST) over Video Conference ("VC")/ Other Audio-Visual Means ("OAVM"). For details, please refer Notice of the AGM
Record Date	Record date: July 25, 2025 (Friday), for the purpose of payment of dividend.
E-voting period	Starts at 9.00 am (IST) on August 23, 2025 (Saturday) and ends at 5.00 pm (IST) on August 25, 2025 (Monday).
Dividend payment date	The dividend, if approved shall be paid/dispatched to the shareholders within 30 days from the date of Annual General Meeting of the Company.
Financial Results calendar (Tentative)	1 st Quarter Results : On or before August 14, 2025 2 nd Quarter Results : On or before November 14, 2025 3 rd Quarter Results : On or before February 14, 2026 4 th Quarter & Annual Results : On or before May 30, 2026
Listing on Stock Exchanges	National Stock Exchange of India Limited (Stock Code –3MINDIA) BSE Limited (Stock Code - 523395)
International Securities Identification Number	INE470A01017
Corporate Identification Number	L31300KA1987PLC013543

The Company has paid Annual Listing fees, as prescribed, to the National Stock Exchange of India Limited and BSE Limited.

Annual Custody / Issuer Charges:

The Company has paid the Annual Custody fees to Central Depository Services Limited (CDSL) and to National Securities Depository Limited (NSDL).

Registrar & Share Transfer Agent:

Share registration and other investor related activities are carried out by the Registrar and Transfer Agent, KFin Technologies Limited for both Physical and Demat securities. Their address is furnished below:

KFin Technologies Limited
KFinTech Selenium Tower B, Plot 31 & 32, Financial District,
Nanakramguda, Serlingampally Mandal,
Gachibowli, Hyderabad – 500 032,
Ph: 040-67161524.
E-mail: rajeev.kr@kfintech.com,
Website: <https://www.kfintech.com>
Contact person: Mr. Rajeev Kumar.

Share Transfer System & Dematerialisation:

In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company has stopped accepting any fresh transfer requests for securities held in physical form. Accordingly, securities of listed companies can be transferred only in dematerialised form. Dematerialisation of holdings will curb fraud in physical transfer of securities by unscrupulous entities and improve ease, convenience and safety of transactions for investors. Further, SEBI has, vide its circular dated January 25, 2022, mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate share certificates, sub-division, consolidation,

transmission, etc. to enhance ease of dealing in securities markets by investors. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4. In view of the aforesaid, Members who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialisation. All requests for the dematerialisation of shares, which are in order, are processed within 21 days and the confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Transfer of Shares to IEPF:

Pursuant to applicable provisions of the Companies Act, 2013 (the Act) read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or reenactment(s) thereof for the time being in force) (IEPF Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of 7 (seven) years from the date of transfer to Unclaimed Dividend Account of the Company.

Shareholders may note that both the unclaimed dividend and corresponding shares will be transferred to IEPF after completion of 7 (seven) years, including all benefits accruing on such shares, if any, can be claimed from IEPF following the procedure prescribed in the IEPF Rules. No claims shall lie against the Company in respect of unclaimed dividend amounts and shares transferred to the IEPF.

Details of shareholders in respect of which dividend had not been claimed, are provided on the website of the Company at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/.



Top Ten (10) Members of the Company as on March 31, 2025:

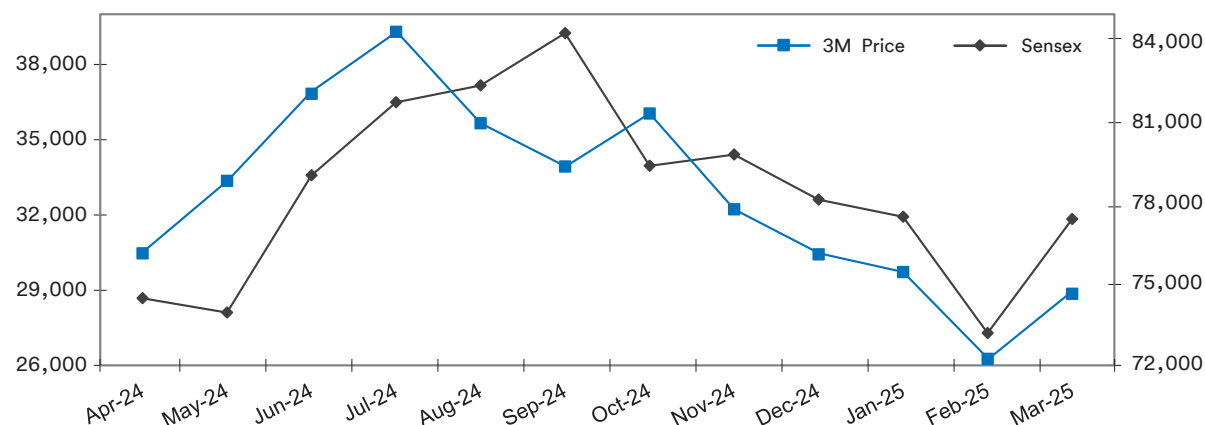
Name of the Members	No. of shares held	% to paid-up capital	Category
3M Company	84,48,802	75.00	Foreign Promoter
Bright Star Investments Pvt Ltd	166,700	1.47	Company
Nippon Life India Trustee Ltd (a/c Nippon India Focused Equity Fund)	95,302	0.84	Mutual Fund
HDFC Life Insurance Company Limited	92,773	0.82	QIB
Canara Robeco Mutual Fund (a/c Canara Robeco Emerging Equities)	69,188	0.61	Mutual Fund
UTI Flexi Cap Fund	66,939	0.59	Mutual Fund
Nippon Life India Trustee Ltd (a/c Nippon India Growth Fund)	60,000	0.53	Mutual Fund
Nippon Life India Trustee Ltd (a/c Nippon India Multi Cap Fund)	56,389	0.50	Mutual Fund
Axis Mutual fund Trustee Limited (a/c Axis Mutual & a/c Axis Midcap Fund)	54,955	0.49	Mutual Fund
Nippon Life India Trustee Ltd (a/c Nippon India Elss Tax Saver Fund)	48,600	0.43	Mutual Fund
TOTAL	91,59,648	81.31	

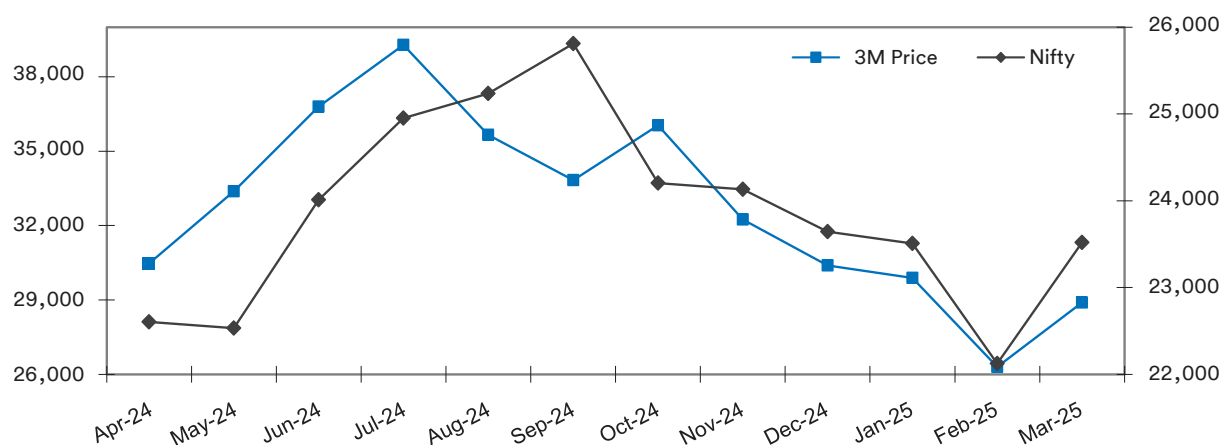
Stock Market Price Data for FY 24-25:

Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High (₹)	Low (₹)	No. of Shares traded	High (₹)	Low (₹)	No. of Shares traded
April 2024	31,423	29,000	4,284	31,450	28,907	91,758
May 2024	35,500	28,424	13,478	35,545	28,499	3,48,409
June 2024	38,500	30,483	7,424	38,501	30,454	1,80,739
July 2024	40,727	36,823	6,821	40,857	37,019	1,74,216
August 2024	41,000	34,800	4,088	39,949	34,778	1,14,876
September 2024	36,339	33,425	3,854	36,244	33,444	1,28,187
October 2024	36,150	33,174	3,759	36,148	33,132	1,00,139
November 2024	37,126	30,580	3,876	37,134	30,629	1,01,574
December 2024	31,975	30,100	3,140	32,302	30,079	1,02,989
January 2025	31,569	28,384	6,095	31,686	28,412	1,64,959
February 2025	30,499	26,014	7,361	30,225	26,010	1,74,464
March 2025	29,430	25,714	5,621	29,416	25,718	1,01,516

Stock Performance

BSE Sensex Vs 3M India Limited's Share Price (Monthly Closing Price)



NSE- Nifty Vs 3M India Limited's Share price (Monthly Closing Price)**Consolidated Shareholding Pattern as on March 31, 2025:**

Category	No. of Holders	Total No. of Shares	% to Equity
Foreign Promoters ¹	1	84,48,802	75.00
Resident Individuals	31,998	10,67,474	9.48
Mutual Funds	90	7,93,956	7.05
Foreign Portfolio - Corp	162	4,25,475	3.78
Bodies Corporates	490	3,07,670	2.73
Qualified Institutional Buyer	4	98,131	0.87
H U F	1,067	46,404	0.41
Non Resident Indian (Non Repatriable)	795	39,275	0.35
Non Resident Indians	807	18,832	0.17
Alternative Investment Fund	10	16,179	0.14
NBFC	4	2,577	0.02
Trusts	5	191	0.00
Insurance Companies	1	60	0.00
Clearing Members	3	23	0.00
Nationalised Banks	1	20	0.00
Key Management Personnel	1	1	0.00
Total	35,439	1,12,65,070	100.00

1. None of Foreign Promoter Shares has been pledged as on March 31, 2025

Pursuant to SEBI Circular No. Cir/ISD/3/2011 dated June 17, 2011, the Company has 100% of Promoters' shareholding in dematerialised Form.

Summary of Shareholding as on March 31, 2025:

Category	No. of Holders	Total No. of Shares	% to Equity
Physical	586	37,369	0.33
N S D L	19,011	1,07,62,869	95.54
C D S L	15,842	4,64,832	4.13
Total	35,439	1,12,65,070	100.00

**Distribution Schedule as on March 31, 2025:**

Category	Total Shares	No. of Cases	% to Cases	Amount (₹)	% to Amount
1-5000	654,183	35,026	98.83	6,541,830	5.81
5001-10000	118,616	161	0.45	1,186,160	1.05
10001-20000	132,949	96	0.27	1,329,490	1.18
20001-30000	104,033	41	0.12	1,040,330	0.92
30001-40000	51,784	15	0.04	517,840	0.46
40001-50000	55,080	12	0.03	550,800	0.49
50001-100000	362,379	49	0.14	3,623,790	3.22
100001 and above	9,786,046	39	0.11	97,860,460	86.87
Total	11,265,070	35,439	100.00	112,650,700	100.00

Dematerialisation of Shares and Liquidity:

99.67 % of the total equity capital was held in dematerialised form as on March 31, 2025.

Outstanding GDRs / Warrants, Convertible Bonds, conversion date and likely impact on equity: Not Applicable

Plant Locations:

- Plot No. 48-51, Electronics City, Hosur Road, Bengaluru – 560 100.
- Plot No. 8, Moraiya Industrial Area; Tal Sanand, Sarkhej Bavla Highway, Ahmedabad –382 213.
- Plot No. B-20, MIDC; Ranjagaon Industrial Area, Shirur Taluk, Pune- 412 210.

Branch Locations:

- No. 60-61, Udyog Vihar, Phase IV, Gurgaon, Haryana- 122001.

Commodity Price Risks or Foreign Exchange Risks and Hedging Activities:

The Company has adequate risk assessment and minimisation system in place for foreign exchange. The foreign exchange risk is reviewed periodically. The Company does not have material exposure of any commodity as well as foreign exchange and accordingly, no hedging activities for the same is carried out.

Directors and Officers (D&O) Insurance for Directors:

In line with the requirements of Regulation 24(10) of SEBI Listing Regulations, the Company has taken Directors and Officers Insurance (D&O) for all its Directors and Members of the Senior Management and other Personnel of the Company.

Other Disclosures:

- There is no relation between directors, inter-se. The Board has received disclosures from the Senior Management that there is no material, financial or commercial transactions, where they and / or their relatives have personal interest. There are no materially significant related party transactions of the Company, which have potential conflict with the interest of the Company at large. The transactions with related parties as per requirements of applicable Accounting Standards are disclosed under notes to accounts.

- All transactions with related parties, as defined under the Companies Act, 2013, the Listing Regulations, during the year were in ordinary course of business and at arm's length basis and do not attract provisions of Section 188 of the Companies Act, 2013. The Board has approved a policy on dealing with related party transactions and the same is available on the Company's website at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/.
- The Board has approved Whistle Blower Policy / Vigil Mechanism pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the same is available on the website at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/. As per the Policy no personnel has been denied access of the Audit Committee.
- There have been no instances of any noncompliance and no penalties or strictures have been imposed on the Company on any matter relating to the capital markets, either by Stock Exchanges, Securities and Exchange Board of India or any such related statutory authority during the last three years.
- The Company has adopted and complied with mandatory requirements as per provisions of the Listing Regulations. Some of the non-mandatory requirements have also been complied with.
- The requisite certificate from CEO/MD and CFO were placed before the Board Meetings for consideration.
- The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- The Company does not have a Material Subsidiary as on March 31, 2025. 'Policy on Determination of 'Material' Subsidiary is has been uploaded on the Company's website - https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/
- The Company has formulated the Dividend Distribution Policy as required under Regulation 43A of the Listing Regulations and the same is annexed to this report and also available on the website of the Company.
- Disclosures required under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 have been included in the Board's Report which forms part of the Annual Report.

- Total fees paid by the Company to the Statutory Auditors and all the entities in their network firm/ network entities for all services rendered by them during FY 24-25 is ₹ 212.09 lakhs.
- In reference to Schedule III, Para A, Clause 5A of the Listing Regulations, there are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

Address for correspondence:

Registered Office: Plot Nos. 48-51, Electronic City, Hosur Road, Bengaluru – 560100.

Corporate Office: 5th Floor Marksquare, 61, St Marks Road, Bengaluru – 560001.

Designated e-mail id for redressal of investor complaints: investorhelpdesk.in@mmm.com

Compliance Officer:

Mr. Pratap Rudra Bhuvanagiri: Inquiries, if any, may be addressed to the Compliance Officer.

CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of 3M India Limited (“the Company”) certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement for the year ending March 31, 2025 and that to the best of our knowledge and belief, we state that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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.
- B. We further state that to the best of our knowledge and belief there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
- C. We are responsible 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.

- D. We have indicated to the Auditors and the Audit committee:
1. Significant changes in internal control over financial reporting during the financial year;
 2. Significant changes in Accounting Policies during the financial year and that the same have been disclosed in the notes to the financial statements; and
 3. 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.

On behalf of the Board of Directors

Ramesh Ramadurai
Managing Director
DIN: 07109252

Nikhil Arora
Chief Financial Officer

Place: Bengaluru
Date: May 28, 2025

CODE OF CONDUCT

The Company’s Board has laid down a code of conduct for all Board Members and Senior Management of the Company. The code of conduct is available on the website of the Company at https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/. Requisite annual affirmations of compliance with respective codes have been made by the Directors and Senior Management of the Company for the period April 01, 2024 to March 31, 2025.

The Certificate by the MD/CEO of the Company concerning compliance with the Code of Conduct for Directors and Senior Management is given below:

Code of Conduct for Directors and Senior Management MD / CEO Confirmation

I hereby confirm that:

The Company has obtained from the Directors and Senior Management Personnel affirmation that they have complied with the above code for and in respect of, the year ended March 31, 2025.

Place: Bengaluru
Date: May 28, 2025

Ramesh Ramadurai
Managing Director
DIN: 07109252



CERTIFICATE OF COMPLIANCE

Certificate from Mr. Vijayakrishna K.T, Practising Company Secretary, Bengaluru confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 (3) of the Listing Regulations read with Schedule V is attached to the Board's Report forming part of the Annual Report. This Certificate shall be forwarded to the Stock Exchanges where the securities of the Company are listed.

On behalf of the Board of Directors

Place: Bengaluru
Date: May 28, 2025

Ramesh Ramadurai
Managing Director
DIN: 07109252

Jayanand V. Kaginalkar
Whole-time Director
DIN: 07904558

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
3M India Limited
Bengaluru

I have examined the compliance of the conditions of Corporate Governance by 3M India Limited for the year ended March 31, 2025 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. I further 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.

Place: Bengaluru
Date: May 28, 2025

Vijayakrishna KT
Practising Company Secretary
M. No: 1788 C.P. No: 980
UDIN: F001788G000467737
Peer Review Certificate No. 1883/2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
3M India Limited
Plot No 48-51, Hosur Road,
Electronics City, Bengaluru,
Karnataka, 560100

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of 3M India Limited (hereinafter referred to as 'the Company') having CIN L31300KA1987PLC013543 and having Registered Office at Plot No. 48-51, Electronic City, Hosur Road, Bengaluru, Karnataka 560100 India, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number ('DIN') status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I 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 has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director (Messrs)	DIN	Date of appointment in the Company
1	Radhika Govind Rajan	00499485	27/05/2016
2	Narumanchi Venkata Sivakumar	03534101	15/07/2024
3	Andrew Paul Bennett	10681735	15/07/2024
4	Yun Jin	09474323	04/02/2022
5	Kong Sau Wai Elizabeth	10879418	01/01/2025
6	Ramadurai Ramesh	07109252	27/03/2015

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my 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.

Place: Bengaluru
Date: May 28, 2025

Vijayakrishna KT
Practising Company Secretary
M. No: 1788 C.P. No: 980
UDIN: F001788G000467761
Peer Review Certificate No. 1883/2022



ANNEXURE 'C' TO THE REPORT OF THE BOARD OF DIRECTORS

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I.	Details of the listed entity	
1.	Corporate Identity Number (CIN) of the Listed Entity	L31300KA1987PLC013543
2.	Name of the Listed Entity	3M INDIA LIMITED
3.	Year of incorporation	1987
4.	Registered office address	Plot Nos. 48-51, Electronics City, Hosur Road, Bengaluru - 560 100
5.	Corporate address	Marksquare, 5 th Floor, St. Marks Road, Shanthala Nagar, Ashok Nagar, Bengaluru, Karnataka 560001
6.	E-mail	investorhelpdesk.in@mmm.com
7.	Telephone	+91-80-2223 1414
8.	Website	https://www.3mindia.in
9.	Financial year for which reporting is being done	April 1, 2024 to March 31, 2025
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital (INR)	112,650,700
12.	Details of the person who may be contacted in case of any queries on the BRSR report.	Ms. Smitha Gopalkrishnan +91 80-2223-1414 sgopalkrishnan@mmm.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).	Standalone
14.	Name of assurance provider	Intertek India Private Limited
15.	Type of assurance obtained	Reasonable Assurance

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	Other Manufacturing	59%
2.	Trading	Wholesale Trading	41%

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	Transportation & Electronics products	3290	38%
2	Safety & Industrial products	3290	32%
3	Healthcare products	3290	20%
4	Consumer products	3290	10%

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	3	2	5
International	0	0	0

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

Locations	Number
National (No. of States)	32
International (No. of Countries)	16

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

0.53%

c. A brief on types of customers

- (i) Business to Business (B2B): The entity's customers include OEMs, construction companies, hospitals, clinics, industrial facilities, infrastructure companies, electronics manufacturers, telecommunication companies, automotive manufacturers, automotive aftermarket dealerships and aerospace industries.
- (ii) Business to Consumer (B2C): The entity sells consumer products like Scotch-Brite® Scrub pads, Command™ strips, Scotch® tapes, Post-it® notes, respirators, and car care products directly to consumers.

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)	886	737	83%	149	17%
2	Other than permanent (E)	199	172	86%	27	14%
3	Total Employees (D+E)	1,085	909	84%	176	16%
Workers						
4	Permanent (F)	327	307	94%	20	6%
5	Other than permanent (G)	462	413	89%	49	11%
6	Total Workers (F+G)	789	720	91%	69	9%

b. Differently abled Employees and workers:

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1	Permanent (D)	1	1	100%	0	0%
2	Other than permanent (E)	0	0	0%	0	0%
3	Total Employees (D+E)	1	1	100%	0	0%
Workers						
4	Permanent (F)	0	0	0%	0	0%
5	Other than permanent (G)	1	1	100%	0	0%
6	Total Workers (F+G)	1	1	100%	0	0%

Note: From this year, only blue-collar workers are considered under "permanent workers," while "permanent employees" include those not directly engaged in production such as corporate, sales, R&D, support functions, and Manufacturing and Engineering (M&E) staff.

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	3	50%
Key Management Personnel	3	0	0%



22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	FY 25 (Turnover rate in current FY)			FY 24 (Turnover rate in previous FY)			FY 23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	17%	11%	19%	19%	19%	13%	26%	15%
Permanent Workers	2%	12%	3%	2%	17%	2%	1%	24%	1%

Note: Variation in previously reported data is due to expansion of our scope in the current year. Turnover now includes those who left the entity voluntarily, separation due to under performance, workforce reduction, retirement and death in service.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures:

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures(A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)
1.	3M Company	Holding	-	Yes

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No):Yes

(ii) Turnover (in ₹): 444,556 lakhs

(iii) Net worth (in ₹): 184,650 lakhs

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)	FY25 Current Financial Year			FY24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, for 3M India, the mechanism to address community grievances is in place and a formal policy is under review. https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/	0	0	None	0	0	None
Investors (other than shareholders)	Yes, for 3M India, investors can reach the entity through a dedicated Investor helpdesk via email. https://multimedia.3m.com/mws/media/2212824O/contact-information-of-the-designated-officials-of-the-company.pdf	0	0	None	0	0	None

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY25 Current Financial Year			FY24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes, 3M India shareholders can reach the entity or registrar and share transfer agent. https://multimedia.3m.com/mws/media/2212824O/contact-information-of-the-designated-officials-of-the-company.pdf	133	6	The pending complaints as on March 31 st , 2025, were resolved in the first week of April 2025.	151	2	The pending complaints as on March 31 st , 2024, were resolved in the first week of April 2024.
Employees and workers	Yes, 3M India employees and workers have a dedicated portal, 3MEthics.com, to log complaints anonymously. https://secure.ethicspoint.com/domain/media/en/gui/8897/index.html	51	24	The pending cases follow 3M's standard Ethics and Compliance investigation protocol and will be resolved in due course.	54	17	The pending cases follow 3M's standard Ethics and Compliance investigation protocol and will be resolved in due course.
Customers	Yes, for 3M India, customer grievances are addressed through an online portal called Customer Issue Resolution portal. Every customer has unique access to this portal to log complaints and view the status for resolution. The average cycle time to address queries is <=10 days.	7,847	1	The pending case has been resolved in April 2025.	7,610	0	None
Value chain partners	Yes, value chain partners are covered under complaints registered on 3MEthics.com which may include anonymous complaints by non-employees. https://secure.ethicspoint.com/domain/media/en/gui/8897/index.html	0	0	None	0	0	None

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.	Sustainable Products and Solutions	Opportunity	When developing new products, we expect all 3M projects entering the new product commercialisation process to have a Sustainability Value Commitment (SVC) that demonstrates how the product advances overall sustainability, improves competitiveness, and responds to customer demand. SVCs describe how products contribute to resilient business growth : - Through reusability, recyclability, and use of recycled materials. - Reduction of waste, energy use and water use. - Through third-party eco-label or certification, and responsible sourcing.	-	The Sustainability Value Commitment (SVC) boosts 3M's finances by attracting eco-conscious customers, cutting production costs, ensuring regulatory compliance, reducing legal risks and enhancing brand reputation, driving sustainable growth and profitability.
2.	Safety of products and services	Risk	Any health and safety incident related to our products poses a risk of injury or harm to our customers, which can lead to legal liabilities, damage to our brand reputation, and financial losses.	By continuously improving product safety standards, implementing rigorous testing protocols, and swiftly addressing any issues through transparent communication and prompt recalls if necessary, we can mitigate risks, protect customer trust, and reinforce our commitment to safety and quality. The entity provides a TDS (Technical Data Sheet) and an MSDS (Material Safety Data Sheet) for each of its products which carry information on product usage, hazard status, storage conditions, shelf life and disposal methodologies.	Prioritising health and safety in our products and solutions, helps build consumer trust, boosts product demand, strengthens brand reputation, and avoids costly legal actions, while fostering confidence among stakeholders.

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.	Health and Safety of employees	Risk	Employee health and safety pose a risk to the entity due to potential accidents, health issues, increased costs, reduced productivity, and potential legal liabilities, impacting human resources and overall operational efficiency.	At 3M India, we prioritise employee health and safety with rigorous training, regular health screenings, and strict compliance with safety regulations. We foster a culture of awareness, utilise advanced technologies, and engage employees to ensure a safe and supportive workplace environment.	Focusing on employee health and safety creates a positive work environment that minimises medical expenses, avoids regulatory penalties, and boosts productivity. By prioritising the well-being of our team, we not only enhance job satisfaction but also make 3M India an attractive place for talented individuals to join and stay.
4.	Community health, safety and well being	Risk	The impact of community health, safety, and well-being issues on the entity includes potential regulatory scrutiny, operational disruptions, reputational damage, and legal liabilities, which can affect business continuity and stakeholder trust.	3M India's community philosophy is enshrined in the CSR policy which states that it seeks to engage in outcome-based CSR programmes that will impact and enrich the communities around its areas of operation. The interventions are mapped to the activities listed under Schedule VII of the Companies Act 2013 and to the Sustainable Development Goals (SDGs), broadly falling under the three focus themes of Education, Community & Environment.	By actively supporting community health, safety, and well-being, we can strengthen our brand reputation, ensure smooth operations, and foster positive relationships with regulators. This commitment not only helps us avoid legal expenses but also demonstrates our dedication to being a responsible corporate citizen, enhancing the trust and goodwill of the communities we serve.
5.	Climate Change and GHG emissions	Risk	Proactively addressing climate change and reducing GHG emissions presents an opportunity to enhance 3M India's operations, strengthen its reputation, and improve financial performance.	3M India has undertaken projects to contribute to 3M Global targets towards reducing energy, water and waste management (Refer initiative details in Principle 6)	By proactively managing climate-related risks, we can optimise operational costs, avoid regulatory fines, and safeguard against disruptions. This approach not only protects our financial health but also demonstrates our commitment to environmental stewardship.



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.	Water usage and availability	Risk	Operating in a water-stressed area poses a significant risk to the Company's operations due to the potential scarcity of a critical resource. Water stress can lead to restrictions on water usage, increased costs for water, and potential conflicts with local communities and other water users. It can also impact the Company's ability to expand or maintain operations in the region.	3M's 2024 global manufacturing locations were evaluated using the Aqueduct™ Water Risk Atlas stress-level screening tool, Aqueduct 4.0. Over 100 3M locations were analyzed, with 10 identified as being in "extremely high" or "high" water-stressed areas. The 10 locations account for 1.2% of 3M's total water use. Manufacturing locations include those with annual water use equal to or greater than 1,000 cubic meters. To mitigate this risk, the entity initiated a water conservation and management programme in Shirur Taluk where it's manufacturing site is located (Ranjangaon) to develop sustainable water resources and infrastructure. This includes watershed interventions, rainwater harvesting, and community engagement to build local water management capabilities. By elevating water levels in aquifers and enhancing irrigation, the entity is working to secure its water supply and support the local community.	Effectively managing this risk allows us to maintain optimal operational costs, comply with water resource regulations, and enhance the goodwill of the communities we serve.
7.	Ethical and transparent business practices	Risk	Upholding ethical standards and maintaining transparency at 3M India can enhance the entity's reputation, ensure regulatory confidence, and minimise legal liabilities.	The entity mitigates risks through robust compliance programmes, regular audits, comprehensive ethical training, fostering a culture of integrity, and transparent communication with stakeholders.	Embracing strong ethics and compliance safeguards our reputation, avoids fines, and boosts investor confidence, fostering trust and transparency with all our stakeholders.
		Opportunity	Implementing ethical and transparent business practices enhances trust, attracts stakeholders, and strengthens corporate governance at 3M India, driving sustainable growth and leadership in the marketplace.	-	Ethical and transparent practices enhance brand reputation, attract loyal stakeholders, reduce operational risks for 3M India.

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.

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				
	b.	Has the policy been approved by the Board? (Yes/No)				Yes				
	c.	Web Link of the Policies, if available				https://www.3mindia.in/3M/en_IN/company-in/about-3m/financial-facts-local/				
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					
4.	Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle				P1- 3M Company's Code of Conduct provide the guiding principles for business conduct that is Ethical, Transparent and Accountable. 3M respects international human rights principles including the United Nations Declaration of Human Rights, the United Nations Guiding Principles for Business and Human Rights (UNGP), Equal Employment Opportunity Commission (EEOC), the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, the Organisation for Economic Cooperation and Development (OECD), and the UN Convention Against Corruption. P2- The entity has voluntarily adopted GHS SDS (Global Harmonised System for Classification, Labelling, Packaging of Hazardous Chemicals) to be in synergy with global standards and provide its customers with the most comprehensive information about the environmental, health and safety of its products. P3- All 3M India manufacturing sites are certified with ISO 45001: 2018 for Occupational Health and Safety Management Systems. P4- 3M Company is a United Nations Global Compact (UNGC) participant, and is committed to align its operations and strategies with the UNGC Principles on business and human rights. P5- 3M Company supports several external human rights charters, including : • United Nations Global Compact (UNGC) • Universal Declaration of Human Rights • United Nations Guiding Principles on Business and Human Rights • International Labor Organization’s Declaration on Fundamental Principles and Rights at Work • Organisation for Economic Cooperation and Development (OECD) — Guidelines for Multinational Enterprises, including OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict- Affected and High-Risk Areas P6- All 3M India manufacturing sites are certified with ISO 14001:2015 for Environment Management Systems. P7- 3M Company has partnered with The United Nations Framework Convention on Climate Change (UNFCCC) to advance the UN SDGs. P8- 3M Company has partnered with UNFCCC to advance the UN SDGs. P9- The 3M India is certified with ISO 9001 - Quality management standards.					



Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	3M Company's sustainability strategy is anchored around three sustainability pillars: • Science for Circular • Science for Climate • Science for Community 3M Company has further refined its targets and aspirations with a strong focus on carbon, water, and plastics. • Reduce the use of virgin fossil-based plastic in our packaging and products by 125 million pounds by the end of 2025 from a 2021 base year • Reduce absolute scope 1 and 2 GHG emissions by 52.6% by 2030 from a 2019 base year • Reduce absolute scope 3 GHG emissions by 42% by 2030 from a 2021 base year • Increase water efficiency by 25% by 2030 from a 2019 base year								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	3M Company has made steady progress on its carbon, water and plastics footprints. In 2024, we continued to make strong progress against them. • Achieving 59.1% of reduction in our scope 1 & 2 greenhouse gas emissions since 2019 • Reduced virgin fossil-based plastic use by 98.2 million pounds • Increased water efficiency by 21.4%								
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)	At 3M India, we continue to embed sustainability into the core of our business strategy, aligning with our global focus on Science for Circular, Science for Climate, and Science for Community. In FY 24-25, our efforts have been directed towards reducing environmental impact, improving resource efficiency, and enhancing responsible product innovation. While we have made steady progress in areas such as renewable energy adoption and waste reduction, we recognise that challenges remain, particularly in scaling efforts across all operations and strengthening ESG data integration. Through the BRSR framework, we reaffirm our commitment to transparency, continuous improvement, and driving meaningful outcomes for both people and the planet.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Ramesh Ramadurai, Managing Director, 3M India Limited								
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	Yes, the Managing Director is a Board member and part of the India ESG Council, a management-level committee focused on sustainability and responsible practices. This Council includes stakeholders from all business groups and functions, ensuring comprehensive representation. Meeting quarterly, the Council reviews ESG progress, discusses trends and challenges, and seeks improvement opportunities. Key focus areas are: strengthening ESG governance and risk management, increasing awareness of ESG regulations, improving reporting transparency and efficiency, promoting sustainable operations and supply chain practices, driving projects to meet ESG commitments, and fostering a culture of ethics and compliance.								

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)
Performance against above policies and follow up action	P1 - Director	P1 - Quarterly
	P2 – Director	P2 – Annually
	P3 – Director	P3 – Half Yearly
	P4 - Stakeholders' Relationship Committee	P4 - Half Yearly
	P5 – Director	P5 - Half Yearly
	P6 – Director	P6 – Annually
	P7 - Director	P7 - Annually
	P8 – Corporate Social Responsibility Committee	P8 - Half Yearly
	P9 – Director	P9 - Annually
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	P1 - Director	P1 - Quarterly
	P2 – Director	P2 – Annually
	P3 – Director	P3 – Half Yearly
	P4 - Stakeholders' Relationship Committee	P4 - Half Yearly
	P5 – Director	P5 - Half Yearly
	P6 – Director	P6 – Annually
	P7 - Director	P7 - Annually
	P8 – Corporate Social Responsibility Committee	P8 - Half Yearly
	P9 – Director	P9 - Annually

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.

- Yes, the entity has carried out independent assessments by an external agency for Principle 3 and 6. Surveillance audits for all 3M India manufacturing sites were conducted by the BSI Group India.
1. ISO 14001 – Environment Management System
 2. ISO 45001 – Occupational Health and Safety Management System

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

Not applicable



SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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	% of persons in respective category covered by awareness programmes
Board of Directors	4	Compliance topics are routinely included in the agenda for the entity's Board meetings. In FY 24-25, the 3M India Board received updates and presentations on the following topics to enhance their awareness and understanding: 1. 3M Code of Conduct 2. Regulatory changes 3. Whistleblower policy 4. Investor relations	100%
Key Managerial Personnel	8	Key managerial personnel of the entity participate in the all-employee legal and compliance training mandated by the 3M Global Ethics & Compliance department. All employees are assigned online training modules on various topics, and timely completion is diligently tracked. In FY 24-25, key managerial personnel completed the following training programmes and awareness sessions: 1. Conflict of Interest 2. Workplace Harassment 3. Confidential Information & Computer Security 4. 3M Code of Conduct and Ethical Decision Making 5. Working with Third Parties 6. Reporting and Non-Retaliation 7. Sexual Harassment at the Workplace Training – Conducted with the help of an external agency 8. Manager Dialogue Programme (quarterly supervisor-led awareness sessions on various ethics and compliance topics, featuring actual case stories and examples depicting employee behaviour and actions). Awareness emails were also sent to all employees, covering the following topics: 1. Conflict of Interest 2. Anti-bribery (Gifts/Entertainment - Giving or Receiving)	100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by awareness programmes
Employees other than BoD and KMPs	8	Employees are part of the all-employee legal and compliance training mandated by the 3M Global Ethics & Compliance department. Each employee is assigned online training modules on various topics, with timely completion diligently tracked. In FY 24-25, employees completed the following training programmes and awareness sessions: 1. Conflict of Interest 2. Workplace Harassment 3. Confidential Information & Computer Security 4. 3M Code of Conduct and Ethical Decision Making 5. Working with Third Parties 6. Reporting and Non-Retaliation 7. Sexual Harassment at the Workplace Training – Conducted with the help of an external agency. 8. Manager Dialogue Programme (quarterly supervisor-led awareness sessions on various ethics and compliance topics, featuring actual case stories and examples depicting employee behaviour and actions) Awareness emails were also circulated to all employees, covering the following topics: 1. Conflict of Interest 2. Anti-bribery (Gifts/Entertainment - Giving or Receiving)	100%
Workers	1	Manufacturing workers are exposed to ethics and compliance topics like anti-bribery, anti-competition and conflict of interest through in-person trainings or awareness sessions. Conflict of interest declarations are taken from manufacturing workers. Manager Dialogue Programme is facilitated by supervisors for their teams periodically.	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):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Settlement	Nil				
Compounding fee					
Penalty/Fine					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil				
Punishment					



3. Of the instances disclosed in Question 2 above, details of Appeal/Revision preferred in case where monetary non-monetary actions has been appealed

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

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

Yes, Link - <https://multimedia.3m.com/mws/media/459284O/principle-anti-bribery-en.pdf>

3M is firmly committed to conducting business ethically and in compliance with all applicable anti-bribery and anti-corruption laws. 3M Company prohibits any form of bribery, including offering, giving, soliciting, or receiving anything of value to improperly influence business decisions or gain an unfair advantage. This applies to all dealings with government officials, customers, suppliers, and other third parties, regardless of local practices or customs. Employees and third parties acting on behalf of 3M Company are required to comply with the company's Anti-Bribery Principle, which outlines expectations regarding gifts, hospitality, political contributions, and charitable donations. Prior approvals must be obtained for any high risk transactions or interactions that could create the appearance of improper influence. All business partners must undergo risk-based due diligence in accordance with 3M's Integrity Assessment procedures. Employees are required to report any suspected or actual violations of anti-bribery laws or company policy through the company's established reporting mechanisms, which include anonymous reporting channels.

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

Designation	FY25 Current Financial Year	FY24 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY25 Current Financial Year		FY24 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Numbers of Complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7. Provides details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on case of corruption and conflicts of interest
Not applicable.

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

	FY25 Current Financial Year	FY24 Previous Financial Year
Number of days of accounts payables	88	94*

Note: *The previous year value has been restated due to an update in the calculation methodology.

9. Open-ness 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:

		FY25 Current Financial Year	FY24 Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0%	0%
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	54%	53%*
	b. Number of dealers / distributors to whom sales are made	1123	1089
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	13%	14%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)**	47%	56%*
	b. Sales (Sales to related parties / Total Sales)	1.6%	1.9%*
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	0%	0%

Note:

*FY 23-24 figures have been updated following the merger of 3M India and 3M Electro & Communication India Private Limited.

** 3M Company, USA is a Holding Company of 3M India and together with other members of 3M Group are "related parties" for 3M India. In the ordinary course of its business, 3M India enters into transactions for the sale and purchase of goods and raw materials with, for availing / rendering services from/to, and other commercial transactions with such related parties, which are very critical and essential for the entity to carry out its business operations and maximise its growth and performance.

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of Board? If Yes, provide details of the same

Yes, 3M Code of Conduct outlines stringent guidelines for 3M India Board of Directors to prevent and disclose any actual or potential conflicts of interest with the Company. Annually, our Board of Directors and Senior Management provide declarations regarding adherence to the Code of Conduct, updating as necessary. This policy is accessible on our website at https://www.3m.com/3M/en_US/ethics-compliance/code.



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.

	FY25 Current Financial Year	FY24 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	3.37%	In FY 24, the entity invested capital for all three sites to set up equipment to reduce diesel emissions to meet regulatory requirements set up by the Pollution Control Board for various states. As a result, all DG sets at 3M India manufacturing sites were upgraded with emission-control retrofits to minimise environmental impact and comply with National Green Tribunal (NGT) and Central Pollution Control Board (CPCB) regulations, resulting in a reduction in harmful pollutants such as particulate matter (PM), carbon monoxide (CO), and hydrocarbons (HC), and significantly enhancing environmental performance.

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?

No. However, 3M Company has established procedures for sustainable sourcing, and 3M India aligns with these global practices.

The entity is developing a mechanism to track the percentage of input material sourced sustainably for India-imported products and manufactured products under the guidance of the parent company.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life

(a) Plastics (including packaging)

The Extended Producer Responsibility (EPR) framework, part of the Plastic Waste Management Rules, mandates entities to manage their plastic packaging waste through recycling or end-of-life disposal methods like co-processing, waste-to-energy, plastic-to-oil conversion, road construction or industrial composting. Pre-consumer waste is directed to Pollution Control Board-approved processors for recycling or co-processing.

For post-consumer waste, registered processors collaborate with urban local bodies and logistics partners to collect and transport waste across India. These processors, including recyclers and energy converters, handle waste through methods like co-processing and waste-to-oil conversion.

Since 2023, 3M has been fulfilling its EPR obligations by acquiring EPR credits via the Centralized Extended Producers' Responsibility Portal, managed by the Central Pollution Control Board (CPCB). Authorised processors, monitored by CPCB/SPCB, handle waste collection and processing.

3M annually meets CPCB-mandated plastic packaging waste targets, which are brand-agnostic and geographically neutral. These targets are divided into three categories: Category I (rigid plastic packaging), Category II (flexible plastic packaging, including single/multi-layered plastics, sheets, bags, and pouches), and Category III (multi-layered packaging with plastic and other materials). Compliance is achieved through purchasing EPR credits from registered processors.

(b) E-waste

The E-Waste (Management) Rules, 2022 apply to all entities involved in the lifecycle of e-waste or electrical and electronic equipment (EEE) listed in Schedule I, including their components and parts. This includes manufacturers, producers, consumers, bulk consumers, collection centers, dealers, e-retailers, refurbishers, dismantlers, and recyclers.

Under the Extended Producer Responsibility (EPR) principle, producers of notified EEE are responsible for the disposal of e-waste. They are assigned annual e-waste collection and recycling targets based on the amount of EEE previously sold.

The entity reports on product categories such as Variable Messaging Signs (VMS), Polishers, Dust Extraction Machines, Spreading Devices, and certain medical products, as specified in Schedule I.

(c) Hazardous waste

The Hazardous and Other Wastes (Management and Transboundary Movement) Second Amendment Rules, 2023 apply to producers, recyclers, collection agents, and importers of used oil. 3M India is classified as a “producer” due to its manufacture of lubrication oil products, which become contaminated after use. The Central Pollution Control Board sets the Extended Producer Responsibility (EPR) Target based on the volume of lubrication oil sold annually. Producers must ensure this target is met by recycling the specified quantity through certified recyclers and obtaining an EPR certificate as proof. 3M India is subject to EPR for used oil and has been granted “producer” registration.

(d) Other waste

The Battery Waste Management Rules (BWMR), notified in 2022, replace the 2001 rules and apply to producers, dealers, and consumers involved in managing waste batteries. These rules cover all battery types, regardless of their characteristics.

3M India is classified as a “producer” and is registered with the Central Pollution Control Board (CPCB) for BWMR compliance. Batteries introduced to the market must meet collection and recycling targets outlined in Schedule II of the Extended Producer Responsibility (EPR) rules. Compliance is achieved by purchasing EPR credits from CPCB-registered Battery Waste Processors.

Each year by June 30th, 3M India submits an EPR plan to the CPCB for batteries manufactured in the previous financial year. This plan details the quantity, weight, and dry weight of battery materials via a centralised portal.

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

Yes, in line with the Plastic Waste Management Rules, 3M India aligns its waste management plan with EPR guidelines and CPCB targets. Registered as a Brand Owner on the CPCB’s EPR Portal, 3M India reported its plastic waste footprint and purchased EPR credits for 1728 metric tons from authorised processors, fulfilling its FY 24-25 obligations.

For FY 24-25, 3M India has completed e-waste registration and met EPR targets, onboarding a new recycler to extract Gold, Iron, Aluminum, and Copper from e-waste as per table below.

3M India is subject to EPR for used oil and has been granted “producer” registration.

FY 25 Current Financial Year							
EEE Code	Obligation (MT)	Refurbishing Certificate Purchased(MT)	Balance Obligation	Iron(MT)	Aluminium (MT)	Copper(MT)	Gold(Kg)
ITEW4	0.00126	0	0.00126	0.000063	0.000095	0.000002	0.000002
LSEEW16	0.378	0	0.378	0.010849	0.00945	0	0
LSEEW34	0	0	0	0	0	0	0
EETW4	0.036	0	0.036	0.0198	0.00045	0.000054	0
MDW10	0.01968	0	0.01968	0.007183	0.001968	0.000689	0
LIW2	0.0993	0	0.0993	0.036245	0.00993	0.003476	0
Total EPR Obligation			0	0.07414	0.021893	0.004221	0.000002
Achieved Obligation			0	0.074139	0.021893	0.00422	0.000002
Balance Obligation			0	0.000001	0	0.000001	0



Leadership Indicators

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

No, however, the entity is actively developing a mechanism to conduct Life Cycle Assessments (LCAs) for newly manufactured local products. This initiative reflects our commitment to incorporating Life Cycle Management (LCM) into all 3M India products through our new product introduction process. This process involves comprehensive Environmental Health & Safety evaluations of raw materials and product characteristics, assessing human health and environmental toxicology, ensuring compliance with regulatory and customer EHS requirements, and creating hazard communication documents.

At a global level, for select products, 3M provides Environmental Product Declarations (EPDs), calculates product carbon footprints (PCFs), and conducts screening assessments. We are implementing an automated product carbon footprint tool that uses data science to analyze emissions from cradle to gate, enabling us to understand the carbon footprint for each of our products. These efforts aim to enhance our understanding of the potential environmental and societal impacts of our products.

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

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

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).**

We have actively worked to incorporate recycled plastics and paper as input materials in our products. At present, we are implementing a system to monitor and track the use of recycled and reused input materials in our production processes.

Indicate Input Material	Recycled or re-used input material to total material	
	FY 25 Current Financial Year	FY 24 Previous Financial Year
	-	-

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

	FY 25 Current Financial Year			FY 24 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	665	1,063	0	766	803
E-waste	0	0.5	0	0	0.5	0
Hazardous Waste (Oil)	0	7	393	0	0	0
Other waste	0	0	0	0	0	0

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic packaging waste	100%

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	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	737	737	100%	737	100%	NA	NA	737	100%	0	0%
Female	149	149	100%	149	100%	149	100%	NA	NA	149	100%
Total	886	886	100%	886	100%	149	100%	737	100%	149	17%
Other than Permanent											
Male	172	172	100%	172	100%	NA	NA	0	0%	0	0%
Female	27	27	100%	27	100%	27	100%	NA	NA	0	0%
Total	199	199	100%	199	100%	27	100%	0	0%	0	0%

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Workers											
Male	307	307	100%	307	100%	NA	NA	307	100%	193	63%
Female	20	20	100%	20	100%	20	100%	NA	NA	20	100%
Total	327	327	100%	327	100%	20	100%	307	100%	213	65%
Other than Permanent											
Male	413	199	48%	413	100%	NA	NA	0	0%	240	58%
Female	49	35	71%	49	100%	49	100%	NA	NA	44	90%
Total	462	234	51%	462	100%	49	100%	NA	NA	284	61%

Note: For both permanent and non-permanent workers at the Ranjangaon plant, a physical crèche facility is available on-site and can be availed by all Ranjangaon workers.

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	0.17%	0.16%



2. Details of Retirement Benefits, For Current FY And Previous Financial Year.

Benefits	FY25 Current Financial Year			FY 24 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
ESI	0%	0%	NA	0%	0%	NA
Gratuity	100%	100%	Y	100%	100%	Y
Other	0%	0%	NA	0%	0%	NA

3. ACCESSIBILITY OF WORKPLACES

Are the premises / offices of the entity accessible to differently abled employees and workers? (Yes/No) If not, whether any steps are being taken by the entity in this regard.

The entity has audited its new corporate office, located at Bengaluru, through an external agency, Svadhin Solutions on behalf of Enable India. This accessibility audit has ensured that our premises comply with the RPWD Act of 2016 and are accessible to People with Disabilities (PwD). The entity has a plan in place to ensure that its other premises are also audited and remedial measures are taken if necessary.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016 (Yes / No). If so, provide a web-link to the policy.

Yes

<https://multimedia.3m.com/mws/media/2416981O/3m-india-equal-opportunity-for-persons-with-disabilities-standard.pdf>

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

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	Permanent workers of the entity have multiple avenues to express their concerns to management. These include the Employee Communication Forum (ECF) and a monthly grievance committee with female representation. Workers can also submit complaints through an online grievance tool that directs issues to the appropriate departments for resolution. Additionally, 3MEthics.com, a 24 hour confidential online reporting system is available for reporting grievances. Suggestion boxes are installed at plant locations, allowing workers to anonymously share their concerns.
Other than Permanent Workers	Yes	Contract workers and their representatives hold regular meetings with HR and Plant leadership to discuss and address their concerns. Additionally, contract workers can anonymously submit their concerns using suggestion boxes located at all plant sites.
Permanent Employees	Yes	Permanent employees can raise concerns related to the 3M Code of Conduct through 3MEthics.com Those who report concerns are safeguarded by the Anti-Retaliation policy.
Other than Permanent Employees	Yes	Contract employees have the same access as permanent employees to the platforms available for reporting grievances.

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY25 Current Financial Year			FY 24 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	886	0	0%	742	0	0%
Male	737	0	0%	624	0	0%
Female	149	0	0%	118	0	0%
Total Permanent Workers	327	0	0%	291	0	0%
Male	307	0	0%	278	0	0%
Female	20	0	0%	13	0	0%

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										
Male	909	783	86%	781	86%	624	624	100%	624	100%
Female	176	166	94%	167	95%	118	118	100%	118	100%
Total	1,085	949	87%	948	87%	742	742	100%	742	100%
Workers										
Male	720	276	38%	275	38%	278	278	100%	278	100%
Female	69	16	23%	16	23%	13	13	100%	13	100%
Total	789	292	37%	291	37%	291	291	100%	291	100%

Note: For the current financial year, actual trainings conducted and its coverage has been reported.

9. Details of performance and career development reviews of employees and workers:

Category	FY25 Current Financial Year			FY24 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	909	737	81%	790	624	79%
Female	176	149	85%	145	118	81%
Total	1,085	886	82%	935	742	79%
Workers						
Male	720	307	43%	684	278	41%
Female	69	20	29%	66	13	20%
Total	789	327	41%	750	291	39%

Note: The performance review was conducted for all eligible employees and workers.

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

Yes, 3M India is dedicated to upholding high safety standards across all workplaces to ensure efficient operations for people, assets, and businesses. 3M Company's Environment, Health, and Safety Management Standard (EHS-MS) forms the foundation for addressing EHS risks and compliance obligations for all workers and operations. All manufacturing facilities are ISO 45001 certified for Occupational Health and Safety Management. The Compliance & Audit Management & Metrics System (CAMMS) portal, customised for 3M, is used to monitor EHS compliance and legal obligations. EHS 360 is utilised for documenting, reporting, investigating, and



tracking action items related to workplace incidents, potential hazards, or near-miss events. The 'See & Act' programme fosters a safety culture by engaging shop floor workers and empowering them to address unsafe acts. Achieving Zero Lost Time Injuries is a primary safety goal, maintained at all sites through a focus on preventive actions. The EHS Cultural Excellence programme offers a framework for safe and healthy workforces, covering ergonomics, industrial hygiene, process hazard management, ventilation, static management, combustible dust management, safety training, and health and wellness programmes. Progress is regularly audited against these criteria.

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

The entity proactively identifies and mitigates risks through programmes like High Hazard Activity (HHA), Safety Hour, and See & Act. The Process Hazard Management workbook addresses process safety risks, while the Risk Assessment for Machine (RAM) focuses on machine safety. The Ergonomic Job Risk Analyzer tool targets ergonomic risks, and Job Safety Analysis evaluates non-routine activities. These tools are tailored to manage different risk types. Actions from these assessments are tracked electronically in the 'EHS 360' tool, ensuring completion with proper evidence for closure.

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

Yes, the entity's EHS cultural acceleration programme encourages employees to create safe environments, understand and mitigate risks, adhere to safety practices, and comfortably raise concerns. The 'See & Act' programme empowers employees to identify unsafe acts and conditions and explore their root causes through dialogue. The Guarding Assessment and Prioritization (GAP) tool is implemented at all company sites to assess risks to workers from machine hazards. Monthly themes focus on improving EHS categories, while training on topics such as fire safety, process safety, behavior-based safety, PPE use, first aid, and machine safety enhances competencies. These efforts have led to achieving EHS metrics.

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

Yes, all our manufacturing facilities are equipped with fully functional Occupational Health centers that are available 24x7 for employees and workers with both basic occupational and non-occupational healthcare support. Additionally, the corporate office in Bengaluru is equipped with a wellness room and a doctor.

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	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	1	0
	Workers	1	4
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including the contract workforce

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

In 2024, a new initiative, *Journey to Zero* was launched to achieve zero injuries, spillages, and fires in operations, focusing on identifying and improving areas contributing to environmental, health, and safety (EHS) incidents, including non-routine activities.

Outcomes:

All manufacturing sites maintained zero lost-time injuries due to preventive actions and EHS leadership.

Core Safety Programmes:

- **Priority Elements:** Focused on machine guarding, electrical safety, powered industrial vehicles, fire protection, lockout/tagout, work at height, hearing protection, and ergonomics.
- **EHS Campaigns:** Awareness communications to enhance hazard identification and awareness on topics like hand safety, slips, trips, falls, and forklift safety.
- **Capability Building:** Sessions to enhance employee knowledge.

Behavioral Safety Initiatives:

- **See & Act Programme:** Continued in 2024, focusing on identifying and understanding the root causes of unsafe acts and conditions. Achieved an 80% resolution rate.
- **Field Verification of Critical Controls (FVCC):** Ensured safeguards and controls are in place, allowing workers to “fail safely” and understand risks better.

EHS Commitment:

- **Safety Always Campaign:** Emphasises shared responsibility for safety, leading to reduced slip-trip-fall incidents.
- **Continuous Improvement:** Engages the workforce to prevent incidents and occupational illnesses.

Policy and Recognition:

- **New EHS Policy** was introduced to integrate safety, health, and environmental aspects for internal operations and community engagement.
- The Bengaluru facility received state-level recognition from the Department of Factories, Boilers, Industrial Safety and Health, Government of Karnataka, and hosted a seminar on Disaster Prevention Day, which was attended by industries from different parts of the state as well as expert speakers from academia & industry.

Health & Wellness Initiatives:

- **Medical Surveillance:** Vision tests at all sites, audiograms, skin evaluations, eye tests, and chest X-rays at Ranjangaon Plant, and medical checkups for food handlers.
- **Emergency Response Team Health Checkups:** Conducted at the Bengaluru site.
- **Cab Driver Health Checks:** Vision and hearing tests provided.

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	2	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

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	100%



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.

All 3M sites globally use the EHS 360 system to report, investigate, and address actual and potential incidents involving employees and contractors, such as injuries, fires, environmental issues, and regulatory notices. 3M adheres to OSHA record keeping standards to track injury and illness rates worldwide, covering all employees and contingent workers at sites under its control. Internal dashboards provide EHS data at various organisational levels, which are reviewed by executive management to monitor performance and identify areas for improvement globally.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N) - Yes

(B) Workers (Y/N) - Yes

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

For contract workers and suppliers, reports are sent to the entity's HR department which provide evidence that the statutory deposits are made to the government like PT, PF, ESI etc.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 25 Current Financial Year	FY 24 Previous Financial Year	FY 25 Current Financial Year	FY 24 Previous Financial Year
Employees	0	0	0	0
Workers	0	0	0	0

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

Yes, the entity offers placement support through a reputed organisation to facilitate and equip transitioning employees or workers along their career journey.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	8%
Working Conditions	8%

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.

Our supply chain risk assessment process focuses on higher-risk suppliers but is applicable to all. It starts with a self-assessment questionnaire (SAQ) to evaluate compliance with our Supplier Responsibility Code (SRC). 3M may follow up with virtual or on-site assessments. Any identified deficiencies are addressed through the SRC Corrective Action Preventive Action (CAPA) process, potentially involving further audits. If a supplier fails to resolve issues, the CAPA process escalates to the Responsible Sourcing Supplier Issue Escalation process. If problems persist, a cross-functional team will explore alternative solutions.

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.

We engage with stakeholders to understand their expectations, gain technical insights, and explore collaboration opportunities. Guided by 3M Company's values and ethical principles, our approach emphasises transparent, two-way dialogue to foster responsible and inclusive business practices. We continue to rely on our 2022 assessment, which identified our priority topics through a “double materiality” lens. This approach evaluates both how environmental and social issues affect 3M's financial performance and value, and how 3M's operations influence a wide range of stakeholders.

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

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Employees	No	Email, Townhall meetings, Surveys, Employee engagement initiatives, Performance Appraisal discussions, Training programmes	Ongoing	Regular updates on company purpose, strategies and milestones Employee health and wellbeing Ethics and compliance Learning and upskilling Performance management and career development
2	Investors & Shareholders	No	Email, Annual Report, Annual general meetings, investor meetings and press releases.	Quarterly	Appropriate and timely communication with shareholders and investors
3	Customers & Partners	No	Email, Site visits, Digital, Events and Partner meets	Ongoing	Understand customer needs, match 3M products and solutions and drive growth
4	Government & Regulators	No	In-person meetings, industry body meetings	Ongoing	Participation in key government initiatives and development projects
5	Local Communities	Yes	Community Meetings	Ongoing	Providing economic and social value to communities while minimising environmental impact
6	Suppliers	No	Email	Ongoing	Ongoing business interactions



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.

We regularly engage with stakeholders to gather insights on economic, environmental, and social issues, which are integrated into 3M India's Board-level discussions. Business and functional heads present developments, challenges, and feedback during Board meetings, allowing for strategic guidance and action recommendations. The Stakeholders Relationship Committee handles shareholder and investor matters, the CSR Committee oversees CSR initiatives, and the Risk Management Committee manages business risks, including ESG topics. Additionally, the India ESG Council at a management level focuses on ESG topics, aligning stakeholder concerns with 3M's global priorities and communicating updates to the Board for decision-making.

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

Our plants are situated near rural communities, enabling us to build strong relationships with local authorities to effectively address environmental and social challenges. We design CSR programmes to align with community needs, such as our community water resilience initiative in water-stressed villages of Shirur Taluk, where our manufacturing site is located. Through hydrogeological studies, we identified villages suitable for watershed management interventions, involving site visits and discussions with local authorities and farmers to prioritise these efforts.

Furthermore, we launched the 3M Wonder Tinkering Lab (STEM) initiative in 10 schools in Ahmedabad, near our manufacturing site. Schools were chosen based on recommendations from district education authorities and interviews with school management regarding available facilities. We actively gather feedback from school management to enhance infrastructure. In FY 24-25, we responded to feedback from Pune schools by installing solar-powered systems for uninterrupted power supply, while in Bengaluru, we addressed water scarcity by implementing rainwater harvesting systems.

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

For communities, in 2024, 3M India launched the "We Are All Us" programme, dedicated to supporting gender and sexual minority communities. This initiative features a Community Resource Center (Help Desk) that offers a safe haven and a comprehensive suite of services focused on social security, economic independence, healthcare, and self-identity. The Community Resource Center acts as a central hub where individuals can access vital services and participate in activities designed to enhance their overall well-being. The programme currently supports over 5,000 community members.

3M India supports its employee population and builds community through Employee Resource Networks (ERNs), which are voluntary and open to all. These networks foster connections, promote cultural celebrations, and play an important role in supporting 3M India's community giving and volunteerism initiatives. The ERNs include - 3M India Women's Leadership Forum, 3M India Pride, Diverse Abilities Network and New Employee Opportunity Network.

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	886	886	100%	742	742	100%
Other than Permanent	199	199	100%	193	193	100%
Total Employees	1,085	1,085	100%	935	935	100%
Workers						
Permanent	327	327	100%	291	291	100%
Other than Permanent	462	462	100%	459	0	0%
Total Workers	789	789	100%	750	291	39%

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)
Employees										
Permanent	886	0	0%	886	100%	742	0	0%	742	100%
Male	737	0	0%	737	100%	624	0	0%	624	100%
Female	149	0	0%	149	100%	118	0	0%	118	100%
Other than Permanent	199	0	0%	199	100%	193	0	0%	193	100%
Male	172	0	0%	172	100%	166	0	0%	166	100%
Female	27	0	0%	27	100%	27	0	0%	27	100%
Workers										
Permanent	327	0	0%	327	100%	291	0	0%	291	100%
Male	307	0	0%	307	100%	278	0	0%	278	100%
Female	20	0	0%	20	100%	13	0	0%	13	100%
Other than Permanent	462	0	0%	462	100%	459	0	0%	459	100%
Male	413	0	0%	413	100%	406	0	0%	406	100%
Female	49	0	0%	49	100%	53	0	0%	53	100%

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

a. **Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in ₹)	Number	Median remuneration/ salary/ wages of respective category (in ₹)
Board of Directors (BoD)	2	24,562,925	2	7,234,038
Key Managerial Personnel	3	7,722,691	1	10,625,856
Employees other than BoD and KMP	860	2,622,961	200	1,807,367
Workers	342	962,711	26	324,935

Notes:

- Non-Executive Directors who do not receive any remuneration from 3M India have been excluded from the median remuneration calculation.
- BoD includes Ramesh Ramadurai, N.V. Sivakumar, Radhika Rajan and Vidya Sarathy (Whole-time Director and CFO – upto January 29, 2025). KMP includes Ramesh Ramadurai, Prasad Balakrishnan (Interim CFO from January 30th - March 31st 2025), Pratap Rudra Bhuvanagiri and Vidya Sarathy (Whole-time Director and CFO – upto January 29, 2025).
- Employees and workers only include permanent employees and workers.



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

	FY 25 Current Financial Year	FY 24 Previous Financial Year
Gross wages paid to females as % of total wages	14.5%	13.5%

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, the 3M Code of Conduct and its underlying principles require compliance with all applicable laws and respect for internationally recognised human rights in all global operations.

3M's Ethics & Compliance Department conducts compliance evaluations of various 3M businesses, business models, and locations each year including the supply chain.

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

3M Company places a strong emphasis on human rights as a core aspect of its corporate culture, guided by the 3M Code of Conduct, which ensures a respectful and dignified workplace. 3M Company's Ethics and Compliance committee oversees these principles, supported by frameworks for effective grievance handling. 3M Company uses the NAVEX platform for issue management and offers a confidential reporting option through 3MEthics.com. In compliance with India POSH regulations, 3M India has established internal committees across its plants and offices, led by a POSH Chair, supported by an external organisation, to address sexual harassment.

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

Category	FY25 Current Financial Year			FY24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	2	0	The two cases were upheld and resolved by the HR and Ethics & Compliance Department in FY 24-25.	1	0	The complaint was beyond the jurisdiction of POSH and was handed over to the Ethics and Compliance committee and resolved accordingly.
Discrimination at workplace	1	0	The case was resolved in FY 24-25.	1	1	We are resolving the pending complaint through a thorough investigation and ensuring a fair process.
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

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)	2	0
Complaints on POSH as a % of female employees / workers	0.9%	0%
Complaints on POSH upheld	2	0

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

3M Company enforces a robust anti-retaliation policy to safeguard employees who report concerns or assist in investigations. The Ethics and Compliance committee oversees adherence to the 3M Code of Conduct, supported by comprehensive frameworks. Issues are transparently managed using the NAVEX platform, with employees able to anonymously report via 3MEthics.com. Investigations prioritise confidentiality, with measures for disclosed identities. Regular policy reviews ensure compliance with best practices and legal standards, promoting a transparent workplace culture committed to integrity and accountability.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, The entity adheres to 3M Company's Supplier Responsibility Code (SRC), which sets forth the fundamental expectations 3M has of its suppliers in key areas such as Management Systems, Labour, Health and Safety, Environment, and Ethics. These standards are crucial for the selection and ongoing engagement with all suppliers providing goods or services to 3M on a global scale. They lay the groundwork for what 3M deems essential for maintaining a safe and healthy work environment, upholding fair labour practices and human resource policies, and managing production and distribution processes in a way that reduces negative environmental impact. Furthermore, 3M incorporates specific clauses in its contracts and purchase order terms that require suppliers to self-certify their compliance with all relevant local laws and regulations. Suppliers must also agree to implement policies that align with the 3M Supplier Responsibility Code. This includes explicit prohibitions against any form of forced labour and coercive practices, such as labour extracted through mental or physical force, physical punishment, slavery, or other oppressive labour conditions.

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	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

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

No untoward incidents have been reported through our assessments. Through 3MEthics.com investigations, if any case is substantiated, 3M Company takes quick action based on severity and disciplinary action is enforced.

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

Not applicable.

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

3M's Code of Conduct provide the guiding principles for business conduct that is Ethical, Transparent and Accountable. 3M Company is committed to the safety and health of employees globally, in line with human rights principles. We comply with local health and safety laws and our Global Safety and Health Plan, integrating safety into daily tasks and business decisions. Continuous improvement is achieved by setting objectives and ensuring safe equipment and processes. Training programmes address health and safety risks, empowering employees to report unsafe conditions and halt operations if needed. We maintain transparency, engage in incident investigations, and promote a culture of safety and accountability through ongoing initiatives.

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?

The entity has audited its new corporate office, located at Bengaluru, through an external agency, Svadhin Solutions on behalf of Enable India. This accessibility audit has ensured that our premises comply with the RPWD Act of 2016 and are accessible to People with Disabilities (PwD). The entity has a plan in place to ensure that its other premises are also audited and remedial measures are taken if necessary.



4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	8%
Discrimination at workplace	8%
Child Labour	8%
Forced Labour/Involuntary labour	8%
Wages	8%
Others – please specify	-

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

All the vendors covered under the Supplier Responsibility Code (SRC) are meeting the expectations of the entity.

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 (GJ)		
Total electricity consumption (A)	18,003	12,200
Total fuel consumption (B)	-	-
Energy consumption through other sources [C]	-	-
Total energy consumed from renewable sources (A+B+C)	18,003	12,200
From non-renewable sources (GJ)		
Total electricity consumption (D)	53,353	45,767
Total fuel consumption (E)	45,592	40,856
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	98,945	86,623
Total energy consumed (A+B+C+D+E+F)	116,948	98,823
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	0.000003	0.000003
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.000054	0.000056
Energy intensity in terms of physical output (Total energy consumed in GJ/ Total output produced in MT)	4.28	3.63

Note: In FY 24-25, the reporting boundary has been enhanced to include offices in addition to the plants.

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.

Assurance has been carried out: Yes

Name of external agency: Intertek India Private Limited

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

No.

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	0	0
(ii) Groundwater	0	0
(iii) Third party water	88,437	82,192
(iv) Seawater / desalinated water	0	0
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	88,437	82,192
Total volume of water consumption (in kilolitres)	88,437	82,192
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000002	0.000002
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000041	0.000047
Water intensity in terms of physical output (Total water consumption / Total Output produced in Metric tonnes)	3.24	3.02

Note: In FY 24-25, the reporting boundary has been enhanced to include offices in addition to the plants.

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.

Assurance has been carried out: Yes

Name of external agency: Intertek India Private Limited

4. Provide the following details related to water discharged:

Parameter	FY 24-25	PY 23-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	NA	NA
(ii) To Groundwater		
No treatment	NA	NA
With treatment – please specify level of treatment		
(iii) To Seawater	NA	NA
No treatment		
With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties		
No treatment	NA	NA
With treatment – please specify level of treatment		
(v) Others	NA	NA
No treatment		
With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	0	0

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.

Assurance has been carried out: Yes

Name of external agency: Intertek India Private Limited

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

Yes. The entity has implemented a mechanism to support Zero Liquid Discharge (ZLD) by commissioning a Multiple Effect Evaporator (MEE) system at its Ranjangaon plant in 2024. This initiative aims to enhance wastewater treatment efficiency by enabling the recovery and reuse of treated water within operations, thereby minimising liquid effluent discharge. The MEE system marks a significant step toward achieving ZLD and reflects the entity's commitment to sustainable water management and responsible environmental practices.



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

Parameter	Unit	FY25 Current Financial Year	FY24 Previous Financial Year
NOx	Kg	36	38
SOx	Kg	16	18
Particulate matter (PM)	Kg	43	47
Persistent organic pollutants matter (POP)	Kg	0	0
Volatile organic compounds (VOC)	Kg	0	0
Hazardous air pollutants (HAP)	Kg	0	0
Others – Carbon Monoxide (CO)	Kg	37	37

Note: Air emissions for the previous year were estimated using production-based scaling, as detailed tracking of equipment running hours was implemented starting FY 24–25 to enhance calculation accuracy.

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

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	4,550	9,610
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	10,774	10,300
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.0000003	0.000001
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)		0.0000071	0.000011
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emissions/Total output produced in MT)		0.56	0.73

Note: For FY 24–25, the boundary now includes offices along with plants. Scope 1 emissions have reduced due to two non-operational sites and improved accuracy from using actual data instead of estimates.

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.

Assurance has been carried out: Yes

Name of external agency: Intertek India Private Limited

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

Yes. The entity has implemented targeted initiatives to reduce greenhouse gas (GHG) emissions across its operations, contributing to its broader decarbonisation and sustainability goals.

Renewable Energy Transition:

As part of its strategy to reduce Scope 2 emissions, the entity has expanded its renewable energy portfolio by installing on-site solar capacity at manufacturing facilities and procuring green electricity from the grid. These efforts resulted in a 47.6% increase in renewable power consumption, with renewables now accounting for 25% of the total electricity share, advancing the shift toward a low-carbon energy footprint.

Emission Reduction from Diesel Generators (DG Sets):

In line with environmental regulations set by the National Green Tribunal (NGT) and the Central Pollution Control Board (CPCB), the entity undertook capital investments to retrofit DG sets at all its manufacturing sites with advanced emission-control equipment. This initiative led to a reduction in emissions of harmful pollutants such as particulate matter (PM), carbon monoxide (CO), and hydrocarbons (HC), thereby improving local air quality and reducing indirect Scope 1 emissions.

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)	456	227
E-waste (B)	6	5
Bio-medical Waste (C)	0.2	0.8
Construction and demolition waste (D)	-	-
Battery Waste (E)	5	-
Radioactive Waste (F)	-	-
Other Hazardous waste. (used oil, waste or residue containing oil, empty barrels/container contaminated with hazardous chemicals, etc) (G)	1,305	440
Other Non-hazardous waste generated (H). (paper scrap, wooden scrap, drums, corrugated & packaging scrap, etc)	2,761	2,718
Total (A + B + C + D + E + F + G + H)	4,532	3,390
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000001	0.0000001
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000002	0.0000002
Waste intensity in terms of physical output (Total waste consumption / Total output produced in metric tonnes)	0.17	0.12
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	1,274	1,140
(ii) Re-Used	1,140	152
(iii) Other recovery operations	1,991	1,580
Total	4,405	2,872
Total waste recovered through recycling, re-using or other recovery operations Intensity	0.9	0.9
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	66	239
(ii) Landfilling	60	58
(iii) Other disposal operations	-	-
Total	126	297
Total waste disposed by nature of disposal method Intensity	0.03	0.09

Note: (i) The increase in reported waste generation is partly due to improved measurement and tracking practices implemented during the year, leading to more accurate quantification across waste categories.

(ii) Reinstated waste generated figures for FY 23–24 as per revised calculation methodology.

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.

Assurance has been carried out by an external agency: Yes

Name of external agency: Intertek India Private Limited

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.

A zero-waste approach is embedded across our operations, guiding product design, process technology development, and material efficiency. As a result, 3M India's Ranjangaon plant has achieved zero landfill status.

Outcomes in FY 24–25:

- More than 50% of total waste generated was recycled or reused at source.
- Over 97% of total waste was recycled, reused, or recovered through various waste diversion initiatives.
- Less than 1.5% of waste was sent to landfill.

These efforts reinforce our progress toward a circular economy and low-impact manufacturing.

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:

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



12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

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

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

Sr. No.	Specify the law / regulation / guidelines which was not complied	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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The entity is compliant with the applicable environmental law/ regulations/ guidelines in India.

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:

- (i) Name of the area: Bengaluru Plant, Bengaluru Corporate Office, Gurgaon Office and Ranjangaon Plant
- (ii) Nature of operations: Manufacturing and Operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	Treatment	FY25 Current Financial Year	FY24 Previous Financial Year
Water withdrawal by source (in kilolitres)		-	-
(i) Surfacewater		-	-
(ii) Groundwater		-	-
(iii) Third party water		86,352	80,496
(iv) Seawater / desalinated water		-	-
(v) Others		-	-
Total volume of water withdrawal(in kilolitres)		86,351	80,496
Total volume of water consumption(in kilolitres)		86,351	80,496
Water intensity per rupee of turnover(Water consumed / turnover)		0.000002	0.000002
Water discharge by destination and level of treatment (in kilolitres)		-	-
(i) Into Surface water		-	-
(ii) Into Groundwater		-	-
(iii) Into Seawater		-	-
(iv) Sent to third-parties		-	-
(v) Others		-	-
Total water discharged (in kilolitres)		Nil	Nil

Note:

(i) In FY 24-25, the reporting boundary has been enhanced to include offices in addition to the plants.

(ii) PY number has been revised as 3M India Ahmedabad plant is not located in a water-stressed area under the updated methodology.

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.

Has been carried out by an external agency: Yes

Name of external agency: Intertek India Private Limited

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

Parameter	Unit	FY25 Current Financial Year	FY24 Previous Financial Year
Total Scope 3 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	5,51,734	1,32,000
Total Scope 3 emissions per rupee of turnover		0.000012	0.000003

Note: In FY 24–25, Scope 3 categories 10, 11, 12 and 15 were added to the reporting boundary, contributing to the overall increase in reported Scope 3 emissions.

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.

Has been carried out by an external agency - No

Name of external agency – Not applicable

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.

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

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Advancing our transition to renewable energy by installing on-site solar capacity at manufacturing facilities and procuring green electricity, with the goal of increasing the share of renewables in our overall energy mix.	Advancing our renewable energy transition through on-site solar generation at the Ranjangaon plant, which accounts for 13% of its energy mix, and procurement of 87% renewable electricity from the grid at our Bengaluru facility, collectively enabling 25% of our total electricity consumption to be sourced from renewables.	- Renewable power consumption increased by 47.6% compared to the previous year, making steady progress in our transition to a low-carbon energy mix. 25% of overall electricity share is renewable.
2.	Upgraded DG sets at all 3M India manufacturing sites with emission-control retrofits to minimise environmental impact and comply with National Green Tribunal (NGT) and Central Pollution Control Board (CPCB) regulations.	As a part of our ongoing commitment to sustainability, 3M India made capex investments in the previous year to reduce emissions from diesel generators used during electricity outages.	As a result of the initiative, emissions from harmful pollutants such as particulate matter (PM), carbon monoxide (CO), and hydrocarbons (HC) were reduced significantly enhancing environmental performance.
3.	Commissioned a Multiple Effect Evaporator (MEE) system at Ranjangaon plant in 2024 as a key initiative to enhance wastewater treatment efficiency and support zero liquid discharge (ZLD) goals.	The implementation of the MEE system at Ranjangaon plant supports: - Improved resource recovery, enabling internal water reuse. - Reduction in freshwater consumption. - Minimisation of environmental impact through responsible waste water management.	Improved water circularity by enabling reuse of treated wastewater, resulting in a notable reduction in freshwater intake and advancing toward full Zero Liquid Discharge (ZLD) at the site.



Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4.	Implemented a water management programme focused on enhancing water availability, supporting local communities, and building long-term water resilience.	As a part of a pilot initiated in FY 23–24, 3M India implemented watershed development and rainwater harvesting interventions in Kendur using a ridge-to-valley approach. Structures such as contour trenches, sunken ponds, check dams, and gabion barriers were constructed to capture monsoon runoff and enhance groundwater recharge. In FY 24–25, these efforts began showing tangible impact—improving water availability for agriculture during dry spells and enabling the local community to manage water resources more sustainably.	• The project has positively impacted approximately 1,100 households and over 4,800 people in Kendur village, providing them with a more reliable water source for farming, drinking, and domestic use. • The project has created long-term water resilience in the region by establishing systems that manage water resources more effectively, reducing dependence on erratic rainfall patterns.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**
The 3M Business Resilience Plan workbook is regularly updated with facility details, covering EHS, crisis, cybersecurity, and business continuity plans. It aligns with key policies, demonstrating our commitment to workers, customers, and communities. The plan ensures sites are ready to respond to and recover from emergencies and crises, organised into four sections:
- **Key Information:** Includes site layouts, roles, hazards, evacuation plans, inventories, and links to government and rescue departments.
 - **Prepare:** Features self-assessments, gap assessments, exercise results, and updated worksheets.
 - **Respond:** Outlines initial response actions, emergency communication, crisis notification thresholds, corporate crisis team actions, and emergency procedures.
 - **Recover:** Details recovery tasks, risk mitigation strategies, and requirements for human capital and workspace. Plans are shareable and accessible in real-time across all 3M subsidiaries, ensuring global coordination and preparedness.
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.**
No incidents of adverse impact to the environment were reported from the value chain partners of the entity.
7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**
8% of our value chain partners (by value of business done) were covered under the entity's Supplier Responsibility Code assessments which evaluate partners for environment impact.
8. **a. Green credits generated or procured by the entity**
-
- b. Green credits generated or procured by top ten value chain partners (in terms of value of purchases and sales respectively)**
-

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.

6

- 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	Confederation of Indian Industry (CII)	National
2	American Chamber of Commerce (AMCHAM)	National
3	US India Business Council (USIBC)	National
4	Karnataka Employer Association (KEA)	State
5	Electronics City Industrial Township Authority (ELCITA)	State
6	Ranjangaon Industrial Association (RIA)	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
There were no issues related to anti-competitive conduct by the entity.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web link, if available
1.	Guidelines for Provision of Signages on Expressways and National Highways. The circular aims to provide clear and concise information, warnings, and regulatory details to facilitate safe and seamless journeys.	Advocacy with Ministry of Road Transport and Highways and NHAI	Yes	Annually	https://morth.nic.in/sites/default/files/Amendment%20to%20Guidelines



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.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web link
No Social Impact Assessments were conducted during the 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:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

Communities can communicate concerns via email or through our network of NGO partners. Our manufacturing teams regularly visit CSR project locations to engage with local authorities and stakeholders, gaining firsthand insights. A third-party agency conducts field visits for monitoring and evaluation. In collaboration with NGO partners, we perform thorough needs assessments before starting community interventions, informing tailored programmes with multi-year implementation plans to track progress. We incorporate stakeholder feedback throughout programme implementation. To celebrate milestones and honor community contributions, we organise events that foster shared achievement and reinforce collaboration.

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	21%	15%
Directly from within India	44%	34%

Note: The increase is due to the merger of 3M India and 3M Electro & Communication India Private Limited, resulting in a substantial variation from the previous year's figures.

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:

Location	FY25 Current Financial Year	FY24 Previous Financial Year*
Rural	0.02%	0
Semi-urban	29%	9%
Urban	4%	0
Metropolitan	67%	91%

Note:*Variation due to the expansion of scope in the current year by including other than permanent employees and workers base locations.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In ₹)
1	Odisha	Balangir	3,808,378
2	Assam	Goalpara	3,820,954
3	Uttar Pradesh	Siddharthnagar	3,641,611

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No

- (b) From which marginalised /vulnerable groups do you procure?

Nil

- (c) What percentage of total procurement (by value) does it constitute?

Nil

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:

Intellectual Property	Owned Acquired	Benefit Shared	Calculate Benefit Share
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.

Authority Name	Brief Case	Corrective Action
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 marginalised groups
1.	3M Wonder Tinkering Labs (STEM) Programme	8,303 Students	100%
2.	Community Water Resilience project	4,864 Beneficiaries	100%
3.	Project Nanhi Kali Girl Child Education Programme	2,851 Girls	100%
4.	Smile on Wheels Mobile Primary Healthcare Programme	235,644 Beneficiaries	100%
5.	We Are All Us – Gender and sexual minorities upliftment Programme	5,060 Community Members	100%
6.	Pragyaan Girls in STEM Scholarship Programme	200 Girls	100%



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.

3M India uses the PACE system to manage consumer complaints, ensuring timely resolution by a trained team at the centralised service center. The PACE team oversees the entire complaint lifecycle, categorising issues and assigning them to the relevant business unit. Complaints cover areas like advertising, data privacy, cybersecurity, essential services delivery, and trade practices, in line with BRSR requirements.

Key features include:

- Central logging of complaints in PACE, tagged by subject and directed to subject matter experts (SMEs) for resolution, with escalation to senior leadership or legal teams as needed.
- Weekly follow-ups by the PACE team with SMEs to ensure accountability and timely responses.
- Complainants receive findings and resolution actions, with feedback solicited post-resolution to improve service quality.
- Resolved cases are formally closed, documented, and archived.

This process highlights 3M India's commitment to consumer satisfaction, responsible business conduct, and regulatory compliance, with continuous improvement through feedback analysis and stakeholder engagement.

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	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

Complaint Type	FY25 Current Financial Year			FY24 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber Security	0	0	-	0	0	-
Delivery of Essential Services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others	7,847	1	-	7,610	0	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	

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

3M Company has an internal Information Security Policy that applies to 3M employees worldwide and employees doing business for or with 3M that use or support 3M systems. Aligning with global standards, 3M India follows a cybersecurity framework aligned with the NIST Cybersecurity Framework. In terms of data privacy, 3M India adheres to the 3M Global Privacy Policy, accessible at: https://www.3mindia.in/3M/en_IN/company-in/india-privacy-policy/#PolicyStatement. This policy sets high standards for privacy protection across all legal entities, branches, and functions of 3M India, covering stakeholders such as employees, customers, partners, and vendors. Third-party engagements undergo thorough due diligence to ensure compliance with rigorous privacy commitments.

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.

No issues reported during the financial year.

7. Provide the following information relating to data breaches:**a. Number of instances of data breaches**

0

b. Percentage of data breaches involving personally identifiable information of customers

Not Applicable.

c. Impact, if any, of data breaches

Not Applicable.

Leadership Indicators**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Yes, all our products are available in web catalogues on the 3M India website www.3m.com/in. Our products are also available on leading ecommerce platforms.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

- The entity provides a TDS (Technical Data Sheet) and MSDS (Material Safety Data Sheet) for each of its products which carry information on product usage, hazard status, storage conditions, shelf life, disposal methodology, etc.
- Consumer packs carry safety and application instructions.
- Instruction videos pertaining to the safe and responsible usage of products are available on leading e-commerce platforms.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Business Groups send targeted communications to their customer base during instances of any risk of disruption or discontinuation of products and services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Yes, products may include a visual representation of the usage of the product where personal application is required. It may also include guidance on how to store the product and information on recycling.

5. 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, the entity did not carry out a survey with regard to consumer satisfaction.



INDEPENDENT REASONABLE ASSURANCE STATEMENT TO 3M INDIA LIMITED ON THEIR BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR) CORE DISCLOSURES AS PART OF THE ANNUAL REPORT FY 24-25.

To
The Board of Directors of 3M India Limited,
Bengaluru, India

Introduction

Intertek India Private Limited ("Intertek") was engaged by 3M India Limited ("3M") to provide an independent reasonable assurance on its BRSR (Business Responsibility & Sustainability Report) Core disclosures as a part of the Annual Report FY 2024-25 ("the Report"). The scope of the Report comprises the reporting periods of FY 2024-25. The Report is prepared by 3M based on SEBI's (Securities and Exchange Board of India) BRSR guidelines. The assurance was performed in accordance with the requirements of International Federation of Accountants (IFAC), International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information.

Objective

The objectives of this reasonable assurance engagement were, by review of objective evidence, to confirm whether the sustainability related disclosures in the Report are in alignment with the Business Responsibility and Sustainability Report (BRSR) requirements laid down by SEBI and were accurate, complete, consistent, transparent and free of material errors or omission in accordance with the criteria outlined below.

Intended Users

This Assurance Statement is intended to be a part of the Annual Report FY 2024-25 of 3M India Limited.

Responsibilities

The management of 3M is solely responsible for the development of Report and its presentation. Management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Intertek's responsibility, as agreed with the management of 3M, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organisation. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

The assurance has been provided for selected sustainability performance disclosures as per BRSR core disclosures with reference to Business Responsibility and Sustainability Reporting by listed entities as per SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, presented by 3M in its Annual Report FY 2024-25.

The assurance boundary included data and information for the operations of 3M at its manufacturing facilities, R&D and offices at Pune, Bengaluru, Ahmedabad.

Our scope of assurance included verification of internal control systems, data and information on BRSR core disclosures reported as summarised below:

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL:

Transparent and Accountable:

- Number of days of accounts payable.
- Concentration of purchases & sales done with trading houses, dealers, and related parties.
- Loans and advances & investments with related parties.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS:

- Cost incurred on well-being measures as a % of total revenue of the company.
- Safety related incidents (LTIFR, Fatality, Permanent Disabilities) for employees and workers.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS:

- Gross wages paid to females as percentage of wages paid.
- Complaints on POSH.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT:

- Total Scope 1 and Scope 2 emissions
- GHG emissions intensity (scope 1 and 2).
- Total water consumption, water consumption Intensity and water discharge by destination and levels of treatment.
- Total energy consumed, % of energy consumed from renewable sources and energy intensity.
- Total waste generated (category-wise); waste intensity; Total waste recovered through recycling, re-using or other recovery operations; Total waste disposed by nature of disposal method; waste diverted from landfill.

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT:

- Input material sourced (from MSMEs/ small producers and from within India)
- Job creation in smaller towns– Wages paid to persons employed in smaller towns (permanent or nonpermanent /on contract) as % of total wage cost

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER:

- Instances involving loss / breach of data of customers as % of total data breaches or cyber security events.

Assurance Criteria

Intertek conducted the assurance work in accordance with the requirements of 'Reasonable Assurance' procedures as per the following standard:

- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.
- International Standard on Assurance Engagements (ISAE) 3410 for 'Assurance Engagements on Greenhouse Gas Statement'.

A reasonable assurance engagement involved assessing the risks of material misstatement of the agreed indicators/ parameters whether due to fraud or error, responding to the assessed risks as necessary in the circumstances. A materiality threshold level of 5% was applied.

Limitations

We have relied on the information, documents, records, data, and explanations provided to us by 3M for the purpose of our review.

The assurance scope excludes:

- Any disclosures beyond those specified in the Scope section above.
- Data and information falling outside the defined reporting period.
- Data pertaining to the Company's financial performance, strategy, and associated linkages articulated in the Report.
- Assertions made by the Company encompassing expressions of opinion, belief, aspiration, expectation, forward-looking statements, and claims related to Intellectual Property Rights and other competitive issues.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within software/IT systems.



Methodology

Intertek performed assurance work using risk-based approach to obtain information, explanations and evidence that was considered necessary to provide a reasonable level of assurance. The assurance was conducted by desk reviews, visit to 3M's sites in Bengaluru and stakeholder interviews with regards to the reporting and supporting records for the FY 2024-25. Our assurance task was planned and carried out during June-July 2025. The assessment included the following:

- Assessment of the select sustainability performance disclosures in accordance with the SEBI's BRSR Core guidelines.
- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available at selected 3M's operationa sites and digitally.
- Conducted physical and remote interviews with key personnel responsible for data management from selected 3M's operational site and corporate office.
- Assessment of appropriateness of various assumptions, estimations and thresholds used by 3M for data analysis.
- Review of BRSR core disclosures for the duration from 1st April 2024 to 31st March of 2025 for 3M was carried out onsite at 3M's corporate office and select business locations.
- Appropriate documentary evidence was obtained to support our conclusions on the information and data reviewed and details were provided in a separate management report.

Conclusions

Intertek reviewed the BRSR Core Indicators in the "Report" for the reporting period from 1st April 2024 to 31st March 2025. Based on the scope of our review, we conclude with reasonable assurance that the sustainability data and information is fairly presented in all material aspects as per BRSR Core guidelines.

Intertek's Competence and Independence

Intertek is a global provider of assurance services with a presence in more than 100 countries employing approximately 43,500 people. The Intertek assurance team included competent sustainability assurance professionals, who were not involved in the collection and collation of any data except for this assurance opinion.

Intertek maintains complete impartiality towards any people interviewed.

Poonam Sinha
Intertek Verifier

July 21, 2025

Shilpa Naryal
Head of Sustainability
Intertek South Asia & MENAP
July 21, 2025

Sandeep Vig
Director-Business Assurance
Intertek India & MENAP
July 21, 2025

For Intertek India Pvt. Ltd.

No member of the verification team (stated above) has a business relationship with 3M India Limited stakeholders beyond that is required of this assignment.

No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

ANNEXURE 'D' TO THE REPORT OF THE BOARD OF DIRECTORS

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

1. The number of permanent employees on the rolls of the Company :	1,213 permanent employees as on March 31, 2025
2. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 24-25.	
Executive Directors:	
(a) Ramesh Ramadurai, Managing Director	20.89 : 1
(b) Vidya Sarathy, Whole-time Director & CFO (upto January 29, 2025)	4.70 : 1
Independent Directors:	
(a) Radhika Rajan	1.78 : 1
(b) N. V. Sivakumar (from July 15, 2024)	1.22 : 1
(c) Bharat D. Shah (upto March 26, 2025)	1.95 : 1
(d) Biren Gabhawala (upto August 13, 2024)	0.68 : 1
Median remuneration of employees FY 24-25	₹ 2,156,049
Note: The expression Median means the numerical value separating the higher half of a population from the lower half and the median of a fine list of numbers may be found by arranging all the observations from the lowest value to highest value and picking the middle one and if there is an even number of observations, the median shall be the average of the two middle values.	
3. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in FY 24-25.	
(a) Ramesh Ramadurai, Managing Director	8.70%
(b) Prasad Balakrishnan, Chief Financial Officer (from January 30, 2025)	5.00%
(c) Pratap Rudra Bhuvanagiri, Company Secretary	8.15%
4. The percentage increase in the median remuneration of employees in FY 24-25.	9.5%
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 23-24 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	FY 23-24 : 7.8% FY 24-25 : 9.5% Average increase in the remuneration of the employees is in line with the Industry practice and is within the normal range. No exceptional circumstances for increase in the managerial remuneration. The increase is as per Company's Increment guideline.
6. Affirmation that the remuneration is as per the remuneration policy of the Company	Yes

On behalf of the Board of Directors

Place: Bengaluru
Date: May 28, 2025

Ramesh Ramadurai
Managing Director
DIN: 07109252

Jayanand V. Kaginalkar
Whole-time Director
DIN: 07904558



ANNEXURE 'E' TO THE REPORT OF THE BOARD OF DIRECTORS

Form No. AOC.2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain Arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: **Nil**
 - (a) Name(s) of the related party and nature of relationship: **Nil**
 - (b) Nature of contracts/arrangements/transactions: **Nil**
 - (c) Duration of the contracts/arrangements/transactions: **Nil**
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Nil**
 - (e) Justification for entering into such contracts or arrangements or transactions: **Nil**
 - (f) Date(s) of approval by the Board: **Nil**
 - (g) Amount paid as advances, if any: **Nil**
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **Nil**
2. Details of material contracts or arrangement or transactions at Arm's length basis
 - (a) Name(s) of the related party and nature of relationship:
 - 1) 3M Company, USA – Holding/Parent Company
 - 2) 3M Innovation Singapore Pte Ltd - Fellow Subsidiary
 - (b) Nature of contracts/arrangements/transactions:

Sl. No. Nature of Transactions

1. Income from Contract Research
2. Sale of Goods
3. Purchases of Materials
4. Royalty
5. Re-charge (Net)
6. Corporate Management Fee

The above transactions are in the ordinary course of business and are on an arm's length basis.

- (c) Duration of the contracts/arrangements/transactions: ongoing, will be continuous year on year.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Sl. No.	Nature of Transactions	Salient Terms
1.	Income from Contract Research	billing in USD on a yearly basis
2.	Sale of Goods	billing in USD, receipt within 15 days from end of the month
3.	Purchases of Materials	billing in USD, payment to be made within 15 days from end of the month
4.	Royalty	billing in USD, on a quarterly basis
5.	Re-charge (Net)	billing in USD, payment/receipt within 15 days from the end of the month
6.	Corporate Management Fee	billing in USD, yearly

(₹ in crores)

Sl. No.	Nature of Transactions	Actual value of transactions for FY 24-25	
		3M Company, USA - Holding / Parent Company	3M Innovation Singapore Pte Ltd - Fellow Subsidiary
	INCOME		
1.	Income from Contract Research	22.40	-
2.	Sale of Goods	8.96	-
	Total	31.36	-
	EXPENDITURE		
1.	Purchases of Materials	461.33	258.20
2.	Royalty	75.48	-
	Total	536.81	258.20
	Grand Total	568.17	258.20

Terms and Conditions for the transaction are in ordinary course of business and on arm's length basis, which is same for the entire 3M group companies throughout the world.

- (e) Date(s) of approval by the Board:

Not applicable, as the transactions referred to above are in the ordinary course of business and on arm's length basis. Omnibus approval of Audit Committee has been sought for the estimated value of the transactions for FY 24-25 and approval of Shareholders for material related party transactions with 3M Company, USA and 3M Innovation Singapore Pte Ltd.

Audit Committee reviews of the actual transactions against the estimated at their Meetings.

- (f) Amount paid as advances, if any: **Nil**

On behalf of the Board of Directors

Place: Bengaluru
Date: May 28, 2025

Ramesh Ramadurai
Managing Director
DIN: 07109252

Jayanand V. Kaginalkar
Whole-time Director
DIN: 07904558



ANNEXURE 'F' TO THE REPORT OF THE BOARD OF DIRECTORS

Annual Report on CSR Activities

(Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014)

1. A brief outline on CSR Policy of the Company:

The Company's corporate social responsibility framework is anchored on three pillars – Education, Community and Environment. Each pillar represents 3M's strategic intent to create social impact and improve lives through innovative investments in education, underserved communities and the environment. The interventions are mapped to the Schedule VII of the Companies Act 2013 and to the Sustainable Development Goals (SDGs).

Objectives:

- To engage in outcome-based corporate social responsibility programmes that will impact and enrich the communities around the Company's areas of operation.
- To engage 3M India employees to contribute to the Company's corporate social responsibility initiatives.

Education:

The Company's education initiatives aim to build scientific temperament as a life skill, improve academic outcomes and provide transformational opportunities for the next generation.

- Encourage a scientific temper through creative and engaging education models, stimulating curiosity and creativity.
- Promote equity by driving access to quality education amongst underserved students.
- Support the professional education of women in STEM fields through scholarships.

Community:

The Company's community efforts are aimed at improving lives in communities around areas it operates and has manufacturing presence, with interventions to improve the quality-of-life index like health, livelihood initiatives, and programmes to support vulnerable communities. The Company's response to community interventions during times of natural disasters also comes under the community initiatives.

Environment:

In line with 3M's global sustainability goals, the Company's environment responsibilities extend to the communities we serve around the geographical areas of operation, through interventions in water conservation and clean energy.

2. The Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year ¹	Number of meetings of CSR Committee attended during the year
1	Bharat D. Shah	Independent Director: Chairperson - upto March 26, 2025	2	2
2	Radhika Rajan	Independent Director: Member, Chairperson from March 26, 2025	2	2
3	Ramesh Ramadurai	Managing Director: Member	2	2
4	Vidya Sarathy	Whole-time Director & CFO: Member upto January 29, 2025	2	2
5	Kong Sau Wai Elizabeth	Non-Executive Director: Member from March 26, 2025	-	-

1. Number of meetings held during the term of the Director.

3. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:

CSR policy is available at: <https://multimedia.3m.com/mws/media/2212827O/3m-india-limited-csr-policy-2022.pdf>.

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹ 56,707.90 lakhs
 (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 1,134.16 lakhs
 (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): ₹ 40.37 lakhs
 (e) Total CSR obligation for FY 24-25 [(b)+(c)-(d)]: ₹ 1,134.16 lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 1,174.53 lakhs
 (b) Amount spent in Administrative Overheads: Nil
 (c) Amount spent on Impact Assessment, if applicable: Not Applicable
 (d) Total amount spent for FY 24-25 [(a)+(b)+(c)]: ₹ 1,174.53 lakhs
 (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for FY 24-25 (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1,174.53 lakhs	Nil	NA	NA	Nil	NA

- (f) Excess amount for set-off, if any: ₹ 40.37 lakhs

Sl. No.	Particular	Amount (₹ In Lakhs)
(1)	(2)	(3)
i	Two percent of average net profit of the Company as per sub-section (5) of section 135	1,134.16
ii	Total amount spent for the Financial Year	1,174.53
iii	Excess amount spent for the Financial Year [(ii)-(i)]	40.37
iv	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
v	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	40.37

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1	Nil	NA	Nil	Nil	NA	NA	NA
2	FY-2	Nil	NA	Nil	Nil	NA	NA	NA
3	FY-3	Nil	NA	Nil	Nil	NA	NA	NA



8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property of asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Not Applicable Registration Number, if applicable	Name	Registered address

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

On behalf of the Board of Directors

Place: Bengaluru
Date: May 28, 2025

Radhika Rajan
Chairperson, CSR Committee
DIN: 00499485

Ramesh Ramadurai
Managing Director
DIN: 07109252

Jayanand V. Kaginalkar
Whole-time Director
DIN: 07904558

ANNEXURE 'G' TO THE REPORT OF THE BOARD OF DIRECTORS

Information as per Section 197(12) of the Companies Act, 2013, read with the Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 and forming part of the Report of the Directors for the Year Ended March 31, 2025.

Sl. No.	Name	Age Yrs	Designation	Remuneration ₹ (Gross)	Educational Qualifications	Date of joining	Date of leaving	Previous employment and designation
1	2	3	4	5	6	7	8	9
A: Top ten (10) employees in terms of remuneration drawn during the year:								
1	Ramesh Ramadurai	63	Managing Director	44,293,710	IIT-Chemical Engineering, IIM-PG Diploma in Marketing	June 1, 2019		3M China, Business Director – Asia & GCA
2	Vijay Kumar Ramamoorthy	56	Director, CBTD, Asia	30,760,179	Master's Degree (MA / MS) in Management	September 1, 2023		3M Singapore, SEA TEBG leader
3	Shreya Bhagwanth	49	APAC Total Rewards Leader	26,766,593	Master's Degree (MA / MS) in Human Resources Management	September 17, 2018		Senior HR Business Partner - Corporate, Head - HR - Siemens Financial Services
4	Sanjit Satapathy	57	APAC Segment Director, HC	23,362,968	Post-Graduate Diploma in Marketing	November 4, 1998		Wipro Consumer Products - Area Marketing Manager
5	Emranul Siddiqui	59	Specialist EMD Area Application	2,00,43,393	Master's Degree (MA / MS) in Polymer Engineering	December 21, 1992		Ranbaxy Laboratories Ltd - Research Scientist
6	Ashutosh Shirodkar	53	Head-Safety & Industrial Business	18,984,848	Diploma in Chemical Technology	November 1, 2020		3M Indonesia, Country Sales Leader - SIBG
7	Rajiv Gupta	53	Head-Health Care Business	18,762,779	BE (Mechanical), MBA	April 14, 1997		JCB India Ltd, Sales Manager
8	Priya Menon	52	General Counsel	17,684,490	BA LLB (Hons)	August 3, 2020		Wework India Pvt Ltd - General Counsel
9	Pawan Kumar Singh	54	Head-Transportation & Electronics	17,076,485	B. Tech, M. Plan, MBA	September 5, 2005		CMS Traffic Systems Ltd, Regional Manager- North
10	Vidya Sarathy	59	Whole-time Director and CFO – Up to January 29, 2025	16,666,525	Bsc, FCA, FCS, CMA (Inter), Dipl in IFRS from ACCA (UK)	April 29, 2021	April 30, 2025	Sud-Chemie India Pvt Ltd, Clariant Group USA, CFO and Company Secretary



Sl. No.	Name	Age Yrs	Designation	Remuneration ₹ (Gross)	Educational Qualifications	Date of joining	Date of leaving	Previous employment and designation
1	2	3	4	5	6	7	8	9

B: Other employees drawing a remuneration of not less than ₹ 1.02 crores p.a. and employed throughout the year other than A

1	Rahul Sachdeva	47	Asia PACE/ SPT & India HCBG	16,295,034	Master's Degree (MA / MS) in Polymer Science	October 11, 2005		GE plastic Technologies . - Application Development Specialist
2	Vinay Pathak	48	Asia Technical Manager	16,052,932	BE (Mechanical), MBA (Marketing)	June 11, 2007		Joseph Leslie Drager - Asst. General Manager – Sales & Marketing
3	Aparna Sardar	56	Senior Manager HR Operations Leader	15,449,454	Master's Degree (MA / MS) in Business Administration/ Management	August 22, 2012		Mphasis Ltd – AVP – Training and Quality Leader
4	Jerry Daniel	57	Area Portfolio Leader	14,825,003	Diploma in Marketing	July 1, 2023		3M Thailand - Sr. Manager Sales - AASD - SEA Region & BDM
5	Vinay Rao	46	Manager Division Sales	10,348,761	Bachelor's Degree (BA / BS) in Mechanical Engineering	November 10, 2020		Henkel Adhesives Technologies India Private Ltd - Global Key Account Manager
6	Prameet Harsh	48	Manager Sales & Marketing	10,239,484	Master in Business Administration/ Management	December 9, 2005		Kansai Nerolac Paint Ltd - Category Manager

C: Employees drawing a remuneration of not less than ₹ 8.50 lakhs p.m. and employed for part of the year other than A & B

1	P T Mukund	60	Global Director of Special Programme	19,859,852	Bachelor's Degree (BA / BS) in Engineering	April 1, 2022	October 31, 2024	3M Innovation Singapore Pte Ltd - Director Asia AAD
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Notes

1. Remuneration includes salary, bonus, allowances, Company's contribution to superannuation funds and provident fund, medical reimbursements, leave travel assistance, 3M US Stock option payments, excludes contribution to provident funds and value of perquisites as per Income Tax Rules.
2. No one listed above is related to any of the Directors of the Company and all the above appointments are/were on contractual basis.
3. Other terms and conditions are as per rules of the Company and, where required, according to sanctions from the Government.
4. Employees whose remuneration cost cross-charged/reimbursed by another 3M group entity are not considered in the above list.
5. None of the above employees holds shares of the Company.

On behalf of the Board of Directors

Place: Bengaluru
Date: May 28, 2025

Ramesh Ramadurai
Managing Director
DIN: 07109252

Jayanand V. Kaginalkar
Whole-time Director
DIN: 07904558

ANNEXURE 'H' TO THE REPORT OF THE BOARD OF DIRECTORS

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

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

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy:

The Company is committed to continually improving energy efficiency, leveraging engineering expertise, driving site-level improvements, supporting Company sustainability priorities and protecting 3M's reputation. Several actions and initiatives were undertaken to drive energy efficiency in all its manufacturing operations.

Several actions and initiatives were undertaken to drive energy efficiency in all its manufacturing operations.

Heating, Ventilation and Air Conditioning (HVAC)

- Continue to optimise the HVAC system to reduce energy consumption by optimising airflow and temperature.

Compressed Air

- Continue to optimise the air compressor operation by optimising the pressure and distribution through VFD and controller.

Lighting

- Majority of electrical lights replaced with LED and the team continue to explore further energy-efficient lighting options.

Ovens

- Purchased energy-efficient dryers for new projects.
- Continue to optimise the oven temperature to improve specific fuel consumption.
- Continue to optimise the exhaust of driers and the addition of an energy-efficient blower.

(ii) The steps taken by the Company for utilising alternate sources of energy:

Continued initiatives for onsite rooftop solar installation and offsite solar power purchase through open access routes to increase the renewable energy share. The Company installed onsite rooftop solar plant at the Ranjangaon, Pune facility to increase renewable energy share, raising the total to 995KWP. This expansion increases the Company's renewable energy generation to 13,15,000 KW annually.

(iii) The capital investment on energy conservation equipment(s):

During the year under review, the Company focused on investments aiming at energy conservation projects and increasing the usage of renewable energy and or optimisation of energy utilisation.

B. TECHNOLOGY ABSORPTION

- (i)** The efforts made towards technology absorption: The Company's technical team has been working on the adoption and modification of specific parent company products for local market requirements and redesigning these products to create new market opportunities in India. Technology development capabilities relevant to the local market requirements are being developed at the R&D center to support long-term growth.

Internal practices and procedures are in place to adopt new technologies from the parent company. New products and applications were developed to meet customer requirements based on insights gathered from the market, cost-effective solutions were provided to customers.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

New products have been introduced in all four business segments. Several products launched were developed with the technical knowledge and expertise of the India laboratory team, leveraging the global knowledge base. Several local and global patents were filed to protect the Company's intellectual property.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Technologies and knowhow from the parent company include those in the areas of pressure sensitive adhesives and coatings, corrosion protection coatings, automotive products, retro reflective technology, infection prevention for healthcare and non-wovens for consumer, industrial and safety needs. No technology was imported from other companies other than from the parent company.



(iv) The expenditure incurred on Research and Development during FY 24-25

(₹ in lakhs)

(a)	Capital	-
(b)	Revenue	8,499.78
	Total	8,499.78
(c)	Total R&D expenditure as a percentage of total turnover	1.91%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO DURING FY 24-25

- (a) Foreign Exchange earned in terms of actual inflows: ₹ 9,141.30 lakhs
- (b) Foreign exchange outgo in term of actual outflows: ₹ 201,798.68 lakhs

On behalf of the Board of Directors

Place : Bengaluru
Date : May 28, 2025

Ramesh Ramadurai
Managing Director
DIN : 07109252

Jayanand V. Kaginalkar
Whole-time Director
DIN : 07904558

ANNEXURE 'I' TO THE REPORT OF THE BOARD OF DIRECTORS

Form No. MR-3

Secretarial Audit Report

For the financial year ended March 31, 2025

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

To
The Members
3M India Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 3M India Limited (CIN: L31300KA1987PLC013543) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2025 has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by 3M India Limited for the financial year ended on March 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA, 1956') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act 1992'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (j) Circulars/Guidelines issued there under;
- (vi) The other following laws as may be applicable specifically to the Company.
 - (a) Pharmacy Act, 1948
 - (b) Drugs and Cosmetics Act, 1940
 - (c) The Indian Copyright Act, 1957
 - (d) The Patents Act, 1970
 - (e) The Trade Marks Act, 1999
- (vii) The other general laws as may be applicable to the Company including the following:
 - (1) Employer/Employee Related Laws & Rules:
 - The Factories Act, 1948
 - The Employees State Insurance Act, 1948
 - The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 - Contract Labour (Regulation and Abolition) Act, 1970



- The Minimum Wages Act, 1948
- The Payment of Wages Act, 1936
- The Payment of Gratuity Act, 1972
- The Payment of Bonus Act, 1965
- The Maternity Benefit Act, 1961
- The Equal Remuneration Act, 1976
- The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- The Karnataka Labour Welfare Fund Act, 1965
- The Apprentices Act, 1961
- The Industrial Employment Standing Orders Act, 1946
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013
- The Karnataka Industrial Establishments (National & Festival) Holidays Act, 1963
- The Karnataka Public Safety (Measures) Enforcement Act, 2017
- Karnataka Shops & Commercial Establishment Act, 1961

(2) Environment Related Acts & Rules:

- The Environment Protection Act, 1986
- The Water (Prevention & Control of Pollution) Act, 1974
- The Air (Prevention & Control of Pollution) Act, 1981
- Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
- The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999

(3) Economic/Commercial Laws & Rules:

- The Competition Act, 2002
- The Indian Contract Act, 1872
- The Sales of Goods Act, 1930
- The Forward Contracts (Regulation) Act, 1952
- The Indian Stamp Act, 1899
- The Transfer of Property Act, 1882
- The Explosives Act, 1884
- Legal Metrology Act, 2009

I have also examined compliances with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2.

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

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

I 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 which took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

The decisions were carried through majority while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

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

I further report that the Scheme of Amalgamation between 3M India Limited (Transferee Company) and 3M Electro & Communication India Private Limited (3M E&C), wholly owned subsidiary (Transferor Company) was approved pursuant to the Order of the National Company Tribunal, Chennai bench (CP/CAA/64/CHE/2022 dated 25.08.2023) and the National Company Tribunal, Bengaluru bench (C.P.(CAA)NO.34/BB/2023 dated 08.08.2024) respectively.

Parameshwar G Bhat
Practising Company Secretary
FCS : 8860 CP:11004
Peer Review No. 5508/2024
UDIN: F008860G000471762

Place: Bengaluru
Date: May 28, 2025

Note: This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

‘Annexure’

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Customs Act, Goods and Services Tax Act.
4. Wherever required, the Company has represented about the compliance of laws, Rules and regulations and happening of events etc., as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, regulations, standards is the responsibility of Management. My 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.

Parameshwar G Bhat
Practising Company Secretary
FCS : 8860 CP:11004

Place: Bengaluru
Date: May 28, 2025



ANNEXURE 'J' TO THE REPORT OF THE BOARD OF DIRECTORS

Dividend Distribution Policy

1. Preamble

1.1. 3M India Limited (**the Company**) has formulated this Dividend Distribution Policy (this Policy) as required by regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**the Listing Regulations**).

1.2. This Policy has been approved by the Board of Directors (Board) of the Company at its Meeting held on February 9, 2017. This Policy may be reviewed by the Board from time to time. This Policy and all amendments thereto will be updated on the Company's website (www.3m.com/in) and in the Company's Annual Report.

2. Policy

2.1. The Board shall consider appropriate financial and other parameters, as well as relevant internal and external factors, when determining the quantum, if any, of dividend to be paid out by the Company, which may include, but shall not be restricted to, all or some of the following as the Board in its discretion considers relevant:

- (a) Revenues and net profits for the relevant financial year and future outlook;
- (b) Possible current and future cash flow requirements;
- (c) Liquidity needs including working capital requirements;
- (d) Capital expenditure plans and requirements, including for expansion, modernisation and upgradation of existing operations and infrastructure;
- (e) Market expansion plans;
- (f) Product expansion plans;
- (g) Expenditure on research and development;
- (h) Possible organic and inorganic growth opportunities and other usage of cash;
- (i) Leverage levels;
- (j) Any restrictions and covenants in agreements with debenture-holders, lenders and others;
- (k) Comparative tax efficiency of dividend distribution;
- (l) Provisions for unforeseen events and contingencies;
- (m) Strategic priorities and objectives;
- (n) Macroeconomic conditions, local and international;
- (o) Any other methods of delivering value to shareholders; and
- (p) Accumulated reserves and surplus.

2.2. When deliberating on the recommendation of dividend, the Board will seek to balance the benefit to shareholders of the Company with the comparative advantages of retaining profits in the Company which would lead to greater value creation for all stakeholders.

2.3. In the event that the Board proposes to recommend dividend on the basis of parameters and factors in addition to those stated in clause 2.1 and 2.2 above, or to change any of the relevant parameters and factors, the changes along with the rationale for the same shall be disclosed in the Company's annual report and on the Company's website (www.3m.com/in).

2.4. Recommendation and declaration of dividend, if any, would be in accordance with the Listing Regulations and the Companies Act, 2013 read with the Rules issued there under.

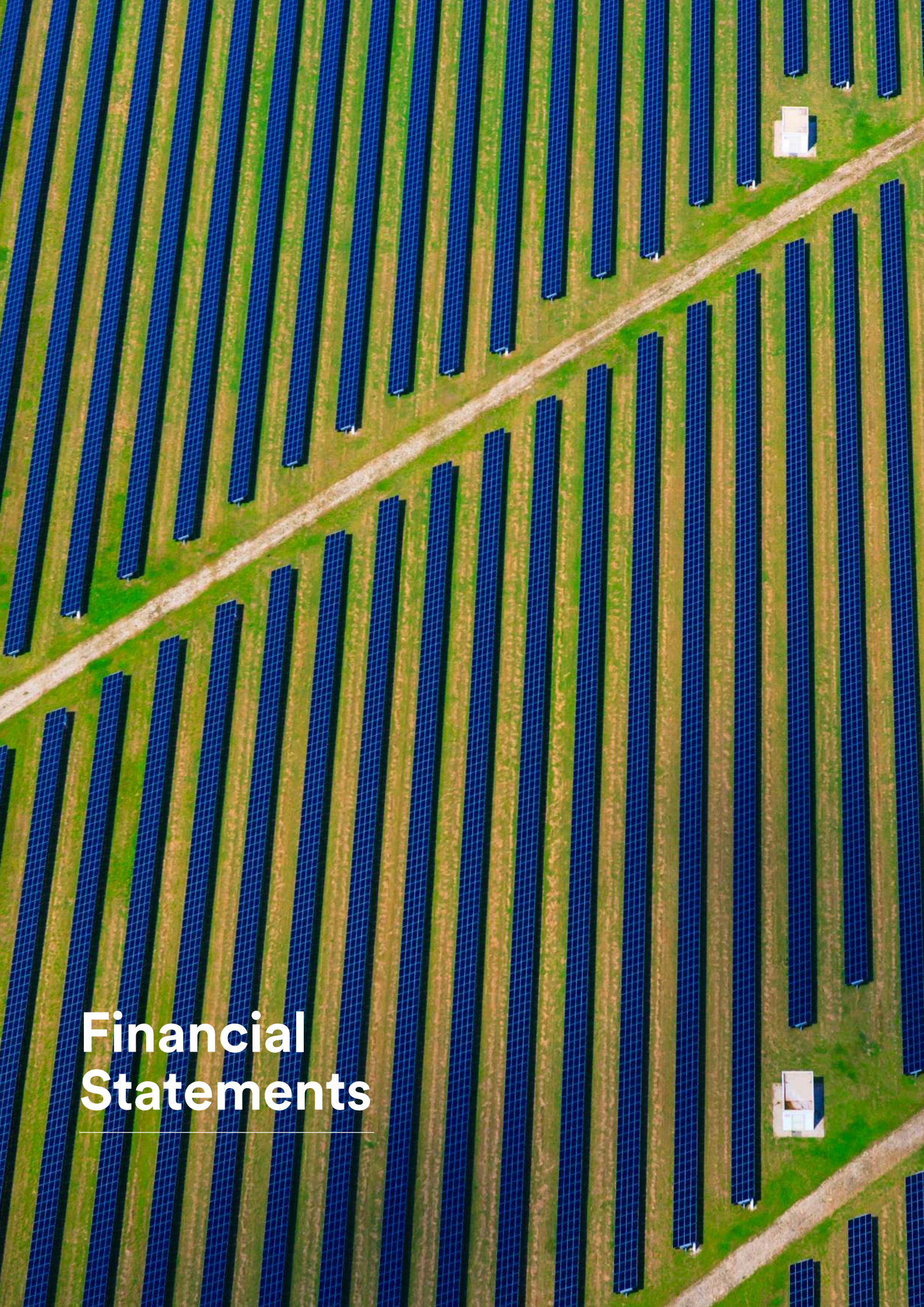
2.5. The shareholders of the Company may expect dividend when the Board, on a consideration of such parameters and factors as it considers relevant, is of the view that it would be in the best interests of the Company and its shareholders as a whole to recommend dividend and the shareholders approve such dividend at the Annual General Meeting. The Board may not recommend dividend where the future outlook, possible future cash flow requirements, growth opportunities, capital expenditure, macroeconomic conditions or other factors, including as mentioned in clause 2.1 above, in the opinion of the Board, do not warrant recommending any dividend.

2.6. The Board's recommendation of dividend would be in the discretion of the Board. Any declaration of dividend pursuant to the Board's recommendation would be subject to the approval of the shareholders at the Annual General Meeting as required by the Companies Act, 2013.

2.7. The Board may utilise the retained earnings to further the business objectives and operations of the Company, to increase value for shareholders in the long run or may distribute amongst the shareholders by way of a dividend in line with this Policy.

2.8. The Board may declare interim or recommend final and/or special dividend as may be permitted under the Companies Act, 2013 or any amendment, modification, variation or re-enactment thereof.

2.9. The Company presently has only one class of shares, being equity shares of face value of ₹ 10 each.



Financial Statements



Independent Auditor's Report

To the Members of 3M India Limited

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of 3M India Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

REVENUE RECOGNITION

See Note 3(h) and 18 to financial statements

BASIS FOR OPINION

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

KEY AUDIT MATTER

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

The key audit matter	How the matter was addressed in our audit
The products of the Company are primarily sold through distributors, modern trade and direct sale channels amongst others. Revenue from sale of goods is recognised at contract price after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government when control of the product is transferred to the customer i.e., on delivery to customer. The Company tracks proof of delivery and reverses the value of goods not delivered by the balance sheet date. We identified revenue recognition as a key audit matter given it is a key performance indicator of the Company. Pressure to achieve targets, earning expectations or incentive schemes linked to performance could create an incentive for revenue to be overstated or before control has been transferred.	To obtain sufficient and appropriate audit evidence our principal audit procedures included, amongst others: • Evaluated the appropriateness of the revenue recognition accounting policies in compliance with the accounting standards. • Tested the design and operating effectiveness of relevant key controls with respect to revenue recognition on a sample basis. • Tested the design, implementation and operating effectiveness of the Company's general IT controls and key application controls over the Company's IT systems which govern revenue recognition in the general ledger accounting system. • Performed substantive testing of selected samples of revenue transactions, recorded during the year by testing the underlying documents. • Circularisation of independent confirmation on a sample basis of customer balances at the balance sheet date. • Obtaining supporting documentation, on a sample basis for sales transactions recorded near to balance sheet date to determine whether revenue was recognised in the correct period. • Tested, on a sample basis, certain journal entries relating to revenues to identify and inquire on unusual items, if any.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 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 the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid 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 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 33 to the financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 41 to the 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.

- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 41 to the 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures 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 (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 13 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
- (i) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the books of account relating to journal entry for the period 1 April 2024 to 14 October

2024, credit note process for the period 1 April 2024 to 3 February 2025 and trade payables for the period 1 April 2024 to 25 March 2025.

- (ii) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account relating to customer order process.
 - (iii) In case of accounting software used for maintaining details relating to payroll, in absence of sufficient and appropriate reporting on compliance with the audit trail requirements in the independent auditor's report in relation to controls at third-party service provider, we are unable to comment whether the audit trail feature was enabled at the database level to log any direct data changes and operated throughout the year for all relevant transactions recorded in the software.
- ii. Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of audit trail feature being tampered with.
- iii. Additionally, except where the audit trail (edit log) facility was not enabled in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Umang Banka

Partner

Place: Bengaluru

Membership No: 223018

Date: May 28, 2025 ICAI UDIN: 25223018BMLCVT5086



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF 3M INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2025

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any 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 not granted any loans, secured or unsecured, to Companies, firms or limited liability partnership during the year. The Company has granted loans to other parties (employees) during the year in respect of which the requisite information is as below:
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided interest free loans to other parties (employees) as below:
- | Particulars | Loans
(Amount in
₹ lakhs) |
|---|---------------------------------|
| Aggregate amount during the year Others (employees) | 48.91 |
| Balance outstanding as at balance sheet date Others (employees) | 47.97 |
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the terms and conditions of the grant of interest free loans provided during the year are not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given to other parties (employees), in our opinion the repayment of principal has been stipulated and the repayments or receipts have been regular. The loan given to other parties (employees) are interest free and hence there are no stipulation with respect to the payment of interest. Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in

respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax, Sales tax, Service tax, Goods and Service Tax, Duty of Excise, Value added tax and Duty of Customs which have not been deposited on account of any dispute are as follows:

Statute / Nature of Dues	Demand Amount (₹ lakhs)	Payment under Protest (₹ lakhs)	Net Amount (₹ lakhs)	Period to which the amount relates	Forum where dispute is pending
Income tax	33,692.55	6,663.36	27,029.19	2005-06, 2007-08, 2010-11 to 2018-19, 2020-22	Commissioner of Income Tax (Appeals)
	399.35	322.17	77.18	2006-07	High Court
	701.03	478.68	222.35	2008-10 and 2012-13	Income Tax Appellate Tribunal
Sales tax / Value added tax / Central Sales tax	3,924.67	1,074.14	2,850.52	2008-18	Appellate Authority up to Commissioner level
	4,641.77	1,164.12	3,477.65	2006-15	Sales Tax Appellate Tribunal
Excise (including service tax)	5,454.85	279.23	5,175.62	2007-17	Customs, Excise and Service Tax Appellate Tribunal
	118.39	-	118.39	2006-07	High Court



Statute / Nature of Dues	Demand Amount (₹ lakhs)	Payment under Protest (₹ lakhs)	Net Amount (₹ lakhs)	Period to which the amount relates	Forum where dispute is pending
Customs Duty	1,961.51	-	1,961.51	2005-10	High Court
	17,284.48	577.01	16,707.47	2011-14 and 2019-24	Customs, Excise and Service Tax Appellate Tribunal
	14.92	-	14.92	2022-23	Commissioner Appeals
Goods and Services Tax	2,377.52	176.58	2,200.94	2017-24	Appellate Authority up to Commissioner level
	1,443.24	70.64	1372.60	2016-18	Commissioner Appeals
	542.26	-	542.26	2020-21	High Court

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act 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. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Umang Banka

Partner

Place: Bengaluru

Membership No: 223018

Date: May 28, 2025 ICAI UDIN: 25223018BMLCVT5086



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF 3M INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

OPINION

We have audited the internal financial controls with reference to financial statements of 3M India Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Umang Banka

Partner

Place: Bengaluru

Membership No: 223018

Date: May 28, 2025 ICAI UDIN : 25223018BMLCVT5086



Balance Sheet

as at March 31, 2025

(₹ in lakhs)

	Note	As at March 31, 2025	As at March 31, 2024*
I. ASSETS			
1) Non-current assets			
a) Property, plant and equipment	4	31,804.41	31,176.49
b) Capital work-in-progress	4	981.60	1,232.20
c) Right - of - use assets	38	9,881.71	2,033.57
d) Other intangible assets	5	30.42	35.32
e) Financial assets			
i) Loans	7	15.17	15.06
ii) Other financial assets	8	694.35	940.26
f) Deferred tax assets (net)	34	1,962.92	2,782.54
g) Income tax assets (net)	34	8,190.31	14,991.05
h) Other non-current assets	9	3,831.13	4,769.74
Total non-current assets		57,392.02	57,976.23
2) Current assets			
a) Inventories	10	64,823.85	53,179.35
b) Financial assets			
i) Trade receivables	6	79,026.74	70,308.98
ii) Cash and cash equivalents	11(a)	93,277.92	104,428.88
iii) Bank balances other than (ii) above	11(b)	460.46	31,355.46
iv) Loans	7	32.80	43.86
v) Other financial assets	8	523.24	856.09
c) Other current assets	9	5,161.37	6,673.51
d) Asset held for sale	4	760.77	-
Total current assets		244,067.15	266,846.13
Total assets		301,459.17	324,822.36
II. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	12	1,126.51	1,126.51
b) Other equity	13	183,523.18	213,563.83
Total equity		184,649.69	214,690.34
Liabilities			
1) Non-current liabilities			
a) Financial liabilities			
i) Lease liabilities	38	9,141.00	876.60
b) Provisions	14	3,372.90	3,307.23
Total non-current liabilities		12,513.90	4,183.83
2) Current liabilities			
a) Financial liabilities			
i) Lease liabilities	38	812.53	941.18
ii) Trade payables			
- Total outstanding dues of micro and small enterprises; and	15	5,531.12	4,049.23
- Total outstanding dues of creditors other than micro and small enterprises	15	70,068.65	78,343.00
iii) Other financial liabilities	16	8,865.44	5,328.96
b) Other current liabilities	17	5,730.85	5,840.84
c) Provisions	14	8,083.24	7,670.64
d) Current tax liabilities (net)	34	5,203.75	3,774.34
Total current liabilities		104,295.58	105,948.19
Total liabilities		116,809.48	110,132.02
Total equity and liabilities		301,459.17	324,822.36
* read along with note 39			
Material accounting policies	3		

See accompanying notes to the financial statements

for **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Umang Banka

Partner

Membership No: 223018

for and on behalf of **3M India Limited**

Ramesh Ramadurai

Managing Director

DIN: 07109252

Nikhil Arora

Chief Financial Officer

Jayanand Kaginalkar

Whole-time Director

DIN: 07904558

Pratap Rudra Bhuvanagiri

Company Secretary

Membership No: A22297

Place: Bengaluru

Date: May 28, 2025

Place: Bengaluru

Date: May 28, 2025

Statement of Profit and Loss

for the year ended March 31, 2025

		(₹ in lakhs)	
	Note	Year ended March 31, 2025	Year ended March 31, 2024*
I. INCOME			
Revenue from operations	18	444,555.63	418,936.24
Other income	19	7,026.52	7,829.09
Total income		451,582.15	426,765.33
II. EXPENSES			
Cost of materials consumed	20	170,807.10	159,946.30
Purchases of stock-in-trade	21	101,273.02	85,928.13
Changes in inventories of finished goods, stock-in-trade and work-in-progress	22	(7,139.44)	4,848.31
Employee benefits expense	23	43,779.48	39,184.88
Finance costs	24	1,117.51	321.65
Depreciation and amortisation expense	4, 5 and 38	5,528.70	5,293.56
Other expenses	25	58,875.12	53,121.08
Total expenses		374,241.49	348,643.91
III. PROFIT BEFORE TAX		77,340.66	78,121.42
IV. TAX EXPENSE			
i) Current tax charge	34	28,752.32	19,789.77
ii) Deferred tax charge / (credit)	34	981.60	(10.03)
Total tax expenses		29,733.92	19,779.74
V. PROFIT FOR THE YEAR		47,606.74	58,341.68
VI. OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified subsequently to statement of profit or loss			
Remeasurements of net defined benefit liability / asset	29	(643.64)	(178.16)
Income tax relating to items that will not be reclassified subsequently to profit or loss		161.98	44.84
Other comprehensive income / (loss), net of tax		(481.66)	(133.32)
VII. TOTAL COMPREHENSIVE INCOME FOR THE YEAR		47,125.08	58,208.36
VIII. EARNINGS PER SHARE (NOMINAL VALUE OF ₹ 10 EACH)	26		
- Basic (in ₹)		422.60	517.90
- Diluted (in ₹)		422.60	517.90
* read along with note 39			
Material accounting policies	3		

See accompanying notes to the financial statements

for **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Umang Banka

Partner

Membership No: 223018

for and on behalf of **3M India Limited**

Ramesh Ramadurai

Managing Director

DIN: 07109252

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Whole-time Director

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Company Secretary

Membership No: A22297

Place: Bengaluru

Date: May 28, 2025

Place: Bengaluru

Date: May 28, 2025



Statement of changes in Equity

for the year ended March 31, 2025

A. EQUITY SHARE CAPITAL

For the year ended March 31, 2025		(₹ in lakhs, except for number of shares)	
Equity shares of ₹ 10 each issued, subscribed and fully paid up	Number of shares	Amount	
Balance as at April 01, 2024	11,265,070	1,126.51	
Changes in equity share capital during the year	-	-	
Balance as at March 31, 2025	11,265,070	1,126.51	

For the year ended March 31, 2024		(₹ in lakhs, except for number of shares)	
Equity shares of ₹ 10 each issued, subscribed and fully paid up	Number of shares	Amount	
Balance as at April 01, 2023	11,265,070	1,126.51	
Changes in equity share capital during the year	-	-	
Balance as at March 31, 2024	11,265,070	1,126.51	

B. OTHER EQUITY

							(₹ in lakhs)
Particulars	Equity share capital	Other equity				Total Other Equity	Total equity
		Reserves and surplus			Remeasurements of net defined benefits liability/ (asset), net of tax		
		Securities premium	General reserve	Retained earnings			
Balance as at April 01, 2023	1,126.51	949.90	303.98	166,264.24	(897.58)	166,620.54	167,747.04
Changes in equity for the year ended March 31, 2024							
Profit for the year	-	-	-	58,341.68	-	58,341.68	58,341.68
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	(133.32)	(133.32)	(133.32)
Dividends (refer note 13)	-	-	-	(11,265.07)	-	(11,265.07)	(11,265.07)
Balance as at March 31, 2024*	1,126.51	949.90	303.98	213,340.85	(1,030.90)	213,563.83	214,690.34
Balance as at April 01, 2024	1,126.51	949.90	303.98	213,340.85	(1,030.90)	213,563.83	214,690.34
Changes in equity for the year ended March 31, 2024							
Profit for the year	-	-	-	47,606.74	-	47,606.74	47,606.74
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	(481.66)	(481.66)	(481.66)
Dividends (refer note 13)	-	-	-	(77,165.73)	-	(77,165.73)	(77,165.73)
Balance as at March 31, 2025	1,126.51	949.90	303.98	183,781.86	(1,512.56)	183,523.18	184,649.69

* read along with note 39

See accompanying notes to the financial statements

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Umang Banka

Partner

Membership No: 223018

for and on behalf of **3M India Limited**

Ramesh Ramadurai

Managing Director

DIN: 07109252

Nikhil Arora

Chief Financial Officer

Jayanand Kaginalkar

Whole-time Director

DIN: 07904558

Pratap Rudra Bhuvanagiri

Company Secretary

Membership No: A22297

Place: Bengaluru

Date: May 28, 2025

Place: Bengaluru

Date: May 28, 2025

Statement of Cash Flows

for the year ended March 31, 2025

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024*
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	77,340.66	78,121.42
Adjustments for:		
Depreciation and amortisation expense	5,528.70	5,293.56
Bad debts and allowance for doubtful trade receivables (net)	33.93	178.57
Liabilities no longer required written back (net)	(548.18)	(945.25)
Unrealised exchange loss on foreign currency transactions (net)	(232.96)	136.21
Loss / (Gain) on disposal and write off of property, plant and equipment (net)	202.83	(72.28)
Interest income	(6,186.60)	(6,669.97)
Finance costs	1,117.51	321.65
	77,255.89	76,363.91
Movement in working capital:		
(Decrease) / Increase in trade payables	(6,596.82)	10,713.84
(Decrease) / Increase in provisions	(165.37)	923.62
Increase in other financial liabilities and other liabilities	3,942.14	693.09
(Increase) in trade receivables	(8,751.69)	(11,865.24)
(Increase) / decrease in inventories	(11,644.50)	7,894.75
Decrease / (increase) in loans, other financial assets, other current and non current assets	2,178.38	(227.04)
Cash generated from operations activities	56,218.03	84,496.93
Income tax paid (net of refund)	(20,707.59)	(20,193.44)
Net cash from operating activities (A)	35,510.44	64,303.49
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets including capital work in progress	(5,542.02)	(3,141.42)
Proceeds from sale of property, plant and equipment	53.98	78.48
Movement in fixed deposits with original maturity more than 3 months (net)	30,800.00	(30,800.00)
Interest received	6,884.05	6,925.35
Net cash generated from/ (used in) investing activities (B)	32,196.01	(26,937.59)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability (including interest thereon)	(1,691.68)	(1,492.49)
Dividends paid (refer note 13)	(77,165.73)	(11,265.07)
Net cash used in financing activities (C)	(78,857.41)	(12,757.56)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(11,150.96)	24,608.34



Statement of Cash Flows

for the year ended March 31, 2025

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024*
Cash and cash equivalents at the beginning of the year	104,428.88	79,820.54
Cash and cash equivalents at the end of the year	93,277.92	104,428.88
Cash and cash equivalents comprise of [refer note 11(a)]:		
Other bank balances		
- in current accounts	3,306.92	7,976.38
- deposits accounts (original maturity of three months or less)	89,971.00	96,452.50
	93,277.92	104,428.88
Debt reconciliation statement in accordance with Ind AS 7		
Reconciliation of lease liability (Non-current and Current)		
Opening balance	1,817.78	2,674.74
Addition to lease liability	8,932.61	516.46
Termination of lease	-	(61.99)
Interest cost	894.82	181.06
Payment of lease liability (including interest thereon)	(1,691.68)	(1,492.49)
Closing balance	9,953.53	1,817.78
* read along with note 39		
Material accounting policies (refer note 3)		

See accompanying notes to the financial statements

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Umang Banka

Partner

Membership No: 223018

for and on behalf of **3M India Limited**

Ramesh Ramadurai

Managing Director

DIN: 07109252

Nikhil Arora

Chief Financial Officer

Jayanand Kaginalkar

Whole-time Director

DIN: 07904558

Pratap Rudra Bhuvanagiri

Company Secretary

Membership No: A22297

Place: Bengaluru

Date: May 28, 2025

Place: Bengaluru

Date: May 28, 2025

Notes to the Financial Statements

1. REPORTING ENTITY

3M India Limited ('the Company') is a subsidiary of 3M Company, USA. The Company manages its operations in four operating segments: Safety & Industrial, Transportation & Electronics, Health Care and Consumer. In India, the Company has manufacturing facilities at Ahmedabad, Bengaluru, Pune and has a Research & Development Center in Bengaluru. 3M India's four business segments bring together common or related 3M technologies that enhance the development of innovative products and services and provide efficient sharing of business resources. The Company is a public limited Company domiciled in India with its registered office situated at Plot Nos. 48-51, Electronic City, Hosur Road, Bengaluru - 560 100 and is listed on the Bombay Stock Exchange Ltd (BSE) and the National Stock Exchange Ltd (NSE).

2. BASIS OF PREPARATION

A) Statement of compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on May 28, 2025.

Details of the Company's material accounting policies are included in Note 3.

B) Functional & presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to two decimal places to the nearest lakhs, unless otherwise indicated.

C) Basis of measurement

These financial statements have been prepared under the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date:

- Note 28 - share-based payment arrangements and
- Note 37 - financial instruments

D) Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 38 - leases: whether an arrangement contains a lease, lease classification and lease term.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 3(b), 4 and 5 - useful life of property, plant and equipment and other intangible assets;
- Note 6 to 8 and 37 - impairment of financial assets;
- Note 29 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 3(f) and 10 - provision for inventories;
- Note 28 - valuation of employee stock option plan
- Note 14 and 33 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

E) Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as



Notes to the Financial Statements

possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 29 - share-based payment arrangements and
- Note 37 - financial instruments.

F) Current/ Non-current classification

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is classified as current when –

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

3. MATERIAL ACCOUNTING POLICIES

A) Financial instruments

i) Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party

to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at-

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the

Notes to the Financial Statements

right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the Statement of profit and loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

B) Property, plant and equipment (including capital work in progress)

i) Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably

Items of property, plant and equipment, are measured at cost, which includes capitalised borrowing cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then

they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of profit and loss.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is recognised in the Statement of profit and loss.

Leasehold improvements are amortised over the period of lease or the estimated useful life (3-10 years) whichever is lower. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Category of asset	Useful lives adopted by Company	Useful lives as per Schedule II of Companies Act, 2013
Buildings	10 - 30 years	30 years
Plant and machinery	3 - 15 years	15 years
Furniture and fixtures	10 years	10 years
Office equipment	5 years	5 years
Data processing equipment	3 years	3 years
Vehicles	5 years	6 - 10 years

Depreciation/amortisation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that the estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013 for some assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).



Notes to the Financial Statements

Capital work in progress includes cost of property, plant & equipment under installation/under development as at the balance sheet date.

C) Intangible assets

- i) **Internally generated : Research and development**
Expenditure on research activities is recognised in Statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

- ii) **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

- iii) **Others**

Other intangible assets are stated at acquisition cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of profit and loss. The amortisation rates used are:

Asset	Useful life	Useful lives as per Schedule II of Companies Act, 2013
Computer software	3 years	6 years

D) Business combinations

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory, are accounted for as per the pooling of interest method. The business

combination is accounted for as if the business combination had occurred at the beginning of the earliest comparative period presented or, if later, at the date the common control was established. The assets and liabilities are carried acquired are recognised at their carrying amounts.

E) Impairment

- i) **Financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the Statement of profit and loss.

The Company at end of each reporting period evaluates, if any indicators are present which might require Company to impair its financial assets.

Write off:

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

- ii) **Non-financial assets**

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not

Notes to the Financial Statements

be recoverable. For the purpose of impairment testing other than goodwill, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash generating units (CGUs) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

f) Inventories

Inventories are valued at the lower of cost and estimated net realizable value, after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. The costs of raw materials and traded goods are ascertained on First-In-First-Out basis, whereas manufactured work-in-progress and finished goods are ascertained on weighted average method.

Finished goods and work-in-progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

The provision for inventory obsolescence is arrived on quarterly basis based on the policy determined by the Company.

g) Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the balance sheet date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

h) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer after deduction of any trade discount, volume rebate and taxes or duties collected on behalf of the government such as goods and services tax, etc. The Company recognises revenue when it transfers control over a good or service to a customer.

For sale of finished goods and traded goods, revenue is recognised when the goods are delivered and have been accepted by customers as per the terms of the arrangement or at the time of dispatch in case of ex-works, as the case may be. For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The Company creates provision for the sales returns based on the historical sales reversal trend.

For sale of services which includes income from contract research and management support service fee, revenue is recognized based on agreements/arrangements with the customers as the service is performed.

The Company has determined that the revenues as disclosed in Note 19 are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.



Notes to the Financial Statements

Other income primarily includes interest income which is recognised using the effective interest rate (EIR) method.

i) Employee benefits

Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee.

Provident fund

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Company has an Employees Gratuity Fund where the investments are administered by a Fund Manager. The Company accounts for the liability of Gratuity Benefits payable in future based on an independent actuarial valuation (using the Projected Unit Credit method). Actuarial losses/ gains are recognised in Statement of profit and loss under 'Other Comprehensive Income' in the year in which they arise. Current and non current classification based on actuarial valuation report.

Compensated absences

The Company provides for the encashment/ availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment/ availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the

basis of an independent actuarial valuation (using the Projected Unit Credit method). Actuarial losses / gains are recognised in 'Other Comprehensive Income' in the year in which they arise. The liability has been classified as current as the Company does not have unconditional right to defer the liability.

Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

j) Share based payments

The eligible employees of the Company are allotted share appreciation rights (SARs) and restricted stock units (RSUs) pertaining to 3M Company, USA (Holding Company). The fair value of the amount payable to employees in respect of SARs and RSUs which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period that the employees unconditionally become entitled to the payment. The Company measures compensation expense for SARs at their fair value determined using Black-Scholes Model and RSUs based on fair market value of shares of 3M Company, USA as at each reporting date. Any change in the fair value of the liability are recognised in the Statement of profit and loss.

k) Income taxes

i) Current tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial

Notes to the Financial Statements

statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

I) Provisions and contingent liabilities

i) General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii) Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an

outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii) Onerous contracts

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

m) Leases

As a lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, in Statement of profit and loss and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in



Notes to the Financial Statements

statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The Company presents right-of-use assets that do not meet the definition of investment property separately in the balance sheet and lease liabilities separately within 'Financial Liabilities'.

Short-term leases and leases of low-value assets

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

n) Segment reporting

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Director of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the CODM. Refer note 31 for segment information presented.

o) Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

p) Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit/ loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. The Company does not have any dilutive equity shares.

q) Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

r) Government grants

The Company recognises unconditional government grant related to Package Scheme of Incentive (PSI) scheme in statement of profit and loss under other income when the grant becomes receivable.

s) Recent Indian Accounting Standards :

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f April 01, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Notes to the Financial Statements

4 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN- PROGRESS

(₹ in lakhs)

Particulars	Freehold land*	Buildings	Plant and machinery	Furniture & fixtures	Office equipment	Data processing equipment	Electrical installations	Vehicles	Leasehold improvements	Total
Cost at April 01, 2023	988.72	18,410.16	35,610.90	2,008.72	823.19	56.07	9.97	2.87	41.47	57,952.06
Additions	-	369.95	3,616.26	284.19	-	-	-	-	-	4,270.40
Disposals	-	(1.60)	(269.76)	(48.15)	(2.23)	(1.79)	-	-	(6.26)	(329.78)
Balance at March 31, 2024	988.72	18,778.51	38,957.40	2,244.76	820.96	54.28	9.97	2.87	35.21	61,892.68
Cost at April 01, 2024	988.72	18,778.51	38,957.40	2,244.76	820.96	54.28	9.97	2.87	35.21	61,892.68
Additions	-	798.04	3,560.66	286.38	173.90	-	-	-	858.97	5,677.95
Reclassified to Assets held for sale	(760.77)	(330.55)	-	-	-	-	-	-	-	(1,091.32)
Disposals	-	(28.56)	(394.70)	(42.66)	(16.85)	-	-	-	-	(482.77)
Balance at March 31, 2025	227.95	19,217.44	42,123.36	2,488.48	978.01	54.28	9.97	2.87	894.18	65,996.54
ACCUMULATED DEPRECIATION										
Balance at April 01, 2023	-	5,310.62	19,295.77	1,598.22	789.92	56.07	9.57	2.87	41.37	27,104.39
Depreciation for the year	-	771.14	2,964.46	178.29	21.49	-	-	-	-	3,935.38
Disposals	-	(1.39)	(263.77)	(48.15)	(2.23)	(1.79)	-	-	(6.26)	(323.58)
Balance at March 31, 2024	-	6,080.37	21,996.46	1,728.36	809.18	54.28	9.57	2.87	35.11	30,716.19
Balance at April 01, 2024	-	6,080.37	21,996.46	1,728.36	809.18	54.28	9.57	2.87	35.11	30,716.19
Depreciation for the year	-	774.01	3,007.45	172.05	21.68	-	-	-	57.26	4,032.45
Reclassified to Assets held for sale	-	(135.81)	-	-	-	-	-	-	-	(135.81)
Disposals	-	(15.63)	(347.13)	(41.10)	(16.85)	-	-	-	-	(420.71)
BALANCE AT MARCH 31, 2025	-	6,702.94	24,656.78	1,859.31	814.01	54.28	9.57	2.87	92.37	34,192.12
CARRYING VALUE (NET)										
As at March 31, 2024	988.72	12,698.14	16,960.94	516.40	11.78	-	0.40	-	0.10	31,176.49
AS AT MARCH 31, 2025	227.95	12,514.50	17,466.58	629.17	164.00	-	0.40	-	801.81	31,804.41

a) There has been no revaluation of property, plant and equipment done during the year.

b) The title deeds of all the immovable properties are held in the name of the Company.

c) During the year, the Company has obtained an approval for selling one of the land and building at Pimpri location which has a carrying value of ₹ 760.77 lakhs and ₹ 194.74 lakhs respectively and accordingly disclosed as 'Asset Held for Sale'. As at reporting date, the management has valued these at lower of the carrying value or fair value less cost to sale where the carrying value of the building has been written off in the statement of profit and loss (refer note 25).

Notes to the Financial Statements



Capital work-in-progress		(₹ in lakhs)
Balance at April 01, 2023		2,457.02
Additions during the year		3,068.67
Capitalised during the year		4,293.49
Balance at March 31, 2024		1,232.20
Balance at April 01, 2024		1,232.20
Additions during the year		5,439.54
Capitalised during the year		5,690.14
Balance at March 31, 2025		981.60

Capital work-in-progress aging schedule

March 31, 2025	Amount in capital work-in-progress for a period of				(₹ in lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	248.49	733.11	-	-	981.60
Projects temporarily suspended	-	-	-	-	-
	248.49	733.11	-	-	981.60

March 31, 2024	Amount in capital work-in-progress for a period of				(₹ in lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,158.66	73.54	-	-	1,232.20
Projects temporarily suspended	-	-	-	-	-
	1,158.66	73.54	-	-	1,232.20

Capital work in progress whose completion is overdue:

March 31, 2025	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Slitter -Tapes Packaging Automation	61.61	-	-	-
Outsource Manufacturing	41.88	-	-	-
	103.49	-	-	-
				103.49

March 31, 2024	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
	-	-	-	-
	-	-	-	-

Notes to the Financial Statements

5 OTHER INTANGIBLE ASSETS

(₹ in lakhs)	
Particulars	Computer Software
Cost at April 01, 2023	229.46
Additions	23.09
Disposals	-
Balance at March 31, 2024	252.55
Cost at April 01, 2024	252.55
Additions	12.19
Disposals	(10.80)
Balance at March 31, 2025	253.94
Accumulated amortisation	
Balance at April 01, 2023	198.40
Amortisation for the year	18.83
Disposals	-
Balance at March 31, 2024	217.23
Balance at April 01, 2024	217.23
Amortisation for the year	17.09
Disposals	(10.80)
Balance at March 31, 2025	223.52
Carrying value (net)	
As at March 31, 2024	35.32
As at March 31, 2025	30.42

6 TRADE RECEIVABLES

(₹ in lakhs)		
	As at March 31, 2025	As at March 31, 2024
Trade receivables considered good - secured	794.33	862.66
Trade receivables considered good - unsecured*	78,313.18	69,594.86
Trade receivables - credit impaired	3,918.16	3,913.82
	83,025.67	74,371.34
Less: Loss allowance (refer note 37B)	(3,998.93)	(4,062.36)
Net trade receivables	79,026.74	70,308.98
Total trade receivables from related parties	3,245.97	576.47
Loss allowance	-	-
Net trade receivables	3,245.97	576.47

* includes unbilled receivables of ₹ 1,274.19 lakhs (March 31, 2024: ₹ 2,218.55 lakhs)



Notes to the Financial Statements

Trade receivables Ageing Schedule

(₹ in lakhs)

March 31, 2025	Unbilled	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade Receivables - considered good	1,274.19	75,040.84	2,570.47	50.45	-	-	-	78,935.95
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	0.01	99.73	128.99	25.32	1,515.43	1,769.48
Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	26.86	-	59.92	676.01	1,557.45	2,320.24
Total	1,274.19	75,040.84	2,597.34	150.18	188.91	701.33	3,072.88	83,025.67

(₹ in lakhs)

March 31, 2024	Unbilled	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade Receivables - considered good	2,218.55	62,184.18	5,920.44	3.15	131.20	-	-	70,457.52
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	10.68	53.56	127.70	1,350.35	1,542.29
Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	0.36	510.99	-	1,860.18	2,371.53
Total	2,218.55	62,184.18	5,920.44	14.19	695.75	127.70	3,210.53	74,371.34

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 36.

7 LOANS

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Non current		
Unsecured, considered good		
Loans to employees	15.17	15.06
	15.17	15.06
Current		
Unsecured, considered good		
Loans to employees	32.80	43.86
	32.80	43.86
	47.97	58.92

Notes to the Financial Statements

8 OTHER FINANCIAL ASSETS

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Non current		
Unsecured, considered good		
Security deposits*	694.35	940.26
	694.35	940.26
Unsecured, considered doubtful		
Security deposits	41.24	41.24
Less : Loss allowance	(41.24)	(41.24)
	-	-
	694.35	940.26
Current		
Unsecured, considered good		
Security deposits	284.55	408.62
Government grants receivable	218.66	427.12
Others receivables	20.03	20.35
	523.24	856.09
Unsecured, considered doubtful		
Security deposits	15.40	15.40
Less : Loss allowance	(15.40)	(15.40)
	-	-
	523.24	856.09
	1,217.59	1,796.35

9 OTHER ASSETS

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Non current		
Capital advances	170.76	246.86
Balances with government authorities		
Unsecured, considered good	68.42	1,014.08
Payments under protest*		
Unsecured, considered good	3,591.95	3,508.80
Unsecured, considered doubtful	47.69	47.69
Less : Loss allowance	(47.69)	(47.69)
	3,831.13	4,769.74
Current		
Prepayments	1,450.51	1,252.45
CSR spent available for carry forward	40.37	-
Advance for supply of goods	403.45	522.22
Balances with government authorities		
Unsecured, considered good	3,267.04	4,898.84
	5,161.37	6,673.51
	8,992.50	11,443.25

*These payments represents deposits given to government authorities against the ongoing indirect tax litigations.



Notes to the Financial Statements

10 INVENTORIES

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Raw materials	28,230.98	23,978.90
[Including in - transit ₹ 10,002.32 lakhs (March 31, 2024: ₹ 9,860.18 lakhs)]		
Packing materials	1,195.02	942.04
Work-in-progress	2,615.46	2,173.50
Finished goods	10,674.12	8,631.92
Stock-in-trade	22,108.27	17,452.99
[Including in - transit ₹ 9,898.63 lakhs (March 31, 2024: ₹ 6,263.47 lakhs)]		
	64,823.85	53,179.35

The provision for write down of inventories to net realisable value during the year amounted to ₹ 606.76 lakhs (March 31, 2024 : ₹ 480.37 lakhs). The provision estimated by the management for obsolete stock during the year amounted to ₹ 1,164.21 lakhs (March 31, 2024 : ₹ 1,268.35 lakhs).

11 A) CASH AND CASH EQUIVALENTS

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- In current accounts	3,306.92	7,976.38
- Deposit accounts (original maturity of three months and less)	89,971.00	96,452.50
	93,277.92	104,428.88

B) OTHER BANK BALANCES

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- Deposit accounts (original maturity of more than three months but less than twelve months)	-	31,106.17
Earmarked accounts		
- Unclaimed dividend	460.46	249.29
	460.46	31,355.46

12 SHARE CAPITAL

	(₹ in lakhs except for number of shares)	
	As at March 31, 2025	As at March 31, 2024
Authorised		
Equity shares	1,176.51	1,176.51
[11,765,070 equity shares of ₹ 10/- each (March 31, 2024: 11,765,070 equity shares of ₹ 10/- each)]		
	1,176.51	1,176.51
Issued, subscribed and paid up		
Equity shares fully paid up	1,126.51	1,126.51
[11,265,070 equity shares of ₹ 10/- each (March 31, 2024: 11,265,070 equity shares of ₹ 10/- each)]		
	1,126.51	1,126.51

Notes to the Financial Statements

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the year	11,265,070	1,126.51	11,265,070	1,126.51
Shares issued during the year	-	-	-	-
Closing balance at the end of the year	11,265,070	1,126.51	11,265,070	1,126.51

b) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

c) Shares held by holding company

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
3M Company, USA	8,448,802	844.88	8,448,802	844.88

d) Details of shareholders holding more than 5 % of total number of equity shares

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% holding	Number of shares	% holding
3M Company, USA (Holding company)	8,448,802	75%	8,448,802	75%

e) There has been no buyback of shares, issues of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the date of the balance sheet.

f) Shares held by promoters at the end of the year

Promoter Name	As at March 31, 2025		
	No of Shares	% total of shares	% Change during the year
3M Company, USA (Holding company)	8,448,802	75%	-

Promoter Name	As at March 31, 2024		
	No of Shares	% total of shares	% Change during the year
3M Company, USA (Holding company)	8,448,802	75%	-



Notes to the Financial Statements

13 OTHER EQUITY

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
i) Securities premium	949.90	949.90
ii) General reserve	303.98	303.98
iii) Remeasurements of net defined benefits liability/ (asset), net of tax	(1,512.56)	(1,030.90)
iv) Retained earnings	183,781.86	213,340.85
	183,523.18	213,563.83

Also refer statement of changes in equity.

Nature and purpose of other equity

i) Securities premium

Securities premium reserve is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

ii) General reserve

This represents appropriation of profit by the Company and is available to the shareholders for distribution.

iii) Remeasurement of defined benefit plans, net of tax

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other equity' and subsequently not reclassified to the Statement of Profit and Loss.

iv) Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit after tax is transferred from the Statement of profit and loss to retained earnings.

Dividends

The following dividends were declared and paid by the Company during the year:

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Dividend on equity shares declared and paid :		
Final dividend for the year ended March 31, 2024: ₹ 685 per share (March 31, 2023: ₹ 100 per share)	77,165.73	11,265.07
	77,165.73	11,265.07
Proposed Dividend on equity shares declared :		
Proposed dividend on equity shares for the year ended on March 31, 2025: ₹ 535 per share (March 31, 2024 : ₹ 685 per share)	60,268.12	77,165.73
	60,268.12	77,165.73

For the year 2024-25, the Board recommended a dividend of ₹ 535 per equity share (final dividend of ₹ 160 per equity share and special dividend of ₹ 375 per equity share) at its meeting held on May 28, 2025. This payment is subject to the approval of the Shareholders in the ensuing Annual General Meeting of the Company

Notes to the Financial Statements

14 PROVISIONS

	As at March 31, 2025		As at March 31, 2024	
	Current	Non current	Current	Non current
Provision for employee benefits				
Gratuity (refer note 29)	-	3,282.30	-	3,216.64
Compensated absences	2,632.14	-	2,214.40	-
Others (refer note 35)				
Provision for asset retirement obligation	-	90.60	-	90.59
Sales tax, service tax and other litigations	2,296.56	-	2,639.33	-
Provision for sales return and volume rebate	3,154.54	-	2,816.91	-
	8,083.24	3,372.90	7,670.64	3,307.23

15 TRADE PAYABLES

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Total outstanding dues to micro and small enterprises (Refer note (a) below)	5,531.12	4,049.23
Total outstanding dues to creditors other than micro and small enterprises*	70,068.65	78,343.00
	75,599.77	82,392.23

Note (a)

1)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
-	Principal	5,531.12	4,049.23
-	Interest	2.02	2.23
2)	The amount of 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 date during the year		
-	Interest	15.86	12.72
-	Principal	1,782.87	1,188.58
3)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.		
4)	The amount of interest accrued and remaining unpaid at the end of each accounting year	2.02	2.23
5)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

* Includes due to related party (refer note 30)

Note: The above information has been determined based on vendors identified by the Company and confirmed by the vendors.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 37.



Notes to the Financial Statements

Trade payables Ageing Schedule

March 31, 2025

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	Total
i) MSME	5,531.12	-	-	-	5,531.12
ii) Others	70,001.51	54.12	7.34	5.69	70,068.65
iii) Disputed dues – MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	75,532.63	54.12	7.34	5.69	75,599.77

March 31, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	Total
i) MSME	4,049.23	-	-	-	4,049.23
ii) Others	77,345.26	895.07	98.68	3.99	78,343.00
iii) Disputed dues – MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	81,394.49	895.07	98.68	3.99	82,392.23

*includes accrued expenses of ₹ 7,717.92 lakhs as at March 31, 2025 (March 31, 2024: ₹ 8,264.89 lakhs) and not due of ₹ 34,994.48 lakhs as at March 31, 2025 (March 31, 2024: ₹ 26,249.70 lakhs)

16 OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Employee stock compensation payable (refer note 28)	5,096.57	1,425.84
Employee benefit obligation	1,967.58	2,231.23
Deposits from customers	1,068.17	1,064.98
Unpaid dividends	460.46	249.29
Creditors for capital goods	188.38	155.79
Others	84.28	201.83
	8,865.44	5,328.96

The Company's exposure to currency and liquidity risks related to other financial liabilities is disclosed in note 37.

17 OTHER CURRENT LIABILITIES

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Advance from customers	342.03	355.30
Statutory liabilities	5,388.82	5,485.54
	5,730.85	5,840.84

Notes to the Financial Statements

18 REVENUE FROM OPERATIONS

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products		
Finished goods	260,791.46	245,449.47
Traded goods	178,575.97	166,919.26
Sale of services		
Income from contract research	2,239.65	1,332.95
Income from management support service fee	2,678.94	4,985.73
Other operating revenue		
Scrap sales	269.61	248.83
	444,555.63	418,936.24

Disaggregation of revenue from operations:

	(₹ in lakhs)	
Business Segments	Year ended March 31, 2025	Year ended March 31, 2024
a) Safety & Industrial	141,386.63	133,328.70
b) Transportation & Electronics	167,655.60	164,940.62
c) Health Care	86,521.71	76,092.59
d) Consumer	46,485.81	42,795.93
e) Others	2,505.88	1,778.40
Total	444,555.63	418,936.24

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
a) Timing of revenue recognition		
Revenue recognised at a point in time	439,637.04	412,617.56
Revenue recognised over time	4,918.59	6,318.68
	444,555.63	418,936.24
b) Reconciliation of revenue recognised with contract price		
Contracted Price	404,777.36	426,065.75
Less: Reduction towards sales return, discounts, rebates etc	(8,840.59)	(7,129.51)
Revenue recognised	395,936.77	418,936.24
c) Contract balances		
The following table summarises contract balances arising from contracts with customers		
Trade receivables	79,026.74	70,308.98
Advance from customers	342.03	355.30
Provision for sales return and volume rebate	3,154.54	2,816.91

- d) The amount of ₹ 355.30 lakhs included in contract liabilities (advance from customers) at March 31, 2024 has been recognised as revenue during the year ended March 31, 2025 (March 31, 2024 : ₹ 477.77 lakhs).
- e) No information is provided about remaining performance obligations at March 31, 2025 or at March 31, 2024 that have an original expected duration of one year or less, as allowed by Ind AS 115.
- f) Invoices generally have payment terms of 30 to 90 days.



Notes to the Financial Statements

19 OTHER INCOME

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest income from financial assets carried at amortised cost	6,186.60	6,669.97
Liabilities no longer required written back (net)	548.18	920.64
Gain on disposal of property, plant and equipment (net)	-	72.28
Miscellaneous income*	291.74	166.20
	7,026.52	7,829.09

*includes ₹ Nil lakhs (March 31, 2024: ₹ 166.20 lakhs received from KCI Medical India Private Limited (fellow subsidiary) with respect to transfer of employees as per the arrangement entered with KCI Medical India Private Limited.

20 COST OF MATERIALS CONSUMED

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Inventory of raw materials and packing materials at the beginning of the year	24,920.94	27,967.38
Add: Purchases	175,312.16	156,899.86
Less: Inventory of raw materials and packing materials at the end of the year	(29,426.00)	(24,920.94)
	170,807.10	159,946.30

21 PURCHASES OF STOCK-IN-TRADE

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Purchases of stock-in-trade	101,273.02	85,928.13
	101,273.02	85,928.13

22 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Opening inventory		
- Finished goods	8,631.92	9,058.55
- Stock-in-trade	17,452.99	21,984.16
- Work-in-progress	2,173.50	2,064.01
	28,258.41	33,106.72
Closing inventory		
- Finished goods	10,674.12	8,631.92
- Stock-in-trade	22,108.27	17,452.99
- Work-in-progress	2,615.46	2,173.50
	35,397.85	28,258.41
(Increase) / decrease in inventory	(7,139.44)	4,848.31

Notes to the Financial Statements

23 EMPLOYEE BENEFITS EXPENSE

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Salaries , wages and bonus	36,384.70	34,733.58
Gratuity expenses	722.02	717.75
Contribution to provident and other funds	1,572.24	1,610.10
Share based payment expenses	2,895.29	257.70
Staff welfare expenses	2,205.23	1,865.75
	43,779.48	39,184.88

24 FINANCE COSTS

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on lease liabilities	894.82	181.06
Interest on income tax matters	185.41	111.78
Others	37.28	28.81
	1,117.51	321.65

25 OTHER EXPENSES

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Corporate management fees	12,417.63	12,757.50
Selling , distribution and advertisement expenses	9,890.84	6,536.27
Royalty	8,738.57	8,142.88
Freight outward	7,315.53	6,743.74
Power and fuel	2,574.72	2,231.94
Travel and conveyance	2,415.23	1,951.91
Legal and professional charges (refer note (a) below)	2,157.72	1,957.57
Repairs and maintenance		
- Plant and machinery	1,494.28	1,278.19
- Building	331.56	132.52
- Others	249.74	231.07
Sub-contracting charges	1,233.14	1,355.26
Expenditure towards corporate social responsibility activities (refer note 32)	1,134.16	804.76
Exchange loss on foreign currency transactions (net)	991.67	805.57
Consumption of stores and spares	871.82	759.14
Rent	656.48	922.37
Rates and taxes	414.70	844.56
Insurance	348.81	324.45
Commission	239.45	466.07
Communication expenses	232.15	211.64
Assets held for sale written off (refer note 4)	194.74	-
Directors' commission and sitting fees	121.31	85.80
Water charges	63.34	41.80
Provision for doubtful debts (net)	33.93	178.57
Loss on disposal of property , plant and equipment (net)	8.09	-
Provision for doubtful advances reversed	-	(722.00)
Doubtful advances written off	-	722.00
Miscellaneous expenses	4,745.51	4,357.50
	58,875.12	53,121.08



Notes to the Financial Statements

a) Payment to auditors

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Audit and limited review fee	144.20	146.70
Tax audit fee	13.50	14.40
Certification fees	40.34	14.00
Reimbursement of out-of-pocket expenses	14.05	11.53
Total	212.09	186.63

Excluding goods and service tax.

26 EARNINGS PER SHARE

	(₹ in lakhs except for number of shares)	
	Year ended March 31, 2025	Year ended March 31, 2024
Net profit attributable to equity shareholders	47,606.74	58,341.68
Weighted average number of equity shares outstanding during the year	11,265,070	11,265,070
Nominal value of equity shares (₹)	10	10
Basic earnings per share (₹)	422.60	517.90
Diluted earnings per share (₹)	422.60	517.90

27 INTER COMPANY AGREEMENTS AND ARRANGEMENTS

- a) **Intellectual property agreement (Royalty expense)**– The Company has entered into Intellectual Property agreement with 3M Innovative Properties Company and 3M Company, USA effective July 01, 2006 for the payment of license fees in the form of royalties. Payments were waived off for a period of 3 years effective from July 01, 2006 to June 30, 2009. The Intellectual Property Agreement with 3M Innovative Properties Company and 3M Company, USA has been revised effective April 01, 2023. Accordingly, the Company has incurred an expenditure of ₹ 7,548.06 lakhs for the year ended March 31, 2025 (March 31, 2024: ₹ 8,142.88 lakhs) and disclosed as Royalty under other expenses (refer note 25).
- b) **Corporate management fees** – In order to avail economies of scale, the Company has entered into inter-company services support services agreement with 3M Global Service Center Management Company, USA (having expertise in establishing, operating and managing international business and incurring costs in developing, manufacturing, marketing and selling a diverse portfolio of products) with effect from April 01, 2019. The Company is charged with comprehensive support services charges by 3M Global Service Center Management Company for the services received from all the 3M group companies in the areas of Laboratory, Technical assistance and Manufacturing, Selling and Marketing, Strategic and Managerial, Information Technology, Routine Administration and Foreign Services Employees Expenses and Outsourced Services of Transaction Processing on competitive conditions. Accordingly, the Company has incurred an expenditure of ₹ 12,417.63 lakhs for the year ended March 31, 2025 (March 31, 2024: ₹ 12,757.50 lakhs) and disclosed as corporate management fee under other expenses (refer note 25).
- c) **Contract research agreement** – The Company has entered into contract research agreement with 3M Innovative Properties Company and 3M Company, USA effective July 01, 2006 for carrying out contract research activities. During the year, Company has recognized an income of ₹ 2,239.65 lakhs (March 31, 2024 : ₹ 1,332.95 lakhs).

Notes to the Financial Statements

28 EMPLOYEE STOCK OPTION PLAN

a) Description of share based payment arrangements

Stock appreciation rights and Restricted stock units (cash-settled)

3M Company, USA has established 3M Company Long Term Incentive Plan (LTIP). As a part of the plan, eligible employees of the Company are entitled to acquire shares of 3M Company, USA via stock options i.e., stock appreciation rights (SARs) and restricted stock units (RSUs). The eligible employees are granted stock options i.e., stock appreciation rights (SARs) and restricted stock units (RSUs) which will vest with the employees over a period of 3 years from the date of the grant and they can exercise the stock option within a stipulated period mentioned in the plan. In case of SARs, the employee (on the date of exercise) gets the compensation as a difference between market price on the date of exercise and grant date fair value. In case of RSUs, the employee (on the date of exercise) gets the compensation which is equal to market price on the date of exercise. As of the year end a sum of ₹ 5,096.57 lakhs (March 31, 2024: ₹ 1,425.84 lakhs) is liability and the same is included as 'Employee benefit obligation' under Other financial liabilities (refer note 16).

b) Measurement of fair values

The Company measures compensation expense for stock appreciation rights (SARs) at their fair value determined using Black - Scholes Model and restricted stock units (RSUs) based on fair market value of shares of 3M Company, USA as March 31, 2025.

The fair value of the cash settled SARs and the inputs used in the measurement of fair value at grant date and measurement date of the SARs are as follows:

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Fair value (in \$)	33.49	19.39
Share price (in \$)	146.86	106.07
Expected volatility (%)	26.12%	22.79%
Expected life (years)	9.87	8.86 years
Expected dividends (%)	3.88%	3.30%
Risk free interest rate (%)	4.49%	3.75%

The expected term of the SARs is estimated based on the vesting term and contractual term of the SARs, as well as expected exercise behavior of the employee who receives the SAR. Expected volatility during the expected term is based on historical volatility of the observed market prices of the 3M Company USA's publicly traded equity shares particularly over the historical period commensurate with the expected term.

c) Reconciliation of outstanding share options

The activity in the cash-settled share based payment transactions during the year ended March 31, 2025 is set out below:

	As at March 31, 2025		As at March 31, 2024	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Stock appreciation right				
Outstanding at the beginning of the year	73,719	-	78,344	-
Granted during the year	6,087	-	-	-
Forfeited and expired during the year	-	-	4,625	-
Exercised during the year	4,620	-	-	-
Outstanding at the end of the year	75,186	-	73,719	-
Exercisable at the end of the year	75,186		65,373	
Restricted stock unit				
Outstanding at the beginning of the year	14,226	-	17,835	-



Notes to the Financial Statements

	As at March 31, 2025		As at March 31, 2024	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Granted during the year	32,737	-	-	-
Forfeited and expired during the year	6,987	-	1,076	-
Exercised during the year	5,210	-	2,533	-
Outstanding at the end of the year	34,766	-	14,226	-
Exercisable at the end of the year	26,199		12,213	

d) Expense recognised in Statement of profit and loss

An amount of ₹ 2,658.91 lakhs has been debited (March 31, 2024: ₹ 257.70 lakhs has been debited) to the statement of profit and loss for the year and included under Employee benefit expenses.

- e) The weighted average share price at the date of exercise with regards to SARs and RSUs exercised during the year is USD 151.45 and USD 149.87 respectively (March 31, 2024: USD Nil and USD 94.87 respectively)

29 EMPLOYEE BENEFITS

a) Defined contribution plan

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Superannuation Fund (SF). Contribution to SF is made to 3M India Limited Employees Superannuation Fund Trust and 3M E & C India Employees Superannuation Fund Trust. Other contributions are made to the Government's funds. While both the employees and the Company pay predetermined contributions into the Provident Fund, contributions into superannuation fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary.

During the year, the Company has recognised the following amounts in the statement of profit and loss, which are included in contribution to provident and other funds:

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Provident fund	1,513.73	1,478.08
Superannuation fund	58.51	138.45
	1,572.24	1,616.52

b) Defined benefit plan

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan), to its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, of an amount based on the respective employee's last drawn salary and years of employment with the Company. The Company contributes all ascertained liabilities towards gratuity to the 3M India Limited Employees Gratuity Fund Trust and 3M E & C Employees Gratuity Fund Trust. Trustees administer contributions made to the trust. As of March 31, 2025 and March 31, 2024, the plan assets have been primarily invested in insurer managed funds.

A) Reconciliation of opening and closing balances of the present value of the defined benefit obligation	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Obligation at the beginning of the year	6,892.58	6,489.25
Current service cost	479.16	532.14
Interest cost	467.44	440.12
Actuarial loss / (gains) - experience	252.62	311.61

Notes to the Financial Statements

	(₹ in lakhs)	
A) Reconciliation of opening and closing balances of the present value of the defined benefit obligation	As at March 31, 2025	As at March 31, 2024
Actuarial loss / (gains) - demographic assumptions	-	-
Actuarial loss / (gains) - financial assumptions	368.33	129.70
Transfers	-	(257.18)
Benefits paid	(638.33)	(753.05)
Obligation at the end of the year	7,821.80	6,892.58

	(₹ in lakhs)	
B) Reconciliation of opening and closing balances of the fair value of plan assets	As at March 31, 2025	As at March 31, 2024
Plan assets at the beginning of the year	3,675.94	3,911.35
Interest income on plan assets	224.58	254.51
Contribution	1,300.00	-
Actuarial losses / (gains) on plan assets	(22.69)	263.15
Benefits paid	(638.33)	(753.05)
Plan assets at the end of the year	4,539.50	3,675.94

	(₹ in lakhs)	
C) Reconciliation of present value of defined benefit obligation and the fair value of plan assets to the assets and liabilities recognized in the Balance Sheet	As at March 31, 2025	As at March 31, 2024
Present value of obligation at the end of the year	7,821.80	6,892.58
Fair value of plan assets at the end of the year	(4,539.50)	(3,675.94)
Net defined benefit obligation	3,282.30	3,216.64

	(₹ in lakhs)	
D) Expenses recognized in the Statement of profit and loss	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	479.16	532.14
Interest cost	467.44	440.12
Interest income on plan assets	(224.58)	(254.51)
	722.02	717.75

	(₹ in lakhs)	
E) Remeasurements recognized in Other comprehensive income	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial losses on defined benefit obligation	620.95	441.31
Actuarial losses / (gains) on plan assets	22.69	(263.15)
	643.64	178.16

	(₹ in lakhs)	
F) Investment details of plan assets	As at March 31, 2025	As at March 31, 2024
Fund balance with Insurance companies	100.00%	100.00%
	100.00%	100.00%



Notes to the Financial Statements

(₹ in lakhs)		
G) Assumptions	As at March 31, 2025	As at March 31, 2024
Discount rate (per annum)	6.50%	7.00%
Rate of escalation in salary (per annum)	Production - 9% Others - 6%	Production - 9% Others - 6%
Retirement age (in years)	60 years	60 years
Mortality rates	Indian Assured Lives Mortality (2006-08) (modified) Ult.	Indian Assured Lives Mortality (2006-08) (modified) Ult.
Withdrawal rates		
Under 30 years	Staff - 20% Production - 1%	Staff - 20% Production - 1%
31-34 years	Staff - 10% Production - 1%	Staff - 10% Production - 1%
35-50 years	Staff - 5% Production - 0.5%	Staff - 5% Production - 0.5%
51-60 years	Staff - 1% Production - 0%	Staff - 1% Production - 0%

(₹ in lakhs)		
H) Sensitivity analysis	Year ended March 31, 2025	Year ended March 31, 2024
The sensitivity analysis of significant actuarial assumptions as of end of reporting period is shown below.		
A) Discount rate		
Effect on defined benefit obligation due to 1% increase in discount rate	(710.30)	(611.03)
Effect on defined benefit obligation due to 1% decrease in discount rate	826.18	712.22
B) Salary escalation rate		
Effect on defined benefit obligation due to 1% increase in Salary escalation rate of production and others	814.28	705.57
Effect on defined benefit obligation due to 1% decrease in Salary escalation rate of production and others	(714.28)	(617.20)

Maturity profile of defined benefit obligation

(₹ in lakhs)	
	Amount
1. March 31, 2026	414.57
2. March 31, 2027	426.94
3. March 31, 2028	522.27
4. March 31, 2029	739.75
5. March 31, 2030	334.67
6. March 31, 2031 to March 31, 2035	2,723.45

J) Weighted average duration of the defined benefit obligation is 10 years (March 31, 2024: 10 years)

Notes :

- The discount rate is based on the prevailing market yield on Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- As per the best estimate of the management, contribution of ₹ 479.15 lakhs (March 31, 2025: ₹ 526.12) is expected to be paid to the plans during the year ending March 31, 2026.

Notes to the Financial Statements

30 RELATED PARTY TRANSACTION

Names of related parties and nature of relationship:

i)	Holding company	3M Company, USA	
ii)	Fellow subsidiaries (with whom transactions have occurred during the year)	3M APAC RDC Pte Limited	3M United Kingdom PLC
		3M Australia Pty. Limited	3M Unitek Corporation
		3M Canada Company	3M Vietnam Limited
		3M China Limited	3M Wendt GmbH
		3M CUNO, France	3M Winterthur Technologies AG
		3M Dabrowa Gornicza Edc (Coe)	3M Wroclaw SP. Z O.O.
		3M Do Brasil Limitada	Dyneon GmbH
		3M EMEA, GmbH	Emfi S.A.
		3M ESPE Dental AG	MEGUIAR'S US
		3M Film Construction (Shanghai) Co. Ltd.	P.T. 3M Indonesia
		3M Global Service Management Company	Trimodal Softech Solutions Private Limited
		3M Global Technology Center Llp	Dyneon B.V.
		3M Gulf Limited	Sumitomo 3M Limited
		3M Healthcare Ireland Ltd*	3M Saudi Arabia
		3M Healthcare US Opco LLC*	3M Chile S.A.
		3M Hong Kong Limited	3M Belgium S.A./N.V.
		3M Innovation (Thailand) Co. Ltd.	3M France S.A
		3M Innovation Singapore Pte Limited	3M Germany Hilden GmbH
		3M International Trading (Shanghai) Co. Ltd.	3M Taiwan Limited
		3M Intl Trdg (Shenzhen) Co Ltd	3M Health Care Limited, Japan*
		3M Italia S.P.A.	Cuno 3M Poland
		3M JAPAN INNOVATION LIMITED	3M Healthcare Japan Products Limited*
		3M Japan Ltd	3M Material Tech(Guangzhou) Co Limited
		3M Japan Products Limited	Cuno 3M Germany*
		3M Korea Limited	Cuno Inc (USA)*
		3M Lanka Private Limited	Cuno Pacific Pty Ltd Australia*
		3M Malaysia Sdn. Bhn.	3M Japan Limited
		3M Material Tech Hefei Co Limited	Cuno Europe (France) *
		3M Material Tech(Guangzhou) Co., Limited	Cuno K.K (Japan)*
		3M Matl Tech (Suzhou) Co. Ltd	3M Technologies (S) Pte Ltd
		3M Medical Devices & Mtl Mfg (Sh) Co. Ltd	3M Thailand Limited
		3M New Zealand	3M Turkey
		3M Panama Pacifico S Der L.	3M Singapore Pte. Ltd.
		3M Philippines, Inc.	3M Speciality Materials (Shanghai) Co. Ltd.
		3M South Asia Manufacturing Private Limited	
		*Pursuant to the completion of the planned spin-off of the Healthcare business by 3M Company, USA globally into Solventum with effect from April 01, 2024, these entities cease to be related parties of the Company effective April 01, 2024.	
iv)	Post employment-benefit plan entities	3M India Ltd Employees Gratuity Fund Trust	
		3M India Ltd Employees Superannuation Fund Trust	



Notes to the Financial Statements

v)	Key management personnel	Executive Directors
		Ramesh Ramadurai (Managing Director)
		Vidya Sarathy (Chief Financial Officer and Whole-time Director resigned effective January 29, 2025)
		Jayanand Kaginalkar (Whole-time Director effective April 01, 2025)
		Non-executive Directors
		Radhika Rajan
		N V Sivakumar (appointed from July 15, 2024)
		Kong Sau Wai Elizabeth (appointed from January 01, 2025)
		Jung Hyun Kim (appointed from April 01, 2025)
		Bharat D. Shah (retired with effect from March 26, 2025)
		Yun Jin (resigned with effect from April 01, 2025)
		Anderw Bennett (appointed from July 15, 2024 and resigned with effect from April 01, 2025)
		Amit Laroya (resigned with effect from November 12, 2024)
		Biren Gabhawala (retired with effect from August 13, 2024)
		James Ernest Falteisek (resigned effective May 30, 2023)
		Others
		Pratap Rudra Bhuvanagiri (Company Secretary)
		Prasad Balakrishnan (Chief Financial Officer) (appointed from January 30, 2025 upto May 04, 2025)
		Nikhil Arora (Chief Financial Officer) (appointed from May 05, 2025)

The details of the amounts due to or due from related parties are as follows:

Name of related party	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Trade payables		
3M Company, USA	11,196.99	23,465.90
3M Innovation Singapore Pte Limited	18,996.77	15,918.78
3M EMEA, GmbH	5,032.69	2,886.11
3M Global Service Management Company	3,421.78	-
3M Speciality Materials (Shanghai) Co. Ltd.	3,216.42	2,800.61
3M Material Tech Hefei Co Limited	1,203.64	1,429.34
3M Korea Limited	551.22	1,811.29
3M APAC RDC Pte Limited	514.09	1,537.51
Emfi S. A.	510.65	921.41
3M Do Brasil Limitada	565.77	537.34
3M China Limited	460.07	742.64
3M Australia Pty. Limited	1.28	128.76
3M Canada Company	48.85	39.60
3M Hong Kong Limited	25.50	24.86
3M International Trading (Shanghai) Co. Ltd.	18.89	1.69
3M New Zealand	-	6.54
3M Panama Pacifico S Der L.	14.38	38.87
3M Technologies (S) Pte Ltd	0.56	-
3M Vietnam Limited	23.56	-

Notes to the Financial Statements

Name of related party	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
3M Taiwan Limited	35.81	49.23
3M Unitek Corporation	-	70.93
Dyneon B.V.	-	7.84
3M Poland Sp. Z O.O	19.80	19.80
3M Material Tech(Guangzhou) Co Limited	-	114.73
Winterthur Tech Taican Co Ltd	0.91	-
3M Wendt GmbH	6.38	9.63
P. T. 3M Indonesia	-	13.06
3M Healthcare US Opco LLC	-	7,164.75
3M Matl Tech (Suzhou) Co. Ltd	-	7.52
3M Japan Products Limited	-	0.77
3M Film Construction (Shanghai) Co. Ltd.	68.93	81.62
3M Intl Trdg (Shenzhen) Co Ltd	-	6.01
3M Healthcare Ireland Ltd	-	1,614.37
3M Winterthur Technologies AG	138.99	196.01
3M Japan Innovation Limited	-	0.02
Trimodal Softech Solutions Private Limited	-	13.20
Meguiar'S Us	114.78	281.31
3M Healthcare Japan Products Limited	-	17.60
	46,188.71	61,959.65
Trade receivables		
3M Global Service Management Company	2,198.53	-
3M Company, USA	718.58	146.90
3M Vietnam Limited	108.44	147.57
P. T. 3M Indonesia	88.27	-
3M Australia Pty. Limited	1.73	18.00
3M Do Brasil Limitada	2.22	-
3M EMEA, GmbH	11.52	-
3M Gulf Limited	-	29.41
3M Hong Kong Limited	20.84	62.48
3M International Trading (Shanghai) Co. Ltd.	-	7.63
3M Japan Products Ltd.	3.31	-
3M Korea Limited	-	10.01
3M Malaysia Sdn. Bhn.	-	8.45
3M Mexico, S.A. de C.V.	8.05	-
3M Philippines, Inc.	1.66	-
3M Thailand Limited	-	1.43
3M Lanka Private Limited	-	17.12
3M South Asia Manufacturing Private Limited	16.79	33.61
KCI Medical India Private Limited	-	19.01
3M Global Technology Center LLP	66.03	19.64
3M Material Tech(Guangzhou) Co., Limited	-	34.25
Dyneon GMBH	-	20.94
	3,245.97	576.47



Notes to the Financial Statements

Details of the related party transactions entered into by the company are as follows:

Name of related party	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Remuneration paid to Key management personnel #		
Ramesh Ramadurai		
Short term employee benefits	390.15	380.35
Share based payments	74.89	-
Vidya Sarathy		
Short term employee benefits	106.26	145.45
Share based payments	-	-
Pratap Rudra Bhuvanagiri		
Short term employee benefits	77.23	69.91
Share based payments	-	-
Prasad Balakrishnan		
Short term employee benefits	27.97	-
Share based payments	-	-
	676.50	595.71
# Excludes contributions to employee retirement / post retirement which are based on actuarial valuation done on an overall Company basis.		
Sitting fees and commission paid to Key management personnel		
Radhika Rajan	38.42	26.40
Sivakumar N V	26.22	-
Bharat D. Shah	42.10	30.40
Biren Gabhawala	14.57	29.00
	121.31	85.80
Sales of products (net of returns)		
3M Company, USA	895.90	322.57
P. T. 3M Indonesia	508.85	187.97
3M Vietnam Limited	453.98	503.28
3M Malaysia Sdn. Bhn.	158.08	70.91
3M Thailand Limited	129.48	52.19
3M Gulf Limited	29.84	90.76
3M Korea Limited	28.72	166.96
3M Indonesia Importama	8.25	-
3M EMEA, GmbH	33.68	-
3M China Limited	20.83	-
3M Hong kong Limited	42.59	67.31
3M Technologies (S) Pte Ltd	0.12	48.39
3M Philippines, Inc.	15.87	3.79
3M Australia Pty. Limited	3.67	101.06
3M Mexico, S.A. de C.V.	8.05	-
Sumitomo 3M Limited	37.20	-
3M Do Brasil Limitada	2.22	-
3M New Zealand	0.66	-
3M International Trading (Shanghai) Co. Ltd.	-	7.63
Dyneon GmbH	-	20.94
	2,377.99	1,643.76

Notes to the Financial Statements

	(₹ in lakhs)	
Name of related party	Year ended March 31, 2025	Year ended March 31, 2024
Contributions during the year		
3M India Ltd Employees Gratuity Fund Trust	1,300.00	-
3M India Ltd Employees Superannuation Fund Trust	58.51	-
3M E&C Employees Gratuity Fund Trust	-	126.43
3M E&C Employees Superannuation Fund Trust	-	12.48
	1,358.51	138.92
Income from contract research		
3M Company, USA	2,239.65	1,332.95
	2,239.65	1,332.95
Income from management support services		
3M Company, USA	915.83	766.18
3M Global Service Management Company	1,406.68	3,822.25
3M South Asia Manufacturing Private Limited	50.34	125.44
3M Lanka Private Limited	-	17.14
KCI Medical India Private Limited	-	66.92
3M Global Technology Center LLP	114.07	158.67
Trimodal Softech Solutions Private Limited	-	29.13
	2,486.92	4,985.73
Reimbursement of expenses from		
3M Global Service Management Company	2,201.15	-
3M Innovation Singapore Pte Ltd	-	126.86
	2,201.15	126.86
Income from transfer of employees		
KCI Medical India Private Limited	-	166.20
	-	166.20
Corporate management fees (excluding ineligible portion of Goods and Service Tax)		
3M Global Service Management Company	12,417.63	12,757.50
	12,417.63	12,757.50
Royalty (excluding ineligible portion of Goods and Service Tax)		
3M Company, USA	7,548.06	8,142.88
	7,548.06	8,142.88
Purchase of raw materials and traded goods (net of returns)		
3M Company, USA	46,133.41	57,823.51
3M Innovation Singapore Pte Limited	25,819.54	24,136.77
3M Japan Products Limited	9,687.91	7,929.89
3M Speciality Materials (Shanghai) Co. Ltd.	9,712.51	5,852.71
3M Innovation (Thailand) Co. Ltd.	8,675.50	5,955.45
3M EMEA, GmbH	7,694.00	7,629.67
3M APAC RDC Pte Limited	6,055.10	5,087.30
3M Korea Limited	6,982.75	4,680.36
3M Material Tech Hefei Co Limited	2,098.24	3,803.83
3M China Limited	1,987.67	1,965.82
3M Winterthur Technologies AG	1,626.52	1,759.46
Emfi S. A.	1,855.12	1,798.71



Notes to the Financial Statements

Name of related party	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
3M Do Brasil Limitada	928.00	1,415.29
3M Wroclaw SP. Z O.O.	803.84	484.15
3M Turkey	621.10	246.97
Meguiar'S Us	646.86	753.83
3M Japan Innovation Limited	377.98	279.14
3M Hong Kong Limited	312.95	91.10
3M Dabrowa Gornicza Edc (Coe)	283.27	279.45
3M Australia Pty. Limited	221.62	576.48
3M Film Construction (Shanghai) Co. Ltd.	208.38	167.50
3M Taiwan Limited	201.98	190.74
3M Canada Company	80.89	140.47
3M ESPE Dental AG	-	1,452.10
3M International Trading (Shanghai) Co. Ltd.	29.43	22.89
3M Italia S. P. A.	-	55.12
3M South Asia Manufacturing Private Limited	9.94	-
3M Japan Ltd	0.30	1.21
3M Medical Devices & Mtl Mfg (Sh) Co. Ltd	-	0.73
3M Malaysia Sdn. Bhn.	0.58	76.38
3M Material Tech(Guangzhou) Co. , Limited	49.71	311.93
3M New Zealand	-	25.73
3M Philippines, Inc.	12.17	-
3M Thailand Limited	-	396.45
3M United Kingdom PLC	66.01	55.99
3M Unitek Corporation	-	356.85
3M Wendt Gmbh	21.25	28.73
3M Technologies (S) Pte Ltd	-	1.51
Cuno 3M Germany	-	42.02
Cuno Inc (USA)	-	4,379.93
3M Panama Pacifico S Der L.	29.16	621.21
P. T. 3M Indonesia	-	43.24
Cuno Pacific Pty Ltd Australia	-	1.30
3M Vietnam Limited	38.60	34.38
3M CUNO, France	14.32	38.45
3M Healthcare US Opco LLC	-	8,200.23
3M Healthcare Ireland Ltd	-	1,653.36
3M Intl Trdg (Shenzhen) Co Ltd	13.33	26.57
3M Matl Tech (Suzhou) Co. Ltd	7.35	11.45
3M Healthcare Japan Producuts Limited	-	18.40
	133,307.29	150,904.76

All the transactions entered with related parties during the year are in the ordinary course of business and at arm's length basis. There have been no guarantees provided or received for any related party receivables or payables. Outstanding balances at the year end are unsecured and interest free, and settlement occurs in cash and cash equivalents. The Company has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended March 31, 2025 and March 31, 2024.

Notes to the Financial Statements

31 SEGMENT REPORTING

A) Basis for segmentation

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

The Company operates mainly to the needs of domestic market and export turnover is not significant in context of total turnover. Accordingly, there are no reportable geographical segments. The Company has four reportable segments, as described below.

For each of the segments, the Company's Managing Director, who is the CODM, reviews internal management reports on at least a quarterly basis.

Segment revenue, results, assets and liabilities figures include the respective amounts identifiable to each of the segments. Other unallocable income net off unallocable expenditure are towards common services to the segments which are not directly identifiable to the individual segments as well as those at a corporate level which relate to the Company as a whole.

The following summary describes the products included in each of the Company's reportable segment:

Reportable segments	Products
Safety & Industrial	Major products under this segment include vinyl, polyester, foil and specialty industrial tapes and adhesives: Scotch Masking Tape, Scotch Filament Tape and Scotch Packaging Tape, Functional and Decorative Graphics, Abrasion-Resistant Films, Masking Tapes and Other Specialty Materials.
Health care	Major products include medical and surgical supplies, medical devices, skin & wound care and infection prevention products & solutions, drug delivery systems, dental and orthodontic products and food safety products.
Transportation & Electronics	Major product under this segment include personal protection products, brand & asset protection solutions, border control products, passive fire protection products for industries and commercial establishments, track and trace products, cleaning and hygiene products for the hospitality industry, retro reflective traffic signs for highways and cities, pavement marking and vehicle registration products and services, films, inks and digital signage products, wall and glass cladding products coupled with architectural interior services and environmental graphics for home and office spaces, projection systems, computer and ATM-screen privacy filters and brightness enhancement films for television, avionics and automotive displays.
Consumer	Consumer and Office business includes products such as Scotch brand, addressing the Home & Office tapes, Adhesives, Packaging protection platforms, Post-it brand with a product range of Note Pads, Dispensers, Flagging solution, Labels and Scotchguard brand addressing the stain protection market.

B) Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

No customers have individually accounted for more than 10% of the revenues during the years ended March 31, 2025 and March 31, 2024.



Notes to the Financial Statements

The Company operates mainly to the needs of domestic market and export turnover is not significant in context of total turnover. Accordingly, there are no reportable geographical segments.

	(₹ in lakhs)	
	March 31, 2025	March 31, 2024
Segment revenue (revenue from operations)		
a) Safety & Industrial	141,386.63	133,328.70
b) Transportation & Electronics	167,655.60	164,940.62
c) Health Care	86,521.71	76,092.59
d) Consumer	46,485.81	42,795.93
e) Others	2,505.88	1,778.40
Total revenue	444,555.63	418,936.24
Note : There are no inter-segment revenue		
Segment results		
a) Safety & Industrial	14,672.35	17,784.34
b) Transportation & Electronics	30,092.23	36,686.22
c) Health Care	17,466.82	7,276.72
d) Consumer	8,232.40	8,103.87
e) Others	967.85	762.83
Total segment results	71,431.65	70,613.98
Less : Interest expense	1,117.51	321.65
Add : Other income	7,026.52	7,829.09
Profit before tax	77,340.66	78,121.42
Tax expense	29,733.92	19,779.74
Profit after tax	47,606.74	58,341.68
Segment assets		
a) Safety & Industrial	60,031.38	54,101.39
b) Transportation & Electronics	72,979.15	66,301.65
c) Health Care	30,098.54	27,018.43
d) Consumer	12,463.39	9,681.47
e) Unallocated corporate assets	125,886.71	167,719.42
Total assets	301,459.17	324,822.36
Segment liability		
a) Safety & Industrial	27,673.56	30,492.10
b) Transportation & Electronics	28,166.74	31,933.07
c) Health Care	13,886.20	16,345.17
d) Consumer	5,676.87	6,185.10
e) Unallocated corporate liabilities	41,406.11	25,176.58
Total liabilities	116,809.48	110,132.02

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Capital expenditure		
a) Safety & Industrial	1,345.00	666.44
b) Transportation & Electronics	1,783.19	969.72
c) Health Care	476.14	902.44
d) Consumer	532.31	364.48
e) Unallocated capital expenditure	1,405.38	238.34
Total capital expenditure	5,542.02	3,141.42

Notes to the Financial Statements

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation and amortisation expenses		
a) Safety & Industrial	1,410.16	1,741.22
b) Transportation & Electronics	1,616.92	1,678.81
c) Health Care	548.98	737.72
d) Consumer	266.09	340.95
e) Unallocated depreciation / amortisation expenses	1,686.55	794.86
Depreciation / amortisation expenses	5,528.70	5,293.56

32 CORPORATE SOCIAL RESPONSIBILITY

Details of CSR expenditure in accordance with Section 135 of the Companies Act, 2013.

	(₹ in lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
a) amount required to be spent by the company during the year	1,134.16	788.86
b) amount of expenditure incurred	1,174.53	804.76
c) shortfall at the end of the year	-	-
d) total of previous years shortfall	-	-
e) reason for shortfall	Nil	Nil
f) nature of CSR activities	Education, Community, Health, Promoting gender equality and Empowering women	Education, Community, Health, Promoting gender equality and Empowering women
g) details of related party transactions	Nil	Nil
Details of excess CSR expenditure under Sec 135(5) of the Act		
a) Opening Balance	-	-
b) Amount required to be spent during the year	1,134.16	788.86
c) Amount Spent during the year	1,174.53	804.76
d) Amount not carried forward	-	15.90
e) Amount carried forward	40.37	-

33 CONTINGENT LIABILITIES AND COMMITMENTS

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts :		
- Income tax demand (including interest) (refer note (i) below)	22,674.77	33,804.13
- Custom duty demands (refer note (ii) and (iii) below)	18,812.19	18,358.44
- Sales tax matters (refer note (iv) below)	6,340.71	7,852.12
- Service tax matters (refer note (v) below)	1,421.41	1,326.80
- Central excise duty matters (refer note (vi) below)	1,544.24	1,823.22
- Goods and service tax matters (refer note (vii) below)	4,157.67	2,457.02



Notes to the Financial Statements

Notes:

- i) Income tax matters mainly relate to transfer pricing adjustments made by the Income tax authorities with respect to disallowance of intercompany charges related to corporate management fees. Further, the Company has opted VSV Scheme for certain years and accordingly have created a provision and hence excluded from the contingent liability disclosure as at March 31, 2025 (refer note 34).
- ii) The Company during the year 2012-13 had received an order from The Commissioner of Customs demanding differential duty, interest and penalty of ₹1,961.50 lakhs, contending the availment of concessional import duty in respect of some of its products for which a demand notice was served on the Company for payment of the above amount. The Company has filed an appeal against the order including for obtaining a stay against any recovery proceedings that may be initiated and accordingly no liability has been recognised in the books.
- iii) The Company was issued a Show Cause Notice dated December 08, 2016 by the Directorate of Revenue Intelligence (DRI) in relation to levy of customs duty on inter-company transactions for import of goods and services and hence proposing to demand differential duty of customs covering the transactions during the period December 08, 2011 to February 7, 2014. The Company has received an order in original on October 1, 2017 from Additional Director General – DRI (Adjudication), Mumbai confirming the demand raised for custom duty in show cause notice amounting to ₹7,693.52 lakhs, penalty equivalent to the custom duty amount and additional penalty and interest of ₹1,000 lakhs. The Company has executed bank guarantee of ₹ 1,000 lakhs. The Company has filed an appeal against this order with CESTAT, Mumbai after making payment of deposit of ₹ 577.00 lakhs.
- iv) Sales tax cases primarily pertains to Maharashtra Value Added Tax Act, 2002 and Karnataka Value Added Tax Act, 2003. These are pertaining to the years from 2006-07 to 2017-18. These cases are with respect to the applicable rate of tax for various products and matters pertaining to declaration forms.
- v) Service tax matters relates to cases with respect to manner of apportionment of credit availed by the Company without registering as an Input service distributor.
- vi) Excise matters relates to penalty for allegedly dealing in goods liable to confiscation under Rule 26 of the Central Excise Act and Valuation/ allowability of CENVAT credit under the Central Excise Act.
- vii) The Goods and service tax matter relates to classification, disallowances of input tax credit for the year 2017 to 2024, notices received upon GST Audits for year 2017-18 to 2019-20, and transition of credit through TRAN-1 for year 2016-17 and 2017-18.

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Estimated value of contracts in capital account remaining to be executed	1,187.63	1,606.11

34 TAX EXPENSES

a) Amount recognised in Statement of profit and loss

	(₹ in lakhs)	
	March 31, 2025	March 31, 2024
Current tax	28,752.32	19,789.77
Deferred tax expense / (income) related to:		
Origination and reversal of temporary differences	981.60	(10.03)
Tax expense for the year	29,733.92	19,779.74

Note: The Company elected to exercise the option permitted under section 115BBA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Notes to the Financial Statements

b) Amount recognised in other comprehensive income

(₹ in lakhs)

	March 31, 2025			March 31, 2024		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(643.64)	161.98	(481.66)	(178.16)	44.84	(133.32)
	(643.64)	161.98	(481.66)	(178.16)	44.84	(133.32)

c) Reconciliation of effective tax rate

(₹ in lakhs)

	March 31, 2025		March 31, 2024	
Profit before tax		77,340.66		78,121.42
Tax at statutory income tax rate 25.17% (March 31, 2024 - 25.17%)	25.168%	19,465.10	25.168%	19,661.60
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income:				
Non-deductible expenses	0.42%	325.60	0.15%	116.99
Adjustment under VSV scheme*	12.79%	9,890.91	0.00%	-
Others	0.07%	52.31	0.00%	1.15
Income tax expense	38.45%	29,733.92	25.32%	19,779.74

* On April 30, 2025, the Company has filed an application under the Direct Tax Vivad Se Vishwas Scheme, 2024 ('VSV Scheme') enacted vide Chapter IV of the Finance Act, 2024 with a view to settle long pending disputes and litigations relating to certain past years (ranging from 2004-05 to 2013-14) which existed as at the reporting date. As of the date of these financial statements, the Company is awaiting approval in relation to the application under VSV Scheme referred to above. Given that the application provides evidence of management's intent as of March 31, 2025 and the management expects to receive approvals as part of the VSV Scheme, the management has estimated and recognised a net tax expense of ₹ 9,890.91 lakhs during the year ended March 31, 2025. This settlement will not prejudice the Company's position in relation to other open litigations not covered by the application in accordance with the requirements of the VSV Scheme.

d) Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax assets		Deferred tax liabilities		Deferred tax assets/ (liabilities), net	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Property, plant and equipment	-	-	1,185.70	477.33	(1,185.70)	(477.33)
Employee benefits expense	1,586.03	1,454.93	-	-	1,586.03	1,454.93
Provisions	1,562.59	1,804.94	-	-	1,562.59	1,804.94
	3,148.62	3,259.87	1,185.70	477.33	1,962.92	2,782.54

e) Movement in temporary differences

March 31, 2025

(₹ in lakhs)

Particulars	Balance as at April 01, 2024	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Others	Balance as at March 31, 2025
Property, plant and equipment	(477.33)	(708.37)	-	-	-	(1,185.70)
Employee benefits expense	1,454.93	(512.54)	643.64	-	-	1,586.03
Provisions	1,804.94	(242.35)	-	-	-	1,562.59
	2,782.54	(1,463.26)	643.64	-	-	1,962.92



Notes to the Financial Statements

March 31, 2024

(₹ in lakhs)

Particulars	Balance as at April 01, 2024	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Others	Balance as at March 31, 2025
Property, plant and equipment	(493.74)	16.41	-	-	-	(477.33)
Employee benefits expense	1,200.17	209.92	44.84	-	-	1,454.93
Provisions	2,021.24	(216.30)	-	-	-	1,804.94
	2,727.67	10.03	44.84	-	-	2,782.54

f) Details of income tax assets and income tax liabilities

	March 31, 2025	March 31, 2024
Income tax assets (net)	8,190.31	14,991.05
Current tax liabilities (net)	(5,203.75)	(3,774.34)
Net current income tax asset/ (liability) at the end of the year	2,986.56	11,216.71

g) The gross movement in the current income tax asset / (liability)

	March 31, 2025	March 31, 2024
Net current income tax asset / (liability) at the beginning of the year	11,216.71	10,701.26
Income tax paid	20,707.59	20,193.44
Others	(185.42)	111.78
Current income tax expense	(28,752.32)	(19,789.77)
Net current income tax asset/ (liability) at the end of the year	2,986.56	11,216.71

35 MOVEMENT IN PROVISIONS

(₹ in lakhs)

Particulars	April 01, 2024	Addition	Utilisation	Reversals	March 31, 2025
a) Asset retirement obligation	90.59	0.01	-	-	90.60
b) Sales tax, service tax and other litigations	2,639.33	21.32	137.93	226.16	2,296.56
c) Provision for sales return and volume rebate	2,816.91	8,789.03	7,741.46	709.94	3,154.54
	5,546.83	8,810.36	7,879.39	936.10	5,541.70
Non Current	90.59				90.60
Current	5,456.24				5,451.10

Particulars	April 01, 2023	Addition	Utilisation	Reversals	March 31, 2024
a) Asset retirement obligation	90.59	0.01	0.01	-	90.59
b) Sales tax, service tax and other litigations	2,116.70	957.38	434.75	-	2,639.33
c) Provision for sales return and volume rebate	3,280.97	2,816.91	3,280.97	-	2,816.91
	5,488.26	3,774.30	3,715.73	-	5,546.83
Non Current	90.59				90.59
Current	5,397.67				5,456.24

Notes to the Financial Statements

36 CAPITAL MANAGEMENT

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt is debt as considered under long-term and short-term borrowings which is on account of finance lease on office equipment and vehicles. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of March 31, 2025 and March 31, 2024 was as follows -

	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Lease liabilities	9,953.53	1,817.78
Debt	-	-
Total debt	9,953.53	1,817.78
Total equity	184,649.69	214,690.34
Debt to total equity ratio	5.39%	0.85%

37 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A) Accounting classification and fair values

- Fair value through other comprehensive income (FVTOCI) - Where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- Fair value through profit or loss (FVTPL) - Where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.
- Amortised cost - Where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

The following table shows the carrying amounts of financial assets and financial liabilities as at March 31, 2025

	(₹ in lakhs)					
	Note	Carrying amount				
		Mandatorily at FVTPL - others	FVOCI-debt instruments	FVOCI-equity instruments	Amortised cost	Total carrying amount
Financial assets not measured at fair value						
Trade receivables	6	-	-	-	79,026.74	79,026.74
Loans	7	-	-	-	47.97	47.97
Other financial assets	8	-	-	-	1,217.59	1,217.59
Cash and cash equivalents	11 (a)	-	-	-	93,277.92	93,277.92
Other bank balances	11 (b)	-	-	-	460.46	460.46
		-	-	-	174,030.68	174,030.68
Financial liabilities not measured at fair value						
Trade payables	15	-	-	-	75,599.77	75,599.77
Other financial liabilities	16	-	-	-	8,865.44	8,865.44
Lease liabilities	38	-	-	-	9,953.53	9,953.53
		-	-	-	94,418.74	94,418.74

The fair value of financial assets and financial liabilities approximates to their carrying amount largely due to the short-term nature of these instruments.



Notes to the Financial Statements

The following table shows the carrying amounts of financial assets and financial liabilities as at March 31, 2024
(₹ in lakhs)

	Note	Carrying amount				
		Mandatorily at FVTPL - others	FVOCI-debt instruments	FVOCI-equity instruments	Amortised cost	Total carrying amount
Financial assets not measured at fair value						
Trade receivables	6	-	-	-	70,308.98	70,308.98
Loans	7	-	-	-	58.92	58.92
Other financial assets	8	-	-	-	1,796.35	1,796.35
Cash and cash equivalents	11 (a)	-	-	-	104,428.88	104,428.88
Other bank balances	11 (b)	-	-	-	31,355.46	31,355.46
		-	-	-	207,948.59	207,948.59
Financial liabilities not measured at fair value						
Trade payables	15	-	-	-	82,392.23	82,392.23
Other financial liabilities	16	-	-	-	5,328.96	5,328.96
Lease liabilities	38	-	-	-	1,817.78	1,817.78
		-	-	-	89,538.97	89,538.97

The fair value of financial assets and financial liabilities approximates to their carrying amount largely due to the short-term nature of these instruments.

B) Financial Risk Management

The Company has exposure to the following risk arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

i) Risk management framework

The Company's principal financial liabilities comprise finance lease obligations, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents that are derived directly from its operations.

ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

a) Financial assets that are not credit impaired

The Company has financial assets which are in the nature of cash and cash equivalents, loans to employees, unbilled revenue from related party, interest accrued on fixed deposits and receivables from related parties which are not credit impaired. These are contractually agreed with either banks, related parties or employees where the probability of default is negligible.

b) Financial assets that are credit impaired

Trade receivables

The Credit services team has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available. Sale limits are established for each customer and reviewed yearly.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

Notes to the Financial Statements

The maximum exposure to credit risk for trade receivables by geographic region is as follows -

	Carrying amount as at	
	March 31, 2025	March 31, 2024
India	79,779.70	73,884.27
Outside India	3,245.97	487.07
	83,025.67	74,371.34

The maximum exposure to credit risk for trade receivables by type of counterparty is as follows -

	Carrying amount as at	
	March 31, 2025	March 31, 2024
Distributors	40,042.99	36,949.31
Dealers & others	42,982.68	37,422.03
	83,025.67	74,371.34
Less: receivables from related party, secured receivables and other receivables not considered for credit risk	5,312.78	4,005.58
Net trade receivables	77,712.89	70,365.75

Expected credit loss assessment for the Company as at March 31, 2025 and 2024:

The Company has divided all the debtors outstanding for the last twelve quarters into age brackets of not due, 0-90 days, 91-180 days, 181-270 days, 271-365 days and amounts outstanding for more than one year.

The Company has calculated the impairment loss arising on account of past trends in the default rate for time bucket.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Out of the total trade receivables of ₹ 83,025.86 lakhs (March 31, 2024: 74,371.35 lakhs), the exposure considered for expected credit loss is ₹ 77,712.89 lakhs (March 31, 2024 : ₹ 70,365.75). The balance which is not considered for impairment primarily pertains to intercompany receivables and secured debtors.

The following table provides information about the exposure to credit risk and expected credit loss for trade and other receivables -

March 31, 2025

	Gross carrying amount	Weighted average loss rate	Loss allowance
Current (not past due)	72,149.63	0.08%	57.84
0-90 days	1,617.93	0.95%	15.32
91-180 days	25.09	23.32%	5.85
181-270 days	2.08	84.68%	1.76
271-360 days	99.39	100.00%	99.39
> 360 days	3,818.77	100.00%	3,818.77
	77,712.89		3,998.93



Notes to the Financial Statements

March 31, 2024

	Gross carrying amount	Weighted average loss rate	Loss allowance
Current (not past due)	63,003.92	0.12%	74.09
0-90 days	3,324.31	1.29%	42.75
91-180 days	116.53	22.53%	26.26
181-270 days	7.18	75.78%	5.44
271-360 days	5.46	100.00%	5.46
> 360 days	3,908.36	100.00%	3,908.36
	70,365.75		4,062.36

Movements in the allowance for impairment in respect of trade and other receivables

The movement in the allowance for impairment in respect of trade and other receivables is as follows:

	March 31, 2025	March 31, 2024
Balance as at April 01	4,062.36	4,063.23
Utilised during the year	(97.36)	(179.44)
Impairment loss recognised	33.93	178.57
Balance as at March 31	3,998.93	4,062.36

iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities -

March 31, 2025

Particulars	Carrying value	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Lease liabilities	9,953.53	1,538.82	936.72	3,226.93	11,971.64	17,674.11
Trade payables	75,599.77	75,599.77	-	-	-	75,599.77
Other financial liabilities	8,865.44	8,865.44	-	-	-	8,865.44
	94,418.74	86,004.03	936.72	3,226.93	11,971.64	102,139.32

March 31, 2024

Particulars	Carrying value	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Lease liabilities	1,817.78	941.18	683.12	193.48	-	1,817.78
Trade payables	85,016.45	85,016.45	-	-	-	85,016.45
Other financial liabilities	5,328.96	5,328.96	-	-	-	5,328.96
	92,163.19	91,286.59	683.12	193.48	-	92,163.19

Notes to the Financial Statements

iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, the exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Exposure to currency risk

The summary quantitative data about the Company's unhedged exposure to currency risk as reported to the management is as follows.

	March 31, 2025				March 31, 2024			
	USD	EURO	SGD	Others	USD	EURO	SGD	Others
	(₹ in lakhs)							
Trade and other payables	41,786.38	5,708.53	18,997.34	132.08	59,034.84	4,261.60	-	361.66
Trade and other receivables	3,245.97	-	-	-	487.08	-	-	-
Net exposure in respect of recognised assets and liabilities	38,540.41	5,708.53	18,997.34	132.08	58,547.76	4,261.60	-	361.66

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US Dollar or Euro against all other currencies as at March 31, would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2025				
USD (for 1% movement)	385.40	(385.40)	288.41	(288.41)
EURO (for 1% movement)	57.09	(57.09)	42.72	(42.72)
SGD (for 1% movement)	189.97	(189.97)	142.16	(142.16)
Others (for 1% movement)	1.32	(1.32)	0.99	(0.99)
	633.78	(633.78)	474.28	(474.28)

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2024				
USD (for 1% movement)	585.48	(585.48)	438.12	(438.12)
EURO (for 1% movement)	42.62	(42.62)	31.89	(31.89)
SGD (for 1% movement)	-	-	-	-
Others (for 1% movement)	3.62	(3.62)	2.71	(2.71)
	631.71	(631.71)	472.72	(472.72)



Notes to the Financial Statements

38 LEASES

The Company has taken vehicles, leasehold improvements, data processing equipment, office premises and warehouse. These leases typically run for a period of eleven months to ninety six months, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. Information about leases for which the Company is a lessee is presented below.

I) Right-of-use assets

(₹ in lakhs)

	Office premises	Leasehold land	Data processing equipment	Vehicles	Total
Balance as at March 31, 2023	1,166.77	356.98	1,203.91	190.78	2,918.45
Additions during the year	-	-	351.91	164.55	516.46
Depreciation charge for the year	484.03	1.26	757.43	96.63	1,339.35
De-recognition during the year	61.99	-	-	-	61.99
Balance as at March 31, 2024	620.75	355.72	798.39	258.70	2,033.57
Additions during the year*	8,993.67	-	333.63	-	9,327.30
Depreciation charge for the year	973.93	-	396.07	109.16	1,479.16
De-recognition during the year	-	-	-	-	-
Balance as at March 31, 2025	8,640.49	355.72	735.95	149.54	9,881.71

* major addition is in respect of new corporate office taken on lease by the Company.

II) Lease liabilities

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Non current	9,141.00	876.60
Current	812.53	941.18
Total	9,953.53	1,817.78

III) Amounts recognised in Statement of profit and loss

Interest expenses	894.82	181.06
Expenses related to short term lease	656.48	922.37
Expenses related to low value assets	-	-
Cash outflows in respect of lease liabilities	1,691.68	1,492.49

IV) The incremental borrowing rate on the leases ranges from 5% to 9% depending on the nature of assets and tenure of lease.

39 AMALGAMATION

- The Boards of Directors of the Company and of 3M E&C, wholly owned subsidiary of the Company at their Meetings held on September 17, 2021 had approved the Scheme of Amalgamation of 3M E&C with the Company under Sections 230 to 232 of the Companies Act 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The Scheme of Amalgamation of 3M E&C with the Company was filed with National Company Law Tribunal (NCLT) to amalgamate the wholly owned subsidiary.
- 3M E&C was a private limited company domiciled in India with its registered office at Plot Nos. 95-97, Sanniyasikuppam, Udhaya Nagar, Thirubhuvanai main road, Thirubhuvanai Post, Pondicherry - 605107. 3M E&C offers a complete range of products that include the Cable jointing kits ranging from 1.1Kv to 132 KV, Heatshrinks, Coldshrinks, Kastex, Electrical Insulation Tapes, Busbar tubes, DIY Electrical kits, various kinds of water filters, water softeners, Hi flo filters, Wholehouse filters, Zeta +. In India, 3M E&C has manufacturing facility at Pune.

Notes to the Financial Statements

- c) Pursuant to the order from NCLT Chennai dated August 25, 2023 and order from NCLT Bengaluru dated August 08, 2024, 3M E&C (the “transferor company”) were merged with the Company with an appointed date as April 01, 2023. The order has been made effective on September 04, 2024 upon complying with all the relevant requirements under the Companies Act, 2013.
- d) The amalgamation has been accounted for under the ‘pooling of interest’ method as prescribed by Appendix C of Ind AS 103 “Business Combination”. Given that the merger is a common control transaction, the prior year figures have been restated as if the merger had occurred from the beginning of the preceding period. i.e., April 01, 2023. Prior year numbers have been recasted to include the result of the subsidiary as if the merger had occurred from the beginning of the preceding period April 01, 2023.
- e) Consequent to the scheme of amalgamation, the authorized share capital of the transferor companies stands cancelled. Further, there was no consideration or exchange of shares on account of this amalgamation as the subsidiary got subsumed into the Company.
- f) The impact of the above merger on the reported balance sheet as at March 31, 2024 on the Company and the subsidiary while preparing the merged financials are as follows. There is no impact of the merger on the consolidated financial statements of the Company.

(₹ in lakhs)				
Particulars	3M India Limited	3M E&C	Adjustments	As at March 31, 2024
I. Assets				
1) Non-current assets				
(a) Property, plant and equipment	29,730.82	1,445.67	-	31,176.49
(b) Capital work-in-progress	1,232.20	-	-	1,232.20
(c) Right - of - use assets	2,008.42	25.15	-	2,033.57
(d) Other intangible assets	35.32	-	-	35.32
(e) Financial assets				
(i) Investment	50,480.00	-	(50,480.00)	-
(ii) Loans	10.24	4.82	-	15.06
(iii) Other financial assets	922.06	18.20	-	940.26
(f) Deferred tax assets (net)	2,241.26	541.28	-	2,782.54
(g) Income tax assets (net)	13,789.30	1,201.75	-	14,991.05
(h) Other non-current assets	4,232.30	537.44	-	4,769.74
Total non-current assets	104,681.92	3,774.31	(50,480.00)	57,976.23
2) Current assets				
a) Inventories	49,800.89	3,396.59	(18.13)	53,179.35
b) Financial assets				
i) Trade receivables	67,901.14	5,032.06	(2,624.22)	70,308.98
ii) Cash and cash equivalents	85,903.81	18,525.07	-	104,428.88
iii) Bank balances other than (ii) above	25,903.40	5,452.06	-	31,355.46
iv) Loans	41.46	2.40	-	43.86
v) Other financial assets	856.09	-	-	856.09
c) Other current assets	4,765.28	1,908.23	-	6,673.51
Total current assets	235,172.07	34,316.41	(2,642.35)	266,846.13
Total assets	339,853.99	38,090.72	(53,122.35)	324,822.36



Notes to the Financial Statements

(₹ in lakhs)

Particulars	3M India Limited	3M E&C	Adjustments	As at March 31, 2024
II. Equity and liabilities				
Equity				
a) Equity share capital	1,126.51	50.00	(50.00)	1,126.51
b) Other equity	235,893.06	28,118.90	(50,448.13)	213,563.83
Total equity	237,019.57	28,168.90	(50,498.13)	214,690.34
Liabilities				
1) Non-current liabilities				
a) Financial liabilities				
i) Lease liabilities	858.87	17.73	-	876.60
b) Provisions	2,978.35	328.88	-	3,307.23
Total non-current liabilities	3,837.22	346.61	-	4,183.83
(2) Current liabilities				
a) Financial liabilities				
i) Lease liabilities	934.00	7.18	-	941.18
ii) Trade payables				
- Total outstanding dues of micro and small enterprises; and	3,974.19	75.04	-	4,049.23
- Total outstanding dues of creditors other than micro and small enterprises	72,922.71	8,044.51	(2,624.22)	78,343.00
iii) Other financial liabilities	4,959.08	369.88	-	5,328.96
b) Other current liabilities	5,432.15	408.69	-	5,840.84
c) Provisions	7,086.02	584.62	-	7,670.64
d) Current tax liabilities (net)	3,689.05	85.29	-	3,774.34
Total current liabilities	98,997.20	9,575.21	(2,624.22)	105,948.19
Total liabilities	102,834.42	9,921.82	(2,624.22)	110,132.02
Total equity and liabilities	339,853.99	38,090.72	(53,122.35)	324,822.36

- g) The impact of the above merger on the reported statement of profit and loss as at March 31, 2024 on the Company and the subsidiary while preparing the merged financials are as follows. There is no impact of the merger on the consolidated financial statements of the Company.

(₹ in lakhs)

Particulars	3M India Limited	3M E&C	Adjustments	Year ended March 31, 2024
I. Income				
Revenue from operations	392,676.43	33,631.55	(7,371.74)	418,936.24
Other income	6,746.99	1,249.32	(167.22)	7,829.09
Total income	399,423.42	34,880.87	(7,538.96)	426,765.33
II. Expenses				
Cost of materials consumed	149,871.89	10,074.41	-	159,946.30

Notes to the Financial Statements

(₹ in lakhs)				
Particulars	3M India Limited	3M E&C	Adjustments	Year ended March 31, 2024
Purchases of stock-in-trade	82,161.94	11,137.93	(7,371.74)	85,928.13
Changes in inventories of finished goods, stock-in-trade and work-in-progress	3,785.42	1,062.89	-	4,848.31
Employee benefits expense	35,856.69	3,328.19	-	39,184.88
Finance costs	320.26	1.39	-	321.65
Depreciation and amortisation expense	5,183.33	110.23	-	5,293.56
Other expenses	50,413.29	2,875.01	(167.22)	53,121.08
Total expenses	327,592.82	28,590.05	(7,538.96)	348,643.91
III. Profit before tax	71,830.60	6,290.82	-	78,121.42
IV. Tax expense :				
(i) Current tax charge	18,180.55	1,609.22	-	19,789.77
(ii) Deferred tax (credit) / charge	22.88	(32.91)	-	(10.03)
Total tax expenses	18,203.43	1,576.31	-	19,779.74
V. Profit for the year	53,627.17	4,714.51	-	58,341.68
VI. Other comprehensive income / (loss)				
Items that will not be reclassified subsequently to statement of profit or loss				
Remeasurements of net defined benefit liability / asset	(168.84)	(9.32)	-	(178.16)
Income tax relating to items that will not be reclassified subsequently to profit or loss	42.49	2.35	-	44.84
Other comprehensive income / (loss), net of tax	(126.35)	(6.97)	-	(133.32)
VII. Total comprehensive income for the year	53,500.82	4,707.54	-	58,208.36

- i) The impact of the above merger on the reported statement of cashflows as at March 31, 2024 on the Company and the subsidiary while preparing the merged financials are as follows. There is no impact of the merger on the consolidated financial statements of the Company.

(₹ in lakhs)				
Particulars	3M India Limited	3M E&C	Adjustments	Year ended March 31, 2024
Cashflows from operating activities	58,339.56	5,963.93	-	64,303.49
Cashflows used in investing activities	(22,879.86)	(4,057.73)	-	(26,937.59)
Cashflows from financing activities	(12,753.95)	(3.61)	-	(12,757.56)
Total	22,705.75	1,902.59	-	24,608.34



Notes to the Financial Statements

40 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2025	31 March 2024	% Change	Reasons for Variance
Current ratio	Current Assets	Current Liabilities	2.34	2.52	-7.09%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.05	0.01	536.65%	Increase is due to the new leases entered during the year
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	31.43	42.76	-26.49%	Decrease due to new leases entered during the year
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.24	0.31	-21.85%	
Inventory Turnover ratio	Cost of goods sold	Average Inventory	4.49	4.39	2.31%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.88	6.16	-4.53%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.50	3.06	14.51%	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	3.18	2.60	22.15%	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.11	0.14	-23.41%	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.42	0.37	16.29%	
Return on Investment	Interest (Finance Income)	Investment	-	-	0.00%	

- 41** 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Financial Statements

42 OTHER STATUTORY INFORMATION:

- i) The Company does not have any Benami property or any proceeding is pending against the Company for holding any Benami property.
- ii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- iii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- iv) The Company is not classified as wilful defaulter.
- v) The Company doesn't have any transaction which is 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.
- vi) The Company has no transactions with the struck off companies.
- vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Umang Banka

Partner

Membership No: 223018

for and on behalf of **3M India Limited**

Ramesh Ramadurai

Managing Director

DIN: 07109252

Nikhil Arora

Chief Financial Officer

Jayanand Kaginalkar

Whole-time Director

DIN: 07904558

Pratap Rudra Bhuvanagiri

Company Secretary

Membership No: A22297

Place: Bengaluru

Date: May 28, 2025

Place: Bengaluru

Date: May 28, 2025



3M India Limited

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