



CENTURY TEXTILES AND INDUSTRIES LIMITED

119th Annual Report & Accounts
2015-2016



Chairman's Statement

Dear Shareholders,

In today's fluid global economic scenario, India is somewhat better placed among emerging economies. The Union Budget 2016-17 has given a boost to the critical areas of agriculture, education, rural development and infrastructure, particularly the road sector. That takes us a step closer in the direction of an economic recovery. By adhering to fiscal prudence, the Finance Minister has paved the way for the RBI Governor to reduce the future interest which will lead to revival of investment in infrastructure and industry. With political stability at the centre and the government committed to desired reforms, it is expected that better economic growth will emerge in the coming years.

Due to subdued cement demand and over capacity in the industry, there has been pressure on capacity utilization and cement prices. This, coupled with increased interest cost due to commissioning of new units, has impacted the performance of our Company. In view of the expected improvement in our economy, prices and demand for products of our Company should improve in future.

I would like to extend my gratitude to all our stakeholders, including shareholders, customers, lenders and our loyal, hard working and committed employees, for their continued support and faith in the Company.

B. K. Birla
Chairman

BOARD OF DIRECTORS

(As on 03/05/2016)

Shri B. K. Birla, Chairman

Shri Kumar Mangalam Birla, Vice-Chairman

Smt. Rajashree Birla

Shri Pradip Kumar Daga, Independent Director

Shri Yazdi P. Dandiwala, Independent Director

Shri Rajan A. Dalal, Independent Director

Shri Sohanlal K. Jain, Independent Director

Shri D. K. Agrawal, Whole-time Director

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Notice for Annual General Meeting is being sent separately through Speed post / Registered post / e-mail as required under the Companies Act, 2013 & Rules made thereunder.

Company's Grievance Redressal Division's e-mail id for investors: investorrelations@centurytext.com

TEAM OF EXECUTIVES AS ON 03/05/2016

TEXTILES

Century Textiles and H.O.

Shri R.K. Dalmia	Senior President & C.F.O.
Shri U.C. Garg	Executive President (Purchase & Projects)
Shri Abhay Nahar	Vice President (Finance)
Shri Nilay Rathi	Vice President (Commercial)

Birla Century, Century Yarn and Denim

Shri R.C. Panwar	Joint President (Marketing)
Shri Sanjay Khimesra	Joint President (Works)
Shri Jagir Singh	Joint President (Operations) - Yarn & Denim
Shri Abhijit Bhatwadekar	Senior Vice President (Spinning) & Factory Manager
Shri Somes Bhaumik	Vice President (Processing)
Shri Pradeep Kher	Vice President (Marketing)

RAYON

Century Rayon, Tyrecord and Chemicals

Shri O.R. Chitlange	Senior President
Shri S.K. Mital	Executive President (Engineering, Auxiliary & Instrument)
Shri Subodh Dave	Joint President (Personnel & Administration)
Shri Apurva Gupta	Joint President (Rayon)
Shri V.K. Jhingon	Joint President (Tyrecord, CSY & TQM)
Shri Sudhir Luthra	Joint President (Chemicals & Safety)
Shri Arun Jhawar	Senior Vice President (Marketing)
Shri Yogesh R. Shah	Vice President (Finance)

CEMENT

Century, Maihar, Manikgarh and Sonar Bangla Cements

Shri Jayant Dua	Senior President & Chief Executive Officer
Shri Rajesh K Shah	Head-Finance & Commercial
Shri Vibhu Goyle	Chief Marketing Officer
Shri R S Doshi	Senior Executive President - Commercial
Shri Rajeev Deshpande	Senior Vice President - Purchase

Century Cement & Sonar Bangla Cement

Shri Alok Patni	President (Works)
Shri Vijay Kumar	Senior Executive President (Plant)
Shri A.K. Panja	Executive President (Co-ordination & Marketing) - Sonar Bangla Cement
Shri Arun Gaur	Executive President (Finance)
Shri M.K. Jain	Executive President (Plant) - Sonar Bangla Cement
Shri Satish Gurtoo	Joint President (Electrical & Instrumentation)
Shri PVS Ravikumar	Joint President (Sales & Marketing)
Shri A.S. Thakur	Senior Vice President (Purchase)
Shri A.K. Bajpai	Senior Vice President (Marketing)
Shri Deepak Jaisinghani	Senior Vice President (Mechanical)
Shri B.P. Mishra	Senior Vice President (Mines)

AUDITORS

Dalal & Shah, Mumbai

REGISTERED OFFICE

Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400 030

Maihar Cement Units I & II

Shri R.K. Vaishnavi	President (Works)
Shri P.M. Intodia	Senior Executive President (Commercial)
Shri Arvind Kumar Jain	Executive President (Mechanical)
Shri Manoj Gupta	Executive President (Finance)
Shri P.K. Agarwal	Executive President (Purchase)
Shri Ajai Kumar Jain	Senior Vice President (Production)
Shri J.P. Pandey	Senior Vice President (Mechanical)
Shri S.K. Singh	Senior Vice President (Personnel)
Shri Govind Mahajan	Senior Vice President (Electrical & Instrumentation)
Shri P K Agarwal	Vice President (Marketing)

Manikgarh Cement Units I & II

Shri P.S. Bakshi	President (Works)
Shri J.L. Tiwari	Senior Executive President (Plant)
Shri A.D. Karwa	Senior Executive President (Commercial)
Shri R.K. Udge	Executive President (Mines)
Shri Ashok Maheshwari	Executive President (Marketing)
Shri A.K. Jain	Executive President (Mechanical)
Shri M.P. Joshi	Executive President (Electrical & Instrumentation)
Shri N.D. Hemke	Senior Joint President (Mechanical)
Shri C.S. Vithalkar	Senior Vice President (Mechanical)
Shri H.P. Tiwari	Senior Vice President (Personnel & Administration)
Shri E.V. Ravikumar	Senior Vice President (Finance)
Shri V.K. Sharma	Senior Vice President (Mechanical)
Shri P.K. Bajaj	Vice President (Commercial)
Shri G.V. Suryanarayan	Vice President (Instrumentation)
Shri Piyush Kumar Choudhary	Vice President (Power Plant)
Shri Govind Maheshwari	Vice President (Marketing)
Shri A K Mishra	Vice President (Mechanical)
Shri Rajesh Shukla	Vice President (Production)

PAPER

Century Pulp & Paper

Shri J. P. Narain	Chief Operating Officer
Shri Bijay Dhimaan	Chief Accounts Officer
Dr. Alok Prakash	Chief Sales Officer

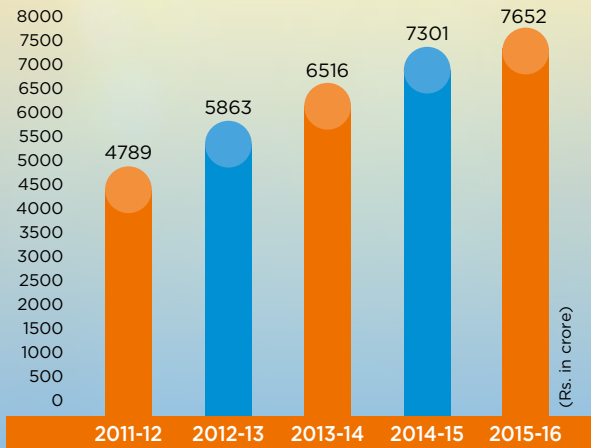
BIRLA ESTATES

Shri K.T. Jithendran	Chief Executive Officer
Shri R. Lalwani	President (Commercial)
Dr. Ananya Gandotra	Head - Design
Shri Shodhan Kembhavi	Head - Legal
Shri Sachin Sinnarker	Head - Liaison

CORPORATE

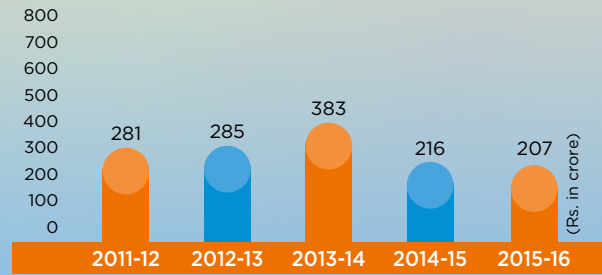
Shri D.K. Agrawal	President (Corporate Affairs)
Shri Atul K. Kedia	Vice President (Legal) & Company Secretary
Shri Arun Gaur	Head - Human Resources
Shri Gautam Sinha	Vice President - Human Resources

NET SALES* & RENT FROM LEASED PROPERTIES



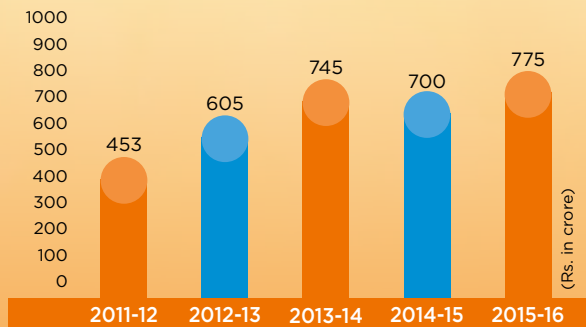
*Net Sales are net of excise duty

GROSS PROFIT AFTER INTEREST



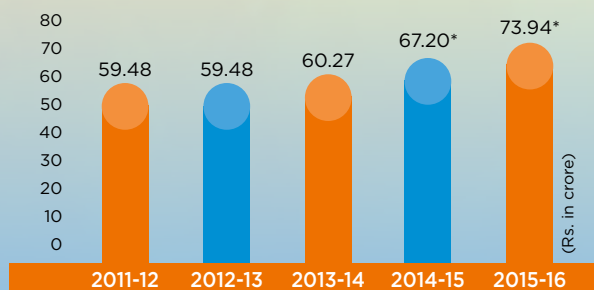
EBITDA

(Earning before Interest, Tax, Depreciation and Amortisation)



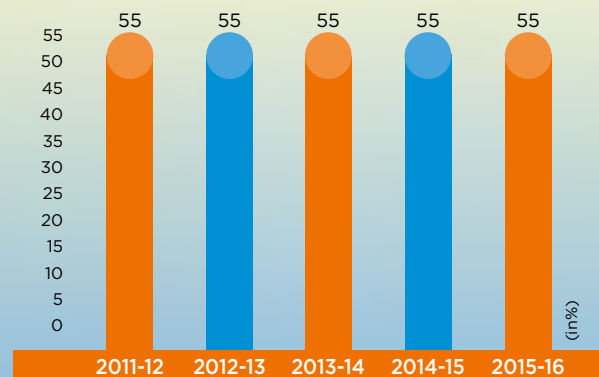
AMOUNT OF DIVIDEND

(including tax on it)



*Due to increase in share capital

RATE OF DIVIDEND



BIRLA CENTURY

New Stitching Facility for Bed Linen Products at Birla Century, Jhagadia, Bharuch



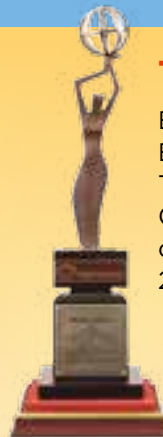
The renowned brands and retailers across the globe always prefer to have business with companies who have in-house stitching facility. Hence, Birla Century has this facility with versatile operations to cater the demands of brands and retailers of bed linen products as well as high premium products with value addition. We are equipped with all the latest Cutting and Sewing machines with capacity to stitch 2 lac sets per month plus latest value addition such as Fegotting and Merrowing, Pintuck and different type of hem treatments. The process of Home Furnishing starts from post processed fabric stage. This facility is helpful for creating an up market collection range in bed linen products i.e. Sheet Sets, Duvets, Shams, Bed Skirts etc. This facility has been designed and constructed in accordance with all the norms of international, technical, social and security compliances. The company has already started approaching retailers and brands in USA, U.K., Australia for strengthening the business of bed linen products.



National Convention on Quality Concepts (NCQC) Award

Birla Century participated in National Convention on Quality Concepts (NCQC 2015) held at Chennai and won the distinguished award on quality concepts.

Also won Silver Trophy (QC-Project) and two Bronze Trophies (Slogan) in the 3rd Annual Convention on Quality Concepts (ACQC-2015) held at Ankleshwar, Gujarat.



Texprocil Export Award

Birla Century has been awarded Bronze Trophy by "The Cotton Textiles Export Promotion Council" for export performance of Cotton Madeups for the year 2014-15.

AWARDS / PRIZES

1. Commissioning of Eight Continuous Spinning machines

We are the largest manufacturer of CSY in the Country. To further strengthen our position and to cater to market demand of fine denier in Continuous Spun Yarn, eight CSY machines were added to take the tally to fifty.

2. IMC Ramkrishna Bajaj National Quality Award 2015

Century Rayon participated in IMC Ramkrishna Bajaj National Quality Award 2015 and won Certificate of Merit. We also bagged 'Best Practices award' from the Ramkrishna Bajaj National Quality Award Trust for our in-house developed system for monitoring statutory compliance and e-intelligence data bank.

3. CII Energy award

The company has a successful track record towards energy conservation & management. We were awarded as Excellent Energy Efficient Unit for the year 2015 by CII.

4. Safety Award

We are recipient of Platinum Award in chemical sector for our good safety practices for the year 2015 at our Chemical plant, which was presented by Greentech Foundation.

5. Confederation of Indian Industry's QCC Competition 2015

Century Rayon participated in CII's State Level Quality Circle Competition held at Kolhapur in August 2015. Two Quality Circles had participated. Swastik Quality Circle won the 2nd Prize at the State Level.

6. Quality Circle Forum of India (QCFI)'s Chapter and National Convention - 2016

Four Quality Circles participated at QCFI's Chapter Convention held at Mumbai in September 2015. Three Gold and one Silver Awards were obtained at the Chapter Convention.

Three Quality Circles participated at QCFI's National Convention held at Chennai in December 2015. All three Quality circles have obtained "Excellence" Award.



Night panoramic view of Manikgarh Cement Unit II at Gadchandur, Dist. Chandrapur, Maharashtra



A view of Sonar Bangla Cement 1.5 Million TPA Cement Grinding Unit at Village Dhalo, Dist. Murshidabad, West Bengal

Sewage Treatment Plant at Century Cement, Baikunth, Dist. Raipur, Chhattisgarh



Two modern sewage treatment plants based on Mix Bed Bio Reactor (MBBR) technology were put up at Century Cement, Baikunth, Dist. Raipur, Chhattisgarh to make use of sewage water.

500 kilo liter water per day is generated and used in gardens and for plantation. Sludge coming out of these sewage plants is being used as manure after composting.

With this, Century has not only saved fresh water which was otherwise to be used for plantation but also reducing water pollution and helping the Swachh Bharat Mission.

Extension of Wagon Loading platform



Extension of Wagon Loading platform enabling single placement of rake and installation of 2 additional Wagon Loader for improving loading efficiency at Maihar Cement Unit No. 2, Sarlanagar, Maihar, Dist. Satna, Madhya Pradesh

AWARDS

**Maihar Cement has won first prize in the
“Water Quality Management”**



For its limestone mines in the group of fully mechanized mines from the Indian Bureau of Mines, Jabalpur Region.

**Manikgarh Cement has won special award
“PANDWANI” for achieving First prize in the
“Noise Vibration Control and Aesthetic Beauty”**



For consecutively three years from Indian Bureau of Mines, Nagpur, Chhattisgarh & Madhya Pradesh Region.

WEALTH FROM WASTE

Century always has a strong endeavour to protect Environment and Natural Resources.

We make every attempt, through all our operating processes and systems, not only to make best use of limited available natural resources including agro products, but always to keep in mind a clean environment for the society.

In this aspect, Century Pulp & Paper has recently started generating wealth from its operating waste. Effluent generated during the process of wet de-pithing bagasse, having high COD value - are made to becoming bio-degradable in anaerobic conditions, through our newly installed high state of art technological 'Bio-Methane Plant'. With the help of a bio-digester, this plant generates various gases. After purification of generated gases, Methane gas being extracted as a major source of fuel due to having high calorific value equivalent to Natural gas.



Generated Compressed Methane Gas (CMG), is being used as a fuel in one of the Process Plant, and now it helps in saving LPG of 2.5 Mt/day. Bio-Methane Plant has a potential to go up to 4.0 Mt/day, with calorific value upto 1.1 times of LPG.

ENERGY EFFICIENT UNIT



Century Pulp & Paper, Lalkua (Nainital) has bagged “National Energy Efficient Unit Award” in Paper & Sugar sector, by CII in a National Level Award competition for Excellence in Energy Management-2015.



Dear Shareholders,

We have pleasure in presenting the 119th Annual Report of the Company along with the audited statement of accounts for the year ended 31st March, 2016. The financial results for the year are shown below. The working and operational parameters of all the plants of the Company were quite satisfactory during the year. Although Earnings before finance cost, tax, depreciation and amortisation (EBITDA) have shown some improvement, there is a net loss mainly due to high interest burden, depreciation and lower profitability in cement, because of lacklustre demand and pressure on selling prices. Labour relations at all the plants are cordial and an atmosphere of mutual trust and confidence prevails.

1. SUMMARISED FINANCIAL RESULTS:

	(₹ in crore)	
	2015-16	2014-15
Earnings before finance cost, tax, depreciation and amortisation (EBITDA)	775.06	700.14
<u>Less:</u>		
Finance Cost	567.72	484.62
Profit after Finance Cost	207.34	215.52
<u>Less:</u>		
Depreciation	287.82	249.21
Profit / (Loss) before tax	(80.48)	(33.69)
<u>Less:</u>		
(Excess) / Short Provision for tax adjustments in respect of earlier years (Net)	(0.76)	1.41
Deferred Tax Debit / (Credit)	(25.20)	25.96
Net Profit / (Loss)	(54.52)	(50.59)
<u>Add:</u>		
Balance brought forward	47.77	137.31
Available Profit/(Loss) dealt with as under	(6.75)	152.80
(Transfers) & Appropriations:		
Transfer from General Reserve	(80.69)	-
Proposed Equity Dividend	61.43	55.83
Tax on proposed equity dividend	12.51	11.37
Transitional effects on revision of depreciation on useful life of assets in accordance with Schedule II of the Companies Act, 2013	-	22.34
Debenture Redemption Reserve	-	15.49
Balance carried forward	-	47.77
	(6.75)	152.80

The performance of each business segment of the Company has been comprehensively discussed in the Management Discussion and Analysis Report (forming part of this Directors' Report) based on the reports of the Senior President/CEO of each of the units of the Company.

2. DIVIDEND:

The Board of Directors has recommended a dividend of 55% i.e. ₹5.50 (Rupees Five and paise fifty) per share, of the face value of ₹10/- each, for the approval of the shareholders. Last year the dividend was paid at the same rate. This dividend will be paid when declared by the shareholders, in accordance with law, out of General Reserve and will be free of tax in the hands of the shareholders. The Company will have to pay dividend distribution tax plus applicable surcharge, education cess and/or any other cess applicable on the dividend distribution tax at the time of declaration and payment of dividend which amounts to 20.36% approximately.

3. SHARE CAPITAL:

The Company's equity Share Capital has increased by ₹10.18 crore during the year raising the total equity capital to ₹111.69 crore. The increase was on account of preferential allotment of shares to promoters/ promoter group due to conversion of preferential warrants.

4. EXPORTS:

The total exports of the Company amounted to ₹504 crore (Previous year ₹589 crore) representing about 7 percent of the net sales.

5. EXPANSION & MODERNISATION:

a) Rayon, Tyre Cord & Chemicals

Eight CSY machines have been commissioned during the year, thus a total of 50 CSY machines are in the production line.

During the year, capacity of the doubling & twisting unit has been enhanced from 90 tonnes per month to 150 tonnes per month. Additional capacity for Zero Twist Rayon Tyre Yarn was commissioned by adding 72 winding position during the second half of the year.

b) General

Modernisation & Technological upgradation programmes continue at all the units of the Company, to maintain competitiveness and achieve better quality. Stringent cost control measures remain in place in all possible areas and are regularly reviewed. Special emphasis is being given to water and energy conservation.

6. FORMATION OF BIRLA ESTATES:

A new Division called 'Birla Estates' has been set up, which will undertake work related to property development of available existing land parcels of the Company, as well as new land to be purchased/acquired in the future for the purpose of development.

Based on a market feasibility study for each of the existing land parcels, newer projects in commercial, residential or other segments would be developed, ensuring optimum viability. Necessary steps are being taken to procure various government approvals which will help pave the way for smooth progress.

Two new office buildings, Birla Aurora, adjacent to Century Bhavan, and Century Greenspan, on erstwhile Century Mill's land, are complete and both the buildings have been partially leased out. All efforts are being taken to fully lease out the buildings.

7. DIRECTORS:

(a) Shri B.L. Jain, Senior President of the Cement Divisions and Whole-time Director, retired from the services of the Company on 31st March, 2016. Your Company wishes to place on record its appreciation for the valuable services rendered by Shri Jain during his long tenure with the Company, including that of a Director.

(b) Shri D.K. Agrawal, President (Corporate Affairs) of the Company has been appointed as Whole-time Director of the Company with effect from 1st April, 2016. A suitable resolution in this behalf is being proposed at the forthcoming Annual General Meeting for the approval of the members, for his appointment as Whole-time Director of the Company.

(c) Pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Kumar Mangalam Birla (DIN 00012813) retires by rotation as Director at the ensuing Annual General Meeting and being eligible, offers himself for the re-appointment. The Board recommends his re-appointment.

(d) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance, of the Directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees of the Board. At the meeting of the Board, all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various Committees, were discussed in detail. A structured questionnaire each, for evaluation of the Board, its various Committees and individual Directors, was prepared and recommended to the Board by the Nomination & Remuneration

Committee, for doing the required evaluation, after taking into consideration the input received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, etc.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority Shareholders, etc. The performance evaluation of the independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and non-independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

(e) Meetings

During the year, five Board meetings were convened and held. The details thereof are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

8. AWARDS:

Various Divisions of the Company have received notable awards as mentioned below:-

(a) Rayon, Tyre Cord & Chemicals:

- IMC Ramkrishna Bajaj National Quality Award 2015 – Certificate of Merit.
- Bagged IMC Ramkrishna Bajaj National Quality 'Best Practices award' for in-house developed system for monitoring statutory compliance and e-intelligence data bank.
- Awarded as "Excellent Energy Efficient Unit" for the year 2015 by CII for energy conservation & management.
- Platinum Award by Greentech Foundation in the chemical sector for good safety practices for the year 2015 at our Chemical plant.

(b) Century Cement:

- First prize for "Overall Performance" and maintenance of HEMMS & workshop for the limestone mines during Annual Safety Celebrations-2015 held under the aegis of the Directorate General of Mines Safety, Bilaspur & Raigarh Region.

(c) Maihar Cement:

- First prize in "Water Quality Management" in the group, of fully mechanized mines (more than 1 million tonnes) and First prize in "Noise Vibration and Aesthetic Beauty", "Water Quality Management" and "Air Quality Management" in the group, of fully mechanized mines (less than 1 million tonnes) for its limestone mines, from the Indian Bureau of Mines, Jabalpur Region, during the Mines Environment & Mineral Conservation week 2015-16.

(d) Manikgarh Cement:

- First prize in the "Explosives" for its limestone mines, during the Mine Safety Week 2015-16, from the Dy. Directorate General of Mines Safety, Western Zone, Government of India, Nagpur.
- First prize in the "Noise Vibration Control and Aesthetic Beauty" for its limestone mines, during the Mines Environment and Mineral Conservation Week 2015-16 held under the aegis of the Indian Bureau of Mines, Nagpur, Chhattisgarh & Madhya Pradesh Region and also received special award namely "PANDWANI" award for achieving First prize in the "Noise Vibration Control and Aesthetic Beauty" consecutively for three years.

(e) Century Pulp & Paper (CPP):

- During the year, CPP, Lalkua, participated in 98th Agro-Industrial Exhibition organised by and held at G B Pant University of Agriculture and Technology, and CPP has been adjudged First place.
This was consecutively for the eighth time, to remain adjudged First.
- CPP has bagged "National energy Efficient Unit Award" in the Paper & Sugar sector, by CII in a National Level Award competition for "Excellence in energy Management-2015".

9. AUDITORS:

M/s. Dalal & Shah, Chartered Accountants (Firm Registration Number: 102021W), who are the Statutory Auditors of the Company, will hold office up to the forthcoming Annual General Meeting. As per the Companies Act, 2013, a new firm M/s. SRBC & Co. LLP, Chartered Accountants (ICAI Firm Registration No.324982E) has been recommended for appointment as Statutory Auditors of the Company for a term of 5 years from the conclusion of the forthcoming Annual General Meeting of the Company subject to ratification by the shareholders every year. They have confirmed their eligibility under Section 141 of the Act, and the Rules framed thereunder, for their appointment as Auditors of the Company.

10. AUDITORS' REPORT:

The Auditors' Report to the Shareholders does not contain any reservation, qualification or adverse remark.

11. COST AUDITORS AND COST AUDIT REPORT:

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 various manufacturing activities are required to be audited. The cost audit report for the financial year 2014-15 was filed with the Ministry of Corporate Affairs on 24th September, 2015. M/s. R. Nanabhoy & Co., Cost Accountants, were nominated as the Company's Lead Cost Auditor.

Your Directors have, on the recommendation of the Audit Committee, appointed M/s. R. Nanabhoy & Co., Cost Accountants, to audit the cost accounts of the Cement, Paper and Textile products of the Company on a remuneration of ₹ 3.40 lacs and appointed Shri M.R. Dudani, Cost Accountants, to audit the cost accounts of the Rayon & Chemicals products on a remuneration of ₹2.08 lacs for the year 2016-17.

As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s. R. Nanabhoy & Co. and Shri M.R. Dudani, Cost Auditors, is included in the Notice convening the Annual General Meeting of the Company.

12. 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 has appointed Gagrani & Gagan, Company Secretaries in practice (CP No.1388), to undertake the Secretarial Audit of the Company for the year ending 31st March, 2017. The Secretarial Audit Report for the year ended 31st March, 2016 is annexed herewith as 'Annexure -I' to this Report. The Secretarial Audit Report does not contain any adverse qualification, reservation or remark.

13. FIXED DEPOSITS:

During the year, the Company has not accepted any deposits from the public and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

14. LOANS, GUARANTEES AND INVESTMENTS:

It is the Company's policy not to give loans, directly or indirectly, to any person or other body corporate or give any guarantee or provide any security in connection with a loan to any other body corporate or person. The details of the investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Financial Statements.

15. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31st March, 2016 and state that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. CHANGE IN KEY MANAGERIAL PERSONNEL:

In view of the retirement of Shri B.L. Jain on 31st March, 2016 from the services of the Company, he has ceased to be a Whole-time Director. With effect from 1st April, 2016, Shri D.K. Agrawal has been appointed as Whole-time Director of the Company and has ceased as Secretary of the Company and Shri Atul K. Kedia has been designated as Company Secretary. Shri R.K. Dalmia continues to be the Chief Financial Officer of the Company.

17. CORPORATE GOVERNANCE:

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the Company regarding compliance with the Corporate Governance norms stipulated, is annexed to the Report on Corporate Governance.

18. AUDIT COMMITTEE, VIGIL MECHANISM & RISK MANAGEMENT:

Audit Committee comprises of four members and all members are Independent Directors. The Company Secretary is the Secretary of the Committee. All transactions with related parties are on an arm's length basis. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee. The Company has in place a vigil mechanism for Directors and Employees, to report genuine concerns about any wrongful conduct with respect to the Company or its business or affairs. This policy covers malpractices, misuse or abuse of authority, fraud, violation of the Company's policies or Rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected or is likely to be affected and formally reported by whistle blowers. The Policy provides that all Protected Disclosures can be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee / Whole-time Director in exceptional cases. All protected disclosures under this policy will be recorded and thoroughly investigated. If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. The details of the vigil mechanism are also available on the Company's website www.centurytextind.com

RISK MANAGEMENT

The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to. The Board also reviews the risk management assessment and minimization procedures. Further, in accordance with SEBI Regulations, a Risk Management Committee has also been formed which also oversees the risk management of the Company.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The CSR Committee comprises of four members. Three members of the Committee are Independent Directors.

Due to the average net profit for last three years being negative, your Company is not required to spend any amount on CSR activities during the year under review.

The Committee met once during the year to review the Corporate Social Responsibility Policy. The annual report on CSR containing the particulars specified in the Annexure to the Companies (CSR Policy) Rules, 2014 is annexed as 'Annexure-II' and forms a part of this Report.

20. NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Committee comprises of five members of which four, including the Chairman of the Committee, are Independent Directors.

The Company's Remuneration Policy is attached as 'Annexure-III' and forms a part of this Report.

21. RELATED PARTY TRANSACTIONS:

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year, which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS18) has been made in the notes to the Financial Statements.

All Related Party Transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee for their approval, on a quarterly basis.

The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The Solicitors for the Company, M/s. Mulla & Mulla & Craigie Blunt & Caroe, provides the legal services required by the Company from time to time. The transactions with the said firm are on an arm's length basis and in the ordinary course of business. Shri Yazdi P. Dandiwala, one of the Directors of the Company is a Senior Partner in the said firm of Solicitors.

22. DECLARATION BY INDEPENDENT DIRECTORS:

Necessary declarations have been obtained from all the Independent Directors under sub-section (6) of Section 149 of the Companies Act, 2013.

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

The Competition Appellate Tribunal (COMPAT) set aside in December, 2015 an order passed by the Competition Commission of India (CCI) and remanded back the matter to the Commission for fresh adjudication. The said CCI order was in response to a complaint filed by the Builders Association of India against leading Cement Companies (including Century) alleging violation of certain sections of the Competition Act, 2002.

The CCI order had levied a penalty on Cement Companies, which for the Company was ₹274.02 crore.

Responding to appeals against payment of this penalty, COMPAT had granted an interim stay while directing the Company and others, to deposit 10% of the penalty which was placed as Fixed Deposit with a bank, with the Commission having a lien thereon. The deposit amount has since been refunded to the Company.

24. INTERNAL FINANCIAL CONTROL:

The Company has in place internal financial control systems, commensurate with the size and complexity of its operations, to ensure proper recording of financial and monitoring of operational effectiveness and compliance of various regulatory and statutory requirements. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of the internal auditor, respective departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

25. INDIAN ACCOUNTING STANDARDS (IND AS) IFRS CONVERGED STANDARDS:

The Ministry of Corporate Affairs vide its notification dated 16.02.2015 has notified the Companies (Indian Accounting Standard) Rules, 2015. In pursuance of this notification, the Company has adopted IND AS with effect from 1st April, 2016 with the comparatives for the year ended 31st March, 2016.

26. ASSOCIATE COMPANIES:

During the year, Kesoram Insurance Broking Services Ltd. and Vasavadatta Services Ltd. have ceased to be Associates of the Company. The Board of Bander Coal Co. Pvt. Ltd., your Company's associate, has resolved to initiate the process of closure of the said associate as there is no business left with it.

27. 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 herewith as 'Annexure-IV'.

28. ENVIRONMENT AND POLLUTION CONTROL:

Your Company strives to maintain the highest standards of environmental care and ensures that increasing level of operations do not adversely impact standards of health and environment. To combat pollution and strengthen the area ecology, considerable emphasis is placed on plantation of fragrant and shady trees. All manufacturing facilities possess the required environmental clearance from the respective Pollution Control Boards and do comply with the relevant statutory provisions.

The Company is well aware of its responsibility towards a better and cleaner environment. Our efforts in environment management go well beyond mere compliance with statutory requirements. The Company has always maintained harmony with nature by adopting eco-friendly technologies and upgrading the same from time to time incidental to its growth programmes.

29. PARTICULARS OF EMPLOYEES:

The prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as 'Annexure-V' and forms part of this Report.

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2016 is given in a separate Annexure to this Report.

The said Annexure is not being sent along with this Report to the Members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by the Members at the Registered Office of the Company, 21 days before the 119th Annual General Meeting and up to the date of the said Annual General Meeting during the business hours on working days.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his/her spouse and dependent children) more than two percent of the equity shares of the Company.

30. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as 'Annexure-VI'.

31. ACKNOWLEDGEMENTS:

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company's well being.

Registered Office:
Century Bhavan,
Dr. Annie Besant Road,
Worli, Mumbai – 400 030

Dated: 3rd May, 2016

On behalf of the Board,

B.K. Birla
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report covers the operations and financial performance of the Company for the year ended 31st March, 2016 and forms part of the Directors' Report.

1. Overall Review:

During the year under review, Earnings before interest, tax and depreciation (EBITDA) of the Company have shown some improvement as compared to previous year. However, due to increase in interest burden because of charge of interest to revenue account, relating to completion of one office building at Mumbai and expansion of capacity of the plant at the Manikgarh Cement unit in Maharashtra, the Company's net profit has been adversely affected. Further, due to demand recession and pressure on selling prices of cement, the financial performance of the cement units has suffered a setback. If investment in infrastructure development, making of smart cities and housing projects for all is accelerated, then, the demand for cement and prices should improve. The financial performance of the Textile and Paper segments has been improving and is expected to be better in the coming years.

The Indian economy has witnessed two successive monsoon failures plus damage due to unseasonal rains, which has adversely impacted growth. An expected normal monsoon in fiscal 2017, will give agriculture a growth kick which will prove good for the Indian economy and should lift upward, the sagging rural demand and overall GDP growth.

There has been a strategic shift in China's growth priority, shifting from exports led growth to domestic consumption led growth with high value added component. Due to expected lower exports from China, the domestic demand for products manufactured by the Company should increase in the near future. The circumstances prevailing in each of the business segments of the Company are separately discussed. Efforts to improve the performance of the Company are continuing.

2.1 Business Segment – Textiles (Cotton fabrics, Denim cloth, Yarn, Viscose Filament Yarn & Tyre Yarn)

Cotton Textiles, Yarn and Denim:

a) Industry structure & Development:

The Indian textile industry market share presently is USD 108 billion, out of which USD 68 billion is domestic consumption and USD 40 billion is exports, due to which India emerges as the second largest exporter after China having 6% share in the global trade. The industry is taking all steps to promote textile exports, which is the need of the hour.

Costs are increasing due to rising input costs, including labour and power. The fall in the Rupee against the US dollar should act positively for promotion of exports. Focus on new product development and value added products is continuing in this segment.

b) Opportunities & Threats:

India has the potential to double its market size in the long run as China is losing its competitive advantage in textiles mainly on account of increasing labour & power costs, the appreciating Yuan, and focus on the domestic market with high value products. The shift from China to India is expected to happen in the long run, to make India a dependable source of supply for the World.

Increasing competition from countries like Bangladesh, Vietnam, Pakistan and Sri Lanka due to favorable tariff structures on exports to developed markets like the US, EU, Canada, Australia, etc poses a significant challenge to Indian exports. Exports from India attract a much higher duty as compared to other Asian countries.

c) Segmental Review and Analysis:

The technical performance of our Textile unit viz. Birla Century near Bharuch in Gujarat has been steady and there has been some growth in turnover. Due to a general market recession, the demand and prices for textile products remained weak. In the Domestic market, with the help of continuous new product development and increasing Value added product supply, the Company is offering a wide range of high quality products to all categories of the customers with continual developments in blends, weaving structures, designs, finishes, etc. This should enhance our margins in due course in spite of increase in labour cost, power cost, etc. In exports, due to a globally weak retail sentiment, mainly in the US, the pressure would remain on sales & prices. Our new stitching facility for made-ups will provide better opportunities in this segment.

d) Risks and Concerns:

The US dollar has strengthened continuously against the Indian Rupee and other currencies, due to the turmoil in the China market and recession in the European market. Due to a demand recession across the globe, increasing prices in Indian markets has become extremely difficult. The input costs are continuously increasing without commensurate increase in selling prices.

e) Outlook:

To overcome the challenges and competition, we have taken various initiatives to reduce the operational cost, development of new innovative value added products, and exploring new markets based on certain parameters, to achieve better margins in the future.

Century Rayon – Viscose Filament Yarn (VFY) [Pot Spun Yarn (PSY) & Continuous Spun Yarn (CSY)] and Rayon Tyre Yarn.

a) Industry Structure and Development:

Production of VFY mostly remained confined to Asia, with China and India being major players. While marginal capacity addition has been witnessed in India, China too witnessed capacity addition in CSY. New stringent environmental policy norms adopted by China have led to the closure of 2 VFY plants in China, having a capacity of 29000 Tons per annum. As a result, the net capacity has been reduced.

Imports from China have witnessed a declining trend, which enabled domestic producers to offload the inventory. The US Dollar has strengthened against the Rupee, which has led to a rise in the landed cost of imported material, allowing domestic producers to increase their prices. However, domestic prices are still lower compared to the Chinese material.

The emerging trend in the consumption of VFY from fine deniers to super fine deniers continued, with weavers offering more value added products made out of super fine deniers.

Emerging demand in Super fine deniers has led to a reduction in the production of coarser deniers which reduced our market share, both in domestic as well as the export market, paving the way for competitors to capture these markets.

Steady demand and consumption of Rayon Tyre Yarn in Europe, Japan and USA have led to full capacity utilization of the Rayon Tyre Yarn capacity.

With stable demand across all the segments of VFY (PSY, CSY) & Rayon Tyre Yarn, the unit was able to utilize its full capacity for the second consecutive year.

Imports of Carbon-di-Sulphide (CS₂) continued, that affected the demand supply scenario in the market, resulting in downward price adjustments. Demand and prices of other chemical products like Caustic Soda Lye, Hydrogen, Liquid Chlorine and Sulphuric Acid remained volatile during the year.

b) Opportunities and Threats:

While introducing a wide range of products is a continuous process at the unit level, the newly introduced products in 30/24 and 75/30 in the CSY segment, have found ready acceptance in the market. The unit is taking further initiatives to introduce new product variants in CSY, for larger usage, which would create an opportunity to keep competitors at bay.

Commissioning of additional eight CSY machines to produce super fine deniers has paved the way for the unit to consolidate its presence further in this segment.

Opportunity of expanding the market share by offering more production in the domestic segment, could not be fully tapped due to capacity constraint. An application is filed by the unit with the MoEF for giving consent to operate beyond 25000 TPA. The requisite approvals are expected to be received during the first half of the current financial year.

While substitution by polyester in the furnishing and embroidery segments poses a risk to VFY, it is expected to remain confined at a marginal level.

Due to comfort and being a fashion fibre, demand for VFY is expected to rise, as disposable income of Indian middle class is witnessing a steady rise.

Efforts by Tyre manufacturers to replace rayon tyre yarn with HMLS Polyester continues to pose a long term threat, but the success rate in HP and UHP is limited and increasing demand for rayon tyre yarn in Europe, USA and in China should give relief to the industry.

Tyre manufacturers are demanding dipped fabric instead of Rayon Tyre yarn, which the unit is not able to supply as it does not have a conversion facility. In the long run, this may threaten our presence in the International market.

c) Segmental Review and Analysis:

Liquidation of accumulated inventory coupled with a better consumption trend in the domestic market helped the unit to achieve more volume during the year under review. Increase in price on account of currency fluctuation helped in protecting the margins.

Various initiatives undertaken for cost optimization, particularly in labour and power, helped the unit to maintain its margin at reasonable levels. Better maintenance practices adopted by the unit has reduced the down time and enhanced productivity.

Based on the existing trend of consumption and prices, it is expected that the unit would be able to work on 100% capacity utilization, thus achieving better productivity and reasonable margin.

d) Risks & Concerns:

Substantial drop in the availability of water witnessed in the current year has led to a water crisis in the area where the unit is operating. The unit has already received intimation from the Maharashtra Government for a 35 % cut in water supply. A representation has already been made to the appropriate government authority for re-consideration. Though the division has initiated various steps to reduce water consumption, if the water cut is enforced by the authorities, it would severely affect the working of the unit in terms of production as well as margins.

The adverse impact of the Rupee Dollar parity has also led to increase in the cost of raw material.

A representation made by the unit through Association of Man-Made Fibre Industry of India (AMFII) for reconsideration of the proposed new environmental norms for the man-made fibre industries, are at the hearing stage. If imposed, it would be difficult for the industry to meet the new environmental norms without huge capital investment.

The biggest concern for the industry is the review of the Anti dumping duty on imports emanating from China which is due for re-validation in May 2017. The Industry through its Association (AMFII) has already appointed an agency and constituted a committee to take up the matter with the requisite authorities.

Rapid urbanization in and around the unit has led to attraction of multi storey residential complexes, which would lead to operation of the unit becoming more difficult.

e) Outlook:

As stated in last annual report, the division has successfully commissioned Doubled and Twisted (D&T) yarn capacity for production of 150 Tons/Month, thus becoming the first and only major player in the organized sector to make its presence in this segment. Having well established the product in D&T yarn segment, the unit is exploring possibilities for further expansion in this segment.

The unit could procure orders for Rayon Tyre yarn for the year 2016 and is expected to operate at its full capacity. However, it could not get any increase in the price for about four years, which is a matter of concern.

With the introduction of more speciality yarn, the unit is expected to maintain its progress in introducing value added products.

Overall outlook for the unit is expected to remain satisfactory.

2.2 Business Segment – Cement (Cement & Clinker)

a) Industry Structure and Development:

The Indian cement industry has an installed capacity of about 400 million tonnes with the most modern cement plants coupled with latest technologies and are comparable to the best in the world.

The first decade of the new millennium 2001-2010, witnessed an all -round growth in the cement industry which was never seen before in the nine decades of its existence. Buoyed by the government's ambitious plans for infrastructure and large budgetary allocations for development of roads, ports, airports, rural housing, special economic zones etc, the cement companies undertook the ambitious expansion through both, green field and brown field projects.

The period of 2011-2014 has been a comparatively challenging time for the cement industry owing to the economic slowdown, excess production capacity and sluggish demand. The cement demand remained sluggish primarily due to slow pick up in infrastructure projects as well as lack of demand from the rural sector, resulting in large cement plants having idle capacity.

During the FY 2015-16, cement production in India is expected to be about 283 million tonnes as against 270 million tonnes in the FY 2014-15, witnessing a growth of about 4.6% as against 5.5% in the previous year.

In India, about 67% of the cement demand emanates from housing, 24% from infrastructure and commercial construction and 9% from the industrial sector.

With a stable growth-oriented perspective of development, aided by suitable government policies, the infrastructure and investment cycle is expected to pick up and simultaneously the demand for cement is expected to increase by 6% in FY 2016-17 from an estimated 4.6% in FY 2015-16.

b) Opportunities and Threats:

With greater emphasis in the 2016 Budget on the infrastructure segment, such as roads, highways, irrigation, push to "Housing for all" scheme, Smart City development and Metro Rail Projects, the demand for Cement is also likely to spur, thereby bridging the gap between demand and supply.

Ever increasing duties and input costs are pushing the cost of production without a corresponding increase in the marketing scenario. This will pose a threat to improving the overall scenario in respect of cement.

c) Segmental Review and Analysis:

During the FY 2015-16, the Company has produced 102.14 lac tonnes of cement as compared to 96.30 lac tonnes in the previous year, witnessing a growth of 6.06%. Due to poor demand, cement prices remained under pressure and had an adverse impact on the profitability of the cement division. Levy of Central Cess @ 2% of the Royalty for Natural Mineral Exploration Trust and District Cess at 30% of the Royalty for Mineral Foundation Trust collectively, have resulted in higher cost of production. Substitution of high cost coal in the kiln by pet coke has been initiated, which has helped in restricting the overall cost and shall benefit the Company in the years to come. Continuous efforts are being made to increase productivity, control cost and improve quality.

d) Risks and Concerns:

Despite the initiatives announced by the government, cement demand did not pick up as anticipated. Many projects / policies were announced / initiated by the government to support and aid the growth of the industry. However the pace of investment and construction activities continued to remain low. Expectations and ground realities are yet to converge. With substantial surplus capacity, the cement industry is relatively at a low level of capacity utilization.

Both, coal quality and prices are a matter of concern. Increase in "Clean Environment Cess" on coal, from ₹ 200 per ton to ₹ 400 per ton and levy of Krishi Kalyan Cess @ 0.5% on services, will have a negative impact on the profitability.

High incidence of taxes and duties is a matter of concern for the industry.

e) Outlook:

Given the enormous need for infrastructure and housing, which require large quantities of cement as a basic building material, the prospects for the industry are favorable. Consistent increase in demand should absorb the excess supply and also improve utilization of the industry's capacity.

2.3 Business Segment –Pulp and Paper (Pulp, Writing & Printing Paper, Tissue Paper and Multilayer Packaging Board)

a) Industry Structure & Development:

Paper being a commodity product, is cyclical in nature and is strongly co-related with global economic factors. Equilibrium between demand and supply in the domestic market is determined by the economic scenario of the neighbouring countries.

With the expectation of a growing global economy, the demand for paper is likely to increase in the domestic as well as international markets.

b) Opportunities and Threats:

With changing lifestyles in the country, growth in value added paper products is strongly visible. We are the only Indian paper manufacturer producing all ranges of paper products i.e. Writing & Printing Paper, Copier Paper, Tissue and Board. Hence, demand-supply mismatch in any product gives a business opportunity to the Company. Over the years, the country-wide dealer network has also been strengthened and that gives the Company a competitive advantage.

Reduced import duties and surplus paper capacities in the neighbouring countries have led to cheaper imports, resulting in pressure on domestic prices. New medical regulatory norms introduced by the developed countries, in relation to export of pharma products from India, have adversely impacted demand for paper board used by Pharma Industries.

c) Segmental Review and Analysis:

During 2015-16, quarter over quarter, Century Pulp & Paper continued to improve its performance. Being one of the best quality producers, we strategically launched a range of value added products, which helped to increase our sales volumes by 15%, along with an increase in realisations as well as margins.

During the year, our improved performance is despite two newly installed capacities becoming operational by other players in the Multilayer Packaging Board business. With new capacities, the demand supply equilibrium in the domestic market shifted towards excess supply. With strong demand for our products, we are expecting a good growth in our volumes, with further improved margins, next year.

d) Risks and Concerns:

Regular availability of wood at reasonable prices is and continues to remain the biggest concern for Indian paper manufacturers. The availability of bagasse is mainly dependent on adequate rain and growth of sugarcane. During the year, most of the areas in the central and northern parts of the country had insufficient rain, hence this negatively impacted the availability of sugarcane as well as bagasse.

Some smaller manufacturing set-ups, which enjoy lower cost of production due to advantageous levels of overhead expenses and taxes, have upgraded the quality of their products, and provide good competition to large units in terms of both, quality and price.

The disrupted availability of coal and its increased price are further risks that the industry has to cope with.

e) Outlook:

With more thrust by the government on promotion of education i.e. introduction of educational cess, the demand for paper is expected to grow. Hence, the long-term outlook for the Indian paper industry appears to be strong & positive. Improvements in internal efficiency, launching new value added products, adopting a more customer centric approach and strengthening product quality to navigate uncertainties in the market, will remain our priority areas.

3. Internal control systems and their adequacy:

The Company has a well established framework of internal controls in all areas of its operations, including suitable monitoring procedures and competent personnel. In addition to statutory audit, the financial controls of the Company at various locations are reviewed by the Internal Auditors, who report their findings to the Audit Committee of the Board. The

Audit Committee is headed by an Independent Director and this ensures independence of functions and transparency of the process of supervision. The Committee meets on a regular basis to review the progress of the internal audit initiatives, significant audit observations and planning and implementation of follow-up action required. The Company conducts its business with integrity and high standards of ethical behaviour and in compliance with the laws and regulations that govern its business.

4. Highlights of the Company's Financial Performance:

(₹ in crore)

Particulars	2015-2016	2014-2015
1. Revenue from Operations (Net)	7987.58	7559.27
2. Earnings before finance cost, tax, depreciation and Amortization (EBITDA)	775.06	700.14
3. Less: Finance Cost	567.72	484.62
4. Profit before depreciation, amortisation and taxation.	207.34	215.52
5. Less: Depreciation and amortization	287.82	249.21
6. Profit / (Loss) before taxation	(80.48)	(33.69)
7. (Excess) / Short Provision for tax adjustments in respect of earlier year (Net)	(0.76)	1.41
8. Deferred Tax Debit / (Credit)	(25.20)	(50.59)
9. Net Profit / (Loss)	(54.52)	15.49

5. Human Resource Development / Industrial Relations:

The total no. of employees as on 31.03.2016 was 13107 (12949 as on 31.03.2015). The Company has adopted a progressive policy for helping employees to develop their organizational skills, knowledge and abilities to achieve efficiency. The focus of all aspects of Human Resource Development is on developing a superior workforce so that the organization and individual employee can accomplish their work goals of service to customers.

6. Health and Safety Measures:

As a conscientious and caring employer, the Company actively pursues safety and health measures continuously. Modern occupational health and medical services are accessible to all employees through well-equipped occupational health centers at all manufacturing units. At all our plants, adequate safety measures for prevention of any untoward incident have always been taken. The Company has a range of policies, including on quality, safety and health aspects to guide the employees' work practices, actions and decisions. The Company strives to continuously improve the effectiveness of its policies and the employees are encouraged to contribute their best in this direction. All employees are obliged to ensure that they fully understand all policies and they do fully comply with the requirements thereof.

7. Cautionary Statement:

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts.

The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Century Textiles and Industries Limited
Century Bhavan,
Dr. A.B. Road, Worli,
Mumbai - 400030

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Century Textiles and Industries Limited (hereinafter called the Company: CIN: L17120MH1897PLC000163). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and Regulations 2015 (effective 15th May, 2015);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (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 and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (i) Secretarial Standards with respect to meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India effective 1st July, 2015;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective 1st December, 2015);

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

We further report that having regard to the compliance systems prevailing in the Company and on examination of the relevant documents, reports and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company :

1. The Mines and Minerals (Development and Regulation) Act, 1957.

We further report that

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

Adequate notice is given to all Directors to schedule the Board 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.

All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has -

- (i) Converted balance 1,01,80,000 warrants into 1,01,80,000 equity shares on 18th December, 2015 which were allotted on 19th June, 2014 under preferential issue to promoter / promoter group companies to be convertible into equal number of equity shares in one or more tranches within 18 months.
- (ii) No Redemption / Delisting / buy-back of securities.
- (iii) No Merger / amalgamation / reconstruction.
- (iv) No Foreign technical collaborations.
- (v) No Employee stock options/ Employee Stock Purchases.

For Gagrani & Gagan
Company Secretaries

Gagan B. Gagrani
M.No. : FCS 1772
CP No. : 1388

Place : Mumbai
Dated: May 3, 2016

ANNEXURE 'II'

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company has formulated a Corporate Social Responsibility (CSR) Policy stated in the link mentioned below pursuant to Section 135 of the Companies Act, 2013 and Notification dated 27th February, 2014 issued by the Ministry of Corporate Affairs under the said Section. The policy is framed for undertaking activities as may be found beneficial and feasible for betterment of critical social, environmental and economic development of the weaker sections of the society, preferably locally, near to the factory sites of the Company. This CSR Policy relates to the activities to be undertaken by the Company as specified in Schedule VII of the Act and the expenditure thereon and focuses on addressing critical social, environmental and economic needs of marginalized / underprivileged sections of the society.

Under the provisions of section 135 of the Companies Act, 2013, a Company is required to spend on CSR activities, an amount equivalent to at least 2% of the average net profits of the company made during the three immediately preceding financial years. Since the Company does not have any such "average net profit" as on date, the Company is not required to spend any amount on CSR activities. As and when in future, the Company has any "average net profit" as contemplated in section 135, the scheme will be suitably modified by the CSR Committee to identify specific projects, as also the modalities of execution, implementation schedule and monitoring process of such projects.

CSR Policy can be perused on the following weblink -

Web-link: www.centurytextind.com

2. The Composition of the CSR Committee as on 03-05-2016.

1	Shri Yazdi P. Dandiwala	-	Independent Director
2	Shri Pradip Kumar Daga	-	Independent Director
3	Shri Rajan A. Dalal	-	Independent Director
4	Shri D. K. Agrawal	-	Whole-time Director

3. Average net profit of the company for last three financial years:

The Company has incurred average net loss during the last three financial years as under:

<u>Year</u>	<u>Profit/Loss (-) Amount (₹ in crore)</u>
2012-13	(-) 70.26
2013-14	28.32
2014-15	(-) 32.69
Total	(-) 74.63

Average net profit of previous 3 years ₹ (-) 24.88 Crore.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

The Company is not required to spend any amount in view of average net loss during the last three financial years.

5. Details of CSR spent during the financial year:

- a) Total amount to be spent for the financial year; **NIL**
- b) Amount unspent, if any; **N.A.**
- c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads.	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
===== N.A. =====							

6. In case the company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: ---- **N.A.** ----

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company: ---- **N.A.** ----

Whole-time Director

Chairman
CSR Committee

Extract From Nomination and Remuneration Policy:

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, NON-EXECUTIVE/INDEPENDENT DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

General:

- a. The remuneration / compensation / commission etc. to the Whole-time Director, Non-Executive/Independent Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions as per the provisions of the Companies Act, 2013, and the Rules made thereunder.
- c. Increments to the existing remuneration / compensation structure linked to performance, should be clear and meet appropriate performance benchmarks and may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- d. The Committee does not propose to fix the actual amounts of remuneration that may be payable to each individual key managerial personnel or senior management personnel. However, the management, whilst fixing the remuneration of any such key personnel must consider the following:
 1. The Industry practice for the same level of employment/office.
 2. Past performance/seniority of the concerned appointee.
 3. The nature of duties and responsibilities cast upon such person by reason of his holding that office.
 4. The remuneration should be such that it provides adequate incentive to the person to give his best to the Company and feel essence of high satisfaction with his employment.
 5. The perquisites to be given to Whole-time Director/s, KMP & Senior Management Personnel will be as per industry practice and as may be recommended by the Committee to the Board.

Remuneration to Whole-time Director, KMP and Senior Management Personnel:

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required, reflecting the short and long term performance objectives appropriate to the working of the Company and its goals.

Remuneration to Non- Executive / Independent Director:

a. Remuneration / Commission:

The Committee noted that in the past the Company has paid remuneration to Non-Executive Directors by way of commission and if the Company's net profits computed for the purpose under the applicable provisions of the Companies Act, 2013 so permits in future, that practice should be restored.

Commission may be paid within the monetary limit fixed and approved by the Board subject to the overall limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

b. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committees thereof as may be recommended by the Committee and approved by the Board provided that the amount of such fees shall not exceed amount prescribed in this behalf by the Central Government from time to time. So far as the Sitting Fees are concerned, presently, for meetings of the various Committees, the same are at par for all the Committees. It should be suitably modified in due course keeping in mind the time and work involved for each of the Committees and the industry practice.

Information as required under Rule 8(3) of the Companies (Accounts) Rules, 2014.

a. CONSERVATION OF ENERGY:

(i) the steps taken or impact on conservation of energy

Textile Division

- Replaced underground condensate line by open condensate line in processing to reduce steam consumption.
- Installation of VFD in humidification plants for energy conservation.

Rayon, Tyre Cord & Chemicals Divisions

- Power reduction in transport system of alkali cellulose from ageing drum by energy efficient blowers.
- Installation of VFD for de-dusting blower for energy conservation in boiler house.

Cement Divisions

- Installation of ac variable speed drive for optimization of packer fan operation at Century Cement.
- Installation of LED lights in place of conventional light fitting at Century Cement and Manikgarh Cement.

Pulp & Paper Division

- Implemented Auto Combustion Control in Boilers for efficiency improvements.
- Reduced usage of PRDS, result enhanced power generation.
- Replacement of conventional root blowers by energy efficient turbo blowers for aeration purpose in ETP plant resulting reduction of energy consumption .

(ii) the steps taken by the unit for utilizing alternate sources of energy

- Generation of Methane gas from Effluent water & purification and production of CMG gas, as a replacement of LPG.
- Utilization of rice husk at Manikgarh Cement.

(iii) the capital investment on energy conservation equipments: ₹ 3.26 crore

b. TECHNOLOGY ABSORPTION:

(i) the efforts made towards technology absorption

- Implementation of Cascade system in steam & condensate system, resulted steam saving 0.4 ton/ton of paper.
- Installation of screw compressors in place of reciprocating compressors resulting in power saving.
- Installation of 2 x 250 KLD MBBR technology sewage treatment plant at Century Cement for treatment of domestic effluent.
- The treated water is being used for plantation.
- Installation of dust separation nozzle water sprinkler system at all cement plants.
- Installation of rail cum road vacuum cleaning system at Maihar Cement and Sonar Bangla Cement.

(ii) the benefits derived as a result of above efforts

- Reduction in cost and power consumption.
- Quality Improvement.
- Water saving.
- Pollution free atmosphere in plants.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- the details of technology imported
- the year of import
- whether the technology has been fully absorbed
- if not fully absorbed, areas where absorption has not taken place, and reasons thereof

} NIL

(iv) the expenditure incurred on Research and Development

	(₹ in crore)
(a) Capital	0.10
(b) Recurring (including contribution)	11.94
(c) Total	12.04
(d) Total R&D expenditure as a percentage of total turnover	0.16%

c. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and Foreign Exchange outgo during the year in terms of actual outflows.

	(₹ in crore)
Foreign Exchange earned (inflow)	456.37
Foreign Exchange used (outflow)	545.85

On behalf of the Board,

(B.K. Birla)
Chairman

Dated: 3rd May, 2016

ANNEXURE 'V'

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2015-16 (₹ in lacs)	% increase in Remuneration in the Financial year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Shri B. K. Birla, Chairman	1.30	63	0.37	
2	Shri Kumar Mangalam Birla	1.00	NIL	0.29	
3	Smt. Rajashree Birla	0.80	*	0.23	
4	Shri Pradip Kumar Daga	2.30	NIL	0.66	
5	Shri Yazdi P. Dandiwala	2.50	14	0.72	
6	Shri Rajan A. Dalal	1.20	-52	0.34	
7	Shri Sohanlal K. Jain	2.10	200	0.60	
8	Shri B.L. Jain (Whole-time Director)	374.73	NIL	107.37	-- N.A. -- Net Loss of ₹ 54.52 Crore during the year as compared to Net Profit of ₹15.49 crore during the year 2014-15
9	Shri R. K. Dalmia (Chief Financial Officer)	295.49	- 2	N.A.	
10	Shri D. K. Agrawal (Company Secretary)	169.91	28	N.A.	

* Details not given as Director was on the Board of the Company only during the financial year 2015-2016.

- (ii) The median remuneration of employees of the Company during the financial year was ₹ 3.49 Lakh.
- (iii) In the financial year, there was an increase of 9% in the median remuneration of employees.
- (iv) There were 13107 permanent employees on the rolls of Company as on March 31, 2016.
- (v) Relationship between average increase in remuneration and company performance:- Net Loss for the financial year ended March 31, 2016 was ₹ 54.52 crore as compared to Net Profit of ₹15.49 crore in the previous year. The increase in median remuneration was 9%. The average increase in median remuneration was in line with the increase of salary in the industry.
- (vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
The total remuneration of Key Managerial Personnel (KMP) increased by 4% from ₹ 8.09 crore in 2014-15 to ₹ 8.40 crore in 2015-16. Net loss was ₹ 54.52 crore as compared net profit after tax of ₹ 15.49 crore in 2014-15. Increase in remuneration of KMP was in line with the increase of salary in the industry.
- (vii) a) Variations in the market capitalization of the Company: The market capitalization as on March 31, 2016 was ₹ 5367 crore (₹ 6469 crore as on March 31, 2015).
- b) Price Earnings ratio of the Company as at March 31, 2016 and as at March 31, 2015 – Not Applicable – As there is a net loss during the year 2015-16 and negligible profit during the year 2014-15.

- c) Percent increase over / decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year.

The company has not made any public issue or rights issue of securities since last more than 20 years, so comparison have not been made of current share price with public offer price. The Company's shares are listed on BSE Ltd. and National Stock Exchange of India Ltd.

- (viii) Average percentage increase made in the salaries of employees other than the Key Managerial Personnel in the last financial year i.e. 2015-16 was 10.98% whereas the increase in the managerial remuneration for the same financial year was 4%.
 - (ix) There are no variable component of remuneration availed by the directors except the Whole-time director which is based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
 - (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
 - (xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
-

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS

- i) CIN : L17120MH1897PLC000163
- ii) Registration Date : 20th October, 1897
- iii) Name of the Company : Century Textiles and Industries Limited
- iv) Category/Sub-category of the Company : Public Limited Company / Limited by Shares.
- v) Address of the Registered office and contact details : "Century Bhavan",
Dr. Annie Besant Road, Worli, Mumbai - 400030
Phone: +91-22-24957000, Fax: +91-22-24309491/24361980
Email: centextho@centurytext.com
Website: www.centurytextind.com
- vi) Whether listed company : Yes., BSE Limited and National Stock Exchange of India Limited.
- vii) Name, Address and contact details of the Registrar and Transfer Agent, if any. : Link Intime India Private Limited
Unit: Century Textiles and Industries Limited
C-13 Pannalal Silk Mills Compound, L.B.S Marg,
Bhandup (West), Mumbai - 400078
Phone : +91-22-2596 3838, Fax : +91-22-2594 6969
Email: rnt.helpdesk@linkintime.co.in
website: www.linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product /service*	% to total turnover of the company #
1	Fabrics	13121 & 13131	5.96
2	Denim Cloth (Cloth Dyed)	13111	2.60
3	Viscose Filament Yarn & Viscose Tyre Yarn	20303	10.73
4	Cement	23942	52.86
5	Wood / Bagasse / Recycle based paper	17013	12.35
6	Multilayer packaging board	17016	8.33

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation.

On the basis of Gross Turnover.

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Bander Coal Co. Pvt. Limited Century Bhavan, Worli, Mumbai-400030	U10200MH2009PTC193985	Associate	37.50	Section 2(6)
2	Industry House Limited Industry House, 159, Churchgate reclamation, Mumabi-400020	U99999MH1952PLC008941	Associate	35.28	Section 2(6)

IV SHARE HOLDING PATTERN (Equity Share Capital break up as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2,07,970	-	2,07,970	0.20	2,07,970	-	2,07,970	0.18	- 0.02
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	4,56,98,170	-	4,56,98,170	45.02	5,31,32,070	-	5,31,32,070	47.57	+ 2.55
e) Bank/Financial Institution	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (1) :	4,59,06,140	-	4,59,06,140	45.22	5,33,40,040	-	5,33,40,040	47.75	+ 2.53

(2) Foreign

a) NRI - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB - TOTAL (A) (2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	4,59,06,140	-	4,59,06,140	45.22	5,33,40,040	-	5,33,40,040	47.75	+ 2.53

B. PUBLIC SHAREHOLDING

(1) Institutions

a) Mutual Funds	52,48,056	14,240	52,62,296	5.19	1,01,22,461	3,220	1,01,25,681	9.07	+ 3.88
b) Banks/Financial Institutions	35,34,339	60,664	35,95,003	3.54	33,94,965	60,664	34,55,629	3.09	- 0.45
c) Central Government(s)	11	2,580	2,591	0.00	11	2,580	2,591	0.00	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	14,52,981	-	14,52,981	1.43	13,00,481	-	13,00,481	1.17	- 0.26
g) Foreign Institutional Investors (FIIs)	88,20,567	1,050	88,21,617	8.69	52,88,152	1,050	52,89,202	4.74	- 3.95
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors-Corporate	20,52,569	-	20,52,569	2.02	47,62,407	-	47,62,407	4.26	+ 2.24
SUB TOTAL (B)(1):	2,11,08,523	78,534	2,11,87,057	20.87	2,48,68,477	67,514	2,49,35,991	22.33	+ 1.46

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

(2) Non - Institutions

a) Bodies corporates										
i) Indian	1,14,31,423	54,250	1,14,85,673	11.31	1,31,89,147	50,310	1,32,39,457	11.85	+ 0.54	
ii) Overseas Bodies Corporate	3,65,820	-	3,65,820	0.36	3,65,820	-	3,65,820	0.33	- 0.03	
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,19,18,219	15,10,679	1,34,28,898	13.23	1,19,76,594	14,13,839	1,33,90,433	11.99	- 1.24	
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	73,22,086	6,89,080	80,11,166	7.89	40,71,169	6,75,320	47,46,489	4.25	- 3.64	
c) Others (specify)										
1) NRIs	4,32,108	23,150	4,55,258	0.45	4,78,721	23,150	5,01,871	0.45	0.00	
2) Foreign Nationals	450	-	450	0.00	450	-	450	0.00	0.00	
3) Clearing Member	5,64,482	-	5,64,482	0.56	2,92,410	-	2,92,410	0.26	- 0.30	
4) Trust	1,10,456	-	1,10,456	0.11	1,07,426	-	1,07,426	0.10	- 0.01	
5) Directors / Relatives	280	-	280	0.00	280	-	280	0.00	0.00	
6) HUF	-	-	-	-	7,75,013	-	7,75,013	0.69	+ 0.69	
SUB-TOTAL (B)(2):	3,21,45,324	22,77,159	3,44,22,483	33.91	3,12,57,030	21,62,619	3,34,19,649	29.92	- 3.99	
Total Public Shareholding (B) = (B)(1) + (B)(2)	5,32,53,847	23,55,693	5,56,09,540	54.78	5,61,25,507	22,30,133	5,83,55,640	52.25	- 2.53	

C. Shares held by Custodian for GDRs & ADRs

1	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
2	Public	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	9,91,59,987	23,55,693	10,15,15,680	100.00	10,94,65,547	22,30,133	11,16,95,680	100.00	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Pilani Investment And Industries Corporation Limited	3,42,20,520	33.71	0.00	3,42,20,520	30.64	0.00	- 3.07
2	Kesoram Industries Limited	27,46,100	2.71	100.00	0	0.00	0.00	- 2.71
3	Aditya Marketing and Manufacturing Limited	34,60,900	3.41	0.00	75,60,900	6.77	0.00	+ 3.36
4	Prakash Educational Society	1,28,000	0.13	0.00	1,28,000	0.11	0.00	- 0.02
5	Birla Educational Institution	44,000	0.04	0.00	44,000	0.04	0.00	0.00
6	IGH Holdings Private Limited	50,70,000	4.99	0.00	1,11,50,000	9.98	0.00	+ 4.99
7	Manav Investment & Trading Co. Limited	11,950	0.01	0.00	11,950	0.01	0.00	0.00
8	Padmavati Investment Limited	16,700	0.02	0.00	16,700	0.01	0.00	- 0.01
9	Shri Basant Kumar Birla	1,31,900	0.13	0.00	1,99,800	0.18	0.00	+ 0.05
10	Smt. Saraladevi Birla*	67,900	0.07	0.00	0	0.00	0.00	- 0.07
11	Shri Ramavatar Makharia	1,110	0.00	26.13	1,110	0.00	26.13	0.00
12	Shri Ravi Makharia	3,620	0.00	33.43	3,620	0.00	33.43	0.00
13	Smt. Laxmi Devi Makharia	3,440	0.00	100.00	3,440	0.00	100.00	0.00
	Total	4,59,06,140	45.22	6.00	5,33,40,040	47.75	0.02	+ 2.53

* Deceased on 28.03.2015, shares transmitted to Shri B. K. Birla on 29.04.2015.

(iii) Change in Promoters' Shareholding (Please specify if there is no change)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	4,59,06,140	45.22	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	18.12.2015	1,01,80,000*	9.11	5,60,86,140	50.21
	25.03.2016	-27,46,100#	2.46	5,33,40,040	47.75
	At the end of the year	5,33,40,040	47.75	5,33,40,040	47.75

* On 18.12.2015 the Company has allotted equity shares pursuant to conversion of warrants.

On 22.03.2016 Shares sold by Kesoram Industries Limited.

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

Sl. No.	Name	Shareholding		Date	Increase / Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/end of the year (31.03.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	LIFE INSURANCE CORPORATION OF INDIA	32,76,238	3.23	01.04.2015	0	Nil movement during the year		
		32,76,238	2.93	31.03.2016			32,76,238	2.93
2	CAMDEN INDUSTRIES LIMITED*	0	0.00	01.04.2015		Transfer		
				31.03.2016	+27,46,100		27,46,100	2.46
		27,46,100	2.46	31.03.2016			27,46,100	2.46
3	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C BIRLA SUN LIFE EQUITY FUND	11,47,202	1.13	01.04.2015		Transfer		
				10.04.2015	- 95,000		10,52,202	1.04
				17.04.2015	- 6,000		10,46,202	1.03
				24.04.2015	- 2,27,000		8,19,202	0.81
				08.05.2015	- 30,000		7,89,202	0.78
				22.05.2015	- 408		7,88,794	0.78
				29.05.2015	- 12,600		7,76,194	0.76
				05.06.2015	+ 85,000		8,61,194	0.85
				19.06.2015	+ 50,000		9,11,194	0.90
				26.06.2015	+ 1,44,803		10,55,997	1.04
				30.06.2015	- 4,177		10,51,820	1.04
				10.07.2015	- 98		10,51,722	1.04
				24.07.2015	- 4,110		10,47,612	1.03
				21.08.2015	+ 24,000		10,71,612	1.06
				04.09.2015	- 137		10,71,475	1.06
				11.09.2015	+ 4,500		10,75,975	1.06
				30.09.2015	+ 39,500		11,15,475	1.10
				30.10.2015	+ 2,000		11,17,475	1.10
				08.01.2016	-1,00,000		10,17,475	0.91
				22.01.2016	+ 21,600		10,39,075	0.93
		19.02.2016	+ 2,933	10,42,008	0.93			
		26.02.2016	+ 3,97,478	14,39,486	1.29			
		04.03.2016	+ 2,18,583	16,58,069	1.48			
		11.03.2016	+ 1,08,217	17,66,286	1.58			
		18.03.2016	- 56,800	17,09,486	1.53			
		25.03.2016	+ 4,81,588	21,91,074	1.96			
		31.03.2016	+ 63,000	22,54,074	2.02			
		22,54,074	2.02				22,54,074	2.02

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/end of the year (31.03.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
4	RELIANCE CAPITAL TRUSTEE CO. LTD. A/C-RELIANCE REGULAR SAVINGS FUND-EQUITY OPTION	9,28,400	0.91	01.04.2015				
				10.04.2015	+ 35,500	Transfer	9,63,900	0.95
				17.04.2015	- 2,57,400	Transfer	7,06,500	0.70
				24.04.2015	+ 500	Transfer	7,07,000	0.70
				01.05.2015	-9,000	Transfer	6,98,000	0.69
				08.05.2015	+ 4,500	Transfer	7,02,500	0.69
				29.05.2015	+ 56,000	Transfer	7,58,500	0.75
				12.06.2015	+ 9,500	Transfer	7,68,000	0.76
				31.07.2015	-1,78,000	Transfer	5,90,000	0.58
				07.08.2015	+ 1,03,000	Transfer	6,93,000	0.68
				21.08.2015	+ 7,500	Transfer	7,00,500	0.69
				28.08.2015	+ 1,18,500	Transfer	8,19,000	0.81
				04.09.2015	+ 19,000	Transfer	8,38,000	0.83
				11.09.2015	+ 5,69,500	Transfer	14,07,500	1.39
				30.09.2015	+ 1,40,500	Transfer	15,48,000	1.52
				16.10.2015	- 94,808	Transfer	14,53,192	1.43
				23.10.2015	- 1,55,192	Transfer	12,98,000	1.28
				30.10.2015	+ 800	Transfer	12,98,800	1.28
				06.11.2015	- 2,44,400	Transfer	10,54,400	1.04
				20.11.2015	+ 3,71,600	Transfer	14,26,000	1.40
				04.12.2015	+ 4,800	Transfer	14,30,800	1.41
				05.02.2016	+ 3,00,000	Transfer	17,30,800	1.55
				12.02.2016	+ 2,00,000	Transfer	19,30,800	1.73
		19.02.2016	+ 2,00,000	Transfer	21,30,800	1.91		
		26.02.2016	+ 56,600	Transfer	21,87,400	1.96		
		04.03.2016	+ 85,800	Transfer	22,73,200	2.04		
		18.03.2016	- 29,600	Transfer	22,43,600	2.01		
		25.03.2016	- 34,400	Transfer	22,09,200	1.98		
		31.03.2016	22,09,200	1.98		22,09,200	1.98	
5	BIRLA CORPORATION LIMITED	18,07,660	1.78	01.04.2015	0	Nil movement during the year		
		18,07,660	1.62	31.03.2016			18,07,660	1.62
6	ORIENT PAPER AND INDUSTRIES LIMITED	15,45,140	1.52	01.04.2015	0	Nil movement during the year		
		15,45,140	1.38	31.03.2016			15,45,140	1.38

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/end of the year (31.03.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
7	KOTAK MAHINDRA (UK) LTD A/C INDIA MIDCAP (MAURITIUS) LTD*	3,03,302	0.30	01.04.2015				
				17.04.2015	+ 21,519	Transfer	3,24,821	0.32
				24.04.2015	+ 31,428	Transfer	3,56,249	0.35
				01.05.2015	+ 77,741	Transfer	4,33,990	0.43
				08.05.2015	+ 25,000	Transfer	4,58,990	0.45
				29.05.2015	+ 89,915	Transfer	5,48,905	0.54
				05.06.2015	+ 1,01,428	Transfer	6,50,333	0.64
				31.07.2015	+ 35,000	Transfer	6,85,333	0.68
				28.08.2015	+ 45,000	Transfer	7,30,333	0.72
				04.09.2015	+ 45,000	Transfer	7,75,333	0.76
				11.09.2015	+ 60,000	Transfer	8,35,333	0.82
				18.09.2015	+ 28,086	Transfer	8,63,419	0.85
				25.09.2015	+ 96,358	Transfer	9,59,777	0.95
				09.10.2015	+ 95,062	Transfer	10,54,839	1.04
				16.10.2015	+ 25,519	Transfer	10,80,358	1.06
				23.10.2015	+ 85,000	Transfer	11,65,358	1.15
				30.10.2015	+ 1,440	Transfer	11,66,798	1.15
				13.11.2015	+ 50,000	Transfer	12,16,798	1.20
				11.12.2015	+ 1,35,511	Transfer	13,52,309	1.33
				12.02.2016	+ 35,000	Transfer	13,87,309	1.24
		19.02.2016	+ 65,000	Transfer	14,52,309	1.30		
		04.03.2016	+ 10,000	Transfer	14,62,309	1.31		
		31.03.2016	14,62,309		14,62,309	1.31	1.31	
8	SBI MAGNUM TAXGAIN SCHEME	13,23,000	1.30	01.04.2015				
				08.05.2015	- 2,00,000	Transfer	11,23,000	1.11
				07.08.2015	+ 98,000	Transfer	12,21,000	1.20
				04.09.2015	+ 1,41,000	Transfer	13,62,000	1.34
				25.09.2015	- 40,000	Transfer	13,22,000	1.30
				30.10.2015	- 300	Transfer	13,21,700	1.30
				06.11.2015	+ 700	Transfer	13,22,400	1.30
				04.03.2016	+ 17,600	Transfer	13,40,000	1.20
				25.03.2016	- 7,200	Transfer	13,32,800	1.19
				31.03.2016	13,32,800		13,32,800	1.19
9	GOVERNMENT PENSION FUND GLOBAL*	0	0.00	01.04.2015				
				23.10.2015	+ 4,28,490	Transfer	4,28,490	0.42
				30.10.2015	+ 1,24,600	Transfer	5,53,090	0.54
				06.11.2015	+ 63,713	Transfer	6,16,803	0.61
				27.11.2015	+ 1,59,000	Transfer	7,75,803	0.76
				19.02.2016	+ 2,00,000	Transfer	9,75,803	0.87
				26.02.2016	+ 2,11,257	Transfer	11,87,060	1.06
		31.03.2016	11,87,060		11,87,060	1.06	1.06	

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/end of the year (31.03.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
10	GOLDMAN SACHS INDIA FUND LIMITED*	7,45,972	0.73	01.04.2015				
				24.04.2015	+ 34,110	Transfer	7,80,082	0.77
				22.05.2015	+ 2,61,269	Transfer	10,41,351	1.03
				05.06.2015	+ 46,053	Transfer	10,87,404	1.07
				26.06.2015	+ 26,695	Transfer	11,14,099	1.10
				31.03.2016			11,14,099	1.00
		11,14,099	1.00					
11	RADHAKISHAN DAMANI#	13,06,741	1.29	01.04.2015				
				29.05.2015	+ 8,000	Transfer	13,14,741	1.30
				05.06.2015	- 8,000	Transfer	13,06,741	1.29
				28.08.2015	- 1,00,054	Transfer	12,06,687	1.19
				04.09.2015	- 18,600	Transfer	11,88,087	1.17
				11.09.2015	- 2,45,000	Transfer	9,43,087	0.93
				30.09.2015	+ 8,000	Transfer	9,51,087	0.94
				09.10.2015	- 8,000	Transfer	9,43,087	0.93
				25.03.2016	+ 8,000	Transfer	9,51,087	0.85
				31.03.2016	- 8,000	Transfer	9,43,087	0.84
		9,43,087	0.84					
12	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.#	12,33,678	1.22	01.04.2015				
				17.04.2015	- 1,00,000	Transfer	11,33,678	1.12
				24.04.2015	- 5,50,000	Transfer	5,83,678	0.58
				08.05.2015	- 3,33,678	Transfer	2,50,000	0.25
				31.03.2016			2,50,000	0.22
		2,50,000	0.22					
13	MACQUARIE EMERGING MARKETS ASIAN TRADING PTE. LTD.#	9,61,000	0.95	01.04.2015				
				10.04.2015	- 5,08,500	Transfer	4,52,500	0.45
				17.04.2015	+ 14,000	Transfer	4,66,500	0.46
				24.04.2015	- 52,500	Transfer	4,14,000	0.41
				01.05.2015	- 5,000	Transfer	4,09,000	0.40
				08.05.2015	- 51,000	Transfer	3,58,000	0.35
				15.05.2015	+ 2,500	Transfer	3,60,500	0.36
				22.05.2015	- 1,52,500	Transfer	2,08,000	0.20
				29.05.2015	+ 6,000	Transfer	2,14,000	0.21
				05.06.2015	+ 1,24,500	Transfer	3,38,500	0.33
				12.06.2015	- 17,500	Transfer	3,21,000	0.32
				19.06.2015	- 38,000	Transfer	2,83,000	0.28
				26.06.2015	-27,000	Transfer	2,56,000	0.25
				30.06.2015	+ 1,39,500	Transfer	3,95,500	0.39
				03.07.2015	- 90,500	Transfer	3,05,000	0.30
10.07.2015	+ 64,000	Transfer	3,69,000	0.36				

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/end of the year (31.03.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				17.07.2015	+ 15,500	Transfer	3,84,500	0.38
				24.07.2015	- 1,12,530	Transfer	2,71,970	0.27
				31.07.2015	- 1,22,500	Transfer	1,49,470	0.15
				07.08.2015	- 20,000	Transfer	1,29,470	0.13
				14.08.2015	+ 6,500	Transfer	1,35,970	0.13
				21.08.2015	+ 46,000	Transfer	1,81,970	0.18
				28.08.2015	- 1,02,500	Transfer	79,470	0.08
				04.09.2015	+ 14,000	Transfer	93,470	0.09
				11.09.2015	+ 80,500	Transfer	1,73,970	0.17
				18.09.2015	- 1,39,500	Transfer	34,470	0.03
				25.09.2015	+ 14,000	Transfer	48,470	0.05
				30.09.2015	- 14,000	Transfer	34,470	0.03
				09.10.2015	+ 46,500	Transfer	80,970	0.08
				16.10.2015	+ 92,922	Transfer	1,73,892	0.17
				23.10.2015	+ 25,300	Transfer	1,99,192	0.20
				30.10.2015	+ 31,640	Transfer	2,30,832	0.23
				06.11.2015	- 88,800	Transfer	1,42,032	0.14
				13.11.2015	- 88,800	Transfer	53,232	0.05
				20.11.2015	- 52,800	Transfer	432	0.00
				18.12.2015	+ 800	Transfer	1,232	0.00
				25.12.2015	- 800	Transfer	432	0.00
				31.12.2015	+ 16,000	Transfer	16,432	0.01
				08.01.2016	- 16,000	Transfer	432	0.00
				15.01.2016	+ 16,000	Transfer	16,432	0.01
				22.01.2016	+ 37,600	Transfer	54,032	0.05
				29.01.2016	- 37,600	Transfer	16,432	0.01
				05.02.2016	- 16,000	Transfer	432	0.00
		1,232	0.00	31.03.2016	+ 800	Transfer	1,232	0.00
14	SHIVANAND SHANKAR MANKEKAR#	20,00,000	1.97	01.04.2015				
				28.08.2015	- 8,00,000	Transfer	12,00,000	1.18
				11.09.2015	- 12,00,000	Transfer	0	0.00
		0	0.00	31.03.2016			0	0.00

* Not in the list of Top 10 shareholders as on 01.04.2015. The same have been reflected above since shareholders were among the Top 10 shareholders as on 31.03.2016.

Ceased to be in the list of Top 10 shareholders as on 31.03.2016. The same have been reflected above since shareholders were among the Top 10 shareholders as on 01.04.2015.

- Notes :** i) In the cases where there is no change in shareholding, decrease in % is due to allotment of equity shares on 18.12.2015 pursuant to conversion of warrants.
ii) Percentage for cumulative shareholding from 25th December, 2015 till 31st March, 2016 have been calculated by taking increased capital of the Company i.e., 11,16,95,680 shares.
iii) Share holders having shares in different folios/DPIIDs, Client Ids, but having the same PAN are clubbed together.

(v) Shareholding of Directors and Key Managerial Personnel (KMPs)

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
A. Directors								
1.	Shri B. K. Birla	1,31,900	0.13	01.04.2015	67,900*	Transmission	1,99,800	0.20
				29.04.2015				
		1,99,800	0.18	31.03.2016				
2	Shri Pradip Kumar Daga	80	0.00	01.04.2015	0	Nil movement during the year	80	0.00
		80	0.00	31.03.2016				
B. KMPs								
3	Shri R. K. Dalmia	6,670	0.01	01.04.2015	0	Nil movement during the year	6,670	0.01
		6,670	0.01	31.03.2016				
4	Shri D. K. Agrawal	80	0.00	01.04.2015	0	Nil movement during the year	80	0.00
		80	0.00	31.03.2016				

* Earlier held by late Smt. Saraladevi Birla.

Note:

Names of only those directors & KMPs who held shares at any time during the year have been mentioned.

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4889.89	1248.68	-	6138.57
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	22.42	0.89	-	23.31
Total (i+ii+iii)	4912.31	1249.57	-	6161.88
Change in Indebtedness during the financial year				
Additions	1782.32	0.55	-	1782.87
Reduction	(-) 1601.81	(-) 516.33	-	(-) 2118.14
Net Change	180.51	(-) 515.78	-	(-) 335.27
Indebtedness at the end of the financial year				
i) Principal Amount	5074.57	732.35	-	5806.92
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	18.25	1.44	-	19.69
Total (i+ii+iii)	5092.82	733.79	-	5826.61

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

(₹ in Crore)

Sl. No.	Particulars of Remuneration	Name of the Managing Director / Wholetime Director / Manager	Total Amount
		Wholetime Director	
		Shri B. L. Jain	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. Act, 1961.	3.54	
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.11	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961.	-	3.65
2	Stock option		-
3	Sweat Equity		-
4	Commission		-
	– as % of profit		-
	– others (specify)		-
5	Others, please specify		
	Co's contribution to Provident Fund (exempted), Superannuation (exempted portion)		0.09
	Total (A)		3.74
	Ceiling as per the Act		N.A.*

* Reappointment of Shri B. L. Jain as a Whole-time Director of the Company for a period of two years w.e.f. 1st April, 2014 and his remuneration during the tenure of his reappointment were approved by the shareholders of the Company in the Annual General Meeting held on 24th July, 2013 in accordance with Schedule XIII and other applicable provisions of the Companies Act, 1956. Accordingly payment of remuneration to Shri B. L. Jain has been made in accordance with provisions of the earlier Companies Act, 1956 as above read with General Circular No. 07/2015 dated 10th April, 2015 issued by the Government of India, Ministry of Corporate Affairs, New Delhi and the said payment is within the overall limit approved by the shareholders as above.

B. REMUNERATION TO OTHER DIRECTORS:

(₹ in Crore)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Shri Pradip Kumar Daga	Shri Yazdi. P. Dandiwala	Shri Rajan A. Dalal	Shri Sohanlal K. Jain	
	Fee for attending board / committee meetings.	0.02	0.03	0.01	0.02	0.08
	Commission	-	-	-	-	-
	Others, Please Specify.	-	-	-	-	-
	Total (1)	0.02	0.03	0.01	0.02	0.08
2	Other Non-Executive Directors	Shri B. K. Birla	Shri Kumar Mangalam Birla	Smt. Rajashree Birla	-	
	Fee for attending board / committee meetings.	0.01	0.01	0.01	-	0.03
	Commission	-	-	-	-	-
	Others, Please Specify.	-	-	-	-	-
	Total (2)	0.01	0.01	0.01	-	0.03
	Total (B) = (1+2)	-	-	-	-	0.11
	Total Managerial Remuneration					3.85 #
	Overall Ceiling as per the Act					N.A.*

Total remuneration to Whole-Time Director and other Directors (being the total of A and B).

* There is no net profits of the company calculated as per section 198.

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

(₹ in Crore)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
			Shri D. K. Agrawal #	Shri R. K. Dalmia	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		1.42	2.77	4.19
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.		0.22	0.11	0.33
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961.		-	-	-
2	Stock Option	Not Applicable	-	-	-
3	Sweat Equity		-	-	-
4	Commission		-	-	-
	- as % of profit		-	-	-
	- others, specify		-	-	-
5	Others, please specify				
	Co's Contribution to Provident Fund (exempted), Superannuation (exempted portion)		0.06	0.07	0.13
	Total		1.70	2.95	4.65

Ceased as Company Secretary w.e.f. 01.04.2016

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

CORPORATE GOVERNANCE REPORT

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 (Listing Regulations).

I. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :-

The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

II. BOARD OF DIRECTORS

(a) Composition of the Board:

As on 31st March, 2016, the Board of Directors comprises eight members consisting of seven Non-executive Directors who account for more than eighty seven percent of the Board's strength as against the minimum requirement of fifty percent as per the Listing Regulations. The Non-Executive Directors are eminent professionals, having considerable professional experience in respective fields. The composition is as under:-

Name of the Directors	Category of Directors	Directorships in other Indian Public Limited Companies	No. of other Board Committee(s) of which he is a member @	No. of Other Board Committee(s) of which he is a Chairman @	No. of Shares held in the Company as at 31.03.2016
Shri B.K. Birla – Chairman	Promoter – Non Executive	4	-	-	1,99,800
Shri Kumar Mangalam Birla – Vice Chairman	Promoter – Non Executive	8	-	-	Nil
Smt. Rajashree Birla	Promoter – Non Executive	7	-	-	Nil
Shri Pradip Kumar Daga	Independent – Non Executive	4	2	-	80
Shri Yazdi P. Dandiwal	Independent – Non Executive	4	4	1	Nil
Shri Rajan A. Dalal	Independent – Non Executive	2	3	1	Nil
Shri Sohanlal K. Jain	Independent – Non Executive	1	2	2	Nil
Shri B.L. Jain *	Executive – Whole-time Director	-	-	-	Nil

@ Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Companies have been considered.

* Retired from the services of the Company w.e.f. 1st April, 2016 and accordingly ceased to be a Director with effect from the said date.

Notes :

- In terms of provisions of the Companies Act, 2013, Smt. Rajashree Birla is related to Shri B.K. Birla being his son's wife and she is also mother of Shri Kumar Mangalam Birla, except these, no director is related to any other director on the Board.
- Memberships of the Directors in various Committees are within the permissible limits of the Listing Regulations.
- Shri D.K. Agrawal has been appointed as the whole-time Director of the Company w.e.f. 1st April, 2016.

(b) Board Meetings and attendance of Directors:

- The members of the Board have been provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings.
- Five Meetings of the Board of Directors were held during the year ended 31st March, 2016. These were held on:-
 - 5th May, 2015
 - 5th May, 2015
 - 27th July, 2015
 - 30th October, 2015
 - 1st February, 2016

- (iii) The attendance recorded for each of the Directors at the Board Meetings during the year ended on 31st March, 2016 and of the last Annual General Meeting is as under:-

Directors	No. of Board Meetings attended	Attendance at the Last AGM
Shri B.K. Birla	5	Yes
Shri Kumar Mangalam Birla	5	Yes
Smt. Rajashree Birla (appointed w.e.f. 05.05.2015)	4	Yes
Shri Pradip Kumar Daga	5	Yes
Shri Yazdi P. Dandiwala	5	Yes
Shri Rajan A. Dalal	3	Yes
Shri Sohanlal K. Jain	5	Yes
Shri B.L. Jain (Whole-time Director - upto 31.03.2016)	5	Yes

(c) Code of Conduct:

The Company has framed a code of conduct for the members of the Board of Directors and Senior Management Personnel of the Company. The said code of conduct is available on the website of the Company. The declaration by Shri D.K. Agrawal, Whole-time Director of the Company regarding compliance by the Board members and Senior Management Personnel, with the said code of conduct is given as Annexure 'A' to this report. In addition to this a separate code of conduct for dealing in equity shares and other securities conferring voting rights in the Company is also in place and has been complied with.

III. AUDIT COMMITTEE

- (i) The Audit Committee was constituted by the Board at its meeting held on 27th May, 2000 and was reconstituted on 5th May, 2014. Member Directors of the Audit Committee presently are as under :-

- (1) Shri Yazdi P. Dandiwala (2) Shri Pradip Kumar Daga
(3) Shri Rajan A. Dalal (4) Shri Sohanlal K. Jain

All the members of the Audit Committee are Non-Executive Independent Directors and Shri Yazdi P. Dandiwala is the Chairman of the Committee. All the members of Audit Committee are financially literate and one member has accounting and related financial management expertise.

- (ii) The Audit Committee meetings were held on 5th May, 2015, 27th July, 2015, 27th July, 2015, 30th October, 2015, 1st February, 2016 and 1st February, 2016. The attendance of each Audit Committee member is as under:-

Name of the Audit Committee Members	No. of meetings attended
Shri Yazdi P. Dandiwala	6
Shri Pradip Kumar Daga	6
Shri Rajan A. Dalal	3
Shri Sohanlal K. Jain	6

- (iii) At the invitation of the Company, representatives from various Divisions of the Company, internal auditors, cost auditors, statutory auditors and President (Corporate Affairs) & Secretary, who acted as Secretary to the Audit Committee, also attended the Audit Committee meetings to respond to queries raised at the Committee meetings.
- (iv) The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Listing Regulations as well as in Section 177 of the Companies Act, 2013.

IV. NOMINATION AND REMUNERATION COMMITTEE

The brief description of Terms of Reference of Nomination and Remuneration Committee is to guide the Board in relation to the appointment and removal, identifying persons and to recommend/review remuneration of the directors including Whole-time/Executive Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

Remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in accordance with the existing industry practice.

Nomination and Remuneration Committee has presently five Non-Executive Directors as its members comprising of four Independent Directors and one Promoter Director (i.e. Chairperson of the Company) as under :-

1. Shri Pradip Kumar Daga
2. Shri B.K. Birla
3. Shri Yazdi P. Dandiwala
4. Shri Rajan A. Dalal
5. Shri Sohanlal K. Jain

Shri Pradip Kumar Daga is the Chairman of the Committee.

The Nomination and Remuneration Committee meetings were held on 5th May, 2015, 30th October, 2015 and 1st February, 2016. The attendance of each Nomination and Remuneration Committee member is as under:-

Name of the Nomination and Remuneration Committee Members	No. of meetings attended
Shri Pradip Kumar Daga	3
Shri B.K. Birla	3
Shri Yazdi P. Dandiwala	3
Shri Rajan A. Dalal	1
Shri Sohanlal K. Jain	3

Performance evaluation criteria for Independent Directors :

The framework used to evaluate the performance of the Independent Directors is based on the expectation that they are performing their duties in a manner which should create and continue to build sustainable value for the shareholders, and in accordance with the duties and obligations imposed upon them.

V. REMUNERATION OF DIRECTORS

Remuneration to Non-Executive Directors is decided by the Board of Directors as authorized by the Articles of Association of the Company and within the limits set out in Section 197 of the Companies Act, 2013. The members of the Company have in their meeting held on 24th July, 2013 authorised the Board of Directors of the Company to pay commission to Non-Executive Directors within the limits as set out in section 309(4) of the Companies Act, 1956 for a period of 5 years w.e.f. 01.04.2013. The Board of Directors of the Company each year determine the quantum of commission payable to Non-Executive Directors considering the performance of the Company for the said year. The Non-Executive Directors are paid sitting fee at the rate of ₹ 20,000/- for attending each meeting of the Board and ₹ 10,000/- for attending each meeting of various Committees of the Board.

Details of sitting fees and remuneration paid to Directors:

	Name of the Directors	Remuneration paid for the year 2015-2016 (All figures in Rupees)
		Sitting fees paid during the year*
(i)	Shri B.K. Birla	1,30,000
	Shri Kumar Mangalam Birla	1,00,000
	Smt. Rajashree Birla	80,000
	Shri Pradip Kumar Daga	2,30,000
	Shri Yazdi P. Dandiwala	2,50,000
	Shri Rajan A. Dalal	1,20,000
	Shri Sohanlal K. Jain	2,10,000

	Name of the Directors	Remuneration paid for the year 2015-2016 (All figures in Rupees)
(ii)	Shri B.L. Jain (Whole-time Director)	Remuneration**
	Salary and allowances	3,54,20,834
	Contributions to :	
	Provident Fund	7,92,000
	Superannuation Fund	9,90,000
	Perquisites	2,69,833
	Total	3,74,72,667

* Sitting fees for attending meetings of the Board and/or Committee thereof.

** As the employee – wise break up of liability on account of Employee Benefits based on actuarial valuation is not available, the amounts relatable to the Whole-time Director is not considered.

None of the Non-Executive Directors has any material financial interest in the Company apart from the remuneration by way of fees received by them during the year. In view of the adverse performance of the Company, the Board of Directors of the Company has resolved not to make payment of commission to Non-Executive Directors for the year ended 31st March, 2016.

VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee of the Board comprises of three Non-Executive Independent Directors viz. Shri Rajan A. Dalal , Shri Pradip Kumar Daga, Shri Yazdi P. Dandiwala and one Executive Director viz. Shri D.K. Agrawal, who was appointed as its member on 3rd May, 2016. Shri Rajan A. Dalal is the Chairman of the Committee. Shri B.L. Jain who was the Whole-time Director of the Company has ceased to be member of the Committee w.e.f. 1st April, 2016.

The Company Secretary viz. Shri Atul K. Kedia has been designated as the Compliance Officer. During the year ended 31st March, 2016, 21 investor complaints/queries were received and have been resolved. There were no share transfers pending for registration for more than 15 days as on the said date.

VII. OTHER COMMITTEES OF THE BOARD

1. Corporate Social Responsibility (CSR) Committee

The Board of Directors of the Company has constituted a Corporate Social Responsibility Committee of the Board presently comprising of three Non-Executive Independent Directors viz. Shri Pradip Kumar Daga, Shri Yazdi P. Dandiwala and Shri Rajan A. Dalal and one Executive Director viz. Shri D.K. Agrawal. The Committee has elected Shri Yazdi P. Dandiwala as its Chairman.

2. Risk Management Committee

The Board of Directors of the Company has constituted a Risk Management Committee of the Board presently comprising of three Non-Executive Independent Directors viz. Shri Pradip Kumar Daga, Shri Rajan A. Dalal, Shri Sohanlal K. Jain and one Executive Director viz. Shri D.K. Agrawal.

3. Finance Committee

The Board of Directors of the Company has constituted a Finance Committee of the Board presently comprising of three Non-Executive Independent Directors viz. Shri Pradip Kumar Daga, Shri Yazdi P. Dandiwala and Shri Rajan A. Dalal and one Executive Director viz. Shri D.K. Agrawal.

4. Committee of Independent Directors

The Board of Directors of the Company has constituted a Committee of Independent Directors of the Board presently comprising of four Non-Executive Independent Directors viz. Shri Pradip Kumar Daga, Shri Yazdi P. Dandiwala, Shri Rajan A. Dalal and Shri Sohanlal K. Jain.

Note :

In the Committees as mentioned at serial nos. 1, 2 and 3 Shri B.L. Jain who was the Whole-time Director of the Company has ceased to be a member of the said Committees w.e.f. 1st April, 2016 and Shri D. K. Agrawal has been appointed on 3rd May, 2016 as a member of the said Committees.

VIII. GENERAL BODY MEETINGS

(a) (i) The details of Annual General Meetings held in the last three years are as under:-

AGM	Day	Date	Time	Venue
116 th	Wednesday	24.07.2013	3.30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018
117 th	Friday	25.07.2014	2.30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018
118 th	Tuesday	28.07.2015	2.30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018

(ii) The details of Extra-Ordinary General Meeting held in the last three years are as under :

Day	Date	Time	Venue
Wednesday	04.06.2014	3.00 P.M.	Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai – 400 030.

(b) Whether any special resolutions passed in the previous 3 AGMs/EGMs

Yes, details of which are given hereunder:-

AGMs

Date	Matter
24.07.2013	Re-appointment of Whole-time Director Authorising payment of commission to Non - Whole-time Directors of the Company.
25.07.2014	Authority to borrow money in excess of aggregate of paid-up share capital and free reserves of the Company. Authority to create charge and/or mortgages and hypothecations to secure the repayment of loans/borrowings. Authority for making offer(s) and/or invitation(s) to subscribe to Non-Convertible Debentures ("NCDs") on a private placement basis for a period of one year within the overall borrowing limits of the Company.
28.07.2015	Authority for adoption of new set of Articles of Association in place of existing one. Authority for making offer(s) and/or invitation(s) to subscribe to Non-Convertible Debentures ("NCDs") on a private placement basis for a period of one year within the overall borrowing limits of the Company.

EGM

Date	Matter
04.06.2014	To authorize issue of warrants on a preferential basis to Promoters/Promoter Group/ Persons Acting in Concert in accordance with SEBI guidelines.

(c) Whether any special resolution passed last year through postal ballot and details of voting pattern?

Special Resolution passed at the last Annual General Meeting of the Company were not put through postal ballot.

(d) Person who conducted the postal ballot exercise?

Not applicable.

(e) Whether any special resolution is proposed to be conducted through postal ballot ?

Special Resolutions to be passed at the ensuing Annual General Meeting of the Company are not proposed to be put through postal ballot. However, for other special resolutions, if any, in the future, the same will be decided at the relevant time.

(f) Procedure for postal ballot ?

The procedure for postal ballot is as per the provisions contained in this behalf in the Companies Act, 2013 and rules made thereunder namely The Companies (Management and Administration) Rules, 2014.

IX. MEANS OF COMMUNICATION

(a) Quarterly results:

- | | |
|--|--|
| (i) Which newspapers normally published in | The Economic Times, Mumbai, Business Standard, Kolkata, Maharashtra Times, Mumbai. |
| (ii) Any web site, where displayed
Whether it also displays official News releases and presentations made to Institutional investors/analysts | www.centurytextind.com
Official news releases are displayed on the web site. |

(b) Shareholders' grievances/complaints:

Grievance redressal division's E-mail ID for investors investorrelations@centurytext.com

X. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting to be held:

Day, Date, time and venue:

Day : Thursday

Date : 28th July, 2016

Time : 2.30 P.M.

Venue : Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018

(b) Financial Year : 2016-2017

First Quarterly Results : On or before 14th August, 2016

Second Quarterly Results : On or before 14th November, 2016

Third Quarterly Results : On or before 14th February, 2017

Audited Yearly Results for the : On or before 30th May, 2017

Year ended 31st March, 2017

(c) Dates of Book Closure:

20th July, 2016 to 28th July, 2016 (Both days inclusive).

(d) Dividend payment date:

Dividend on Equity Shares when approved will be made payable from Monday, the 1st August, 2016 to those Shareholders whose names stand on the Company's Register of Members on 28th July, 2016 in physical form to whom dividend warrants will be posted. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as per the data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

(e) **Stock Exchange related information:**

(i) **Listing on Stock Exchanges:**

Equity Shares	Privately-placed Secured Redeemable Non-Convertible Debentures
(i) BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
(ii) National Stock Exchange of India Ltd. "Exchange Plaza", Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	

(ii) **Codes:**

i) Equity Shares	
BSE Ltd.	500040
National Stock Exchange of India Ltd.	CENTURYTEX
ii) Secured Redeemable Non-Convertible Debentures (privately placed)	
BSE Ltd.	949734

Notes :-

- i) Listing fees have been paid to the Stock Exchanges for the year 2016-2017.
- ii) Depository connectivity:
National Securities Depository Limited and
Central Depository Services (India) Limited

(f) **ISIN No. for the Company's Listed Securities:**

Equity Shares in Demat Form	INE055A01016
Secured Redeemable Non-Convertible Debentures (privately placed)	INE055A07062

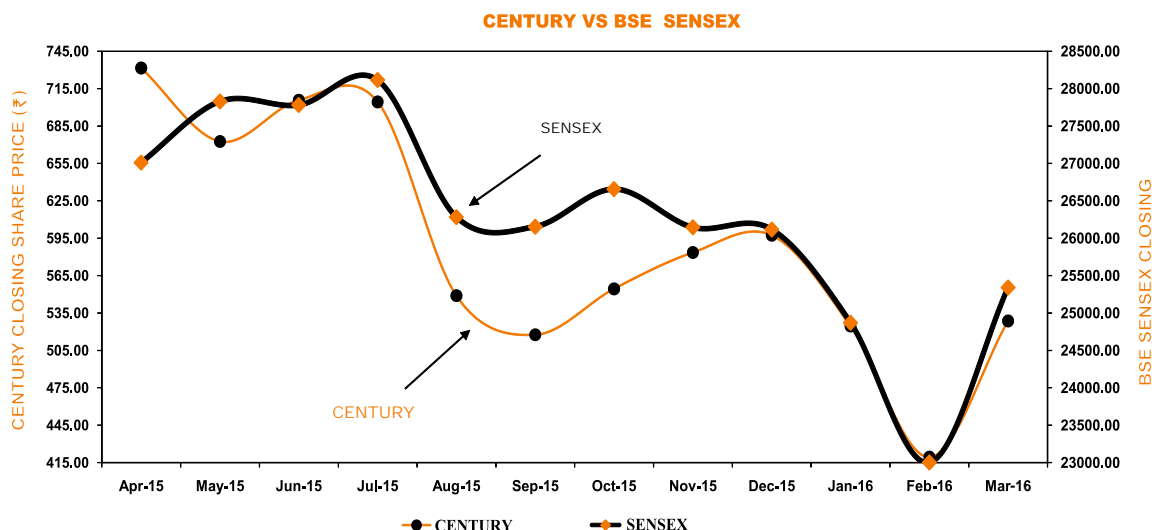
(g) **Market price Data:**

The details of monthly highest and lowest closing quotations of the equity shares of the Company during financial year 2015-2016 are as under :-

(In ₹ Per Share)

Month	BSE Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
April, 2015	785.80	648.30	785.65	647.05
May, 2015	746.50	616.20	746.50	615.75
June, 2015	705.70	584.25	705.20	584.30
July, 2015	741.05	656.05	741.40	655.95
August, 2015	717.20	541.50	718.10	542.25
September, 2015	542.00	498.25	542.95	498.65
October, 2015	560.40	516.50	561.80	517.10
November, 2015	586.25	510.60	586.35	511.30
December, 2015	601.40	531.10	602.20	531.10
January, 2016	616.35	499.45	615.80	500.00
February, 2016	525.50	419.50	525.50	419.20
March, 2016	534.65	437.70	535.40	437.20

(h) Performance in comparison to broad based indices :



(i) Suspension from trading:

No Security of the Company has been suspended from trading on any of the stock exchanges where they are listed.

(j) Registrar and Transfer Agents:

The Company has appointed Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited) as its Share Transfer Agent for both physical and demat segments of Equity Shares and Debentures.

The Address, Telephone no., Fax no. of the Share Transfer Agent is :

Link Intime India Pvt. Ltd. Unit - Century Textiles and Industries Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078, (Maharashtra) Telephone No. 022-2596 3838, Fax No. 022-2594 6969. Please quote on all the correspondence – Unit – Century Textiles and Industries Limited. **For shareholders queries - Telephone No. 022 – 2594 6970 Email ID – rnt.helpdesk@linkintime.co.in**

(k) Share Transfer System:

Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. Executives of the Company have been authorised to approve transfers in addition to the Committee.

(l) Distribution of shareholding :

The shareholding distribution of equity shares of face value of ₹ 10/- each as at 31st March, 2016 is given below:-

Sr. No.	No. of Equity Shares held	No. of Folios	No. of Shares	Percentage of Shareholding
1.	1 to 100	46,959	19,73,318	1.77
2.	101 to 500	15,241	38,59,423	3.46
3.	501 to 1000	3,061	23,69,360	2.12
4.	1001 to 5000	2,610	56,75,507	5.08
5.	5001 to 10000	336	24,13,490	2.16
6.	10001 to 100000	280	76,44,662	6.84
7.	100001 to 500000	43	1,05,26,498	9.42
8.	500001 & above	26	7,72,33,422	69.15
9.	Total	68,556	11,16,95,680	100.00

(m) Shareholding pattern as at 31st March, 2016:

Sr. No.	Category	No. of folios	% of folios	No. of shares held	% of share holding
1.	Promoters	17	0.03	5,33,40,040	47.75
2.	Resident Individuals	65,719	95.86	1,89,12,215	16.93
3.	Private Corporate Bodies	1,675	2.44	1,36,57,805	12.23
4.	Financial Institutions	4	0.01	32,76,268	2.93
5.	Nationalised Banks, Govt. Insurance Companies and Mutual Funds	105	0.15	1,15,89,602	10.38
6.	FII's & Foreign Portfolio Investors (Corporate)	98	0.14	1,00,51,609	9.00
7.	NRIs and OCBs	938	1.37	8,68,141	0.78
8.	Total	68,556	100.00	11,16,95,680	100.00

(n) Dematerialisation of equity shares:

About 97.99% of total equity share capital is held in dematerialised form with NSDL and CDSL.

(o) Hedging of risk:

Company is not having much exposure to foreign exchange and there is a natural hedging partly available in terms of exports made by the Company.

In respect of price risk of raw materials used for manufacturing purpose the same is taken care of as per industry requirement.

(p) Plant (Manufacturing Units):

(i) BIRLA CENTURY Plot No. 826, GIDC Industrial Estate, Jhagadia - 393 110, Dist. Bharuch (Gujarat).	(vi) MANIKGARH CEMENT UNITS I & II P.O. Gadchandur - 442 908, Dist. Chandrapur, (Maharashtra).
(ii) CENTURY RAYON Rayon, Tyre Cord & Chemical Plants, Murbad Road, Kalyan - 421 103, (Maharashtra).	(vii) SONAR BANGLA CEMENT Village : Dhalo, P.O. Gankar, P.S. Raghunathganj, Dist. Murshidabad, West Bengal - 742 227.
(iii) CENRAY MINERALS AND CHEMICALS Nawa Nagna, Jamnagar - 361 007, (Gujarat).	(viii) CENTURY PULP & PAPER Ghanshyamdham, P.O. Lalkua - 262 402, Dist. Nainital (Uttarakhand).
(iv) CENTURY CEMENT P.O. Baikunth - 493 116, Dist. Raipur, (Chhattisgarh).	(ix) CENTURY PULP & PAPER Plot no. 3, Vilayat Industrial Estate, Dist. Bharuch - 392 001, (Gujarat).
(v) MAIHAR CEMENT UNITS I & II P.O. Sarlanagar - 485 772, Maihar, Dist. Satna, (Madhya Pradesh).	(x) CENTURY YARN CENTURY DENIM Satrati - 451 660, Dist. Khargone, (Madhya Pradesh).

Other Unit (Property Development)

BIRLA ESTATES

Century Bhavan, Dr. Annie Besant Road,
Worli, Mumbai - 400 030.

(q) Address for correspondence:

Century Textiles and Industries Ltd.
Century Bhavan, Dr. Annie Besant Road,
Worli, Mumbai - 400 030.

XI. OTHER DISCLOSURES

- (i) All related party transactions have been entered into in the ordinary course of business and were placed periodically before the audit committee in summary form including transactions for which omnibus approval of the Audit Committee was taken. There were no material individual transactions with related parties which were not in the normal course of business, required to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis. Transactions with related parties as per requirements of Accounting Standard (AS) 18 – 'Related Party Information' are disclosed in Note 38 to the Financial Statements.
- (ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (iii) The Company has established a vigil mechanism/whistle blower policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud etc. and the same has been disclosed on the website of the Company.
- (iv) **Subsidiary Companies**
The Company does not have any subsidiary company.
- (v) **Web-links**
 - 1. Familiarization programme for Independent Directors
<http://www.centurytextind.com/investor-centre/pdf/others/insidertrading.pdf>
 - 2. Related party Transaction Policy
http://www.centurytextind.com/investor-centre/pdf/others/related_prty_transaction_policy.pdf
 - 3. Material subsidiary – N.A.
- (vi) All Accounting Standards mandatorily required have been followed without exception in preparation of the financial statements.
- (vii) Procedures for assessment of risk and its minimisation have been laid down by the Company and reviewed by the Board. These procedures are periodically reassessed to ensure that executive management controls risks through means of a properly defined framework.
- (viii) No money was raised by the Company through public issue, rights issue etc. in the last financial year. However, for balance 1,01,80,000 warrants issued on preferential basis as per SEBI guidelines in the financial year 2014-15 to Promoters/Promoter Group/Persons Acting in Concert, right of conversion was exercised and equal number of equity shares were allotted on 18th December, 2015 upon payment of balance 75% price of the warrant ie. ₹ 354.89 per warrant.
- (ix) (a) All pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company have been disclosed in item V of this report.
(b) The Company has one Whole-time Director on the Board whose appointment and remuneration has been fixed by the Board on recommendation of Nomination and Remuneration Committee of the Board and which is subject to approval by the shareholders of the company at the ensuing Annual General Meeting.
The remuneration paid to Shri B.L. Jain who was the whole-time Director of the company up to 31st March, 2016 is mentioned in Item V of this report.
(c) The number of shares held by each Director is mentioned in item II(a) of this report.
- (x) (a) Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required by Regulation 34(3) of the Listing Regulations.
(b) There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of the Listing Regulations where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.

XII NON-COMPLIANCE

There is no non-compliance of any of the requirements of Corporate Governance Report as required under the Listing Regulations.

XIII. DISCRETIONARY REQUIREMENTS

- 1. **The Board**
An office for the use of the Chairman is made available whenever required.
- 2. **Shareholders' Rights**
Half yearly financial results including summary of the significant events in last six months are presently, not being sent to shareholders of the Company.

3. Modified opinion(s) in audit report
There are no qualifications in the Auditor's report on the financial statements to the Shareholders of the Company.
4. Separate posts of Chairperson and Chief Executive Officer
The Company has a Whole-time Director in addition to the Non-Executive Chairman of the Board.
5. Reporting of Internal Auditor
Internal Auditors are invited to the meetings of Audit Committee wherein they report directly to the Committee.

XIV. DISCLOSURE OF COMPLIANCES

The Company has disclosed about the compliance of regulations in respect of Corporate Governance under the Listing Regulations on its website viz. www.centurytextind.com

XV. COMPLIANCE CERTIFICATE

Compliance Certificate for Corporate Governance from Auditors of the Company is given as Annexure – 'B' to this report.

XVI. CEO/CFO CERTIFICATION

As required under Regulation 17(8) of Listing Regulations, the Whole-time Director and CFO have certified to the Board about compliance by the Company with the requirements of the said sub regulation for the financial year ended 31st March, 2016.

XVII. RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors.

The above report has been placed before the Board at its meeting held on 03.05.2016 and the same was approved.

FOR SHAREHOLDERS' INFORMATION

1. As per section 148 of the Companies Act, 2013 read with Rule 6 of the Companies (Cost Records and Audit) Rules, 2014 Cost Auditors have to forward Cost Audit Report to the Board of Directors of the Company within a period of 180 days from the closure of financial year and the said report is required to be filed within a period of 30 days from the date of receipt with the Ministry of Corporation Affairs.

Details of the Cost Audit Reports for the financial year 2014-15 filed during the year in compliance of the aforesaid are tabled below :-

Products	Name of the Cost Auditors	Date of Filing
<u>Textiles</u> Textiles including Birla Century (Bharuch Unit), Yarn and Denim	M/s. R. Nanabhoy and Co.	24.09.2015
<u>Rayon and Chemicals</u> Century Rayon, Tyrecord and Chemicals	Mr. Mangat Rijhumal Dudani	24.09.2015
<u>Cement</u> a) Century Cement b) Maihar Cement Unit I & II c) Manikgarh Cement	M/s. R. Nanabhoy and Co.	24.09.2015
<u>Paper</u> Century Pulp and Paper	M/s. R. Nanabhoy and Co.	24.09.2015

2. Details about Debenture Trustee for Non-Convertible Debentures issued by the Company as per Regulation 53(e) of Listing Regulations :-

Name : SBICAP Trustee Company Limited
Address : Apeejay House, 6th Floor, 3, Dinshaw Wachha Road, Churchgate, Mumbai – 400 020.
Telephone No. : 022-43025555
Fax No. : 022-43025550
E-mail : corporate@sbicaptrustee.com
Investor Grievance email : investor.cell@sbicaptrustee.com
Website : www.sbicaptrustee.com
Contact person : Mr. Ajit Joshi
(Company Secretary & Compliance Officer)
Tel. No. 022-43025503
SEBI Registration No. : IND000000536

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,
Century Textiles and Industries Limited
Century Bhavan,
Dr. Annie Besant road,
Worli, Mumbai – 400 030

The Company has a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to further strengthen corporate governance practices of the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year ended 31st March, 2016.

Place: Mumbai
Date: 3rd May, 2016

D.K. Agrawal
Whole-time Director

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of
Century Textiles and Industries Limited

We have examined the compliance of conditions of Corporate Governance by Century Textiles and Industries Limited, for the year ended March 31, 2016 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and 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 our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Dalal & Shah LLP**
Chartered Accountants
Firm Registration Number: 102021W/W100110

Anish P. Amin
Partner
Membership No: 040451

Place: Mumbai
Date: 3rd May, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTURY TEXTILES AND INDUSTRIES LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Century Textiles and Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books

and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016, on its financial position in its financial statements.
 - ii. The Company has made provision as at March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For **Dalal & Shah LLP**
Chartered Accountants
Firm Registration Number: 102021W/W100110

Anish P. Amin
Partner
Membership Number: 040451

Place : Mumbai
Date : May 3, 2016

ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 10 (f) of the Independent Auditor's Report of even date to the members of **Century Textiles and Industries Limited** on the financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be

detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Mumbai
Date : May 3, 2016

For **Dalal & Shah LLP**
Chartered Accountants
Firm Registration Number: 102021W/W100110

Anish P. Amin
Partner
Membership Number:040451

ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 9 of the Independent Auditor's Report of even date to the members of **Century Textiles and Industries Limited** on the financial statements as of and for the year ended March 31, 2016.

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of the immovable property other than self-constructed immovable property (buildings) as disclosed in fixed assets [Note - 9] and investments [Note - 10] to the financial statements, are held in the name of the Company, except for the following freehold land:
 - 1) 53.47 acres of land (₹ 4.75 crore) are yet pending to be registered with government authorities.
 - 2) 27.98 acres of land (₹ 0.01 crore) where there are discrepancies with respect to area as compared with government records.
 - 3) 3.57 acres of land (₹ 0.01 crore) for which sale deed is yet to be executed.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under Section 185 of the Act. In respect of loans granted to, guarantees or security in respect of any loan and investments made in body corporate by the Company, the provisions of Section 186 of the Act has been complied with.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise, value added tax as at March 31, 2016, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Crores)*	Period to which the amount relates	Forum where the dispute is pending
The Customs Act, 1962	Custom Duty	0.21	2000 to 2001	High Court
		16.08	1996 to 2016	Tribunal (CESTAT)
		7.55	1987 to 2013	Departmental Authorities
The Central Excise Act, 1944	Excise Duty	6.27	1997 to 2007	Supreme Court
		26.01	1994 to 2011	High Court
		98.89	1994 to 2012	Tribunal (CESTAT)
		0.96	1987 to 2016	Departmental Authorities

Name of the statute	Nature of dues	Amount (₹ in Crores) *	Period to which the amount relates	Forum where the dispute is pending
Sales Tax & Entry Tax Acts of respective states	Sales Tax and Entry Tax	167.42	2002 to 2016	Supreme Court
		22.44	1999 to 2016	High Court
		0.12	1994 to 2006	Tribunal
		87.11	1986 to 2016	Departmental Authorities
The Finance Act 1994	Service Tax	0.95	2005 to 2010	High Court
		0.07	2005 to 2016	Tribunal (CESTAT)
		0.38	2005 to 2011	Departmental Authorities

* Net of amounts deposited

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). The term loans were applied for the purposes for which those are raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanation given to us, all the transactions with related parties are in compliance with the provisions of Sections 177 and 188 of the Act, where applicable. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has made a preferential allotment of equity shares against share warrants during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Dalal and Shah LLP**
Chartered Accountants
Firm Registration Number: 102021W/ W100110

Place: Mumbai
Date: May 3, 2016

Anish P. Amin
Partner
Membership Number: 040451

BALANCE SHEET AS AT 31st MARCH, 2016

Particulars	Note No.	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share Capital	1	111.69	101.51
(b) Reserves and Surplus	2	2095.07	1872.43
(c) Money received against share warrants	1(e)	-	90.32
		2206.76	2064.26
Non-Current Liabilities			
(a) Long Term Borrowings	3	3296.15	3562.27
(b) Deferred Tax Liability (Net)	4	179.44	204.64
(c) Other Long Term Liabilities	5	250.52	238.60
(d) Long Term Provisions	6	432.12	434.46
		4158.23	4439.97
Current Liabilities			
(a) Short Term Borrowings	7	1419.06	1268.64
(b) Trade Payables	25		
Due to Micro and small enterprise		0.51	0.03
Other		544.63	450.71
		545.14	450.74
(c) Other Current Liabilities	8	1473.08	1736.35
(d) Short Term Provisions	6	114.48	116.42
		3551.76	3572.15
TOTAL		9916.75	10076.38
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		5920.30	5934.63
(ii) Intangible Assets		3.09	3.20
(iii) Capital work-in-progress		156.13	709.89
(iv) Intangible assets under development		0.10	1.58
		6079.62	6649.30
(b) Non Current Investments	10	1091.39	495.04
(c) Long Term Loans and Advances	11	191.11	223.68
(d) Other Non Current Assets	12	339.17	174.52
		1621.67	893.24
Current Assets			
(a) Inventories	13	1298.78	1423.94
(b) Trade Receivables	14	529.16	658.99
(c) Cash and Bank Balances	15	101.75	124.24
(d) Short Term Loans and Advances	11	174.97	271.53
(e) Other Current Assets	12	110.80	55.14
		2215.46	2533.84
TOTAL		9916.75	10076.38
Other Explanatory Notes & Disclosures 24 - 46			
The accompanying notes are an integral part of these financial statements			

As per our report of even date
For **DALAL & SHAH LLP**
Chartered Accountants
Firm Registration Number 102021W / W100110

B. K. BIRLA, Chairman

ANISH P. AMIN
Partner
Membership No: 040451
Mumbai : 3rd May 2016

ATUL K. KEDIA
Vice President (Legal) &
Company Secretary

R. K. DALMIA
Chief Financial Officer
Mumbai : 3rd May 2016

D. K. AGRAWAL
Whole-time Director

Directors
RAJASHREE BIRLA
PRADIP KUMAR DAGA
YAZDI P. DANDIWALA
RAJAN A. DALAL
SOHANLAL K. JAIN

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

Particulars	Note No.	For the year ended on	
		31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
I. Revenue from Operations (Gross)	16	8776.65	8292.96
Less: Excise Duty		789.07	733.69
		7987.58	7559.27
II. Other Income	17	46.86	47.77
III. Total Revenue (I + II)		8034.44	7607.04
IV. Expenses:			
Cost of Materials Consumed	18	2688.66	2758.36
Purchases of Stock-in-trade	19	9.32	13.92
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	20	42.87	(137.49)
Employee Benefits Expense	21	646.51	616.30
Finance Cost	22	567.72	484.62
Depreciation and Amortisation Expense	9(c)	287.82	249.21
Other Expenses	23	3873.26	3658.58
Total Expenses		8116.16	7643.50
Less : Expenditure transferred to Capital Account		1.24	2.77
V. Profit / (Loss) before Tax (III - IV)		(80.48)	(33.69)
VI. Tax Expense:			
Current Tax		-	-
Deferred Tax		(25.20)	(50.59)
Short / (Excess) Provision for tax adjustments in respect of earlier years (Net)		(0.76)	1.41
		(25.96)	(49.18)
VII. Profit / (loss) for the year (V - VI)		(54.52)	15.49
VIII. Earnings per equity share of ₹ 10 each (in Rupees) :			
Basic earning per share (See Note 43)		(5.21)	1.66
Diluted earning per share (See Note 43)		(5.21)	1.60
Other Explanatory Notes & Disclosures	24 - 46		
The accompanying notes are an integral part of these financial statements			

As per our report of even date
For **DALAL & SHAH LLP**
Chartered Accountants
Firm Registration Number 102021W / W100110

ANISH P. AMIN
Partner
Membership No: 040451
Mumbai : 3rd May 2016

ATUL K. KEDIA
Vice President (Legal) &
Company Secretary

R. K. DALMIA
Chief Financial Officer
Mumbai : 3rd May 2016

D. K. AGRAWAL
Whole-time Director

B. K. BIRLA, Chairman

Directors
RAJASHREE BIRLA
PRADIP KUMAR DAGA
YAZDI P. DANDIWALA
RAJAN A. DALAL
SOHANLAL K. JAIN

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	(80.48)	(33.69)
Add / (Less) :		
Depreciation and Amortisation	291.13	252.34
(Surplus) / Loss on sale / discardment of Fixed Assets (Net)	3.61	(1.06)
(Profit) / loss on sale of investment	(2.67)	0.06
Finance costs	567.72	484.62
Interest income	(18.05)	(10.42)
Provision no longer required	(63.84)	(46.04)
Exchange difference on translations (net)	(16.35)	(27.73)
Bad debts / Provision for Bad and doubtful debts	1.20	0.60
Interest on Income tax refund	(0.58)	-
Dividend on Investments	(3.68)	(3.49)
	<u>758.49</u>	<u>648.88</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	678.01	615.19
Adjustments for :		
(increase)/decrease in inventory	125.16	(123.50)
(increase)/decrease in Trade receivables	128.63	(133.80)
(increase)/decrease in loans and advances	(80.12)	(55.13)
increase/(decrease) in Trade payables	94.40	(52.79)
increase/(decrease) in other liabilities	54.05	163.97
	<u>322.12</u>	<u>(201.25)</u>
CASH GENERATED FROM OPERATIONS	1000.13	413.94
Less :		
Direct Taxes Paid	(6.33)	(33.87)
NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES	<u>993.80</u>	<u>380.07</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Capital expenditure for Property, plant & equipment	(293.16)	(526.60)
Proceeds from sale of Fixed Assets	2.89	4.47
Interest Received	19.44	9.06
Dividend on Investments	3.68	3.49
Long Term Investment Acquired / Sold	1.98	0.31
Current Investment Acquired	(3519.36)	(2171.91)
Current Investment Sold	3519.36	2171.91
NET CASH OUTFLOW IN INVESTING ACTIVITIES	<u>(265.17)</u>	<u>(509.27)</u>

	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Short term Borrowings (net)	150.42	(390.64)
Long term Borrowings	1215.57	2061.26
Repayment of Long term Borrowings	(1697.64)	(1209.90)
Issue of share capital	270.96	300.59
Money received against share warrants	-	90.32
Interest and Finance Charges paid	(634.72)	(644.34)
Dividend Paid	(55.94)	(51.14)
Taxes on Dividend	(11.37)	(8.70)
NET CASH INFLOW / (OUT FLOW) FROM FINANCING ACTIVITIES	(762.72)	147.45
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(34.09)	18.25
Cash and Cash Equivalents - Opening Balance	88.58	70.33
Cash and Cash Equivalents - Closing Balance (See Note 15)	54.49	88.58

As per our report of even date
For **DALAL & SHAH LLP**
Chartered Accountants
Firm Registration Number 102021W / W100110

ANISH P. AMIN
Partner
Membership No: 040451
Mumbai : 3rd May 2016

ATUL K. KEDIA
Vice President (Legal) &
Company Secretary

R. K. DALMIA
Chief Financial Officer
Mumbai : 3rd May 2016

D. K. AGRAWAL
Whole-time Director

B. K. BIRLA, Chairman

Directors

RAJASHREE BIRLA
PRADIP KUMAR DAGA
YAZDI P. DANDIWALA
RAJAN A. DALAL
SOHANLAL K. JAIN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

1. SHARE CAPITAL	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
(a) Authorised :		
14,80,00,000 (31 March 2015 - 14,80,00,000) Equity Shares of ₹ 10 each.	148.00	148.00
1,00,00,000 (31 March 2015 - 1,00,00,000) Redeemable Cumulative Non-convertible Preference Shares of ₹ 100 each.	100.00	100.00
	248.00	248.00
(b) Issued :		
11,17,11,090 (31 March 2015 - 10,15,31,090) Equity Shares of ₹ 10 each.	111.71	101.53
	111.71	101.53
(c) Subscribed and paid up :		
11,16,95,680 (31 March 2015 - 10,15,15,680) Equity Shares of ₹ 10 each fully paid up	111.69	101.51
(The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.)		
Total	111.69	101.51

Reconciliation of the number of shares outstanding at the beginning and at the end of the year

S. No.	Description	As at 31 March 2016	As at 31 March 2015
	EQUITY SHARES :	<u>No. of shares</u>	<u>No. of shares</u>
1.	Shares Outstanding at the beginning of the period @ ₹ 10 each	10,15,15,680	9,30,45,680
2.	Add:- Conversion of Warrants into equity Shares by the Promoter Group (See Note 1(e) below)	1,01,80,000	84,70,000
3.	Shares Outstanding at the end of the period @ ₹ 10 each	11,16,95,680	10,15,15,680

(d) Shareholders holding more than 5% shares of the Company

	As at 31st March 2016		As at 31st March 2015	
	No. of shares	Percentage	No. of shares	Percentage
Pilani Investment and Industries Corporation Limited	3,42,20,520	30.64%	3,42,20,520	33.71%
IGH Holdings Private Limited	1,11,50,000	9.98%	50,70,000	4.99%
Aditya Marketing and Manufacturing Limited	75,60,900	6.77%	34,60,900	3.41%

(e) Equity shares reserved for issue at a later date:

In terms of the shareholder approval obtained at the extra ordinary general meeting held on 4th June, 2014 the Company issued and allotted 1,86,50,000 preferential warrant to the Promoter Group at a price of ₹ 354.89 per warrant, entitling the holder of such warrant to apply for and obtain one equity share of face value of ₹ 10 each fully paid up against each warrant on or before the expiry of 18 months from the date of allotment.

On 30th March, 2015 the warrant holders had partially exercised their entitlement to convert 84,70,000 warrant into equivalent number of equity shares as per the terms of issue. Further on 18th December, 2015 warrant holders exercised the balance entitlement and converted 1,01,80,000 warrants into equivalent number of equity shares by paying the balance 75% of the price thereon. No entitlements remain outstanding at the close of the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

2. RESERVES AND SURPLUS	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
(a) Capital Redemption Reserve	100.00	100.00
(b) Securities Premium Account		
As per last Balance Sheet	292.12	-
On conversion of Preferential Warrants during the year (See Note 1(e))	351.10	292.12
	643.22	292.12
(c) General Reserve		
As per last Balance Sheet	1414.65	1414.65
Less: Transferred to Surplus in statement of Profit and Loss	(80.69)	-
	1333.96	1414.65
(d) Debenture Redemption Reserve		
As per last Balance Sheet	17.89	2.40
Add: Transferred from Current year's Surplus	-	15.49
	17.89	17.89
(e) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	47.77	137.31
Less: Transitional effects on revision of Depreciation on useful life of assets in accordance with Schedule II	-	22.34
Add: Profit / (Loss) for the year	(54.52)	15.49
Less: Transferred to Debenture Redemption Reserve	-	15.49
Add: Drawn from General Reserve	80.69	-
Less: Proposed Equity Dividend	(61.43)	(55.83)
Less: Tax on Proposed Equity Dividend	(12.51)	(11.37)
	-	47.77
Total	2095.07	1872.43

3. LONG TERM BORROWINGS	Non-Current		Current Maturities	
	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
Secured Non Convertible Debentures				
1. - (31.03.2015 - 5,000) Redeemable non-convertible debentures (Total Non Convertible Denentures was paid on Apr'2015)	-	-	-	500.00
2. 4,000 (31.03.2015 - 4,000) Redeemable Non Convertible debentures (Repayment due on Dec'2016. Interest rate as at 31.03.2016 - 10.45 % p.a) [See Note 41]	-	400.00	400.00	-
Unsecured Non Convertible Debentures				
3. - (31.03.2015 - 1,000) Redeemable Non Convertible debentures (Total Non Convertible Denentures was paid on Jun'2015)	-	-	-	100.00
Carried Over	-	400.00	400.00	600.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

3. LONG TERM BORROWINGS		Non-Current		Current Maturities	
		As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
Brought Over		-	400.00	400.00	600.00
Term loans from Banks - Secured					
4.	Term Loan from State Bank of India (Repayable in 24 equal quarterly instalments, last instalment falling due on Aug'2016. Interest rate as at 31.03.2016 - 9.80 % p.a)	-	33.26	33.26	66.68
5.	Term Loan from Allahabad Bank (Repayable in 24 quarterly instalments, last instalment falling due on Aug'2016. Interest rate as at 31.03.2016 - 9.80 % p.a)	-	27.90	27.90	20.28
6.	Term Loan from Union Bank of India (Last instalment was paid on Aug'2015.)	-	-	-	13.96
7.	Term Loan from Dena Bank (Repayable in 22 equal quarterly instalments, last instalment falling due on Mar'2019. Interest rate as at 31.03.2016 - 9.80 % p.a)	52.77	77.97	25.20	25.20
8.	Term Loan from Syndicate Bank (Prepaid during the year)	-	75.93	-	24.30
9.	Term Loan from State Bank of Travancore (Prepaid during the year)	-	64.05	-	20.70
10.	Term Loan from State Bank of India (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2018. Interest rate as at 31.03.2016 - 9.80 % p.a)	97.00	207.00	110.00	100.00
11.	Term Loan from Bank of Baroda (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2016. Interest rate as at 31.03.2016 - 10.80 % p.a)	-	21.60	21.60	28.00
12.	Term Loan from State Bank of Hyderabad (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2016. Interest rate as at 31.03.2016 - 9.80 % p.a)	-	8.40	8.40	22.00
13.	Term Loan from Allahabad Bank (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2017. Interest rate as at 31.03.2016 - 9.80 % p.a)	14.20	38.40	24.20	22.00
14.	Term Loan from Union Bank of India (Repayable in 20 quarterly instalments, last instalment falling due on Jun'2017. Interest rate as at 31.03.2016 - 9.80 % p.a)	0.32	39.04	38.72	35.20
15.	Term Loan from State Bank of Mysore (Repayable in 20 quarterly instalments, last instalment falling due on Jun'2017. Interest rate as at 31.03.2016 - 9.80 % p.a)	4.20	28.40	24.20	22.00
Carried Over		168.49	1021.95	713.48	1000.32

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

3. LONG TERM BORROWINGS		Non-Current		Current Maturities	
		As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
	Brought Over	168.49	1021.95	713.48	1000.32
16.	Term Loan from IndusInd Bank (Prepaid during the year)	-	19.17	-	38.33
17.	Term Loan from ICICI Bank (Repayable in 16 equal quarterly instalments, last instalment falling due on Oct'2016. Interest rate as at 31.03.2016 - 10.15 % p.a)	-	75.00	75.00	100.00
18.	Term Loan from Development Credit Bank (Prepaid during the year)	-	11.67	-	23.33
19.	Term Loan from Syndicate Bank (Prepaid during the year)	-	19.17	-	38.33
20.	Term Loan from State Bank of India (Repayable in 3 annual instalment, last repayment falling due on Oct'2018. Interest rate as at 31.03.2016 - 9.85 % p.a)	200.00	300.00	100.00	-
21.	Term Loan from Kotak Mahindra Bank (Bullet repayable at the end of 36 months, repayment falling due on July'2017. Interest rate as at 31.03.2016 - 10.10 % p.a)	100.00	100.00	-	-
22.	Term Loan from Axis Bank Limited (Repayable in 12 quarterly instalments, last instalment falling due on Dec'2019. Interest rate as at 31.03.2016 - 9.75 % p.a)	285.00	300.00	15.00	-
23.	Term Loan from Export Import Bank of India (Bullet repayable at the end of 24 months, repayment falling due on Oct'2017. Interest rate as at 31.03.2016 - 10.10 % p.a)	75.00	75.00	-	-
24.	Term Loan from South India Bank Limited (Bullet repayable at the end of 24 months, repayment falling due on Oct'2017. Interest rate as at 31.03.2016 - 10.25 % p.a)	50.00	50.00	-	-
25.	Term Loan from Axis Bank Limited (Repayable in 2 tranches, last instalment falling due on July'2017. Interest rate as at 31.03.2016 - 9.75 % p.a)	150.00	300.00	150.00	-
26.	Term Loan from ICICI Bank Limited Bullet repayable at the end of 36 months, repayment falling due on Sep'2018. Interest rate as at 31.03.2016 - 9.75 % p.a)	300.00	150.00	-	-
27.	Term Loan from HDFC Bank Limited (Repayable in 15 quarterly instalments, last instalment falling due on Dec'2020. Interest rate as at 31.03.2016 - 9.60 % p.a)	336.88	150.00	13.13	-
	Carried Over	1665.37	2571.96	1066.61	1200.31

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

3. LONG TERM BORROWINGS		Non-Current		Current Maturities	
		As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
	Brought Over	1665.37	2571.96	1066.61	1200.31
28.	Term Loan from South India Bank Limited (Repayable in 8 equal quarterly instalments, last instalment falling due on Mar'2020. Interest rate as at 31.03.2016 - 10.35 % p.a)	75.00	50.00	-	-
29.	Term Loan from Export Import Bank of India (Repayable in 8 equal quarterly instalments, last instalment falling due on Mar'2020. Interest rate as at 31.03.2016 - 10.15 % p.a)	125.00	70.00	-	-
30.	Term Loan from State Bank of Travancore (Repayable in 3 equal annual instalments, last instalment falling due on Mar'2020. Interest rate as at 31.03.2016 - 9.95 % p.a)	200.00	200.00	-	-
31.	Foreign Currency Term Loan from IndusInd Bank Amounting to 39.28 Million US Dollar (Repayable in 3 equal quarterly instalments, last instalment falling due on Jun'2018. Interest rate as at 31.03.2016 - 9.18 % p.a)	260.22	245.50	-	-
32.	Term Loan from Axis Bank Limited (Repayable in 16 quarterly tranches, last instalment falling due on Jul'2020. Interest rate as at 31.03.2016 - 9.60 % p.a)	250.00	-	-	-
33.	Term Loan from State Bank of India (Repayable in 3 annual instalments, last repayment falling due on Dec'2020. Interest rate as at 31.03.2016 - 9.70 % p.a)	500.00	-	-	-
34.	TUF Loan from State Bank of Patiala (Last instalment was paid on Jun'2015.)	-	-	-	1.19
35.	TUF Loan from State Bank of India (Repayable in 36 equal quarterly instalments, last instalment falling due on Mar'2020. Interest rate as at 31.03.2016 - 7.25 % p.a) @	2.11	2.81	0.70	0.70
36.	TUF Loan from State Bank of India (Last instalment was paid on Mar'2016.)	-	-	-	46.86
37.	TUF Loan from State Bank of India (Last instalment was paid on Mar'2016.)	-	-	-	11.64
38.	TUF Loan from State Bank of India (Last instalment was paid on Mar'2016.)	-	-	-	5.00
39.	TUF Loan from State Bank of Mysore (Last instalment was paid on Mar'2016.)	-	-	-	10.71
40.	TUF Loan from State Bank of Hyderabad (Last instalment was paid on Mar'2016.)	-	-	-	7.14
	Carried Over	3077.70	3140.27	1067.31	1283.55

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

3. LONG TERM BORROWINGS	Non-Current		Current Maturities	
	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
Brought Over	3077.70	3140.27	1067.31	1283.55
41. TUF Loan from State Bank of Bikaner & Jaipur (Last instalment was paid on Mar' 2016.)	-	-	-	5.00
42. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on July'2016. Interest rate as at 31.03.2016 - 5.80 % p.a) @	-	5.06	5.06	8.76
43. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on Feb'2020. Interest rate as at 31.03.2016 - 5.55 % p.a) @	14.76	20.76	6.00	6.00
44. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on Dec'2020. Interest rate as at 31.03.2016 - 5.10 % p.a) @	14.01	21.41	7.40	3.70
45. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on Dec'2020. Interest rate as at 31.03.2016 - 5.10 % p.a) @	9.75	12.35	2.60	0.65
46. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on Sept'2022. Interest rate as at 31.03.2016 - 5.55 % p.a) @	29.93	12.42	3.34	-
Term loans from Others - Secured				
47. Term Loan from Aditya Birla Finance Limited (Repayable in 8 equal quarterly instalments, last instalment falling due on Jan'2020. Interest rate as at 31.03.2016 - 9.95 % p.a)	75.00	75.00	-	-
48. Term Loan from I D F C (Prepaid during the year)	-	200.00	-	-
49. Term Loan from Aditya Birla Finance Limited (Bullet repayable at the end of 24 months, repayment falling due on Oct'2017. Interest rate as at 31.03.2016 - 10.10 % p.a)	75.00	75.00	-	-
Amount disclosed under the head "Other Current Liabilities" (See Note 8)			(1091.71)	(1307.66)
Total	3296.15	3562.27	-	-

@ represents effective interest rate net of 4% - 5% subsidy under Technology Upgradation Fund (TUF) Scheme.

Details of Security :

1. Loan covered in Sr. No. 2 above :

First pari passu charge over the fixed assets, present and future, of the Company's Textile (Birla Century), Rayon, Cement (including expansion at Manikgarh Cement, Maharashtra and Sonar Bangla Cement Plant in West Bengal), Pulp and Paper divisions and Phase I of Real Estate Development (excluding leasehold land at Birla Century, Pulp & Paper, Sonar Bangla Cement and land & buildings thereon of Maihar Cement Unit I & II divisions and mines, furniture, fixtures, vehicles and other miscellaneous assets of all the divisions).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

2. Loans covered in Sr. No. 4 to 6 above :

First pari passu charge over the entire fixed assets, present and future, of the Company's Birla Century, Rayon, Century Cement, Maihar Cement I & II, Manikgarh Cement, Pulp and Paper divisions and Phase I of Real Estate Development including those acquired/to be acquired for the expansion project of paper division (excluding leasehold land of Birla Century and Pulp and Paper divisions).

3. Loans covered in Sr. No. 7 to 15 above :

First pari passu charge over the fixed assets, present and future, of the Company's Textile (Birla Century), Rayon, Cement (including expansion at Manikgarh Cement, Maharashtra and Sonar Bangla Cement Plant in West Bengal), Pulp and Paper divisions and Phase I of Real Estate Development (excluding leasehold land at Birla Century, Pulp & Paper, Sonar Bangla Cement and furniture, fixtures and other miscellaneous assets of all above divisions).

4. Loans covered in Sr. No. 16, 18 and 19 above :

First pari passu charge of all immovable/movable fixed assets of the Company's Textile (Birla Century), Rayon, Cement and Pulp & Paper divisions (excluding the leasehold land at Birla Century, Pulp and Paper and Sonar Bangla Cement divisions) and also a portion of land at Worli at Phase I Project and building thereon.

5. Loan covered in Sr. No. 17 above :

First pari passu charge on the present and future movable and immovable fixed assets, of the Phase I of Real Estate Development at Worli, Mumbai, Sonar Bangla Cement, Century Cement, Maihar Cement I & II, Manikgarh Cement (including expansion), Birla Century, Century Rayon and Century Pulp & Paper divisions, excluding leasehold land and building on such leasehold land of all the divisions and furniture, fixtures, vehicles and other miscellaneous assets of all the divisions.

6. Loan covered in Sr. No. 20 above :

Exclusive mortgage of Land and Buildings situated at final plot no. 1080 on Town Planning Scheme at Dr. Annie Besant Road, Worli, Mumbai.

7. Loans covered in Sr. No. 21 to 25 and 27 to 33 and 46 to 49 above :

First pari passu charge over the present and future fixed assets of Birla Century, Rayon, Cement (including the fixed assets of expansion plant at Manikgarh, Maihar and Sonar Bangla Cement Plant at West Bengal), Pulp & Paper Divisions and Phase I of Real Estate Development at Worli excluding leasehold land at Pulp & Paper, Sonar Bangla Cement and Birla Century, furniture and fixtures, vehicles and other miscellaneous assets of all divisions and land & building thereon of Maihar Cement Unit I & II divisions.

8. Loan covered in Sr. No. 26 above :

First pari passu charge on the present and future movable and immovable fixed assets of the Phase I of the Real Estate Development at Worli, Mumbai, Sonar Bangla Cement, Century Cement, Maihar Cement I & II, Manikgarh Cement I & II, Birla Century, Century Rayon and Century Pulp & Paper divisions of the Borrower, excluding leasehold land and building on such leasehold land of all the divisions and land & buildings thereon of Maihar Cement I & II Divisions and furniture, fixtures, vehicles and other miscellaneous assets of all the divisions.

9. Loans covered in Sr. No. 35 to 41 above :

First pari passu charge on entire fixed assets of Textiles, Rayon, Cement and Pulp & Paper divisions of the Company including those acquired / to be acquired for the new project excluding the leasehold land of Pulp and Paper division, assets exclusively charged to term lenders, furniture and fixtures and vehicles.

10. Loans covered in Sr. No. 42 and 43 above :

First pari passu charge over the fixed assets, present and future, of the Company's Textile (Birla Century), Rayon, Cement, Pulp and paper divisions and Phase I of Real Estate Development (excluding leasehold land at Birla Century, Pulp & Paper, Sonar Bangla Cement and Maihar Cement Unit I & II and furniture and fixtures, vehicle and other miscellaneous assets of all the above divisions are excluded).

11. Loans covered in Sr. No. 44 and 45 above :

First pari passu charge over the fixed assets, present and future, of the Company with FACR of 1.33 (excluding leasehold land at Birla Century, Pulp & Paper, Sonar Bangla Cement and Maihar Cement Unit I & II divisions, 1.35 acres out of the 544 acres situated at Cement Plant at Raipur and furniture and fixtures, vehicle and other miscellaneous assets of all the above divisions are excluded).

12. Satisfaction of charge yet to be filed in respect of loans repaid during the year. (Sr. No. 6-9, 16, 18, 19, 36-41 and 48).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

4. DEFERRED TAX LIABILITY (NET)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
Deferred Tax Liability on account of :		
(i) Depreciation and amortisation	914.53	796.05
	<u>914.53</u>	<u>796.05</u>
Deferred Tax Asset on account of :		
(i) Unabsorbed depreciation	594.13	467.38
(ii) Payments under voluntary retirement scheme	2.03	0.47
(iii) Expenses allowable for tax purpose when paid	111.61	97.94
(iv) Earned leave	22.94	21.33
(v) Provision for doubtful debts and advances	4.38	4.29
	<u>735.09</u>	<u>591.41</u>
Net Deferred Tax Liability / (Asset) :	<u>179.44</u>	<u>204.64</u>

5. OTHER LONG TERM LIABILITIES

Deposits from dealers and agents	241.26	226.94
Deposits against rental arrangements	8.07	1.99
Retention money payable	0.05	0.33
Others	1.14	9.34
Total	<u>250.52</u>	<u>238.60</u>

6. PROVISIONS

	Long term		Short term	
	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
(a) Provision for Employee Benefits				
- Leave entitlement	36.85	34.73	30.15	28.06
- Gratuity	-	-	2.41	-
- Workers termination benefits	49.12	47.07	6.55	6.40
- Wage Board	-	-	-	13.79
	<u>85.97</u>	<u>81.80</u>	<u>39.11</u>	<u>48.25</u>
(b) Provisions - Others				
- Proposed equity dividend	-	-	61.43	55.83
- Tax on proposed equity dividend	-	-	12.51	11.37
- Disputed matters (See Note 26)	346.15	352.66	1.43	0.97
	<u>346.15</u>	<u>352.66</u>	<u>75.37</u>	<u>68.17</u>
Total	<u>432.12</u>	<u>434.46</u>	<u>114.48</u>	<u>116.42</u>

The Board has recommended a dividend @ ₹ 5.50 (Rupees five and paise fifty only) per equity share of ₹ 10 each on 11,16,95,680 equity shares for the year ended 31st March, 2016 (Previous year ₹ 5.50 per equity share of ₹ 10 each on 10,15,15,680 equity shares.)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

NOTE 7 : SHORT TERM BORROWINGS	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
Secured		
Loans repayable on demand from banks		
Working capital loans from banks	599.80	68.54
Pre-shipment, Post-shipment and Export Bills Discounting facilities	86.91	51.42
Nature of Security		
(i) Working capital loans from banks are secured against a first and pari passu charge over the current Assets (including documents of title to goods/related receivables), second pari passu charge over the entire fixed assets, present and future, of the Company's Birla Century, Rayon, Century Cement, Maihar Cement I & II, Manikgarh Cement, Pulp and Paper divisions and Phase I of Real Estate Development (excluding leasehold land and building of Birla Century and Pulp and Paper divisions, Sonar Bangla Cement and land and buildings of Maihar Unit I & II, 1.35 acres out of the 544 acres situated at Cement Plant at Raipur and furniture and fixtures, vehicle and other miscellaneous assets of all the above divisions are excluded).		
(ii) The charge created as per para (i) also extends to the guarantees given by the banks on behalf of the Company, aggregating ₹ 199.79 Crore (31 March 2015 ₹ 203.77 Crore).		
Unsecured		
(a) Short Term Borrowings from Banks:		
Under a buyer's credit arrangement in foreign currency	132.35	248.68
Rupee Loans	150.00	50.00
	282.35	298.68
(b) Commercial Paper (Maximum balance outstanding during the year ₹ 1575.00 Crore; Previous year ₹ 1550.00 Crore)	450.00	850.00
Total	1419.06	1268.64

Note:-

Unclaimed fixed deposits amounting to ₹ 22,500 (31.03.2015 ₹ 22,500) and ₹ 3,150 (31.03.2015 ₹ 3,150) being interest accrued and due thereon remain unpaid in view of the internal disputes between the claimants which has been referred to the Court whose decision is awaited.

NOTE 8 : OTHER CURRENT LIABILITIES

(a) Current maturities of long-term borrowings (See Note 3)	1091.71	1307.66
(b) Interest accrued but not due on borrowings	19.69	23.31
(c) Unclaimed dividends	1.91	2.02
(d) Others :		
Retention money payable	21.65	26.11
Overdrawn bank balances as per books	0.22	0.29
Tax deducted at source and other statutory dues	100.63	65.95
Advance received from customers	73.40	71.61
Deposits from Others	0.86	-
Employee related liabilities	69.63	68.82
Premium payable on outstanding forward contracts	-	5.71
Liability on account of capital goods	32.70	65.60
Other current liabilities	60.68	99.27
	359.77	403.36
Total	1473.08	1736.35

Note:-

- (i) Unclaimed dividend amounting to ₹ 0.02 Crore (31.03.2015 ₹ 0.05 Crore) is pending on account of litigation among claimants / notices from the tax recovery officer.
- (ii) There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at the balance sheet date other than cases under litigation among claimants regarding beneficial ownership / notices from the tax recovery officer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

(₹ in Crore)

DESCRIPTION OF ASSETS	GROSS BLOCK AT COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 31.03.2015	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2016	Upto 31.03.2015	For the year	Deductions/ Adjustments	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
(i) TANGIBLE ASSETS										
Freehold Land (*) (b)	55.53	0.57	11.83	44.27	-	-	-	-	44.27	55.53
Leasehold Land	62.44	1.14	-	63.58	12.16	2.03	-	14.19	49.39	50.28
Buildings	938.46	75.84	0.10	1014.20	192.24	31.51	0.03	223.72	790.48	746.22
Plant and Equipment	7683.13	160.35	13.92	7829.56	3022.48	187.93	8.44	3201.97	4627.59	4660.65
Furniture and Fixtures	46.80	3.59	1.31	49.08	28.99	3.85	1.12	31.72	17.36	17.81
Vehicles	16.26	1.52	0.84	16.94	6.39	1.82	0.56	7.65	9.29	9.87
Office equipment	26.53	1.66	1.54	26.65	19.71	2.46	1.46	20.71	5.94	6.82
Water Pipe Lines and Tanks	56.79	0.25	-	57.04	23.63	3.54	-	27.17	29.87	33.16
Railway Sidings and Locomotives	92.39	30.36	-	122.75	28.79	6.26	-	35.05	87.70	63.60
Ropeway	4.06	-	-	4.06	3.85	-	-	3.85	0.21	0.21
Reservoir and Pans, etc.	0.23	-	-	0.23	0.23	-	-	0.23	-	-
Electric Installations	402.90	5.76	0.64	408.02	122.47	37.97	0.57	159.87	248.15	280.43
Air-conditioning Plant	0.68	-	-	0.68	0.65	-	-	0.65	0.03	0.03
Improvement to Lease Premises	0.91	-	-	0.91	0.91	-	-	0.91	-	-
Floral Plantation - Roses	2.03	-	2.03	-	2.03	-	-	-	-	-
Sub Total :	9389.14	281.04	32.21	9637.97	3464.53	277.37	14.21	3727.69	5910.28	5924.61
Assets acquired under lease										
Plant and Equipment	9.11	-	-	9.11	2.21	-	-	2.21	6.90	6.90
Assets given on lease										
Railway Wagons (a)	62.05	-	-	62.05	58.93	-	-	58.93	3.12	3.12
Total Tangible Asset :	9460.30	281.04	32.21	9709.13	3525.67	277.37	14.21	3788.83	5920.30	5934.63
(ii) INTANGIBLE ASSETS										
Computer software	12.75	1.32	-	14.07	9.55	1.43	-	10.98	3.09	3.20
Total Intangible Asset :	12.75	1.32	-	14.07	9.55	1.43	-	10.98	3.09	3.20
Grand Total :	9473.05	282.36	32.21	9723.20	3535.22	278.80	14.21	3799.81	5923.39	5937.83
(iii) CAPITAL WORK IN PROGRESS										
Less:- Impairment in book Value									228.71	782.47
									72.58	72.58
									156.13	709.89
									0.10	1.58
(iv) INTANGIBLE ASSETS UNDER DEVELOPMENT										

Note :-

* Includes Freehold & Leasehold land at Worli ₹ 0.07 Crore

Land amounting to ₹ 11.43 Crore has been classified as Investment Property consequent to Management's intent to develop the same for rental or sale in future periods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

DESCRIPTION OF ASSETS	GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 31.03.2014	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2015	For the year	Upto 31.03.2014	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
	31.03.2014	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2014
(i) TANGIBLE ASSETS									
Freehold Land	52.97	2.61	0.05	55.53	-	-	-	55.53	52.97
Leasehold Land	47.45	14.99	-	62.44	1.64	10.52	12.16	50.28	36.93
Buildings	784.61	154.83	0.98	938.46	27.50	158.15	192.24	746.22	626.46
Plant and Equipment	6243.14	1462.25	22.26	7683.13	163.18	2862.57	3022.48	4660.65	3380.57
Furniture and Fixtures	43.71	3.49	0.40	46.80	4.09	23.95	28.99	17.81	19.76
Vehicles	14.65	2.78	1.17	16.26	1.78	5.31	6.39	9.87	9.34
Office equipment	25.87	1.79	1.13	26.53	4.33	12.60	19.71	6.82	13.27
Water Pipe Lines and Tanks	53.61	3.18	-	56.79	3.69	19.84	23.63	33.16	33.77
Railway Sidings and Locomotives	79.81	12.58	-	92.39	4.95	23.17	28.79	63.60	56.64
Ropeway	4.06	-	-	4.06	-	3.85	3.85	0.21	0.21
Reservoir and Pans, etc.	0.23	-	-	0.23	-	0.23	0.23	-	-
Electric Installations	222.63	181.07	0.80	402.90	29.35	89.81	122.47	280.43	132.82
Air-conditioning Plant	0.68	-	-	0.68	-	0.65	0.65	0.03	0.03
Improvement to Lease Premises	2.50	-	1.59	0.91	0.10	2.40	0.91	-	0.10
Floral Plantation - Roses	2.03	-	-	2.03	-	2.03	2.03	-	-
Sub Total :	7577.95	1839.57	28.38	9389.14	240.61	3215.08	3464.53	5924.61	4362.87
Assets acquired under lease									
Plant and Equipment	8.97	0.14	-	9.11	0.62	1.59	2.21	6.90	7.38
Assets given on lease									
Railway Wagons (a)	62.05	-	-	62.05	-	58.93	58.93	3.12	3.12
Total Tangible Asset :	7648.97	1839.71	28.38	9460.30	241.23	3275.60	3525.67	5934.63	4373.37
(ii) INTANGIBLE ASSETS									
Computer software	10.47	2.28	-	12.75	2.57	6.89	9.55	3.20	3.58
Total Intangible Asset :	10.47	2.28	-	12.75	2.57	6.89	9.55	3.20	3.58
Grand Total :	7659.44	1841.99	28.38	9473.05	243.80	3282.49	3535.22	5937.83	4376.95
(iii) CAPITAL WORK IN PROGRESS									
Less:- Impairment in book Value								782.47	2301.24
								72.58	72.58
								709.89	2228.66
								1.58	-
(iv) INTANGIBLE ASSETS UNDER DEVELOPMENT									

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

FIXED ASSETS NOTES

- (a) Wagons acquired under "Own Your Wagon" scheme have been given on lease to railways.
- (b) i) 44 hectares of land were acquired at Manikgarh Cement Division and were subsequently surrendered to the Forest Department, Government of India, pursuant to the provisions of the Forest Conservation Act, 1980. The cost of land by way of compensation payable will be accounted for when determined by the Collector.
- ii) In respect of Manikgarh Cement Division, land measuring 41.20 hectares occupied by the Forest Department and disputed by the Company was adjudicated by the Collector and the Divisional Commissioner (Appeals) in favour of the Company. The Government of Maharashtra on a reference made by the Forest Department directed the Collector for a fresh demarcation of the site boundaries and has also directed the Forest Department to refund the compensation paid by the Company along with interest for the land falling within their boundary. The Revisional Authority has since observed that approx. 17 hectares of land fall within the boundaries of the reserved forest. The Company has filed a writ petition before the Bombay High Court, Nagpur bench against the said order. The Bombay High Court Nagpur Bench on 3 April, 2014 upheld the order passed by the Government of Maharashtra and directed collector Chandrapur to complete the documentation of land within six months with a right to Manikgarh Cement division to challenge the forest notification issued in the year 1953, if such occasion arises. Adjustments, if any, will be made, in the year in which the matter is finally settled.
- iii) Includes 1.45 hectares of land at Manikgarh cement division at a cost of ₹ 0.01 crores (Previous year ₹ 0.01 crores) for which sale & conveyance deeds & other transfer formalities are yet to be executed. Stamp duty and other incidental expenses will be capitalised on execution of the same.
- iv) Lease hold land measuring 9.93 acres for which lessor has claimed repossession. The same has been disputed by the Company and the matter is pending with High Court.
- v) Title in respect of 9.749 hectares of land at Maihar Cement division at a cost of ₹ 0.71 crores is yet to be registered with appropriate authorities.
- vi) There are some minor discrepancies between the area of land as per title deeds and government records across parcels of land at Maihar cement divisions of the Company.
- (c) Break-up of Depreciation / Amortisation for the year:-

	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
Depreciation / Amortisation for the year		
– On Fixed Assets	278.80	243.80
– On Investment Property	12.33	8.54
	291.13	252.34
Less : Amount included under Cost of raising and transporting Limestone, Shale and Laterite [See Note 29]	3.31	3.13
	287.82	249.21

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

10. NON-CURRENT INVESTMENTS (AT COST)		As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
(i) INVESTMENT PROPERTY			
(At Cost, less accumulated depreciation)			
(a) LAND (@)		11.50	-
(b) BUILDING (◇)			
Gross Block at Cost as at 31st March, 2016			
As per Last Balance Sheet	410.81		3.75
Additions during the year (See Note 24)	596.49		407.06
		1007.30	410.81
Depreciation			
As per Last Balance Sheet	9.58		1.04
Additions during the year	12.33		8.54
		21.91	9.58
Net Block as at 31st March, 2016		996.89	401.23
OTHER THAN TRADE			
Shares and Other Investments :			
(ii) Quoted :			
Fully paid :			
23,938 (22,690)	Equity Shares of ₹ 10 each, of the Tata Motors Ltd.	0.06	0.01
3,00,000	Equity Shares of ₹ 5 each, of Jayshree Tea and Industries Ltd.	0.19	0.19
22,20,500	Equity Shares of ₹ 10 each, of Mangalam Cement Ltd.	7.21	7.21
34,58,654 (27,62,154)	Equity Shares of ₹ 10 each, of Mangalam Timber Products Ltd.	5.37	4.26
12,66,887	Equity Shares of ₹ 10 each, of Century Enka Ltd.	21.52	21.52
51,16,800	Equity Shares of ₹ 10 each, of Kesoram Industries Ltd.	51.00	51.00
1,25,000	Equity Shares of ₹ 2 each, of Kesoram Textile Mills Ltd. (Allotted without any consideration in terms of the Scheme of Arrangement against the holding of 1,25,000 Shares of ₹ 10 each, held in Kesoram Industries Ltd.)	-	-
		85.35	84.19
TRADE :			
(iii) Unquoted :			
Fully Paid :			
2	Equity Shares of ₹ 5,000 each of Maharashtra Co-operative Floriculture Development Society Ltd. (₹ 10,000) [31 March 2015 (₹ 10,000)].		
85	Shares of ₹ 100 each, of Maharashtra State Financial Corporation (₹ 8,500); [31 March 2015 (₹ 8,500)]		
2	Shares of ₹ 50 each, of the Maharashtra State Co-operative Bank Ltd. (₹ 114)[31 March 2015 (₹ 114)]		
	Carried Over	1082.24	485.42

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

10. NON-CURRENT INVESTMENTS (AT COST)		As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
Brought Over		1082.24	485.42
12,000	Equity Shares of ₹ 10 each, of Birla Consultants Ltd.	0.01	0.01
4,22,496	Shares of Pesos 10 each, of Indo Phil Textile Mills Inc., Republic of Philippines.	0.04	0.04
2,500	Ordinary Shares of Swiss Francs 100 each, of Birla International Ltd.	0.52	0.52
5,625	Equity Shares of ₹ 100 each, of Industry House Ltd. #	0.04	0.04
Investment in Associates			
3,75,000	Equity Shares of ₹ 10 each, of Bander Coal Company Pvt. Ltd.*	-	0.38
(2,25,000)	- Equity Shares of ₹ 10 each, of Kesoram Insurance Broking Services Ltd.	-	0.05
(41,400)	- Equity Shares of ₹ 10 each, of Vasavadatta Services Ltd.	-	0.04
		0.61	1.08
Government and Trust Securities :		1082.85	486.50
Quoted :			
50,000	10.70 % (2020) Government of India Bonds	0.53	0.53
1,00,000	7.95 % (2032) Government of India Bonds	1.21	1.21
90,000	8.20% Government of India Bonds (Oil Special Bond 2024)	0.89	0.89
3,80,000	8.26% (2027) Government of India Bonds	3.72	3.72
2,15,000	8.84% (2022) - Maharashtra SDL	2.19	2.19
		8.54	8.54
Total		1091.39	495.04

@ includes land measuring 29 acres and 15 guntha at a cost of ₹ 4.03 Crores at Century Rayon division pending to be transferred in the name of the Company.

◇ Represents Immovable Property including Infrastructure attached thereto intended to be leased to third parties.

The Company in the past years by virtue of its holding exceeding 20% in Industry House Limited (IHL) presumed significant influence and disclosed it as an associate. On an assessment in the current year, of its real ability to exercise influence over financial and operating policy of IHL, it is concluded that IHL is not an associate as per AS-23 and hence classified as Trade Investment. Accordingly the accounts of IHL have not been consolidated with Century as legally advised.

* Bander Coal Company Pvt. Ltd. has initiated closure process and hence amount invested is now accounted for as a receivable.

Note: All the above Investments are intended to be held on a long term basis and have been classified accordingly.

Book value / Market value of Securities :

	Book-Value		Market-Value	
	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
Quoted	93.89	92.73	141.12	152.53
Unquoted	0.61	1.08		
Total	94.50	93.81		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

11. LOANS AND ADVANCES (Unsecured, considered good unless otherwise specified)	Long term		Short term	
	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
(a) Capital Advances	9.27	12.34	-	-
(b) Security Deposits	39.30	50.84	0.84	1.12
Doubtful	0.50	0.50	-	-
Less: Provision for doubtful advances	0.50	0.50	-	-
	39.30	50.84	0.84	1.12
(c) Other Loans and Advances				
Advances recoverable in cash or in kind or for value to be received	10.72	14.85	109.40	154.95
Doubtful	4.12	4.12	0.10	0.09
Less: Provision for doubtful advances	4.12	4.12	0.10	0.09
	10.72	14.85	109.40	154.95
- Balance with Government Authorities	18.95	55.88	55.69	94.80
- Advance Tax (Net of provisions)	45.92	27.21	9.04	20.66
- Amount paid against Disputed Demands	66.20	62.03	-	-
- Others	0.75	0.53	-	-
	191.11	223.68	174.97	271.53
Total Loans and Advances				
- Related Parties	-	0.05	-	-
- Others	191.11	223.63	174.97	271.53
Total	191.11	223.68	174.97	271.53

12. OTHER ASSETS (Unsecured, considered good unless otherwise specified)	Non-Current		Current	
	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
Minimum Alternate Tax entitlement receivable	24.87	24.87	-	-
Interest subsidy and interest receivable	0.38	0.35	16.43	13.36
Export incentive receivable	-	-	6.18	19.69
Claims and other receivables	-	4.50	0.29	1.27
Interest accrued on Investments	-	-	0.17	1.56
Sales Tax Incentive receivable	268.83	138.57	44.86	-
Royalty Refund receivable	22.30	-	11.05	-
Renewable energy credit receivable	18.21	-	6.00	10.17
Valuation Gain on foreign exchange outstanding derivatives	-	-	14.83	8.57
Long Term deposits with bank maturity period more than 12 months (Held as lien by Bank against Bank Guarantee)	0.40	-	-	-
Others	4.18	6.23	10.99	0.52
	339.17	174.52	110.80	55.14
Doubtful	-	-	0.14	-
Less: Provision for other Current Assets	-	-	0.14	-
Total	339.17	174.52	110.80	55.14

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

13. INVENTORIES (At cost or net realisable value, whichever is lower)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
(a) Raw Materials	258.53	363.87
Goods in transit	38.51	22.46
(b) Other Materials	24.61	25.33
Goods in transit	-	0.33
(c) Work-in-progress	366.39	345.91
(d) Finished goods	241.35	311.25
(e) Stock-in-trade	0.50	2.80
(f) Stores and spares	350.98	347.18
Goods in transit	17.91	4.81
Total	1298.78	1423.94

14. TRADE RECEIVABLES (Unsecured, considered good unless otherwise specified)	Non-Current		Current	
	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
(a) Outstanding for a period exceeding six months from the due date				
Good	-	-	14.59	35.16
Doubtful	8.77	8.31	-	-
Less: Provision for doubtful debts	8.77	8.31	-	-
	-	-	14.59	35.16
(b) Others				
Good	-	-	514.57	623.83
Doubtful	-	-	-	0.08
Less: Provision for doubtful debts	-	-	-	0.08
	-	-	514.57	623.83
Total	-	-	529.16	658.99

15. CASH AND BANK BALANCES	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
1. Cash and Cash Equivalents		
(a) Balances with Banks		
- Current Accounts	51.91	78.58
- Debit balance in Cash Credit / Overdraft Accounts	1.67	4.70
(b) Cheques, Drafts on Hand	0.43	4.72
(c) Cash on Hand	0.48	0.58
	54.49	88.58
2. Other Bank Balances		
Unclaimed Dividend Accounts	1.91	2.02
Fixed Deposit Accounts, with maturity more than 3 months but less than 12 months	32.30	30.01
Margin Money Deposits against borrowings etc.	13.05	3.63
	47.26	35.66
Total	101.75	124.24

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

16. REVENUE FROM OPERATIONS

	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
(a) Sale of products (See Note 27 A and B)	8405.76	8014.09
(b) Rent from Leased Properties (See Note 24)	35.78	20.35
	8441.54	8034.44
Less: Excise duty	789.07	733.69
	7652.47	7300.75
(c) Other operating revenues		
Export benefits	23.36	35.91
Sale of scrap	18.80	21.60
Insurance and other claims	1.01	1.92
Provision for Disputed Matters no longer required	12.20	39.90
Liabilities no longer required	51.64	6.14
Sales Tax Incentive	175.68	118.87
Renewable energy credits	20.46	10.56
Others	31.96	23.62
	335.11	258.52
Total	7987.58	7559.27

17. OTHER INCOME

Dividend on Investments other than Trade :		
- From Mutual Funds (On current investments)	2.36	1.91
- From Domestic Companies (On non current investments)	1.24	1.50
- From Foreign Company (On non current investments)	0.08	0.08
	3.68	3.49
Interest Received :		
On Government securities (On non current investments)	0.71	0.75
On Income tax refund	0.58	-
Other	17.34	9.67
	18.63	10.42
Gain on foreign currency fluctuations and translations (net) (Other than considered under Note 22)	16.35	27.73
Rent from properties	2.08	1.78
Lease Rent received under ` Own Your Wagon ` scheme	0.50	0.50
Profit on sale of long-term Investment	2.67	-
Surplus on sale of Fixed Assets	1.00	2.29
Miscellaneous Income	1.95	1.56
Total	46.86	47.77

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

18. COST OF MATERIALS CONSUMED	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
Raw Material consumed [See Note 28 (A)]		
Opening Stock	363.87	442.29
Add: Purchases (including cost of raising and transporting Limestone, Shale and Laterite ₹ 220.06 Crore; Previous year ₹ 209.38 Crore) [See Note 29]	2041.26	2150.83
	2405.13	2593.12
Less: Closing Stock	258.53	363.87
	2146.60	2229.25
Dyes, Colour and Chemicals consumed		
Opening Stock	16.83	22.25
Add: Purchases	298.09	266.69
	314.92	288.94
Less: Closing Stock	16.99	16.83
	297.93	272.11
Packing Materials Consumed		
Opening Stock	8.50	9.87
Add: Purchases	243.25	255.63
	251.75	265.50
Less: Closing Stock	7.62	8.50
	244.13	257.00
Total	2688.66	2758.36

19. PURCHASE OF STOCK-IN-TRADE

Purchase of traded goods [See Note 28 (B)]	9.32	13.92
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20. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE (See Note 31)

Opening Stock :-		
Finished goods	311.25	256.16
Work-in-progress	345.91	244.72
Stock-in-trade	2.80	13.09
	659.96	513.97
Closing Stock :-		
Finished goods	241.35	311.25
Work-in-progress	366.39	345.91
Stock-in-trade	0.50	2.80
	608.24	659.96
	51.72	(145.99)
Add/(Less) : Variation in excise duty on closing and opening stock of finished goods	(8.85)	8.50
Total	42.87	(137.49)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

21. EMPLOYEE BENEFITS EXPENSE

	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
(a) Salaries, Wages, Bonus etc.	552.60	518.87
(b) Contributions to Provident and other funds	65.25	70.21
(c) Staff welfare expenses	28.66	27.22
Total	646.51	616.30

22. FINANCE COST

Interest Expense :

- Interest on borrowings *	458.59	471.00
- Interest - Others	48.68	26.91
	507.27	497.91
Applicable net loss on currency fluctuations and translations	8.29	8.61
Other borrowing costs	112.44	135.20
	628.00	641.72
Less :		
Borrowing costs capitalised	60.28	157.10
Total	567.72	484.62

* Net of subsidy ₹ 11.65 Crore (Previous year ₹ 10.05 Crore) under the Technology Upgradation Fund Scheme of the Government of India.

23. OTHER EXPENSES

Consumption of stores and spares	300.54	324.88
Job work charges	50.35	32.45
Power, Fuel and Water	1668.46	1658.09
Buildings repairs	36.12	24.80
Machinery repairs	117.69	114.53
Floriculture cultivation expenses	-	0.05
Rent	26.82	21.79
Rates and Taxes	8.25	7.33
Insurance	7.73	8.14
Freight, forwarding, octroi etc.	1311.78	1138.09
Advertisement and publicity	20.06	20.61
Material handling expenses	60.43	66.24
Advances, loans and other debit balances written off	0.28	2.06
Commission	46.09	45.20
Brokerage, discounts, incentives etc	6.97	6.02
Director's fees and travelling expenses	1.32	0.58
Bad debts	0.03	-
Loss on sale/discardment of fixed assets	4.61	1.23
Loss on sale of Investments	-	0.06
Provision for doubtful debts and advances	1.17	0.60
Miscellaneous expenses	204.56	185.83
Total	3873.26	3658.58

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

24. (i) The Company is developing its mill land at Worli, Mumbai in terms with the redevelopment plans submitted to the municipal authorities under the Integrated Development Scheme (IDS) of the "Development Control Regulation of Greater Bombay, 1991" Regulation 58 i.e. DCR 58, which is in progress.

As per the said IDS, the Company is required to fulfill certain commitment in accordance with and in the manner required by the regulations prevailing at the time of issue such as surrender of land, alternate accommodation to existing residential occupants etc. against which the Company is entitled to benefits. The Company is in process of fulfilling its commitment pending certain claims including those under the said schemes which are expected to be fulfilled as the work progresses.

- (ii) The Company during the year, has received the required certificate for occupation for one more commercial Building viz. Greenspan. Accordingly premises "Birla Aurora" and "Greenspan Building" are offered for lease to third parties.
- (iii) The completion of the third building together with related infrastructure is in progress, the expenditure on which is carried under Capital work in progress. Construction of other buildings and structures as per the approved plan yet to begin.
25. (a) Trade payables include:
- (i) ₹ 0.51 Crore (31 March 2015 – ₹ 0.03 Crore) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). There are no other amounts paid / payable towards interest / principal under the MSMED.
- (ii) ₹ 544.63 Crore (31 March 2015 - ₹ 450.71 Crore) due to other creditors.
- (b) The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.
- (c) Trade payables include acceptances of ₹ 57.26 Crore (31 March 2015 ₹ 43.25 Crore).

26. Provision for disputed matters in respect of known contractual risks, litigation cases and pending assessments in respect of taxes, duties and other levies / claims, the actual outflow on which will depend on the outcome of the respective proceedings.

The movements in the above account are summarized below:-

					(₹ in Crore)
Sr. No.	Nature of liability	As at 31 March 2015	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31 March 2016
1	Water Charges	71.57	4.14	0.25	75.46
2	Octroi Duty	38.54	-	-	38.54
3	Mandi Samiti Shulk and Interest thereon	26.90	-	26.90	-
4	Entry Tax / Sales Tax	121.14	18.99	0.54	139.59
5	Excise Duty	6.06	-	-	6.06
6	Lease Tax and Interest thereon	4.20	0.28	-	4.48
7	Cess	16.55	1.83	-	18.38
8	Reimbursement of Taxes to suppliers, etc.	13.15	-	11.29	1.86
9	Claims against Lease Rentals	5.41	0.03	-	5.44
10	Renewable Purchase obligation	18.12	5.26	11.94	11.44
11	Custom Duty difference on imported Coal and Interest thereon	13.11	1.57	-	14.68
12	Others	18.88	23.28	10.51	31.65
	Total	353.63	55.38	61.43	347.58

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

27. SALES (Gross)

Class of Goods	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
(A) Sale of Products (Manufactured)		
Cotton Fabric	611.73	568.13
Cotton Yarn	60.03	81.34
Denim Cloth	219.09	232.73
Rayon Yarn	747.81	654.72
Tyre Yarn and Fabric	158.18	162.97
Cement and Clinker	4484.44	4409.73
Pulp & Paper (including Paper Board / Straw Board)	1942.68	1701.03
Others	169.26	184.34
(B) Goods traded in :		
Garments	-	4.87
Cotton Fabrics	12.54	14.23
Total	8405.76	8014.09

Sales are net of cash discounts ₹ 82.03 Crore (2014-2015 ₹ 70.00 Crore)

28. RAW MATERIALS CONSUMED, PURCHASE OF GOODS FOR TRADE AND IMPORTED AND INDIGENOUS MATERIAL CONSUMPTION

(A) Raw Materials Consumed:				
Cotton	214.95		254.89	
Wood Pulp	195.37		114.65	
Limestone	249.89		236.12	
Pozzolana	176.54		183.92	
Eucalyptus Wood	204.45		254.86	
Pulp for Paper	232.50		305.31	
Others	872.90		879.50	
Total	2146.60		2229.25	
(B) Purchase of Stock in Trade:				
Fabrics	9.32		8.94	
Others	-		4.98	
Total	9.32		13.92	
(C) Imported and Indigenous Consumption of Raw Material:				

Raw Materials :	For the year ended on 31 March 2016		For the year ended on 31 March 2015	
	(₹ in Crore)	Percentage	(₹ in Crore)	Percentage
Imported	467.17	21.76	466.39	20.92
Indigenous	1679.43	78.24	1762.86	79.08
Total	2146.60	100.00	2229.25	100.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

29. COST OF RAISING AND TRANSPORTING LIMESTONE AND LATERITE

	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
Stores and Spare Parts consumed	17.95	20.07
Power and Fuel	5.82	6.69
Building Repairs	1.00	1.36
Machinery Repairs	3.09	4.00
Royalty and Cess, net of refund under incentive scheme (₹ 22.30 Crore)	66.57	72.22
Payments to and Provisions for employees	17.18	16.18
Insurance	0.08	0.09
Hire Charges of Mining Equipments	74.69	80.68
Other Expenses	30.37	4.96
	216.75	206.25
Depreciation and Amortisation	3.31	3.13
Total	220.06	209.38

30. IMPORTED AND INDIGENOUS CONSUMPTION OF SPARE PARTS

	For the year ended on 31 March 2016		For the year ended on 31 March 2015	
	(₹ in Crore)	Percentage	(₹ in Crore)	Percentage
Spare Parts				
Imported	41.04	20.30	34.63	17.38
Indigenous	161.11	79.70	164.59	82.62
	202.15	100.00	199.22	100.00

31. DETAILS OF INVENTORIES

<u>Class of Goods</u>	As at 31 March 2016 (₹ in Crore)		As at 31 March 2015 (₹ in Crore)	
(A) Finished Goods :				
Cotton Fabric	27.44		39.57	
Cotton Yarn	3.02		3.48	
Denim Cloth	18.39		10.42	
Rayon Yarn	18.69		54.74	
Tyre Yarn and Fabric	10.26		7.50	
Cement	134.16		155.05	
Paper (including Paper Board/Straw Board)	0.16		0.84	
Rayon and/or Paper Grade Pulp	5.76		9.55	
Bagasse Based Paper	0.85		3.05	
Recycle Based Paper	0.88		3.02	
Prime Grade Tissue Paper	1.79		3.21	
Multilayer Packaging Board	16.34		17.58	
Others	3.61		3.24	
Total	241.35		311.25	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

31. DETAILS OF INVENTORIES (CONTD.)	As at 31 March 2016 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)
(B) Goods traded in :		
Cotton Fabrics	0.50	2.80
Total	0.50	2.80
(C) Work in Progress :		
Cotton Fabric	109.88	97.40
Cotton Yarn	1.67	1.34
Denim Cloth	10.37	11.57
Rayon Yarn	10.65	11.18
Tyre Yarn and Fabric	2.64	2.13
Cement	125.65	121.99
Paper (including Paper Board/Straw Board)	1.59	3.21
Bagasse Based Paper	95.95	84.65
Recycle Based Paper	2.90	5.61
Prime Grade Tissue Paper	2.08	2.69
Multilayer Packaging Board	2.07	2.65
Chemicals	0.94	1.49
Total	366.39	345.91

32. CONTINGENT LIABILITIES NOT PROVIDED FOR

(a) (i) Claims against the Company not acknowledged as debts in respect of :		
- Custom Duty and Excise Duty	17.01	19.67
- Sales Tax and Entry Tax	125.13	117.61
- Power Charges	26.20	26.19
- Royalty	439.83	383.18
- Interest on Mandi Fees	-	11.20
- Others	28.65	16.06
(ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Company had an interest (proportionate)	22.49	21.67
(b) Disputed income tax matters under appeal	15.43	22.78
(c) Registration and Road Tax on Dumper of Cement Division	Amount not determinable	
(d) Liability on account of Jute packaging obligation upto 30th June, 1997 under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987	Amount not determinable	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

32. CONTINGENT LIABILITIES NOT PROVIDED FOR (CONTD.)

(e) Allowing an appeal filed by the company, the Competition Appellate Tribunal (COMPAT) by its order dated 11th December, 2015 set aside the Competition Commission of India (CCI) order and remitted the matter to CCI for fresh adjudication and for passing a fresh order not later than three months from the date of order as aforesaid. Further in terms of orders, the earmarked fixed deposit of ₹ 2740 lakhs made by the Company as 10% of the demand has been released by the authority.	-	274.02
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The amounts shown in respect of item No.32 (a) to (e) represent the best possible estimates arrived at on the basis of available information. The uncertainties are dependent on the outcome of the different legal processes. The timing of future cash flows will be determinable only on receipt of judgements / decisions pending with various forums / authorities. The Company does not expect any reimbursements against the above.

33. COMMITMENTS

(a) Capital Commitments Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	62.99	171.32
(b) Other Commitments The Company has imported capital goods under the Export promotion capital goods scheme, of the Government of India, at concessional rates of duty on an undertaking to fulfill quantified exports in the future years.	1421.10	3055.18
(c) The Company's significant leasing arrangements are in respect of operating leases for premises. These are non cancellable leases with a lock in period of minimum three years. Most of the leases are renewable for a further period on mutually agreeable terms and also include escalation clauses on renewal.		
(i) Lease rental obligation :		
- not later than one year	7.79	9.42
- later than one year and not later than five years	8.76	11.18
- later than five years	2.43	3.54
(ii) Lease rental income :		
- not later than one year	29.16	22.98
- later than one year but not later than five years	19.29	29.51
- later than five years	-	8.18

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
34. (a) C.I.F. Value of Imports (Including in Transit) :		
Raw Materials	361.57	461.26
Spare Parts, etc.	80.85	70.95
Capital Goods	28.39	31.24
(b) Expenditure in Foreign Currency : (including expenses capitalised)		
Interest and Finance charges	1.22	2.05
Technical Supervision charges	2.06	2.63
Commission	0.58	1.08
Other Matters	11.01	13.57
35. (a) Earnings in Foreign Currency :		
F.O.B. value of exports	437.15	525.61
Dividend	0.08	0.08
(b) Total exports during the year :		
Exports in Foreign Currency	442.39	532.16
Exports in Indian Currency	18.83	16.71
	461.22	548.87
Sales to Merchants - For exports	39.20	35.24
Deemed exports	3.87	4.73
	504.29	588.84

(In Crore)

Foreign Currency	As at 31 March 2016 Forward			
	USD	Euro	GBP	CAD
(a) Hedging commitments outstanding :				
1) Debtors	0.52 (0.88)	0.39 (0.48)	- (-)	- (-)
2) Creditors	0.23 (0.01)	0.01 (-)	- (-)	- (-)
3) Loan taken	5.72 (3.93)	- (0.22)	- (-)	- (-)
4) Other receivables	0.02 (-)	0.03 (-)	- (-)	* 40864 (-)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

(In Crore)

36. DISCLOSURES OF DERIVATIVES (CONTD.)

As at 31 March 2016
Forward

Foreign Currency	USD	Euro	GBP	CAD
5) Other payables	* 29580 (-)	- * (21402)	* 2000 (-)	- (-)
6) Balance in EEFC account	* 3972 (0.05)	- (-)	- (-)	- (-)
7) Firm commitment / highly probable transaction	- (1.53)	- (1.22)	- (-)	- (-)

(b) The aforesaid derivative contracts have been entered into for hedging purposes.

(c) Uncovered risks :

As at 31 March 2016

Foreign Currency	USD	GBP	EURO	SGD	CHF	JPY
1) Debtors	0.24 (0.24)	0.01 * (4628)	0.06 (0.03)	- (-)	- (-)	- (-)
2) Creditors	0.42 (0.51)	- (-)	* 924 (0.01)	- *(6650)	* 2503 *(1583)	- (-)
3) Loan taken	- (3.70)	- (-)	- (0.01)	- (-)	- (-)	- (-)
4) Bank balance In EEFC account	- (0.07)	- (-)	- (-)	- (-)	- (-)	- (-)
5) Other receivables	* 32719 (0.03)	* 226 * (9283)	* 33365 (0.01)	- (-)	* 3301 *(2370)	- (-)
6) Other payables	0.02 (0.05)	- (-)	* 2069 *(1371)	- (-)	- (-)	* 5238 (-)

* At Actuals

(d) Mark to market gains at the end of the year is ₹ 10.82 Crore. (31 March 2015 loss ₹ 4.42 Crore)

Note : Previous year figures are given in brackets.

37. Revenue expenditure on research and development activities relating to Government recognised in-house research and development laboratories incurred and charged out during the year through the natural heads of account, aggregate ₹ 2.97 Crore (2014-2015 ₹ 0.55 Crore). During the year ₹ 0.09 Crore (2014-2015 ₹ 1.23 Crore) capital expenditure on research and development has been incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

38. RELATED PARTY DISCLOSURE AS PER ACCOUNTING STANDARD -18

1. Relationships :

(a) Where control exists :

(i) M/s Piloni Investment and Industries Corporation Limited (As a Shareholder of the Company Directly & Indirectly)

(ii) Associates

(1) M/s Kesoram Insurance Broking Services Limited. (Till 16/03/2016)

(2) M/s Vasavadatta Services Limited. (Till 16/03/2016)

(3) M/s Bander Coal Company Private Limited - under closure

(b) Key Management Personnel :

Shri B.L. Jain (Whole-time Director) - Retired on 31st March 2016

(c) Relatives of key management personnel and their enterprises.

Relative : Dr. Sandip Jain

2. Transactions with related parties :

(₹ in Crore)

Particulars	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Expenses :			
Rent and Other Services			
Dr. Sandip Jain	---	---	0.20
	(---)	(---)	(0.03)
Remuneration	---	3.75	---
	(---)	(3.75)	(---)
Outstanding :			
Deposit Given			
Dr. Sandip Jain	---	---	0.05
	(---)	(---)	(0.05)

Note :- Previous year figures are given in brackets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

39. SEGMENT INFORMATION

A. Information about Business Segment - Primary

(₹ in Crore)

S.No.	Particulars	Textile		Cement		Pulp and Paper		Real Estate		Others		Total	
		2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
1.	Segment Revenue												
	Sales of products	1817.22	1744.25	4253.53	4127.22	1966.23	1738.24	35.78	20.35	110.98	117.18	8183.74	7747.24
	Less: Inter Segment Revenue	46.07	48.51	403.69	317.08	81.51	80.90	-	-	-	-	531.27	446.49
	Net Revenue from Operations	1771.15	1695.74	3849.84	3810.14	1884.72	1657.34	35.78	20.35	110.98	117.18	7652.47	7300.75
2.	Result												
	Segment Result	136.29	108.15	166.82	273.54	191.84	77.95	12.25	1.78	9.66	11.68	516.86	473.10
	Add / (Less) :												
	Inter Segment (Profit) / Loss											(1.83)	2.06
	Net Segment Result											515.03	475.16
	Unallocated Corporate Expense (Net of Income)											27.79	24.23
	Operating Profit											487.24	450.93
	Less: Finance Cost											567.72	484.62
	Total Profit/(Loss) before Tax											(80.48)	(33.69)
	Add / (Less) :												
	(Short) / Excess Provision for Income Tax											0.76	(1.41)
	Provision for Current Tax											-	-
	Deferred Tax (Charge) / Credit											25.20	50.59
	Net Profit / (Loss) after tax											(54.52)	15.49
3.	Other Information												
	Segment Assets @	1475.97	1546.56	3870.87	3877.55	3064.54	3226.09	1093.93	983.75	62.97	65.10	9568.28	9699.05
	Add: Unallocated common Assets											348.47	377.33
	Total Assets											9916.75	10076.38
	Segment Liabilities @	267.82	265.90	851.55	843.67	265.87	233.08	74.39	77.26	16.84	17.13	1476.47	1437.04
	Add: Unallocated Common Liabilities											6233.52	6575.08
	Total Liabilities											7709.99	8012.12
4.	Capital Expenditure during the year (excluding advances)	88.71	65.63	70.48	414.63	53.41	86.16	111.01	165.44	-	-	323.61	731.86
	Add: Unallocated Capital Expenditure											-	-
												323.61	731.86
5.	Depreciation and amortisation*	62.12	59.27	113.98	83.32	102.30	98.97	12.33	8.54	0.40	2.24	291.13	252.34
	Add: Unallocated Depreciation											-	-
												291.13	252.34
6.	Non Cash Expenditure	-	-	-	-	-	-	-	-	-	-	-	-
	Add: Unallocated Non Cash Expenditure											-	-
												-	-

* Includes charged to Cost of Raising and transporting Limestone and Laterite.

@ Including projects under implementation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

39. SEGMENT INFORMATION

B. Secondary Segment - Geographical by Customers

S.No. Particulars	2015-2016 (₹ in Crore)	2014-2015 (₹ in Crore)
1. Segment Revenue		
In India	7191.28	6751.88
Outside India	461.19	548.87
Total	7652.47	7300.75
2. Carrying Cost of Assets by location of Assets		
In India	9482.29	9599.80
Outside India	85.99	99.25
Total	9568.28	9699.05
Unallocated	348.47	377.33
Total	9916.75	10076.38
3. Addition to Assets and Intangible Assets		
In India	323.61	731.86
Outside India	-	-
Total	323.61	731.86
Unallocated	-	-
Total	323.61	731.86

C. Other Disclosures

1. Segments have been identified taking into account the organisation structure as well as the differing risks and returns.
2. The Company has disclosed business segment as the primary segment.
3. Composition of the business segment

Name of the Segment Types of products / services comprises of :

- a. Textiles Yarn, cloth and denim cloth, viscose filament yarn and tyre yarn.
- b. Pulp and Paper Pulp, writing & printing paper, tissue paper and multilayer packaging board.
- c. Cement Cement and clinker.
- d. Real Estate Leased properties.
- e. Others Salt works, chemicals, floriculture.

4. Inter segment revenues are recognised at works / factory costs of the transferor unit / division or at sales price.
5. The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each segment and amounts allocated on a reasonable basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

40. DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 15 - "EMPLOYEE BENEFITS".

(a) An amount of ₹ 19.26 Crore (2014-2015 ₹ 17.20 Crore) as contribution towards defined contribution plans is recognised as expense in statement of Profit and Loss.

(b) The disclosures in respect of the Defined Benefit Gratuity Plan are given below :

	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
(i) Changes in present value of obligations		
Present value of Obligations as at the beginning of the year	208.34	176.70
Interest Cost	15.21	15.39
Current Service Cost	17.85	16.78
Benefits Paid	(24.35)	(15.11)
Actuarial (gain) / loss on obligation	4.81	14.58
Present value of Obligations as at the end of the year	221.86	208.34
(ii) Changes in Fair Value of plan assets		
Fair value of plan assets as at the beginning of the year	208.39	176.70
Adjustment to Opening Fair Value of Plan Assets	-	-
Expected return on Plan Assets	16.34	14.70
Contributions	14.72	29.09
Benefits Paid	(24.35)	(15.11)
Actuarial gain / (loss) on Plan Assets	4.35	3.01
Fair value of plan assets as at the end of the year	219.45	208.39
(iii) Amounts to be recognised in the Balance Sheet		
Present value of Obligations as at the end of the year	221.86	208.34
Fair Value of Plan Assets as at the end of the year	219.45	208.39
Funded Status	(2.41)	0.05
Net Asset / (Liability) recognised in the Balance Sheet	(2.41)	0.05
(iv) Expense recognised in the Statement of Profit and Loss		
Current Service Cost	17.85	16.78
Interest Cost	15.21	15.39
Expected return on Plan Assets	(16.34)	(14.70)
Net Actuarial (gain)/loss on Plan Assets for the period	0.46	11.57
Expense recognised in the statement of Profit and Loss	17.18	29.04
(v) Percentage of major category of plan assets to total plan assets as at the end of the year		
Bank Deposit, etc.	5%	10%
Debt Instruments	95%	90%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

40. DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 15 - "EMPLOYEE BENEFITS". (CONTD.)

	31.03.2016 (₹ in Crore)	31.03.2015 (₹ in Crore)	31.03.2014 (₹ in Crore)	31.03.2013 (₹ in Crore)	31.03.2012 (₹ in Crore)
(vi) Assumptions :					
Mortality	IALM (2006-08) Ult	IALM (2006-08) Ult	IALM (2006-08) Ult	LIC (1994-96) Ult	LIC (1994-96) Ult
Discount Rate	8.00%	7.75%	9.10%	8.15%	8.60%
Rate of Increase in compensation	3% to 7%	3.75% to 6%	3.75% to 6%	3% to 6%	2% to 7%
Rate of return (expected) on plan assets	8.00%	8.00%	8.00%	8.50%	8.00%
Withdrawal Plan	1.8 % to 6 %	1 % to 6 %	1 % to 6 %	1 % to 11 %	1 % to 10 %
Present value of Obligations	221.86	208.34	176.70	171.50	142.14
Fair Value of plan assets	219.45	208.39	176.70	157.98	130.74
Surplus or (Deficit) in the plan	(2.41)	0.05	-	(13.52)	(11.40)
Experience Adjustment - (Gain) / Loss	4.35	3.01	(1.17)	(2.64)	0.53

The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

(vii) Expected contribution for the next year will be ₹ 13.46 Crore.

(viii) Provident Fund Liability :

In case of certain employees, the Provident fund contribution is made to trusts administered by the Company. In terms of guidance note issued by the Institute of Actuaries of India, the Actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined that there is no shortfall as at 31st March, 2016.

The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

Remaining term of maturity - 7 to 27 years

Expected guaranteed interest rate - 8.80%

Discount rate for the remaining term to maturity of interest portfolio - 8%

41. In view of loss during the year, the Company has not created debenture redemption reserve in respect of its secured redeemable non-convertible debentures, which were issued under the relevant provisions covered by the Companies Act, 1956.

42. Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Potential equity shares outstanding at the close of the year are factored for effects of dilution, if any, with reference to the Fair Market Value in computation of Diluted EPS. Fair Market Value is the average quoted price of the Equity Shares over a period of six months prior to the close of the year. The reconciliation of numbers used in calculating basic and diluted earnings with those in the financial statements are stated below :

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016 (CONTD.)

Computation of profit for earnings per share:

	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
a) Profit / (loss) for the year after tax	(54.52)	15.49
Weighted average number of equity shares outstanding during the year	104658685	93092091
Basic earnings per equity share (in Rupees)	(5.21)	1.66
b) Profit / (loss) for the year after tax	(54.52)	15.49
Weighted average number of potential equity shares on account of preferential warrant	-	3664048
Weighted average number of diluted equity shares outstanding during the year	104658685	96756139
Diluted earnings per equity share (in Rupees)	(5.21)	1.60
Face value per share	₹ 10	₹ 10

43. Auditor's Remuneration * :

	For the year ended on	
	31 March 2016 (₹ in Crore)	31 March 2015 (₹ in Crore)
(a) Statutory Auditors :		
As Auditors (Including limited reviews)	1.80	1.66
In Other Capacity :		
Tax Audit Fees	0.26	0.24
Certificates and other jobs	0.76	0.46
For Expenses	1.02	0.70
Total	2.89	2.41

* exclusive of service tax.

44. Figures less than ₹ 50,000 have been shown at actuals in brackets, since the figures are rounded off to the nearest lac.

45. Previous year's figures have been regrouped / recast wherever necessary.

46. Significant Accounting Policies followed by the Company are as stated in the statement annexed to this Schedule as Annexure I.

As per our report of even date
For **DALAL & SHAH LLP**
Chartered Accountants
Firm Registration Number 102021W / W100110

ANISH P. AMIN
Partner
Membership No: 040451
Mumbai : 3rd May 2016

ATUL K. KEDIA
Vice President (Legal) &
Company Secretary

R. K. DALMIA
Chief Financial Officer

Mumbai : 3rd May 2016

D. K. AGRAWAL
Whole-time Director

B. K. BIRLA, Chairman

Directors

RAJASHREE BIRLA
PRADIP KUMAR DAGA
YAZDI P. DANDIWALA
RAJAN A. DALAL
SOHANLAL K. JAIN

Statement referred to in Note 46 to the Financial Statements for the year ended 31st March, 2016.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. BASIS OF ACCOUNTING:

The Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 will continue to apply. The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1 April 2016. Consequently, the Financial Statements have been prepared to comply in all material aspects with the Accounting Standard notified under Section 211(3C) of the Companies Act, 1956, Companies (Accounting Standards) Rules, 2006, as amended and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

II. SYSTEM OF ACCOUNTING:

- i) The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties.
- ii) Financial statements are prepared under the historical cost convention. These costs are not adjusted to reflect the impact of changing value in the purchasing power of money.
- iii) Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

III. REVENUE RECOGNITION:

- a) Revenue/Income and Cost/Expenditure are generally accounted for on accrual basis as they are earned or incurred, except in case of significant uncertainties. However, where the ultimate collection of the same lacks reasonable certainty revenue recognition is postponed to extent of uncertainty.
- b) Sale of goods is recognised on transfer of significant risks and rewards of ownership which is generally on the despatch of goods and are recognised net of discounts, rebates and sales tax. Export sales are accounted for on the basis of the dates of 'On board bill of lading'.
- c) Export Benefits are recognised in the year of export.
- d) Income from lease of property : Lease Income from operating lease is recognised in the statement of profit and loss on straight line over term of lease.

IV. FIXED ASSETS AND DEPRECIATION / AMORTISATION:

A) TANGIBLE ASSETS:

Tangible assets are carried at cost of acquisition or construction, less accumulated depreciation, amortisation and impairment.

Losses arising from the retirement of and gains or losses arising from disposal of fixed assets are recognised in the statement of profit and loss.

B) DEPRECIATION / AMORTISATION:

a) LEASEHOLD LAND:

Cost of leasehold land is amortised over the lease period.

b) OTHER TANGIBLE ASSETS:

- i) Improvements to leased premises are amortised over the period of the lease / charged off on premature termination of lease.
- ii) Depreciation is provided on a pro rata basis on the straight line method over the useful lives of the assets in the manner prescribed by Schedule II of the Companies Act, 2013.
- iii) Significant components of assets / plants having a life shorter than the corresponding asset / plant are independently depreciated over the shorter life.
- iv) a. Useful life of assets / component of assets are determined by the Management by internal technical assessments except in case where such assessment suggests a life significantly different from those prescribed by Schedule II- Part 'C', where the useful life is as assessed and certified by a technical expert.
b. Assets which are depreciated over useful life/residual value different than those indicated by Schedule II are as under:

Asset class	Estimated useful life	Useful Life indicated by Schedule II
Plant & Machinery of Textile Plant at Jaghadia	20 years	15 years
Multi layer Packaging Board & Fibre Line Plant at Lalkua-Uttarakhand	35 years	25 years
New Cement Plant at Gadchandur-Maharashtra	35 years	25 years
Kiln at new cement plant at Gadchandur	30 years	25 years

- v) Depreciation on additions to fixed assets or on sale/disposal of fixed assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

C) INTANGIBLE ASSETS:

Intangible assets representing cost of software capitalised is amortised over its useful life which is estimated to be a period of five years.

D) IMPAIRMENT OF ASSETS :

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal / external factors, i.e. when the carrying amount of the asset exceeds the recoverable amount, an impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

V. INVESTMENTS:

Investments made by the Company are, generally, of a long-term nature and are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long term investments. However, current investments, representing securities with a maturity less than 1 year and investment not intended to be held for a period more than 1 year, are stated at lower of cost and fair value.

Investment property representing immovable property intended to be leased out and not intended to be substantially used by the Company are carried at cost less depreciation (computed in the manner prescribed for Fixed assets) and impairment.

VI. FOREIGN CURRENCY TRANSLATIONS:

All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted into Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. The resultant gain or loss, except to the extent it relates to long term monetary items, is charged to the Statement of Profit and Loss. Such gain or loss relating to long term monetary items for financing acquisition of depreciable capital assets, is adjusted to the acquisition cost of such asset and depreciated over its remaining useful life.

In respect of forward exchange contracts entered into to hedge foreign currency risks of existing assets and liabilities, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognised as income or expense along with the exchange differences on the underlying assets / liabilities. Profit or loss on cancellations / renewals of forward contracts is recognised during the year.

Forward exchange contracts outstanding as at the year end on account of firm commitment / highly probable forecast transactions are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of Institute of Chartered Accountants of India on 'Accounting for Derivatives' issued in March, 2008.

VII. INVENTORY VALUATION:

- a) Raw materials, work-in-progress, finished goods, goods for trade and stores, spares, etc. are valued at cost or net realisable value, whichever is lower. Materials and supplies held for use in production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- b) Goods in transit are valued at cost to date.
- c) 'Cost' comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. The cost formulae used is either 'first in first out', or 'specific identification', or the 'average cost', as applicable.
- d) Due allowances are made for obsolete inventory based on technical estimates made by the Company.
- e) Inter-divisional transfers are valued, either at works/factory costs of the transferor unit/division, plus transport and other charges.

VIII. EMPLOYEE BENEFITS:

- a) **Short term employee benefits** are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.
- b) **Post employment benefits**
 - i. Defined contribution plans:

The Company's contribution to the superannuation scheme, state governed provident fund scheme, etc. are recognised during the year in which the related service is rendered.
 - ii. Defined benefit plans:
 - Gratuity

The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Statement of Profit and Loss. The fair value of the plan assets of the Trust administered by the Company, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis.

 - Provident Fund

For certain employees, monthly contributions are made to a Trust administered by the Company. The interest rate payable by the Trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on investments of the Trust and the notified interest rate.

c) Long term compensated absences are provided for on the basis of an actuarial valuation.

d) **Termination Benefits**

Termination benefit falling due more than 12 months after the balance sheet date are discounted by reference to market yields at the balance sheet date on government bond. Other Termination benefits are recognised as and when incurred.

IX. GOVERNMENT GRANTS:

Grants received against specific fixed assets are adjusted to the cost of the assets. Revenue grants are recognised in the Statement of Profit and Loss in accordance with the related scheme and in the period in which these are accrued.

X. RESEARCH AND DEVELOPMENT :

Revenue expenditure, including overheads, on research and development, is charged as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is capitalised and depreciation is provided on such assets as applicable.

XI. BORROWING COSTS:

Interest and other borrowing costs attributable to qualifying assets, are added to the cost of the qualifying asset, until such time as the assets are substantially ready for their intended use. Qualifying assets are those that necessarily take a substantial period of time to get ready for their intended use. Front end fees are amortised over the period of the related borrowing but not exceeding the period of five years. Other interest and borrowing costs are charged to revenue.

XII. PREMISES TAKEN ON LEASE:

Rentals for premises taken on lease are recognised as an expense on a straight line basis over the lease term, unless another systematic basis is more representative of the time pattern of the Company's benefit.

XIII. TAXATION:

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised only if there is a virtual certainty of their realisation, supported by convincing evidence. However such deferred tax assets are recognised to the extent there is adequate deferred tax liability reversing out in future periods. Deferred tax Assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to obtain reassurance as to realisation. Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is evidence that the Company will pay normal tax during the specified period.

XIV. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions involving a substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A provision is not discounted to its present value and is determined based on the last estimate required to settle an obligation at the year end. These are reviewed every year end and adjusted to reflect the best current estimates. Contingent liabilities are not recognised but are disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

XV. CASH AND CASH EQUIVALENTS :

In the cash flow statement cash and cash equivalent includes cash in hand, demand deposit with banks, other short highly liquid investment with original maturity of three month or less.

OPERATING RESULTS FOR FIVE YEARS

(₹ in Crore)

FINANCIAL YEAR	2015-16	2014-15	2013-14	2012-13	2011-12
INCOME					
Sales (Net of rebates and returns) & rent from leased properties	8441.54	8034.44	7156.05	6452.94	5288.69
Less: Excise Duty	789.07	733.69	640.06	589.49	499.46
	7652.47	7300.75	6515.99	5863.45	4789.23
Other Income (Including Operating Income)	381.97	306.29	178.19	112.92	110.73
	8034.44	7607.04	6694.18	5976.37	4899.96
EXPENDITURE					
Materials & Overheads (+/- Stock Adj.)	7259.38	6906.90	5948.76	5371.68	4447.21
EARNING BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)					
	775.06	700.14	745.42	604.69	452.75
Less: Finance Cost	567.72	484.62	362.80	319.95	172.08
PROFIT BEFORE DEPRECIATION AND TAX					
	207.34	215.52	382.62	284.74	280.67
Less : Depreciation	287.82	249.21	354.62	355.95	258.12
PROFIT / (LOSS) BEFORE TAX					
	(80.48)	(33.69)	28.00	(71.21)	22.55
Less : Tax (Net) - Including Deferred Tax	(25.96)	(49.18)	25.28	(36.72)	0.42
NET PROFIT / (LOSS)					
	(54.52)	15.49	2.72	(34.49)	22.13
DIVIDEND (%)	55.00%	55.00%	55.00%	55.00%	55.00%
CASH PROFIT AFTER TAX					
	233.30	264.70	357.34	321.46	280.25
BOOK VALUE PER SHARE (₹)					
	197.59	203.34	187.80	193.99	204.08

STATEMENT OF ASSETS AND LIABILITIES FOR FIVE YEARS

(₹ in Crore)

Particulars		Year ended 31.03.2016 (Audited)	Year ended 31.03.2015 (Audited)	Year ended 31.03.2014 (Audited)	Year ended 31.03.2013 (Audited)	Year ended 31.03.2012 (Audited)
A	EQUITY AND LIABILITIES					
1	Shareholders' Funds :					
	(a) Share Capital	111.69	101.51	93.04	93.04	93.04
	(b) Reserves and Surplus	2095.07	1872.43	1654.36	1711.91	1805.88
	(c) Money received against share warrants	-	90.32	-	-	-
	Sub-total - Shareholders' funds	2206.76	2064.26	1747.40	1804.95	1898.92
2	Non-current liabilities					
	(a) Long Term Borrowings	3296.15	3562.27	2810.42	3148.15	1977.10
	(b) Deferred Tax Liability (Net)	179.44	204.64	266.79	242.92	262.74
	(c) Other Long Term Liabilities	250.52	238.60	235.56	191.21	20.08
	(d) Long Term Provisions	432.12	434.46	406.02	363.32	319.59
	Sub-total - Non-current liabilities	4158.23	4439.97	3718.79	3945.60	2579.51
3	Current liabilities					
	(a) Short Term Borrowings	1419.06	1268.64	1659.28	1212.50	1444.80
	(b) Trade Payables	545.14	450.74	503.53	359.58	307.55
	(c) Other Current Liabilities	1473.08	1736.35	1570.29	836.64	968.83
	(d) Short Term Provisions	114.48	116.42	92.27	102.40	92.50
	Sub-total - Current liabilities	3551.76	3572.15	3825.37	2511.12	2813.68
	TOTAL - EQUITY AND LIABILITIES	9916.75	10076.38	9291.56	8261.67	7292.11
B	ASSETS					
1	Non-current assets					
	(a) Fixed Assets	6079.62	6649.30	6605.61	5943.63	5221.12
	(b) Non Current Investments	1091.39	495.04	96.33	73.78	69.28
	(c) Long Term Loans and Advances	191.11	223.68	262.26	291.70	288.03
	(d) Other Non Current Assets	339.17	174.52	65.97	19.64	16.69
	Sub-total - Non-current assets	7701.29	7542.54	7030.17	6328.75	5595.12
2	Current assets					
	(a) Current Investments	-	-	0.56	-	2.07
	(b) Inventories	1298.78	1423.94	1300.44	1203.79	1095.24
	(c) Trade Receivables	529.16	658.99	525.79	408.01	333.45
	(d) Cash and Bank Balances	101.75	124.24	72.88	53.49	50.09
	(e) Short Term Loans and Advances	174.97	271.53	319.36	237.76	198.86
	(f) Other Current Assets	110.80	55.14	42.36	29.87	17.28
	Sub-total - Current assets	2215.46	2533.84	2261.39	1932.92	1696.99
	TOTAL ASSETS	9916.75	10076.38	9291.56	8261.67	7292.11



B K BIRLA GROUP OF COMPANIES



**EXCLUSIVE
PRODUCTS
RANGE**



BIRLA CENTURY
A Division of Century Textiles and Industries Limited

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Products Available at Company's Retail Outlet viz ; Birla Century, Opp. Mahindara Tower, Pandurang Budhkar Marg, Worli,
Mumbai - 400 030 Tel : 022 - 24934246



B K BIRLA GROUP OF COMPANIES

The Group Logo - As represented by the 21st Century Atlas

Atlas, the Titan - Collective Strength

Atlas, bearer of the heavens is synonymous with vast, all encompassing strength and is used to symbolise the Group's own collective strength. It reflects the combined qualities of astute and dynamic management while emphasising the Group's tenacity, consistency, reliability and overall leadership.

The Sun - Enlightenment and Growth

The Sun, as a source of infinite energy and inspiration, is used here in conjunction with the Atlas head to represent the vitality and powerful presence of the Group - both in its industrial prowess and its financial, technological and intellectual skills.

The Earth Segments - Diversified Activities

Each of the latitudes around the Titan represent various sections - industrial, agricultural, financial and other activities of the Group. As with the infinite variety of the world, so is the strength of the Group, made up of its diverse activities.

The Globe - Global Vision

The Group's global presence and vision is reflected in the entirety of the Earth's sphere.

The Base - Solid Foundations

The strength of the entire edifice depends upon the strength of the foundation embedded in the bedrock, represented here by the Group Name.

The Symmetry - The Resilience, Versatility, and Stability

Seen in its entirety, each of the elements -Atlas, the Sun, the Earth divisions, the Globe and the Base, together sum up a well conceptualised and balanced conglomerate.

STRONG FOUNDATION • SUSTAINED GROWTH • PROVEN LEADERSHIP

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