



CENTURY TEXTILES AND
INDUSTRIES LIMITED



Homage to a legend



उत्तिष्ठत । जाग्रत । प्राप्य वराञ्जिबोधत
(Arise. Awake. And stop not till the goal is reached.)

Shri Basant Kumar Birla

(January 12, 1921 to July 3, 2019)

FORMER CHAIRMAN
CENTURY TEXTILES AND INDUSTRIES LIMITED

A visionary. A humanitarian. A legend.

His life was a rich tapestry of business acumen, arts, culture and philanthropy.

He was always a beacon of inspiration.

We live by his values.

Sustainability - The heart of our business

At Century Textiles and Industries Limited (CTIL), sustainability is a continuous journey. It is integrated in everything we do and remains central to the way we do business. We analyse all our decisions and actions related to the core business strategy through a sustainability lens.



Sustainability is part of our value creation process for the stakeholders.

The success of our business is driven by our conscious aim to maintain the highest environmental and social standards across the industry. We aim to build long-term rewarding relationships with our stakeholders. We inspire them to make sustainable choices for the environment, people and communities, while also taking them along with us on our growth journey. Our sustainable processes ensure business continuity, and the unique skills and ideas of our people drive us towards our sustainable goals.

It is part of our innovation journey. Sustainability is one of the key drivers of innovation in our business. We are embedding technology in our services – in the form of new equipment and processes, interactive apps and advanced quality checks – to deliver value-added products and contribute towards an environment-friendly world.



Innovation is our future driver and we leave no stone unturned in exploring technologies that will benefit us.

It is part of our customer-centric approach.

Customers form an integral part of our decision-making process. Our services and solutions are the result of market-based research and intense collaboration with our customers. Our world-class products are at par with global standards of quality and are developed through sustainable processes, thus ensuring customer trust and loyalty.

It forms an integral part of our quality benchmarks.

At CTIL, quality is of paramount importance. Our vision is to develop the best products using efficient processes and best-in-class technology. Our products conform to the highest standards of quality. They not only give us a competitive advantage, but also ensure customer delight.

We have set out on the path of sustainable growth through our people, who have a progressive mindset; our processes, which are refined and optimised; and our platforms, through which we deliver the best customer experience.

In this time of constant change, it is our aim to keep sustainability at the heart of our business approach – because we believe it to be of critical importance not only to society, but also for business growth.

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Your Company remains focused on navigating steadily and safely through the turbulent near-term business environment, while being prepared to ride the eventual post-COVID recovery.

Dear shareholder,

COVID-19 and the associated lockdowns across countries have triggered a once-in-a-century crisis for the society and the economy in 2020.

January now seems like a month of a bygone era — such has been the enormity of change. This is a defining period in human and business history: one that will test the resilience of individuals, societies, corporations, and nations.

GLOBAL ECONOMY

World economy is likely to contract by 4.9% in CY20, as per the recent forecast of the International Monetary Fund (IMF). Most developed and developing economies are likely to record a contraction this year. These numbers are worse than during the Global Financial Crisis of 2008-09.

On the positive side, various governments were quick to respond to the crisis with fiscal stimuli — aggregating to more than one-tenth of the global GDP. Central banks have also cut rates and bolstered liquidity. Economic activity has ramped

up in most economies in the weeks following the lifting of the lockdowns, raising hopes that this recession would turn out to be short, even if very deep. Financial markets have looked up since the depths of March, focusing on stimulus efforts and recovery hopes.

Nevertheless, medium-term global economic outlook remains cautious. Until a medical solution to the COVID-19 pandemic emerges, there is a lot of uncertainty around the course of the crisis and about the longevity of its effects on consumer and business confidence. In the next few years, one will need to be prepared for tapered growth momentum and heightened risks of deglobalisation – even as digitisation may become more pervasive in the post-COVID world, thereby adding to productivity.

INDIAN ECONOMY

Many agencies reckon that India's GDP is likely to contract during FY21, on account of the COVID-induced widespread shuttering of economic activities in April and May. This would be the first such instance in the last four decades and only the fourth one since independence. The lockdown had a severe impact on urban India and on services that thrive on people's mobility.

There are, however, some silver linings amidst the crisis. First, quick steps taken by the Reserve Bank of India such as moratorium on servicing of loans and targeted liquidity measures seem to have helped in averting significant business failures. Second, the restoration of economic activities showed promising signs during the initial post-lockdown weeks. If this early trend continues, the economy would be back in the growth mode by the third quarter of the fiscal. Third, the Government has announced a well-rounded package of relief measures, sectoral boosters, and reforms under the Atmanirbhar Abhiyan programme; this was launched as an antidote to the COVID-induced recession. These policy measures are likely to support India's growth revival in the coming years, although the support from global business cycle could be weaker.

Your Company remains focused on navigating steadily and safely through the turbulent near-term business environment, while being prepared to ride the eventual post-COVID recovery.

COMPANY'S PERFORMANCE

Over its 123-year old history, your Company has witnessed dramatic disruptions across businesses. However, the one constant is that it has always emerged stronger after periods of turmoil. Resilience is embedded in the DNA of your Company. This explains the enduring trust of all stakeholders.

This strong foundation has been tirelessly built over the years by our former Chairman and my grandfather, Mr. B. K. Birla. His visionary leadership will always remain a source of inspiration for us.

In FY20, to bring a sharper focus to the Company's businesses, we completed the restructuring exercise, with the demerger of the cement business. The Company will now remain focused on the Real Estate, Textiles and Pulp and Paper businesses.

All our businesses have delivered steady performance amid challenging market conditions and have continued to create long-term value for our stakeholders. Across businesses, our near-term focus is to conserve cash, advance our consumer connect, accelerate the adoption of digital technologies and enhance the value-added product play.

BIRLA CENTURY

The textiles industry contributes significantly to India's overall growth, employment generation and exports.

Your Company is known for its textiles business. It is a badge of honour for the group. While COVID-19 has understandably led to some business disruptions, Birla Century has displayed tremendous resilience and agility, by further diversifying into value-added products. This year, the company

Chairman's message

seeks to foray into anti-microbial fabrics with the launch of 'Birla Care'. Under this brand, we have launched a range of protective masks.

BIRLA ESTATES

The real estate sector is the second-largest employment generator after agriculture, and the fourth largest in terms of Foreign Direct Investment (FDI) inflows. During FY20, the industry witnessed several challenges due to the overall market slowdown.

The pandemic-induced economic standstill has also had a short-term impact on the real estate business across the board. However, the medium to long-term outlook remains positive, as risk averse customers migrate to large and organised players. Our asset light model, with minimal upfront investment, gives us a distinct competitive advantage.

CENTURY PULP AND PAPER

India has one of the lowest per capita consumption of paper in the world – 13 kg compared to 150 - 250 kg for developed nations. The Indian pulp and paper market is poised for strong growth, with the paperboard and packaging segments set to lead the charge. Growth in the manufacturing, pharmaceuticals and FMCG sectors, with rising demand for better and sustainable packaging materials, further provide impetus to the paper industry.

At Century Pulp and Paper, we are witnessing robust demand for our tissue paper and packaging board products due to the renewed focus on hygiene and pharma products. Therefore, our plants are operating at almost 100% capacity. Our value-added product development rate also increased significantly this year. Going forward, our focus will be to further diversify into new value added products.

OUTLOOK

Given the prolonged impact of the COVID-19 pandemic, the near-term outlook across businesses remains cautious. However, this period is also a time for renewal and your Company is committed to rebooting for a new normal.

Over its 123-year old history, your company has witnessed dramatic disruptions across businesses. However, the one constant is that it has always emerged stronger after periods of turmoil. Resilience is embedded in the DNA of your company. This explains the enduring trust of all stakeholders in your company.

I have no doubt that businesses that are backed by sound fundamentals and that demonstrate agility and willingness to pivot, will emerge as leaders in the post-COVID world.

And just as we count on your trust, you can count on our performance.

Kumar Mangalam Birla

Board of Directors

As stewards of the Company, CTIL's Board of Directors steers the business towards its long-term strategy while assessing business opportunities and protecting the business against risks.



Mr. Kumar Mangalam Birla
Chairman



Smt. Rajashree Birla
Non-Executive Director



Mr. Yazdi. P. Dandiwala
Independent Director



Mr. Rajan A. Dalal
Independent Director



Mr. Shohanlal K. Jain
Independent Director



Ms. Preeti Vyas
Independent Director



Mr. J. C. Laddha
Managing Director



Mr. R. K. Dalmia
Whole-time Director

Management Team

With their deep-domain knowledge and expertise across industries, our management team upholds CTIL's corporate values. They also embody CTIL's high-performance culture while driving the Company towards its objectives.



Mr. J. C. Laddha

Managing Director



Mr. R. K. Dalmia

Senior President, Century Textiles and Whole-time Director



Mr. J. P. Narain

CEO, Century Pulp and Paper



Mr. K. T. Jithendran

CEO, Birla Estates Private Limited



Mr. Arun Gaur

Chief Human Resources Officer



Mr. Snehal Shah

Chief Financial Officer (CFO)



Mr. Atul K. Kedia

Vice President (Legal) and Company Secretary

Auditors:

SRBC & CO. LLP, Mumbai

Registered Office:

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

Our Story

of Transformation

Taking root in 1897, Century Textiles and Industries Limited (CTIL) has evolved from a single textile mill to a multi-product, multi-locational global company under the visionary leadership of Mr. B. K. Birla. Today, the Company has a well-diversified presence in the real estate, textiles and pulp and paper businesses.

Our 123-year-old legacy is built on our steadfast commitment to the development of the nation. Our unwavering focus on quality and innovation, combined with agility and customer centricity, leave us in good stead to capitalise on market opportunities and continue creating sustainable value for our stakeholders.



OUR VISION

To manufacture products comparable to international standards, to be customer-focused and globally competitive through better quality, latest technology and continuous innovation.



OUR MISSION

- To manufacture world-class products of outstanding quality that give our customers a competitive advantage through superior products and value, so we can make every customer smile.
- To encourage people's ownership, empowerment and working under a team structure.
- To attain the highest level of efficiency, integrity and honesty.

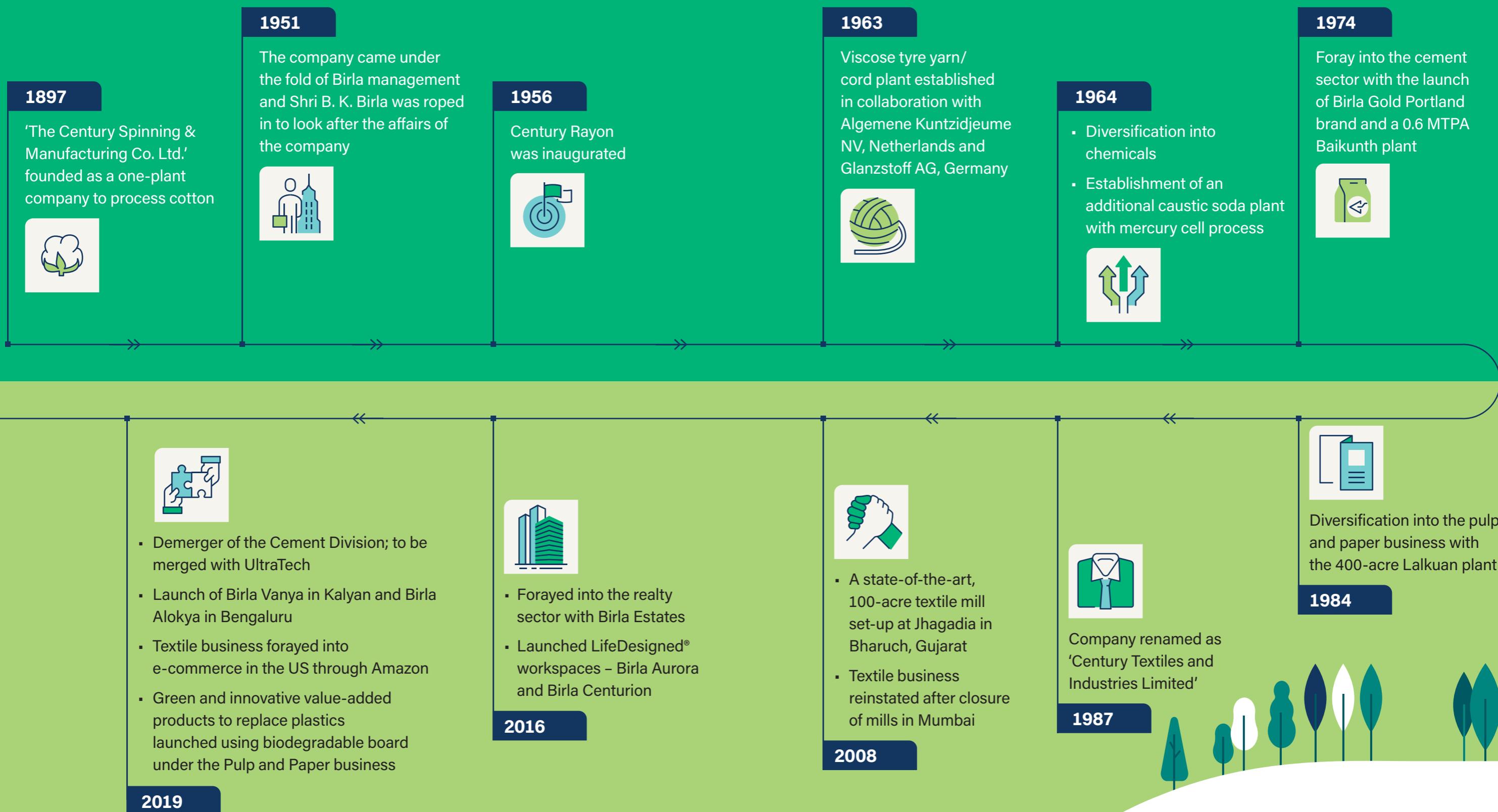


OUR VALUES

- Customer's satisfaction and delight.
- Superior quality of performance.
- Concern for the environment and the community.
- Passionate about excellence.
- Fair to all.
- To provide a safe workplace and promote healthy work habits.

Our Legacy

of Tenacity



Building a Future-ready Organisation



“

We are a customer-centric organisation, determined to offer best-in-class products to our customers, while leading the way towards better and sustainable outcomes.

Dear shareholders,

At CTIL, it is our constant endeavour to continue meeting customer needs while working towards being future-ready.

We remain steadfast in our commitment to all our stakeholders, producing the best-quality products and services for our customers and earning their trust. We maintain our focus on customer-centric and technology-driven sustainable growth.

As you are aware, FY20 was a challenging year for the global economy and overall business environment. The Indian economy witnessed multiple headwinds, such as weak consumer demand and a slowdown in investments. Towards the end of 2019, the world saw the outbreak of the COVID-19 pandemic, which has impacted the lives and livelihood of millions of people and the world of business. As we try to recoup from the situation, I hope that you and your family are keeping safe. Troublesome times notwithstanding, we endeavour to look at the bright side — we would like to focus on the several opportunities and learnings it has brought us.

RESILIENT PERFORMANCE

As per the International Monetary Fund (IMF), the world economic growth slowed down to 2.9% in CY19 from 3.6% in CY18, majorly due to slower

manufacturing and trade tensions between US and China. As per the Central Statistics Office (CSO), economic growth in India slid to 4.2% in FY20 from 6.1% during FY19, mainly due to a cyclical slowdown.

While the overall economy witnessed a slow pace of growth, CTIL had a stable year. As part of strategic restructuring of our business, the cement business was demerged in FY20. As a result, our consolidated revenues stood at ₹ 3,331 Crores during FY20, marking a degrowth of 8.31% over FY19.

BUSINESS HIGHLIGHTS

Birla Estates witnessed a record performance this year, as we launched two new projects. Hearteningly, within three days of the launch of our first residential project in Kalyan, Maharashtra, we had sold over 400 units or 86% of the total inventories at Birla Vanya. Birla Alokya in Bengaluru also saw a robust sales performance in FY20. The business recorded booking value of ₹ 449 Crores this year.

Our legacy textiles business, **Birla Century**, is showing immense resilience in the wake of the COVID-19 crisis. Since last year, we have initiated business with major international brands such as Inditex - Zara, M&S, Arcadia, Tommy Bahama, Superdry, United Colors of Benetton, etc. The home linen segment, which specifically caters to the US market, was impacted by the pandemic as international trade has come to a stand-still. Globally, all customers have kept their orders on hold and all deliveries/dispatches have been delayed.

Our apparel fabrics are supplied directly or indirectly to brands in the domestic as well as international market. However, a rise in the suspension or cancellation of orders has led to the build-up of inventory. Also, domestically, as most retail stores have shut shops due to lockdown, our retail business in the apparel segment – constituting 25% of our apparel business - was also impacted. We believe that it will take at least 4-5 months to

witness the growth returning to markets, while the exports may recover in the next 2-4 months. Home linen exports, which contribute around 60% of the revenues, have also been impacted.

The pandemic-induced new normal has created greater traction for the **Century Pulp and Paper** business. The products in the tissue segment were in high demand due to the higher consciousness for hygiene factor and the boards due to higher pharma demand. While a steady performance and augmenting value for our stakeholders are our priorities, safety, sustainability and customer-centricity remain our key focus areas. We make extensive use of cutting-edge technology across the entire value-chain and empower our employees towards fulfilling our corporate vision.

VALUE CREATION ACROSS BUSINESSES

Sustainable value creation for all our stakeholders is our core focus area. Our key global accreditations

While a steady performance and augmenting value for our stakeholders are our priorities, sustainability and customer-centricity remain our key focus areas. We make extensive use of cutting-edge technology across the entire value-chain and empower our employees towards fulfilling our corporate vision.

4.5%

Reduction in GHG emissions for
Birla Century

4.6%

Reduction of water consumption
in Century Pulp and Paper

and certifications, such as LEED Platinum, Made in Green (MIG) Tag and Global Organic Textile Standard (GOTS) certification, are a testament to our commitment to sustainability, making us a future-ready organisation. Further, all properties of Birla Estates are certified by the Indian Green Building Council (IGBC).

Our care for the future generations leads us to produce best-in-class products and services, after passing them through globally benchmarked quality and emission checks to ensure minimal environmental impact. This year, Birla Century reduced its GHG emissions by 4.5%. Water conservation is another focus area across our businesses. We ensure zero water discharge from our facilities. This year, our water consumption for Century Pulp and Paper reduced by 4.6% and that of Birla Century reduced by 17.45% as compared to last year. We have implemented rainwater harvesting facilities across our manufacturing units, as well as our real estate projects, thus we would be saving and reusing up to 35% water at Birla Vanya post occupancy. We also use light grey concrete in the open driveways and open grid pavers on sidewalks with shade-giving trees across our real estate projects to reduce the heat island effect.

Our sustainability initiatives extend beyond the business to the communities where we operate. Our community initiatives are focused on improving healthcare, education and livelihood and empower women. We undertake multiple initiatives towards each of these focus areas to make a positive impact in the lives of communities, especially where we operate. In fact, Century Pulp and Paper's facility, situated at the foothills of the Himalayas in Lalkuan (Nainital), is a committed employer of the local community and has earned the status of being among their most trusted partners. The Jhagadia facility of Birla Century share a similar experience. The local community looks up to us whenever any new development needs to be undertaken in the

village. These initiatives stimulate a positive ripple effect in the ecology, ensuring sustainable growth for all our stakeholders.

For us, sustainability is also about ensuring the continued success and growth of the organisation. For a trusted organisation like ours, the global pandemic has created new challenges, but we must focus on the opportunities for us to grow and become future-ready. We have directed our focus towards making CTIL a sustainable organisation in all aspects – not only in terms of creating long-term value for our stakeholders, but also in terms of ensuring a lasting, successful business. We are determined to continue the upgradation of CTIL's innovation and quality-focused journey with our prudent decision making.

Sustainability is also about ensuring the safety of our employees. We ensure that our processes and procedures are designed to weave in safe work practices. We are continuously upgrading our safety quotient with industry-best practices.

CUSTOMER-CENTRICITY ENHANCED WITH TECHNOLOGY

Our world-class products and services, developed on the basis of detailed market research, have won us customer loyalty. Our aim is to develop solutions that can meet the evolving needs of our ever-aspirational customers. The global quality of our products, together with on-time deliveries, sets us apart. Our technological innovations have enabled us to expand our reach to the existing and potential customers and improve the overall customer experience on scale and efficiency.

FY20 saw us implement an AI-powered WhatsApp-enabled customer-centric system – LIDEA, which enhances our real estate business to reach out to existing and potential customers. We intend to integrate the customer service process with LIDEA, which can provide quick turnaround

Reduction in water consumption

17.45%

At Birla Century as compared to last year

for customer complaints, feedback, payments, etc. Customer delight motivates us to continue being to be the best at what we do.

During the global pandemic, we are leveraging technology to ensure that our employees can work seamlessly from home and continue driving the business towards its goals.



AI-powered

LIDEA

WhatsApp-enabled
customer-centric system

INSTILLING A DYNAMIC WORK CULTURE

At CTIL, we are working towards building a unique, shared culture – a culture that enables the organisation to thrive on trust, collaboration, fairness and innovation, aided by transparency. We encourage an open culture where all employees are valued for their contribution, ideas, and initiatives. We have the advantage of a multi-generational workforce, which brings in experience with energy. With this, we intend to create a vibrant work culture that instils a sense of pride among our employees for being a part of this organisation.

TOWARDS A PROMISING FUTURE

As I conclude, I take this opportunity to extend my sincere gratitude to all the employees of CTIL who continue to work with passion and dedication to make us a name synonymous with trust and quality. We have several opportunities ahead of us and will continue to leverage them to the best of our ability. Finally, I would like to thank all our stakeholders for their unwavering belief in us. I solicit your continued support.

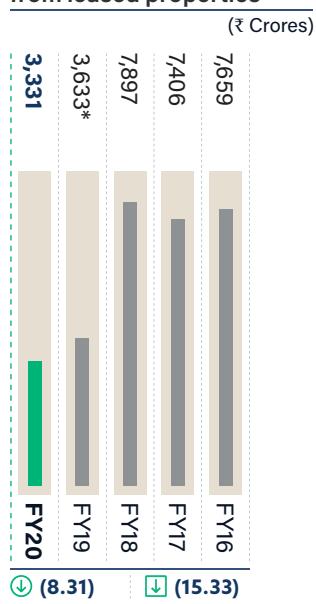
Sincerely,
J. C. Laddha

Key performance indicators

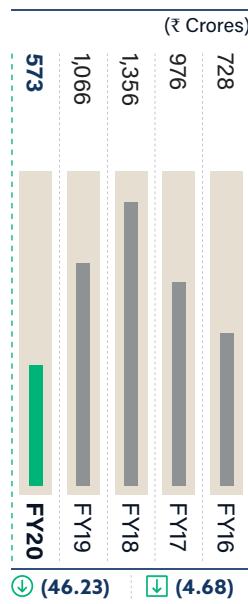
Our Path of Steady Momentum

FINANCIAL HIGHLIGHTS

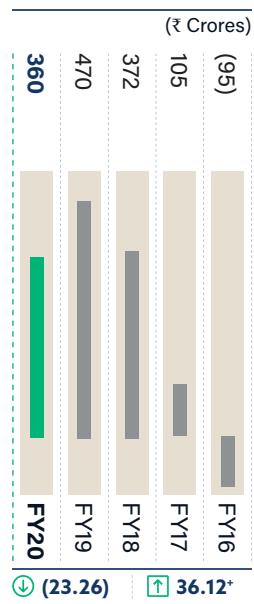
Net sales[#] & rent from leased properties



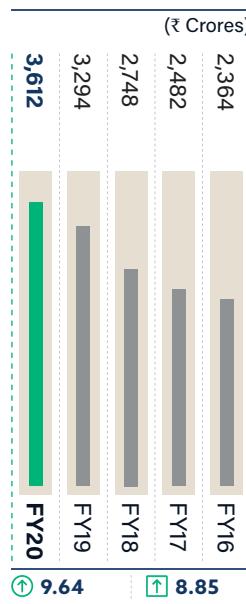
EBITDA



Profit after tax



Net worth

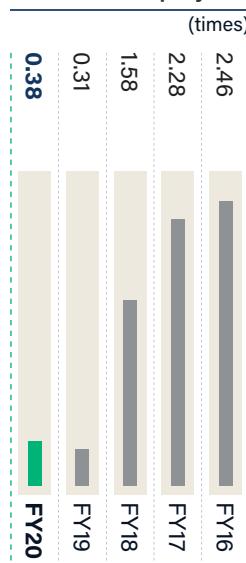


Net Sales are net of GST w.e.f. 1/7/17 & prior period Sales are net of excise duty

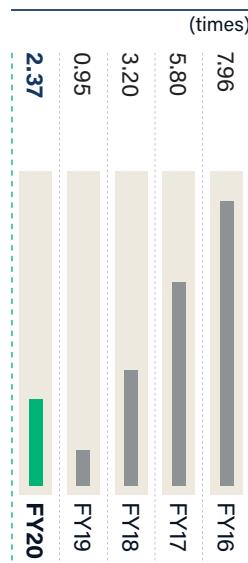
* Restated from ₹ 8,323 Crores

*For 4 years as FY16 was negative

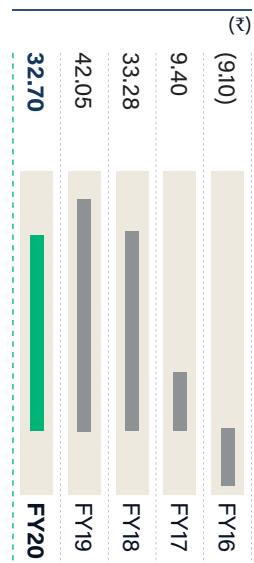
Net debt to equity ratio



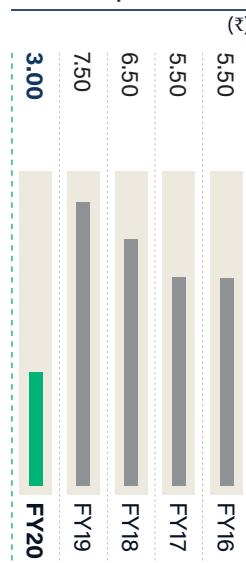
Net debt to EBITDA



EPS



Dividend per share



↑ y-o-y growth (%)

↑ 5-year CAGR (%)

® For 4 years as FY16 was negative

Birla Century -

Our Determination to Weave Innovation into Textiles

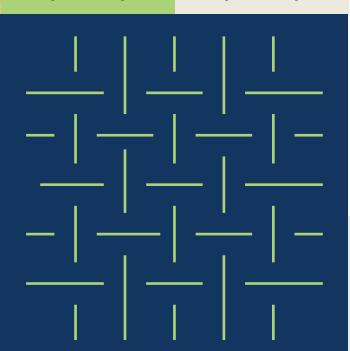
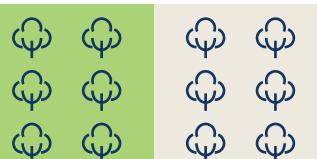
Though Birla Century was established in 2009, CTIL and its relationship with textiles goes way back to 1897 when the Company forayed into manufacturing fabrics. In 1956, we started developing rayon and our textile division began exporting fabrics from 1975. The textile division continued attaining new heights of success, becoming the highest foreign exchange earner in the Indian textile industry from 1975 to 1997.



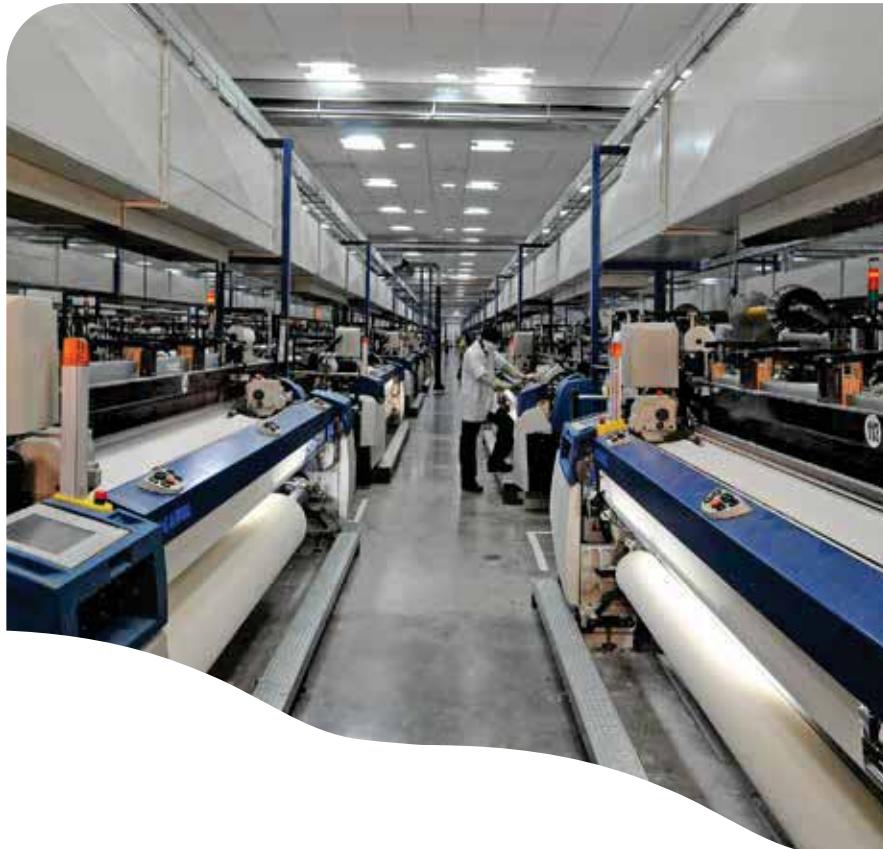
OUR VISION

To manufacture world-class, globally competitive textile fabrics.
To provide best-in-class service to customers through state-of-the-art technology, innovation and clear focus on quality.

Birla Century leads the textiles market with its premium cotton textiles products. Our 100-acre vertically integrated manufacturing facility is equipped with state-of-the-art machinery and equipment to develop customised weave, design and texture. We are the world's second and India's first LEED (Leadership in Energy and Environmental Design) Gold V4 textile manufacturing company.



Our growth engines



OUR STRENGTHS

Incorporates

1,00,000
Spindles

Houses

300
Looms

Manufacturing capacity

40 million
Metres of fabric per annum

Cutting and sewing capacity

9 million
Metres per annum



Mr. R. K. Dalmia

Senior President, Century Textiles and Whole-time Director

From luxury shirtings, suiting fabrics to finer fabrics and bed linen, every product we create is a masterpiece. Our Research and Development (R&D) centre is equipped with a Design Studio for continuous innovation in designs and weaves that match the latest international trends.

Impact of COVID-19 on the business

COVID-19 is an unprecedented event and it has hit consumption globally across all segments, majorly in big markets such as the US and EU. To counter the situation, we, at Birla Century, will make some structural changes in the organisation to make it lean and agile and train our staff to multi-task and collaborate with the supply chain partners.

Our preparedness for the challenges

Due to the impact of COVID-19, consumers all over the world have become more health and hygiene conscious. To keep pace with the current situation, we have launched a 'Health & Hygiene' category under the brand 'Birla-Care'. We are offering fabrics, accessories and home textiles with anti-microbial, anti-fungal, anti-allergen and virus-resistant properties.

Key focus areas

SUSTAINABILITY

Sustainable sources of raw materials

Using sustainable sources of fibres such as BCI cotton, organic cotton, excel modal, viscose, etc.

Compliance with sustainability standards

- Offering products that are compliant with the OEKO-TEX® STANDARD 100*
- Adopted the Higg Index developed by Sustainable Apparel Coalition**

Waste management

Zero liquid discharge effluent plant

No plastic usage

Banned single-use plastic with <50 microns from 2020

CUSTOMER-CENTRICITY

Clear focus on customer service

- Partner with brands in product development initiatives, which in turn helps them offer attractive and novel products to their consumers
- Participate in all major fairs to remain updated with the latest trends and provide inputs and products to the clients accordingly
- Invest in the best technology, sampling machines and other infrastructure to provide services and quality par excellence to customers

Close interaction with customers

- Interact closely with customers for mutual feedback on new developments in fibres, colours, fabrics and any other area that will help us grow as a business
- Align our products and services with customer needs

INNOVATION AND TECHNOLOGY

Innovating product development

- New products such as excel sheeting fabric, cotton flax, modal, nylon for apparel fabrics and viscose charcoal fabric for home linen
- Functional finishes such as Temperature Adaptive Finish, Vitamin E finish, Health Guard, Aloe Vera and Fluid Cotton Soft finish
- Launched Birla Care, a wide range of blends to address health and hygiene issues, including masks

Home-linen segment

- **Fit Story:** A snug fit-on mattress fitted sheet is being designed to have better grip from the edges
- **Anti-microbial:** Developed an anti-microbial sheet that protects from microbes and keeps the sheet bacteria/odour free after multiple washes
- **Cooling Sheet:** Developed a sheet that has an inherent property of cooling by blending it with modal fibre

Apparel segment

- Developed and launched various new fabrics using 100% viscose and viscose liner, with a focus to cater to the ladies segment

Notes:

* STANDARD 100 by OEKO-TEX® is one of the world's best-known labels for textiles tested for harmful substances. It stands for customer confidence and high product safety.

** The Higg index delivers a holistic overview empowering businesses to make meaningful improvements to protect the well-being of factory workers, local communities and the environment. It is a suite of tools that enables brands, retailers and facilities of all sizes to accurately measure the product's sustainability performance at every stage in their product journey.

The STeP certification system enables an organisation to have transparent public communication of its commitment in the field of sustainable production conditions.

Industry recognition

- First manufacturing company to receive the STeP# certification
- Awarded LEED certification

Our moments of pride



Awards

The Birla Century Plant earned the Silver Medal from the International Research Institute for Manufacturing, India

Certifications

1. Birla Century – Jhagadia certified as Best in class 'A+' category by Inditex for its Join Life (JL) Programme
2. Certified for organic production for Coop Naturaline, Switzerland

3. Successfully completed STeP renewal certification from Hohenstein Institute, Germany

4. Received PeTA (People for the Ethical Treatment of Animals) label for producing vegan products

5. Successfully cleared the GRS (4.0) and RCS (2.0) for production of recycled products

Birla Estates Private Limited -

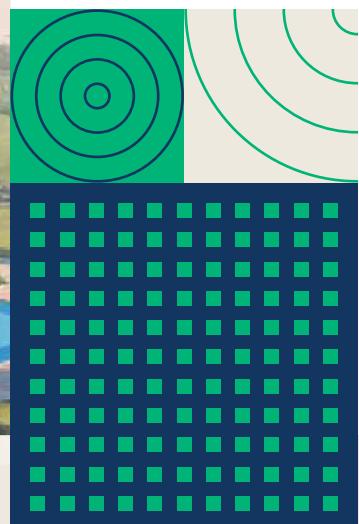
Transforming India's Real Estate Sector

The B. K. Birla Group forayed into the real estate sector in 2016 with Birla Estates Private Limited. Furthering the Birla legacy of trust, excellence and leadership, we combine technology, innovation and sustainability to deliver premium real estate projects across commercial and residential segments.



image for reference only

We are focused on developing land parcels owned by the Group, as well as growing the business with joint development agreements and strategic tie-ups across major cities in India.



OUR VISION

We will transform the perception of the Indian real estate sector by delivering an exceptional experience and creating value; at every level, for every stakeholder.

Disclaimer

The Project 'Birla Vanya – Phase 1' comprising towers Avishi (Tower A), Aaral (Tower B), Anila (Tower F) and Ashmi (Tower G), is registered with MahaRERA under the Registration No. P51700019178 and can be viewed at <https://maharera.mahaonline.gov.in>. Plans for the project are subject to further approvals/modifications from the concerned authority/ies and/or the Promoter.

LifeDesigned®

LifeDesigned® is our guiding philosophy of drawing inspiration from and influencing the lives we touch through our projects. Each LifeDesigned® project is meticulously perfected to nurture and enrich your life. We collaborate with experts to provide customers with not just a good lifestyle, but also a good ecosystem that is designed around their lives.

OUR PROJECTS**Commercial**

- Birla Aurora, Mumbai
- Birla Centurion, Mumbai
- Century Bhavan, Mumbai

Residential**New launches**

- Birla Vanya, Kalyan
- Birla Alokya, Bengaluru

Upcoming projects

- Birla Navya, Gurugram
- Century Mills, Mumbai
- Projects under development in NCR, Bengaluru and MMR

**OUR STRENGTHS**

Established presence in

3

Major cities across India

90%+ occupancy

In our two commercial properties –
Birla Aurora and Birla Centurion



Mr. K. T. Jithendran
CEO, Birla Estates Private Limited

Fabulous response for

2

Newly launched residential projects
in Mumbai and Bengaluru

5

Upcoming residential projects in
NCR, Bengaluru and MMR

**Impact of COVID-19
on the business**

The COVID-19 pandemic and the nationwide lockdown have impacted the real estate sector with unavailability of migrant workforce, liquidity crisis and slowdown in collections and sales in the recent months. However, we are optimistic that these implications will not last long and the sector will soon witness stability and growth.

**Our preparedness
for the challenges**

The behavioural changes in the post COVID-19 era will impact consumer preferences. With customer centricity and innovation being our primary focus, we will continue to innovate and revise product offerings to meet our customers' needs. Despite the hurdles presented by the pandemic, we are committed to deliver our projects in time.

Our growth engines

Key focus areas

SUSTAINABILITY

Leed Green Building certifications

Birla Centurion and Birla Aurora received the coveted LEED Platinum certification of the Indian Green Building Council (IGBC)[^]. Continuing our sustainability efforts, Birla Vanya has received the 'IGBC Gold' pre-certification.

Integrated Building Management System

To control and monitor HVAC (Heat Ventilation and Air-conditioning) equipment in our two commercial buildings Birla Aurora and Birla Centurion

Initiatives undertaken at Birla Vanya:

Efficient water management

Sewage treatment plant and rainwater harvesting, leading to a reduction to up to 48% in water usage[@]

Waste management

Organic waste management systems to treat 100% organic waste generated on site post occupancy

CUSTOMER-CENTRICITY

Best-in-class technologically superior products

- Extensive usage of in-depth market research on consumer preferences to provide world-class products
- Use of technology and robust CRM system to enhance agility in customer response and service

Periodic customer feedback

- Robust feedback mechanism, recording customer satisfaction across the customer's journey from site visit to purchase until post possession

LifeDesigned® spaces

- Provide customers with luxurious spaces thoughtfully designed around their needs, which is defined by extensive micro market based consumer understanding to customise each project to the specific micro-market needs e.g., smart homes and co-working spaces in Birla Aloka

INNOVATION AND TECHNOLOGY

Efficient use of technology for substantial savings

- Double-glazed, low-energy glass façade for reduced thermal radiation and optimum use of natural light at Birla Aurora and Birla Centurion

LIDEA - The AI-powered chatbot

- Expanded customer reach through a new engagement channel, the AI-powered chatbot - LIDEA - on WhatsApp to provide authentic information for evaluation of residential project development of Birla Estates
- Use of Virtual Reality (VR) technology to get customers to experience the apartments virtually

Customer-focused amenities at Birla Vanya

- Unique offerings such as creche, customised play areas and medical facilities, including an ambulance
- 190+ charging points for two-wheelers and cars[@]

Notes:

[^] Indian Green Building Council (IGBC) Green Homes is the first rating programme developed for India, exclusively for the residential sector. It is based on accepted energy and environmental principles, and strikes a balance between known established practices and emerging concepts

[@] All values mentioned are derived from the IGBC Green Homes Version 2 Guidelines

Our moments of pride



1. Project Launch of the Year awarded to Birla Estates Private Limited for Birla Vanya by The 11th Realty + Excellence Awards 2019 West Zone
2. Innovative Marketing campaign of the year presented to Birla Estates by DNA Presents Real Estate & Infrastructure Round Table & Awards 2019
3. Iconic Marketing Campaign of the Year awarded to Birla Estates Private Limited for Birla Vanya, Kalyan by Times Realty Icons Awards 2019
4. ACE Alliance Award 2019 by SAP[®] for customer excellence and delivery in SAP Product Support

Century Pulp and Paper -

Our Aspiration of Reaching New Heights with Paper

Century Pulp and Paper (CPP) was established in 1984. With our relentless focus on quality, we manufacture international-grade products and are now a leading player in India's pulp and paper industry. We are also taking all the necessary steps to conserve energy, forests and water, and recycle effluents where possible.



OUR VISION

To be the most preferred customer's choice by consistently delivering high-quality paper products, using sustainable green technologies, adding value to shareholders while making it one of the best places to work for our employees

We manufacture high-quality writing and printing paper, tissue and board and Rayon Grade Pulp (RGP) products.

In our state-of-the-art manufacturing facility, located at the foothills of the Himalayas in Lalkuan, Uttarakhand, we employ the local community, thus generating opportunities for them and improving their livelihoods.



Our growth engines

OUR STRENGTHS

4.45 Lakh MTPA

Single location largest plant in India

5,000+

Employees

86.8 MW

Power generation capacity (captive power)



PRODUCT-WISE PRESENCE WORLDWIDE (No. of countries)

Writing and printing paper

14

Tissue

11

Board

15



Mr. J. P. Narain
CEO, Century Pulp and Paper

“

Impact of COVID-19 on the business

COVID-19 has impacted the entire Indian pulp and paper sector since it is highly dependent on exports and imports. Disruptions in the supply chain and subdued market conditions have adversely impacted the overall demand for all variants of paper. In future, packaging board demand will remain resilient due to higher consumption of packaging material by e-commerce, FMCG, food and pharma industries. Tissue paper demand will grow due to government awareness programmes towards hygiene and sanitation.

Our preparedness for the challenges

Due to the pandemic, the demand for hygiene products in India has shown an exemplary growth rate. Nowadays, people are very particular about ensuring that the products they buy are packed well. They also carry tissue papers with them wherever they go for the fear of the virus. The environment has augured well for us and our excellent quality tissues and board products have seen a boost in demand.

Key focus areas

SUSTAINABILITY

Efficient energy management

- Installed heat exchanger in Wood-based Paper and Pulp (WPP) mill to recover heat from flash steam, ensuring cost savings
- Commissioned producer gas plant to save furnace oil in rotary lime kilns (50% replacement of oil with producer gas)
- Replaced the existing gear boxes with helical ones to save power

Efficient water management

- Replaced soft water with foul condensate in oxygen bleaching of Rayon Grade Pulp (RGP)

CUSTOMER-CENTRICITY

Addressing customers' concerns

- On Time in Full (OTIF) >90% through speed of action
- Team focus on offering solutions that resolve customer problems
- Based on market requirement, onsite PCC plant is in the installation stage for improving paper opacity from 1.5% to 2%

Customer connect

- Structured approach in addressing customer concerns through regular interactions with them. Two product launch events-cum-customer meets were organised, where customers were provided information on product know-how and emerging industry trends

Closer to customers

- Three Quick Service Centres strategically located near the market to supply finished products within 72 hours from the time of demand and to reduce cost in freight

INNOVATION AND TECHNOLOGY

Innovating processes

- Installation of a new tissue machine, which will be more energy-efficient and expand with an additional capacity of 36,000 MT annually to meet the growing demand in the country, along with ~₹ 200 crore in revenue
- Launching a tissue-based bed roll for use in hospitals and hotels as a hygienic substitute
- Launching High Burst Factor Kraft, which is currently 100% imported
- Launching tissue-based barber kit as hygienic substitute

Green products development

- Worked extensively towards the development of green products, replacing single-use plastic. In this direction, the following products were developed:
 - Paper for carry bags as a replacement of polybags
 - Biodegradable and compostable paper board for cups and food containers as a replacement of ploy-coated cups and containers

Increasing proportion of new/value-added products

New Product Development/Value-added Product (NPD/VAP) increased from 18.5% in FY19 to 21.6% in FY20

Innovative materials for specific objectives

Using different chemicals in Magnetic Ink Character Recognition (MICR) paper to avoid forgery

Our moments of pride



- The Lalkuan plant won Confederation of Indian Industry (CII) National Award for 'Energy Efficient Unit' at the national-level competition for '20th National Award for Excellence in Energy Management – 2019'. The unit has been recognised by CII for the fifth time in a row
- ET NOW recognised and awarded the unit as Business Leader of the

Year – Manufacturing Excellence in February 2020

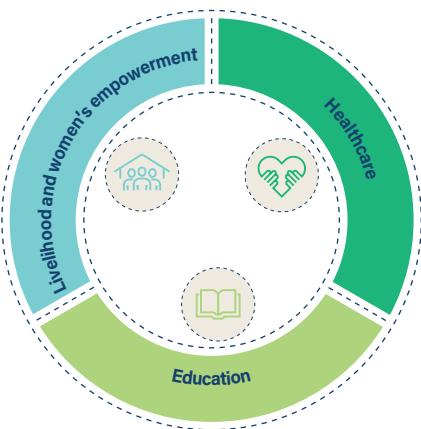
- Received the 1st Prize in the 106th and 107th All India Farmers' Fair and Agro-Industrial Exhibition in 2019 and 2020, respectively, organised by and held at Gobind Ballabh Pant University of Agriculture & Technology, Pantnagar, Uttarakhand

Our Commitment

Towards an Inclusive Future

Shri B. K. Birla was an eminent business leader and a great philanthropist. He was an epitome of 'simplicity in greatness' and believed in giving back to the society. At CTIL, we carry forward his legacy and values, and undertake various initiatives for the enrichment of the society and the environment.

Together with our stakeholders, we strive to ensure that our business activities have a positive impact in the regions where we operate. Our community initiatives focus on three key areas of development:



To pursue our objective of holistic community development, we continuously enhance our strength through ongoing community projects, conduct baseline studies to understand community needs and engage with them to develop new projects for their upliftment.

₹ 5.11 Crores
CSR spending

27,000 +
Beneficiaries impacted

As on March 31, 2020

Our commitment to social responsibility is translated into real-world practices through the initiatives enumerated below:

Lalkuan, Nainital	Jhagadia, Bharuch
 Healthcare <ul style="list-style-type: none"> Set up a first-aid centre, mega medical camps and blood donation camps Undertook a health awareness programme for women Participated in the Swachh Bharat Abhiyan and organised a medical camp at a nearby locality 	 Education <ul style="list-style-type: none"> Constructed four rooms of 200 sq. ft. each and six rooms of 360 sq. ft. each in the primary school of the village Provided scholarship for children through the A World of Opportunity (AWOO) Foundation
 Livelihood and women's empowerment <ul style="list-style-type: none"> Constructed toilets and houses (one-room set), and carried out painting work of the houses Installed hand pumps and R.O. systems for clean drinking water Improved the livelihood of women by teaching them stitching skills Distributed clones for plantation to farmers 	 Livelihood and women's empowerment <ul style="list-style-type: none"> Established a women empowerment centre Constructed a community hall of 1,200 sq. ft. in Fulwadi village Contributed villagers' share in developing a milk collection centre Joined the Swachh Bharat Abhiyan in Bharuch

Directors' Report

Dear Shareholders,

We have pleasure in presenting the 123rd Annual Report of the Company along with the audited statement of accounts for the year ended 31st March, 2020. Considering the unfavourable market conditions prevailing for a major part of the year in all business segments, the overall profitability for the financial year 2019-20 has been satisfactory after charging all expenses, interest costs etc. The impact of Corona Virus outbreak (COVID-19) on public life and the industry in India and world over is also affecting the demand of Company's product portfolio. While this is expected to have a negative impact on the financial performance of Company in FY 21, the Company cannot quantify the magnitude and duration of such impact at this time given the fluidity of the situation. Company continues to monitor and assess its business operations daily. In this connection, with the COVID-19 outbreak, the Company has implemented protocols based on recommendations from official health authorities such as World Health Organisation (WHO). Additionally, to support the prevention of COVID-19 outbreak, the Company has prepared SOPs based on recommendations of a professional facilities management firm viz CBRE and other corporate guidelines from leading Indian companies both in manufacturing and those handling commercial buildings as also FICCI guidelines and inputs of our HR colleagues.

The summarised financial results are given below.

1. SUMMARISED FINANCIAL RESULTS:

Particulars	(₹ in Crores)			
	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
Earnings before finance cost, tax, depreciation and amortisation (EBITDA)	600.06	1060.93	695.22	1073.33
Less:				
Finance Cost	87.09	101.55	93.13	101.55
Profit after Finance Cost	512.97	959.38	602.09	971.78
Less:				
Depreciation	228.58	193.00	227.76	193.00
Profit before tax	284.39	766.38	374.33	778.78
Less/(Add):				
Deferred Tax Debit (Credit)	(93.69)	266.91	(93.69)	266.91
Profit after tax from continuing operations	378.08	499.47	468.02	511.87
Add:				
Profit after tax from discontinued operations	(17.65)	5563.69	(17.65)	5563.69
Net Profit for the year	360.43	6063.16	450.37	6075.56
Other Comprehensive Income	(4)	1.12	(4)	1.12
Total Comprehensive Income	356.43	6064.28	446.37	6076.68
Loss Attributable to Non-Controlling Interest	4.82	-	-	-
Total Comprehensive Income of the Company	361.25	6064.28	446.37	6076.68
<u>Retained Earnings</u>				
Balance brought forward	897.73	369.74	910.13	369.74
Total comprehensive Income for the year	361.25	6064.28	446.37	6076.68
Equity Dividend	(83.77)	(72.60)	(83.77)	(72.60)
Tax on equity dividend	(17.22)	(14.92)	(17.22)	(14.92)
Distribution to Shareholders (distribution of shares of Resulting Company on demerger of Cement Business)	-	(5388.35)	-	(5388.35)
Transfer to/from Debenture Redemption Reserve	-	(60.42)	-	(60.42)
Balance carried forward	1157.99	897.73	1255.51	910.13

The performance of each business segment of the Company has been comprehensively discussed in the Management Discussion and Analysis Report (forming part of the Annual 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 30% i.e. ₹ 3.00 (Rupees Three only) per share, of the face value of ₹ 10/- each, for your approval which will be subject to applicable tax in the hands of shareholders. Last year

Directors' Report (Continued)

the dividend was paid @ 75% free of tax in the hands of shareholders. This dividend will be paid when declared by the shareholders, in accordance with law. The aggregate amount of dividend will absorb ₹ 33.51 Crores.

3. TRANSFER TO RESERVES:

It is proposed to transfer ₹ Nil (previous year ₹ 60.42 Crores) to the Debenture Redemption Reserves out of retained earnings.

4. SHARE CAPITAL:

The Company's paid up equity Share Capital continues to stand at ₹ 111.69 Crores as on 31st March 2020. During the year, the Company has not issued any Shares or Convertible Securities.

5. EXPORTS:

The total exports of the Company amounted to ₹ 598.72 Crores (Previous year ₹ 429.67 Crores) representing about 17.31 percent of the total income.

6. CREDIT RATING:

CRISIL has given a credit rating of CRISIL 'AA' for long term and CRISIL A1+ for short term financial instruments of the Company. This reaffirms the high reputation and trust the Company has earned for its sound financial management and its ability to meet financial obligations.

7. DISCONTINUED OPERATIONS:

a. Demerger of Cement Divisions:

As you are aware, the Board of Directors of the Company at its meeting held on 20th May, 2018 had approved a Scheme of Demerger ("Scheme") between the Company, UltraTech Cement Ltd. (UltraTech), Shareholders & Creditors for the demerger of its Cement Divisions, and its merger into UltraTech. Further, the shareholders of the Company at a Court convened meeting of the Shareholders held on 24th October, 2018, had also approved the aforesaid Scheme of demerger of its Cement Divisions. Accordingly, Cement divisions of the Company were demerged along with associated liabilities including debt of around ₹ 3000 Crores and merged into UltraTech as per the Order of National Company Law Tribunal, Mumbai with appointed date being 20th May, 2018 and the Scheme was given effect from 1st October, 2019 when all formalities were completed. Accordingly, the financial statements for previous year viz. 2018-19 have been restated from 20th May, 2018. In accordance with the Scheme, the Shareholders of the Company got 1 (one) new equity share of UltraTech for every 8 (Eight) equity shares held in the Company thus unlocking of the value of the Cement Divisions to the shareholders. Further, shareholders of Company will continue to have an exposure to cement through their equity holding in UltraTech which is the largest, and one of the most valuable cement manufacturers and suppliers in India. After this demerger, the Company has three divisions viz. Textiles, Pulp & Paper and Real Estates. This

transaction has deleveraged Company's Balance Sheet and created an opportunity for its new phase of growth in the remaining businesses with a primary focus on real estate.

b. Century Yarn and Century Denim:

As informed last year, the assets and liabilities of the Century Yarn and Century Denim units continued to be classified as assets held for disposal and operations were continued to be classified as 'Discontinued Operations'.

8. EXPANSION & MODERNISATION:

a. Pulp and Paper:

- (a) Installation of an additional Tissue plant with an investment of ₹ 100 Crores to manufacture Prime Grade Tissue paper with a capacity of 100 tonnes per day is in progress and is expected to start production by October, 2020.
- (b) Technical upgradation, removing of bottlenecks and balancing the Bagasse based (PM3 Machine), and recycle paper-based paper plant (PM4 Machine), with an investment of ₹ 65 Crores which will increase monthly paper manufacturing capacity from 7200 Mt to 8500 Mt for each plant. This expansion will help in reducing overall manufacturing cost (of these two machines), quality improvement and increase in production.
- (c) Installation of new evaporator at a cost of ₹ 105 Crores. This will help lowering down Power cost and increase in pulp production.

b. Modernization & 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.

9. DIRECTORS:

- a.** The Directors expressed their profound sorrow at the sad demise of Shri B. K. Birla (DIN: 00055856) on 3rd July, 2019, their esteemed erstwhile colleague and Chairman of the Board, who was an eminent Industrialist, apart from being a passionate philanthropist and avid educationist and place on record their deep sense of appreciation for valuable services rendered by him during his association as a Director and Chairman for a period of about forty six years, prior to his demise. The Board recalled his legendary stewardship over several decades and applauded his stellar contribution to the growth of the Company. The Board also noted with deep appreciation that under his leadership and guidance the Company became a well-diversified conglomerate and beyond business, his legacy extends to the fields of education, art and culture. In his sad demise, the Company has lost a great visionary and

our country has lost not just a tall business leader, but also a great philanthropist.

- b.** Shri Jagdish Chandra Laddha (DIN: 03266469) has been appointed as a Managing Director of the Company with effect from 12th August, 2019. A suitable resolution in this behalf is being proposed at the forthcoming Annual General Meeting of the Company for approval of the members for his appointment as a Managing Director of the Company.
- c.** Pursuant to the provisions of Section 152 of the Companies Act, 2013, Smt. Rajashree Birla (DIN: 00022995) retires by rotation, as Director, at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. As she is completing the age of 75 years on 15.09.2020, her continuation as a Non-executive Director after she attains the age of 75 years as above is also proposed by way of a Special Resolution as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations). The Board recommends her re-appointment and continuation as above.

d. Familiarisation Programme for the Independent Directors

The Company has, over the year, developed a robust familiarisation process for the newly appointed Directors with respect to their roles and responsibilities. The process has been aligned with the requirement under the Companies Act, 2013. The process, inter alia, includes providing an overview of the Textile, Pulp & Paper and Real Estate Industries relating to the Company's businesses, the risks and opportunities, etc.

e. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, the Board has carried out an 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 in line with the circular issued by SEBI, 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 inputs 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, excluding the Director being evaluated. Independent Directors fulfill the criteria of independence and they are independent of management. 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.

f. Meetings

During the year, 7 (Seven) 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.

10. AWARDS, CERTIFICATES, PRIZES:

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

Birla Estates:

- Birla Estates won SAP Ace Award in the category of "Customer Experience – Sales and Marketing" for CRM System (C4C) implementation and the "Best Digital Ecosystem Award" at India's Best Design Awards by Pool Magazine.
- Birla Vanya won in the category "Innovative Marketing Campaign of the year" at Real Estate & Infrastructure round table & awards, DNA and "Iconic Marketing Campaign of the year" at Times Realty Icons awards, 2019.

Birla Century:

- Silver Medal for manufacturing in India Green Manufacturing Challenge, 2019 event by International Institute for Manufacturing.

Century Pulp & Paper:

- Energy Efficient Unit Award: During last five years, consecutively for fifth time in a row the Unit has won Confederation of Indian Industry (CII) National Award for "Energy Efficient Unit", held in its 20th National level competition for "National Award for Excellence in Energy Management - 2019".
- Agro-Industrial Exhibition Award: In the 106th and 107th "All India Farmers" Fair and Agro-Industrial Exhibition" 2019 and 2020 respectively, organized by and held at G B Pant University of Agriculture & Technology, Pantnagar, Uttarakhand, the Division has received First prize. During last seventeen consecutive exhibitions, sixteen times Century Pulp & Paper was adjudged First position.

Directors' Report (Continued)

- Export-Import Awards: Recognized for outstanding contribution in Export & Import by Container Corporation of India Ltd (CONCOR), and awarded the following:
 - 1st position in "CONCOR EXIM Star Award - 2019" for Imports in the Northern Region, and
 - 3rd position in "CONCOR EXIM Star Award - 2019" for Exports in the Northern Region.
- ET NOW has recognized and awarded the Unit in Feb'20 as "Business Leader of the Year - Manufacturing Excellence".
- PaperEx-2019 Award: In the 14th International Exhibition & Conference on Pulp Paper and Allied Industries exhibition held at Pragati Maidan in December 2019, the Unit has received 1st prize for "Green Concept Display".

11. AUDITORS:

SRBC & Co. LLP, Chartered Accountants (ICAI Firm Registration No.324982E/ E300003), who are the Statutory Auditors of the Company were appointed as the Statutory Auditors for a term of five years at the Annual General Meeting of the Company held on 28th July, 2016 subject to ratification of their appointment by the Members at every intervening Annual General Meeting held thereafter. The requirement of seeking ratification of the Members for continuance of their appointment has been withdrawn consequent upon changes made by the Companies (Amendment) Act, 2017 and pursuant to a resolution passed by the Shareholders at the 121st Annual General Meeting held on 31st July, 2018. Hence, the resolution seeking ratification of the Members for their appointment is not being placed at the ensuing Annual General Meeting.

12. AUDITORS' REPORT:

The Auditors' Report to the Shareholders does not contain any reservation, qualification or adverse remark. During the year under review, neither the statutory auditors nor the Cost Accountant & secretarial auditors have reported to the audit committee of the board under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers and employees, the details of which would need to be mentioned in this report.

13. 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 accounts and records are required to be maintained by the Company, in respect of various manufacturing activities and are required to be audited. Accordingly, such accounts and records are maintained in respect of various manufacturing activities. The cost audit report for the financial year 2018-19 was filed with the Ministry of Corporate Affairs on 4th September, 2019. M/s. R.

Nanabhoy & Co., Cost Accountants, were nominated as the Company's 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 Textiles and Pulp & Paper products of the Company for the financial year 2020-21 at a remuneration of ₹ 1.18 lac.

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 the members' ratification for the remuneration payable to M/s. R. Nanabhoy & Co., Cost Auditors, in terms of the resolution proposed to be passed, is included in the Notice convening the Annual General Meeting of the Company.

14. 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 M/s. Gagrani & Gagan, Company Secretaries in practice (CP No.1388), to undertake the Secretarial Audit of the Company for the year ending 31st March, 2021. The Secretarial Audit Report for the year ended 31st March, 2020 is annexed herewith as 'Annexure-I' to this Report. The Company has complied with all applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (SS1 and SS2), relating to the meetings of the Board including its Committees and General Meetings which have mandatory application during the year under review. The Secretarial Audit Report does not contain any adverse qualification, reservation or remark.

15. FIXED DEPOSITS:

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

16. LOANS, GUARANTEES AND INVESTMENTS:

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Consolidated and Standalone Financial Statements.

17. 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, 2020 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.

18. KEY MANAGERIAL PERSONNEL:

- a.** During the year Shri Jagdish Chandra Laddha was appointed as the Managing Director of the Company with effect from 12th August, 2019.
- b.** Shri R. K. Dalmia is the Whole Time Director of the Company. Shri Snehal Shah is the Chief Financial Officer and Shri Atul K. Kedia is the Secretary of the Company.

19. 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.

20. AUDIT COMMITTEE, VIGIL MECHANISM & RISK MANAGEMENT:

The Audit Committee comprises of four members out of which three 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 and any unethical 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, unethical behaviour 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:

Your Company has constituted a Risk Management Committee, mandated to review the risk management plan/process of the Company. The Risk Management Committee identified potential risks and assesses their potential impact with the objective of taking timely action to mitigate the risks.

The Audit Committee has also been delegated with the responsibility of 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 key risks identified by the Company include, cyber security, financial risk, competition, and compliance of all applicable statutes and regulations. The Company has well defined policies/mechanism to mitigate competition, cyber security and financial risks. The Company reviews the policies/mechanism periodically, to align with the changes in market practices and regulations. The Company has in place a data protection Policy. Compliance risks have been mitigated through periodical monitoring and review of the regulatory framework to ensure complete compliance with all applicable statutes and regulations.

21. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In terms of the provisions of section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance report, which forms part of this report.

Your Company has also in place a CSR Policy and the same is available on your Company's website: www.centurytextind.com. During the year, your Company has identified and approved CSR projects of ₹ 9.73 Crores as against ₹ 9.73 Crores required to be spent during the financial year 2019-20. The Company spent ₹ 4.51 Crores towards CSR

Directors' Report (Continued)

activities for 2019-20 and has also fulfilled its obligation for the last year i.e. 2018-19 by incurring additional amount of ₹ 0.60 Crores for the said year which had remained unspent. Your Company reached out to around 64 locations across fourteen States. The Company's key objective is to actively contribute to the social and economic development of the communities in which it operates.

As a socially responsible caring Company, we are committed to play a larger role in building a better, sustainable way of life for the weaker and marginalized sections of the society and raise the country's human development index.

The particulars required to be disclosed pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in 'Annexure II' forming part of this Report.

22. NOMINATION AND REMUNERATION COMMITTEE:

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

The salient feature of Company's Remuneration Policy is attached as 'Annexure-III' and forms a part of this Report. The Remuneration Policy is available on the website of the Company viz. www.centurytextind.com.

23. RELATED PARTY TRANSACTIONS:

All transactions entered 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 conflicted with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (Ind-AS 24) 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 its 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, provide 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.

24. DECLARATION BY INDEPENDENT DIRECTORS:

Necessary declarations have been obtained from all the Independent Directors that they meet the criteria of independence under sub-section (6) of Section 149 of the Companies Act, 2013 and as per Regulation 25 read with Regulation 16 of SEBI LODR Regulations.

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

During the year 2019-20, no significant and material order has been passed by any regulator or by any Court which has a material impact on the financial position of the Company.

26. INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial control systems, commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the operations was observed. The Company has appropriate policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence of the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. During the year under review, the Company has not come across any incidence of fraud. 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, the 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.

27. SUBSIDIARY & ASSOCIATE COMPANIES:

Birla Estates Private Ltd. is a Wholly Owned Subsidiary of the Company. It has started its operations and is developing Company's land at Kalyan near Mumbai for residential project viz. 'Birla Vanya'. Further, it is also developing projects viz. Birla Alokya at Bengaluru and Birla Avarna at Gurugram. During the year, Birla Estates Pvt. Ltd. registered a loss of ₹ 86.64 Crores (previous year loss of ₹ 12.40 Crores).

Birla Century Exports Pvt Ltd. another wholly owned subsidiary of the Company was incorporated last year. During the year, Birla Century Exports Pvt. Ltd., registered a loss of ₹ 0.27 Crores (previous year loss of ₹ 0.34 Crores).

None of the Subsidiaries mentioned above is a material subsidiary as per the threshold limit laid down under the SEBI LODR Regulations.

In view of no business left to undertake, Bander Coal Company Private Ltd., your Company's associate, was in the process of voluntary liquidation. Now vide Order dated 26th May, 2020 of National Company Law Tribunal, Mumbai it has been liquidated after completing all formalities.

Industry House Ltd., in which your Company holds about 35% shares, is an Associate Company. Despite this fact, the accounts of Industry House Ltd. have not been consolidated with that of the Company as there is no requirement for the same as per the IND-AS 28.

28. CONSOLIDATED FINANCIAL STATEMENT:

The Directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries, as prepared in compliance with the Companies Act, 2013, applicable Accounting Standards and other applicable laws, if any.

A separate statement containing the salient features of its subsidiaries and associates in the prescribed form AOC-1 is annexed separately.

29. 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'.

30. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

During the year under review, your Company has not received any complaint under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of an Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

31. BUSINESS RESPONSIBILITY REPORTING:

A separate section of Business Responsibility forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

32. 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 a 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, 2020 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 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 123rd 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.

33. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act, is annexed as 'Annexure VI' which forms an integral part of this Report and is also available on the Company's website viz. www.centurytextind.com.

34. 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

On behalf of the Board

Dr Annie Besant Road
Worli Mumbai - 400 030
Dated: 10th June, 2020

J. C. Laddha
Managing Director
DIN: 03266469

Y. P. Dandiwala
Director
DIN: 01055000

Management Discussion And Analysis Report

This report covers the operations and financial performance of the Company for the year ended 31st March, 2020 and forms part of the Annual Report.

1. OVERALL REVIEW:

The overall profitability of the Company during the year under review, as compared to the previous year, has been adversely affected due to unfavorable market conditions prevailing for a major part of the year in all the business segments and to some extent towards the latter part of the March profitability also got impacted on account of the lockdown pursuant to Govt.'s directives to prevent spread of pandemic COVID 19.

In Textiles, it was affected due to weak domestic market conditions and in Paper realizations dropped due to tough international market conditions. Working and operational parameters at all the plants of the Company were satisfactory during the year.

In Real Estate, the Company launched its first residential project at Kalyan (named Birla Vanya) in Q1 and the second project, Birla Alokya, in Bengaluru was launched in Q2. Execution of both the projects is progressing as per schedule. Due to spread of pandemic Covid 19 and imposition of subsequent lock down, though the progress of aforesaid projects will be temporarily delayed however, it will not affect the schedule for completion of the projects.

Market activation was initiated for the Company's township project 'Birla Navya' (JV with Anant Raj) located in Gurugram. Further, we are very well poised to launch our flagship mixed use project at Worli, Mumbai, in the first half of FY 22.

As you are aware, the Board of Directors of the Company, at its meeting held on 20th May, 2018, had approved a Scheme of Arrangement ("Scheme") between the Company, UltraTech Cement Ltd. (UltraTech), Shareholders & Creditors for the demerger of its Cement Business Divisions and its merger into UltraTech. Accordingly, the Cement business was demerged as per the order of the National Company Law Tribunal, Mumbai dated 3rd July, 2019 with appointed date being fixed as 20th May, 2018 as per the aforesaid NCLT's Order and demerger was made effective from 1st October, 2019 when all formalities of demerger were completed.

2. BUSINESS SEGMENT - TEXTILES

a. Industry Structure and Development

i. The COVID 19 break down in the second half of March affected the numbers adversely and all markets have literally been stopped across the globe. It has led to lockdown and shrinkage in all economies world-wide very sharply. The above has put a lot of pressure on Textile industry in India which was already facing a lot of challenges due to delays in receiving the GST refunds as well as delay in receiving the

export benefits. On positive note there is surge in E-commerce and online sales.

ii. Indian textile industry is facing huge liquidity crunch and uncertainty pertaining to future orders.

b. Opportunities and Threats

- i. Currently the biggest threat is COVID 19 and its impact. It is expected that overall textile business will be severely affected which would result in various job losses across the value chain.
- ii. First half of FY 21 is expected to be very tough and the second half is expected to give some relief to the business and the society in general if all the countries specially India is able to control the COVID 19 Pandemic.
- iii. Going ahead, there could be a positive side for textile business as USA and EU customers who will be looking for alternative for China, may move to other countries such as Vietnam, Bangladesh, India, etc. Hence it is expected that demand will increase in textile fabrics for exports, but we need to ensure that we prepare ourselves to take the advantage of the expected business which might drift away from China.

c. Segmental Review and Analysis

- i. Due to weak domestic textile market through-out the year and COVID 19 break out in the second half of March, the turnover of our textile unit in Bharuch is lower by around 4% from that in the previous year. Exports have marginally increased by 6 %. Further, domestic sales to brands has almost doubled and in Over the counter (OTC)/ Ready to Stitch (RTS), we could post a growth of around 22% by changing the distribution channel and increasing promotion. The margins though were under pressure due to the liquidity crunch and weak market sentiments.
- ii. For FY 21, the immediate focus shall be on the recovery of the outstanding and ensuring the earliest dispatches of the finished goods inventory to have a tighter control on the working capital and reigning in fixed costs to conserve cash.

d. Risks and Concerns

- i. Overall negative impact is expected across the industry due to current COVID 19 pandemic. A shift towards online business is expected to happen due to the fear & the restrictions to maintain the social distancing. Also, there could be short time recessionary pressure due to job losses and money crunch in the market and it will take a good 6 to 8

months before we could see demand coming back in the Textile industry.

e. Outlook

- i. Overall, FY 21 is expected to be a tough year for the textile industry and major focus shall be on cost cutting measures, improving productivity, reduction in wastage and efforts on taking quality to next level and deriving efficiency to make products further cost competitive. Further, the division plans to make some structural changes in organization to make it lean and agile and focus will be on giving improved services to customers to retain market share.
- ii. Once we are through from the lock-down and the market reopens, the division expects to bounce back, with its new world-wide product range ensuring competitive products having anti-microbial, anti-viral features with different finishes along with growing focus on sustainability range of products.
- iii. It is a testing period for all of us, but with our good brand image and network in the market, the dependency on reliable reputed players in the market, we expect to be back on track soon.

3. BUSINESS SEGMENT - PULP AND PAPER (PULP, WRITING & PRINTING PAPER, TISSUE PAPER AND MULTILAYER PACKAGING BOARD)

a. Industry Structure and Development

- i. Global economy has witnessed a serious health epidemic challenge, and the whole world is trying to find its solution. Such a war-like situation is adversely affecting almost all the industries of any country. Paper industry being one of the oldest manufacturing sectors in the world, is expected to get badly impacted due to dis-equilibrium between consumption & supply.
- ii. Once gravity of this crisis will soften, the industry is expected to grow in some or the other form and will catch up with domestic as well as global economy growth.

b. Opportunities and Threats

- i. During the last decade, China became the focal manufacturing hub for many global business operations. However, after being seriously impacted with COVID-19, global customers mainly from US and Europe started looking at India as an alternative and reliable source of manufacturing.
- ii. Such a situation though is an opportunity for the country, but at the same time there are limitations for Industries. Most of the domestic manufacturers also depend upon imported items like Pulp, Chemicals, Spares. With more and more countries following lockdown procedures as an immediate precaution

from such epidemic health hazard, there are visible logistic constraints i.e. availability of containers & vessels, increased transit time & costs and refusal of acceptance of orders by suppliers.

c. Segmental Review and Analysis

- i. During the financial year under review, Paper industry, globally, faced tough situations which caused realisations to fall drastically. However, by improving operational efficiencies, Pulp & Paper Division maintained its previous year EBITDA margin of 22%.

d. Risks and Concerns

- i. Indian paper industry is facing constraint for wood availability at reasonable prices. In recent years, supply of bagasse has also got adversely affected, as alternative industrial usage of bagasse is now more lucrative than the traditional way of selling it as agri residue.
- ii. The recent widespread health challenge, COVID-19, will impact the global market behaviour during H1/FY-21. If it persists, then it will also affect the market behaviour during initial period of H2/FY21.

e. Outlook

- i. Medium to long-term outlook of the Indian paper industry looks strong and expected to grow in line with the country's economy.

4. BUSINESS SEGMENT -REAL ESTATE

a. Industry Structure and Development

- i. The Indian real estate industry is one of the largest generators of economic activity and is a contributor for a significant part of its GDP. The real estate sector has strong linkages with various other industries such as cement, steel, paints, etc. Pre Covid 19, the real estate sector was expected to contribute 13% of India's GDP by 2025 and reach a market size of USD 1 trillion by 2030. In 2017 the realty sector contributed about 6-7 percent to India's GDP.
- ii. The Government has introduced several initiatives as part of its continuous endeavour to boost the sector, ₹ 25,000 Crores alternate investment fund aimed at reviving stalled housing projects and alleviate financial stress faced by developers and home buyers being notable ones among them. The Government has announced plans to invest INR 105 lac Crores in infrastructure over the next 5 years. The Government is also launching schemes to help infrastructure developers to improve their cash flow and repay debt. Home loan rates have now been linked to the Repo Rate and hence are at the lowest in a decade thus increasing affordability in the housing space.

Management Discussion And Analysis Report (Continued)

- iii. Absorption in terms of value increased by 6% across top seven cities (NCR, Bengaluru, MMR, Kolkata, Chennai, Hyderabad and Pune) with nearly 144,000 units being sold during 2019 compared to 136,000 units in 2018. There has also been a reduction in residential inventory overhang from 38 months to 32 months year-on year. Residential real estate sector registered around 49% rise in private equity (PE) inflows in 2019.
- iv. The commercial leasing segment demand recorded a 40% increase in gross absorption over last year to reach 69.4 million sq ft. IT/ITeS sector continues to be the largest demand driver with a share of 42% of the leasing activity followed by co-working spaces, BFSI and other industrial occupiers. The warehousing sector also continued to benefit from government policy initiatives such as the Goods and Services Tax (GST) implementation, global trade dynamics and evolving consumption patterns. Demand for high-quality logistics facilities and increasing market maturity is expected to further drive the growth in the warehousing space.
- v. The month of March saw the world being impacted by the COVID-19 pandemic and the nation going into a lockdown. The lockdown disrupted the normal business activities and created pressure on absorption and collections. We are closely monitoring the situation as the events unfold to ensure that the Company responds in a timely manner in the interest of the business. However, the pandemic will bring about many long-term changes to how we do business. This will also open a lot of new opportunities for growth of the business.

b. Opportunities and Threats

- i. Increasing customer preferences for branded products and trusted brands have led to sales growth of organized players. The Company is uniquely poised to capitalize on this opportunity with the brand having a huge legacy and symbolizing trust, transparency, quality and excellence.
- ii. Improvement in governance standards has paved a way for consolidation in the sector as landowners and smaller developers seek to partner with reputable developers through the joint development model, to maintain future business viability. The Company with its best in class governance standards and access to institutional funding is in a prime position to benefit from this consolidation.
- iii. With the changing demographics, the real estate industry is witnessing emergence of new segments. The co-living market in India is one of the emerging segments and is expected to grow at a CAGR of 17% over the next 5 years with rise in demand and

- increased interest from institutional investors.
- iv. Existing funding crunch for growth capital and increased cost of borrowing due to NBFC liquidity crisis continue to be sour points for the sector. However, the efforts by the Government, such as partial credit guarantee scheme for the sector in the Union Budget 2019-20 is expected to provide liquidity to the NBFCs. The asset light investment strategy followed by the Company will protect it from the downside and the Company is also working towards creation of enough resources for growth.
- v. The Covid19 pandemic caused an unprecedented shock to the global economy. The real estate sector is highly impacted by the nationwide lockdown and the effect will be felt most in the short term. The residential sales and collections dropped significantly in the last quarter of FY20 with no new launches and halted progress in construction activity amid lockdown. With the disruption in supply chain, unavailability of migrant workforce, liquidity crisis and delayed construction activity the residential bookings have fallen by 78% compared to January, 2020. There has been a 250% drop in the home loan collections in March, 2020 as compared to January, 2020 negatively affecting the developers cash flows. Commercial sector is expected to witness weak growth given the sluggish business environment. The Government continues to undertake proactive measures to fight the pandemic and its impact.
- vi. The behavioural changes post covid-19 may alter consumer preferences. This provides real estate players an opportunity to innovate and revise product offerings to meet the new preferences. With Customer centricity and innovation being the primary focus of the Company, the consumer dynamics provide an opportunity to strengthen our competitive differentiation.

c. Segment Review and Analysis

- i. The commercial projects in Worli, Mumbai, Birla Aurora and Birla Centurion, continue to operate at a high level of occupancy.
- ii. During the year, your Company launched its first residential project at Kalyan (named Birla Vanya) in Q1. 88% of the launched inventory (in terms of area) has been already sold till date. Birla Alokya, Bengaluru was launched in Q2 and has achieved a robust sales performance with 33% of the launched inventory (in terms of area) being sold till date. The execution of both the projects is progressing as per schedule.
- iii. Market activation was initiated for the Company's township project 'Birla Navya' (JV with Anant Raj) located in Gurugram, NCR. It received tremendous

response from the channel partners. Active discussions are on with other landowners to explore development possibilities in our focus markets of Mumbai, NCR, Bengaluru and Pune.

- iv. We are very well poised to launch our flagship mixed use project at Worli, Mumbai.

d. Risks and Concerns

- i. Indian GDP growth is forecasted to drop significantly in FY 21, particularly due to Covid 19 pandemic and projected to revive in FY 22. Since real estate as a sector is highly correlated to GDP performance, growth of the sector may remain muted.
- ii. The sector continues to face substantial procedural delays with regards to land use, project launches and construction approvals. Delays in launching government policies may impact profitability and affect the companies operating within the sector.

e. Outlook

- i. In the mid to long term, the radical changes in the regulatory policies and taxation system introduced by the government is sure to accelerate the sector's growth. The fundamentals of primary demand in

the sector continue to remain strong with increase in disposable incomes, rapid urbanization, and nuclearization of families. Market share of organized and corporate players will continue to grow. The Company is uniquely poised to capitalize on the opportunity provided by the changing real estate environment and become one of the top players in the sector in the coming years.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company maintains an adequate and effective Internal Control Systems commensurate with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that transactions are executed with management authorization. It also ensures that they are recorded in all material respect to permit preparation of financial statements in conformity with established accounting principles along with the assets of the Company being adequately safeguarded against significant misuse or loss. An independent Internal Audit function is an important element of Company's Internal Control System. This is supplemented through an extensive internal audit program and periodic review by the management and the Audit Committee of Board.

6. HIGHLIGHTS OF THE COMPANY'S FINANCIAL PERFORMANCE:

(₹ in Crores)

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
1. Total Income	3458.63	4053.54	3467.63	4053.23
2. Earnings before finance cost, tax, depreciation and Amortization (EBITDA)	600.06	1060.93	695.22	1073.33
3. Less: Finance Cost	87.09	101.55	93.13	101.55
4. Profit before depreciation, amortization and taxation.	512.97	959.38	602.09	971.78
5. Less: Depreciation and Amortization	228.58	193.00	227.76	193.00
6. Profit before taxation	284.39	766.38	374.33	778.78
7. Less: Deferred Tax Debit/(Credit)	(93.69)	266.91	(93.69)	266.91
8. Profit after tax from continuing operations	378.08	499.47	468.02	511.87
9. Add: Profit / (loss) after tax from discontinued operations	(17.65)	5563.69	(17.65)	5563.69
10. Net Profit for the year	360.43	6063.16	450.37	6075.56

The Consolidated EBITDA from continuing operations for the year 2019-20 is ₹ 600.06 Crores as against 773.05 Crores (After excluding one-time income during PY 2018-19 of ₹ 287.88 Crores by way of duty and interest reversal of ₹ 127.72 Crores on fulfilling export obligation and TDR sale of ₹ 160.16 Crores).

The Standalone EBITDA from continuing operations for the year 2019-20 is ₹ 695.22 Crores as against 785.45 Crores (After excluding one-time income during PY 2018-19 of ₹ 287.88 Crores by way of duty and interest reversal of ₹ 127.72 Crores on fulfilling export obligation and TDR sale of ₹ 160.16 Crores).

Profit from discontinued operations for the year 2018-19 includes ₹ 5593.46 Crores as demerger gain being the difference between fair value and carrying value of Cement Business Divisions of the Company which got demerged into UltraTech effective from 1st October, 2019.

In consolidated accounts interest cost has gone down from ₹ 101.55 Crores to ₹ 87.09 Crores.

For the Company as a whole, the technical performance of all the plants has been satisfactory.

Management Discussion And Analysis Report (Continued)

7. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE AS COMPARED TO IMMEDIATE PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS WITHOUT DEMERGER GAIN IN PY TO MAKE IT COMPARABLE

Ratios	F.Y. 2019-20(%)	F.Y. 2018-19(%)	Change (%)
1. Debtors Turnover Ratio	17.30	17.40	-0.58%
2. Inventory Turnover Ratio	1.72	3.06	-43.79%
3. Interest Coverage Ratio	3.95	8.09	-51.17%
4. Current Ratio	0.98	0.89	10.11%
5. Debt Equity Ratio	0.38	0.31	22.58%
6. Operating Profit Margin	17.20	29.33	-41.36%
7. Net Profit Margin	10.82	12.93	-16.32%
8. Return on Net Worth	9.98	14.26	-30.01%

The Company has maintained satisfactory performance ratios despite adverse market situation prevailing for a major part of the year in all the business segments of the Company.

Return on Net Worth during the year is 9.98 % as compared to 14.26% in the previous year. The reduction in return on Net worth during current year as compared to previous year is due to one-time income during last year of ₹ 287.88 Crores. Further there was sluggishness in domestic as well as international markets through-out the year and lockdown in last 10 days of the year had also contributed towards reduction in profit during the current year.

8. HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:

The total number of employees as on 31st March, 2020 were 4492 (7759 as on 31st March, 2019).The number of employees has reduced during the year due to demerger of cement business of the Company. The industrial relations in all units of the Company continue to be cordial. The skills, experience and passion of our people facilitate deeper customer understanding and engaging relationships and strengthen our brand value as a preferred employer. We continue to step up efforts to accelerate our value-based growth strategy and the overall development of human capital. We nurture our people by investing in their empowerment through learning and development, wellness and safety besides providing contemporary workplace facilities.

9. HEALTH, SAFETY AND SECURITY MEASURES:

The Company continues to accord the highest priority to health and safety of its employees and communities it operates in. The Company has been fully committed to comply with all applicable laws and regulations and maintains the highest standard of Occupational Health

and Safety and ensures safer plants by conducting safety audits, risk assessments and periodic safety awareness campaigns and training to employees. We believe in good health of our employees. Modern occupational health and medical services are accessible to all employees through well-equipped occupational health centers at all manufacturing units.

Further, to prevent the spread of pandemic Covid 19, the Company has taken all precautionary measures required, such as social distancing, use of masks and sanitizers etc., at all its plant and construction sites as well as at office locations. Your Company is in full compliance of all Government directives issued in this behalf.

The Company has always considered safety as one of its key focus areas and strives to make continuous improvement on this front.

10. 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 finished goods prices, raw materials costs and availability, global and domestic demand-supply conditions, 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 based on subsequent developments, information or events.

ANNEXURE-I**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

[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. Annie Besant 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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, **we hereby report that** in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 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, 2020 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, 1992/2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 /The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (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, 1998/2018;
- (vi) The following laws applicable specifically to the Company:
 - 1. The Mines and Minerals (Development and Regulation) Act, 1957 (till demerger of cement units effective 1st October, 2019)
 - 2. Real Estates (Regulations and Development) Act, 2016.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

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 except in case of meetings called at a short notice for urgency of business 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 -

- (i) The Company has, pursuant to the provisions of Section 230 – 232 and other applicable provisions of the Companies Act, 2013 and on approval of National Company Law Tribunal (NCLT) and other regulatory/statutory authorities through a scheme of arrangement demerged Cement Business Divisions of the Company with appointed date of scheme of demerger approved by NCLT as 20th May, 2018 and merged into UltraTech Cement Limited effective 1st October, 2019.
- (ii) The Company has initiated closure of 'Century Yarn' and 'Century Denim' Divisions under the Industrial Dispute Act.
- (iii) The Company has, during the year issued and allotted Non Convertible Debentures (NCDs) of ₹ 400 Crores on Private Placement Basis and Redeemed NCDs of ₹ 200 Crores.

For Gagrani & Gagan
Company Secretaries

Place : Mumbai
Dated : June 10, 2020
UDIN : F001772B000328538

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

ANNUAL REPORT ON CSR ACTIVITIES**ANNEXURE-II**

1	A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	To actively contribute to the social and economic development of the communities and build a better sustainable way of life for the weaker sections of society, through our meaningful engagement in the areas of - Education, Health Care, Sustainable Livelihood & Women Empowerment, Infrastructure Development and Sanitation. The Company's CSR policy can be accessed on the Company's website: www.centurytextind.com
2	The composition of CSR Committee	(i) Smt. Rajashree Birla, Chairperson (ii) Shri Yazdi P. Dandiwala, Member (iii) Shri Rajan A. Dalal, Member (iv) Shri Rajendra Kumar Dalmia, Member (v) Shri Jagdish Chandra Laddha, Member
3	Average Net Profits of the Company for last three financial years	₹ 486.26 Crores
4	Prescribed CSR Expenditure (two percent of the amount as in Item 3 above)	₹ 9.73 Crores
5	Details of CSR Spent during the financial year - Total Amount to be spent for the financial year - Amount unspent, if any - Manner in which the amount spent during the financial year	₹ 9.73 Crores ₹ 5.22 Crores Details specified as under:

(1) Sr. No.	(2) CSR Project / Activity Identified	(3) Sector in which the project is covered	(4) Project / Programs (1) (2) Specify the State / District where Project Undertaken	(5) Amount Outlay (budget) Project / Program wise (₹ in lacs)	(6) Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (₹ in lacs)	(7) Cumulative expenditure upto the reporting period (₹ in lacs)	(8) Amount spent: Direct / through implementing agency
1.	School Education Program: Scholarship for school and college children	Promoting Education	Andhra Pradesh, Karnataka, Kerala, Rajasthan, Telangana, Tamil Naidu, UP, Bihar, MP, Maharashtra, Gujarat, Jharkhand, West Bengal,	100.00	100.00	100.00	Implementing Agency
2	Promoting Primary and Secondary Education in Rural and socially & economically backward communities.	Promoting Education	Lalkua, (Nainital) (Uttarakhand), Jhagadia, GIDC (Gujarat)	163.20	86.39	86.39	Direct
3	Preventive and curative health services in communities: Under the initiative medical camps were organised at nearby localities, providing ambulance with equipments.	Promoting Healthcare	Lalkua, (Nainital) (Uttarakhand), Jhagadia, GIDC (Gujarat)	108.30	36.96	36.96	Direct

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity Identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where Project Undertaken	Amount Outlay (budget) Project / Program wise (₹ in lacs)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (₹ in lacs)	Cumulative expenditure upto to the reporting period (₹ in lacs)	Amount spent: Direct / through implementing agency
4	Skill Development and Vocational Education to enhance Employability and Livelihood & Women Empowerment: The initiative focuses on setting up of skill centers, providing skill training to women.	Skill development and Promoting Gender Equality	Lalkua, (Nainital) (Uttarakhand), Jhagadia, GIDC (Gujarat)	45.00	3.75	3.75	Direct
5	Rural Infrastructure Development Projects: The project focuses on improving infrastructure to augment livelihood opportunities in the project areas.	Rural development Projects	Lalkua, (Nainital) (Uttarakhand), Jhagadia, GIDC (Gujarat)	142.70	52.81	52.81	Direct
6	Environmental Sustainability: Activities undertaken are awareness and protection of natural habitats, PET bottle crushing machine at railway station.	Ensuring Environmental Sustainability	Haldwani (Nainital), Jhagadia, GIDC (Gujarat)	58.50	19.17	19.17	Direct
7	Drinking Water Supply: Key activities taken under the initiative are installation of hand pump for clean water, installation of water cooler.	Promoting Sanitation & safe drinking water	Lalkua, (Nainital) (Uttarakhand), Jhagadia, GIDC (Gujarat)	47.00	1.01	1.01	Direct
8	Sanitation Provisions: The initiative focuses on organizing awareness campaign on sanitation and installation of sanitary pad dispensing machine, construction of toilets.	Sanitation	Lalkua, (Nainital) (Uttarakhand), Jhagadia, GIDC (Gujarat)	26.40	1.38	1.38	Direct
9	Agriculture and Animal husbandry: The initiative focuses on fodder development, milk chilling plant.	Poverty	Lalkua, (Nainital) (Uttarakhand)	1.60	1.58	1.58	Direct
10	MPOWER: The project aims at creating awareness about mental health among children & adolescents. It connected with about 1000 students and adolescents in Mumbai. The key activities include psychiatric support, counselling, guidance and organizing camps in schools education institutes, colleges etc.	Preventive Health Care	Maharashtra (Mumbai)	100.00	100.00	100.00	Implementing Agency

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity Identified	Sector in which the project is covered	Project / Programs (1) (2) Specify the State / District where Project Undertaken	Amount Outlay (budget) Project / Program wise (₹ in lacs)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (₹ in lacs)	Cumulative expenditure upto the reporting period (₹ in lacs)	Amount spent: Direct / through implementing agency
11	Setting up Incubation and Innovation Centre & Research	Contribution to incubators	Pilani, (Rajasthan)	200.00	100.00	100.00	Implementing Agency
12	Overhead cost	—	—	40.30	7.50	7.50	
	Total			1033.00	510.55*	510.55*	

* Includes ₹ 0.60 Crores which remained unspent for 2018-19 and was required to be incurred during 2019-20.

6. Reason for not spending two percent of the average net profit of the last three financial years on CSR:

Our programs have a periodicity of 2-3 years for better monitoring of the programs and fund utilization. We have broken up the total amount into tranches spread across the projects, hence resulting in lesser utilization of marked budget for the financial year 2019-20. The remaining expenses will be spent in the next year.

7. A Responsibility Statement of the Corporate Social Responsibility Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company:

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and Policy of the Company.

Place: Mumbai
Date: 10th June, 2020

JAGDISH CHANDRA LADDHA
Managing Director
(DIN: 03266469)

RAJASHREE BIRLA
Chairperson - CSR Committee
(DIN: 00022995)

REMUNERATION POLICY

**Salient Features of Nomination and Remuneration Policy:
POLICY RELATING TO THE REMUNERATION FOR THE MANAGING
DIRECTOR, WHOLE TIME DIRECTOR, NON-EXECUTIVE/INDEPENDENT DIRECTOR,
KMP AND SENIOR MANAGEMENT PERSONNEL**

General:

- (a) The remuneration / compensation / commission etc. to the Managing Director, 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 Managing Director and 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 Managing Director and 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 Managing Director, 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 Managing Director, Whole-time Director, KMP and Senior Management Personnel:

The Managing Director, 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 Nonexecutive 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.

ANNEXURE-IV

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**

- Re-Engineering of Humidification Plants of Spinning and Weaving Departments to reduce the Power Consumption.

Pulp & Paper Division

- Saving of Energy usages through:
 - HT feed pump running in pressure controller mode
 - VFD installed at Cooling tower pumps
 - Energy efficient vacuum pump installed at line mud filter and Drag filters
 - Reduction in pumping energy loss at ETP and Recovery plant
- To save steam, modified de-superheating system of Evaporators
- MP heater commissioned in Boilers to increase the feed water temperature and improve ER (Coal to steam ratio)
- Optimizing transformer loading & improvements in power factors, to reduced electrical line losses

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

- Increased usage of producer gas in place of furnace oil in Lime-kilns
- Continued usage of Black Liquor & Pith (Bio mass product) for steam generation
- Continued usage of CMG at Tissue plant in place of LPG
- Use of Steam Chillers in place of Electrical Chillers

(iii) the capital investment on energy conservation equipment: ₹ 19.41 Crores

- Lamella for Evaporator
- Active harmonic filter at Board plant
- Energy efficient motors for RGP and WPP plant
- Upgradation of ENMAS Economizer

B. TECHNOLOGY ABSORPTION:**(i) the efforts made towards technology absorption**

- Retrofitting of ENMAS ESP to reduce boiler emissions
- Upgraded AC drives Bagasse paper machine
- Upgraded HT protection relays for better fault level gradation
- Installation of Energy efficient motors
- Installation of Agitated Thin Film Dryer and Sludge Dryer at ETRP Plant

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

- Reduction in Power consumption
- Quality Improvement
- Reduction in Steam
- Effective Hazardous Waste Management

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- (iii) **in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

NIL

- (iv) **The expenditure incurred on Research and Development**

	(₹ in Crores)
(a) Capital	0
(b) Recurring (including contribution)	2.69
(c) Total	2.69
(d) Total R&D expenditure as a percentage of total turnover	0.08

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 Crores)
Foreign Exchange earned (inflow)	346.84
Foreign Exchange used (outflow)	466.18

On behalf of the Board,

Dated: 10th June, 2020

J.C. LADDHA
Managing Director
DIN : 03266469

Y.P. DANDIWALA
Director
DIN : 01055000

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 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2019-20 (₹ in lacs)	% increase/ (decrease) in Remuneration in the Financial year 2019-20	Ratio of remuneration of each Director / to median remuneration of employees
1	Shri B.K. Birla	3.87*	N.A.	1.27
2	Shri Kumar Mangalam Birla	16.02	-25.94	5.25
3	Smt. Rajashree Birla	16.02	-29.83	5.25
4	Shri Pradip Kumar Daga	5.28*	N.A.	1.73
5	Shri Yazdi P. Dandiwala	18.22	-26.91	5.97
6	Shri Rajan A. Dalal	18.12	-27.32	5.94
7	Shri Sohanlal K. Jain	17.62	-28.75	5.78
8	Ms.Priti Vyas	16.42 #	N.A.	5.38
9	Shri J.C. Laddha (Managing Director)	114.02*	N.A.	37.38
10	Shri R. K. Dalmia (Whole-time Director)	467.98	6.46	153.44
11	Shri Snehal Shah (Chief Financial Officer)	118.44	**	N.A.
12	Shri Atul K. Kedia (Company Secretary)	71.36	7.44	N.A.

* Not comparable as his remuneration for 2019-20 is only for part of the year.

** Not comparable as his remuneration for 2018-19 is only for part of the year.

Not comparable as her remuneration is only for the year 2019-20.

- (ii) The median remuneration of employees of the Company during the financial year was ₹ 3.05 Lakhs.
- (iii) In the financial year, there was a decrease of 0.97 % in the median remuneration of employees.
- (iv) There were 4492 permanent employees on the roll of Company as on March 31, 2020.
- (v) Average percentage increase made in the salaries of employees other than the Key Managerial Personnel in the last financial year i.e. 2019-20 was 4.67%. Whereas the average increase in the Managerial remuneration for the financial year 2019-20 was not comparable with 2018-19 due to change in Whole-time Director in the financial year 2018-19 and appointment of Managing Director in 2019-20 for part of the year.
- (vi) There are no variable component of remuneration availed by the directors except the Managing Director and 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.
- (vii) Figures of previous year are taken excluding the employees of Cement Divisions, which have been demerged.
- (viii) 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, 2020

[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: ctif.secretary@birlacentury.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-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400083 Phone : +91-22-49186000, Fax : +91-22-49186060 Email: rnt.helpdesk@linkintime.co.in bonds.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	19.78
2	Wood / Bagasse / Recycle based paper	17013	36.23
3	Multilayer packaging board	17016	26.93

* 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, Mumbai - 400020	U99999MH1952PLC008941	Associate	35.28	Section 2(6)
3	Birla Estates Private Limited Birla Aurora, Level 8, Dr. Annie Besant Road, Worli, Mumbai - 400030	U70100MH2017PTC303291	Subsidiary	100	Section 2(87)
4	Birla Century Exports Private Limited Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400030	U51909MH2018PTC317024	Subsidiary	100	Section 2(87)

* Vide order dated 26th May, 2020 of National Company Law Tribunal (NCLT), Mumbai it has been liquidated after completing all formalities.

IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)**(i) Category-wise Shareholding**

Sl. No.	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	199,800	-	199,800	0.18	199,800	-	199,800	0.18	-
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government	-	-	-	-	-	-	-	-	-
d)	Bodies Corporates	55,878,170	-	55,878,170	50.03	55,878,170	-	55,878,170	50.03	-
e)	Bank/Financial Institution	-	-	-	-	-	-	-	-	-
f)	Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL(A) (1) :		56,077,970	-	56,077,970	50.21	56,077,970	-	56,077,970	50.21	-

(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)		56,077,970	-	56,077,970	50.21	56,077,970	-	56,077,970	50.21	-

B. PUBLIC SHAREHOLDING**(1) Institutions**

a)	Mutual Funds	16,210,181	6,570	16,216,751	14.52	14,475,392	6,570	14,481,962	12.96	-1.56
b)	Banks/Financial Institutions	2,289,234	56,234	2,345,468	2.10	1,418,478	56,074	1,474,552	1.32	-0.78
C)	Central Government(s)	11	2,580	2,591	0.00	11	480	491	0.00	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	563,838	-	563,838	0.50	350,386	-	350,386	0.31	-0.19
g)	Foreign Institutional Investors (FIIs)	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	Others (specify)									
I)	Foreign Portfolio Investors - Corporate	10,726,220	300	10,726,520	9.60	13,691,609	300	13,691,909	12.26	2.66
J)	Alternate Investment Fund	71,783	-	71,783	0.06	53,606	-	53,606	0.05	-0.01
SUB TOTAL (B)(1):		29,861,267	65,684	29,926,951	26.78	29,989,482	63,424	30,052,906	26.90	0.12

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(2) Non - Institutions

Sl. No.	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)	Bodies corporates									
i)	Indian	6,178,655	45,660	6,224,315	5.57	5,868,928	38,930	5,907,858	5.29	-0.28
ii)	Overseas Bodies Corporate	365,820	-	365,820	0.33	365,820	-	365,820	0.33	-
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	10,777,501	902,100	11,679,601	10.46	11,011,078	773,466	11,784,544	10.55	0.09
ii)	Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	5,134,480	598,840	5,733,320	5.13	4,891,752	598,840	5,490,592	4.92	-0.22
c)	Others (specify)									
1)	NRIs	488,293	19,870	508,163	0.46	511,713	15,960	527,673	0.47	0.01
2)	Foreign Nationals	1,110	-	1,110	0.00	1,510	-	1,510	0.00	0.00
3)	Clearing Member	177,485	-	177,485	0.16	267,961	-	267,961	0.24	0.08
4)	Trust	16,340	-	16,340	0.01	14,130	-	14,130	0.01	0.00
5)	Directors / Relatives	7,230	-	7,230	0.00	8,150	-	8,150	0.01	0.01
6)	HUF	635,631	-	635,631	0.57	728,349	-	728,349	0.65	0.08
7)	IEPF	288,442	-	288,442	0.26	308,359	-	308,359	0.28	0.02
8)	Trust employee	-	-	-	-	122,058	-	122,058	0.11	0.11
9)	NBFC's Registered with RBI	53,302	-	53,302	0.05	37,800	-	37,800	0.03	-0.02
	SUB-TOTAL (B)(2):	24,124,289	1,566,470	25,690,759	23.01	24,137,608	1,427,196	25,564,804	22.89	-0.12
	Total Public Shareholding	53,985,556	1,632,154	55,617,710	49.79	54,127,090	1,490,620	55,617,710	49.79	0.00
	(B) = (B)(1) + (B)(2)									

C. Shares held by Custodian for GDRs & ADRs

1	Promoter and Promoter Group	-	-	-	-	-	-	-	
2	Public	-	-	-	-	-	-	-	
	Grand Total (A+B+C)	110,063,526	1,632,154	111,695,680	100.00	110,205,060	1,490,620	111,695,680	100.00

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	36,978,570	33.11	0.00	36,978,570	33.11	0.00	0.00
2	IGH Holdings Private Limited	11,150,000	9.98	0.00	11,150,000	9.98	0.00	0.00
3	Aditya Marketing and Manufacturing Private Limited	7,560,900	6.77	0.00	7,560,900	6.77	0.00	0.00
4	Prakash Educational Society	128,000	0.11	0.00	128,000	0.11	0.00	0.00
5	Birla Educational Institution	44,000	0.04	0.00	44,000	0.04	0.00	0.00
6	Padmavati Investment Limited	16,700	0.01	0.00	16,700	0.01	0.00	0.00
7	Shri Basant Kumar Birla	199,800	0.18	0.00	199,800	0.18	0.00	0.00
	Total	56,077,970	50.21	0.00	56,077,970	50.21	0.00	0.00

(iii) Change in Promoter's 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	56,077,970	50.21		
	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):	-	-		
	At the end of the year	56,077,970	50.21	56,077,970	50.21

(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 (01.04.2019 to 31.03.2020)	
		No. of Shares at the beginning (01.04.2019) / end of the year (31.03.2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY FUND	6,251,516	5.60	01.04.2019				
		12.04.2019	27,000	Transfer	6,278,516	5.62		
		19.04.2019	22,000	Transfer	6,300,516	5.64		
		26.04.2019	(34,800)	Transfer	6,265,716	5.61		
		10.05.2019	500,000	Transfer	6,765,716	6.06		
		17.05.2019	258,000	Transfer	7,023,716	6.29		
		24.05.2019	134,581	Transfer	7,158,297	6.41		
		21.06.2019	150,000	Transfer	7,308,297	6.54		
		29.06.2019	(28,200)	Transfer	7,280,097	6.52		
		12.07.2019	6,400	Transfer	7,286,497	6.52		
		26.07.2019	100,000	Transfer	7,386,497	6.61		
		02.08.2019	(2,400)	Transfer	7,384,097	6.61		
		09.08.2019	(37,200)	Transfer	7,346,897	6.58		
		16.08.2019	(66,600)	Transfer	7,280,297	6.52		
		23.08.2019	(102,000)	Transfer	7,178,297	6.43		
		30.08.2019	21,600	Transfer	7,199,897	6.45		
		06.09.2019	(120,000)	Transfer	7,079,897	6.34		
		20.09.2019	3,600	Transfer	7,083,497	6.34		
		27.09.2019	58,800	Transfer	7,142,297	6.39		
		30.09.2019	33,000	Transfer	7,175,297	6.42		
		04.10.2019	15,000	Transfer	7,190,297	6.44		
		11.10.2019	(171,000)	Transfer	7,019,297	6.28		
		18.10.2019	(207,351)	Transfer	6,811,946	6.10		
		25.10.2019	(130,252)	Transfer	6,681,694	5.98		
		08.11.2019	(302,000)	Transfer	6,379,694	5.71		
		31.12.2019	2,400	Transfer	6,382,094	5.71		
		10.01.2020	163,800	Transfer	6,545,894	5.86		
		17.01.2020	27,600	Transfer	6,573,494	5.89		
		07.02.2020	(521,000)	Transfer	6,052,494	5.42		
		06.03.2020	(35,400)	Transfer	6,017,094	5.39		
		13.03.2020	(87,600)	Transfer	5,929,494	5.31		
		27.03.2020	(25,510)	Transfer	5,903,984	5.29		
		31.03.2020			5,903,984	5.29		
		5,903,984	5.29					

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Sl. No.	Name	Shareholding		Date	Increase / Decrease in share- holding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares at the beginning (01.04.2019) / end of the year (31.03.2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
2	HITESH SATISHCHANDRA DOSHI	2,526,261	2.26	01.04.2019				
		03.05.2019	(30,000)	Transfer	2,496,261	2.23		
		21.06.2019	30,000	Transfer	2,526,261	2.26		
		05.07.2019	(15,000)	Transfer	2,511,261	2.25		
		19.07.2019	30,000	Transfer	2,541,261	2.28		
		30.08.2019	(50,000)	Transfer	2,491,261	2.23		
		27.09.2019	65,000	Transfer	2,556,261	2.29		
		04.10.2019	25,000	Transfer	2,581,261	2.31		
		11.10.2019	(74,989)	Transfer	2,506,272	2.24		
		01.11.2019	175,000	Transfer	2,681,272	2.40		
		15.11.2019	150,000	Transfer	2,831,272	2.53		
		22.11.2019	958,172	Transfer	3,789,444	3.39		
		06.12.2019	25,209	Transfer	3,814,653	3.42		
		27.12.2019	(860,000)	Transfer	2,954,653	2.65		
		10.01.2020	435,000	Transfer	3,389,653	3.03		
		31.01.2020	230,000	Transfer	3,619,653	3.24		
		14.02.2020	70,000	Transfer	3,689,653	3.30		
		21.02.2020	19,948	Transfer	3,709,601	3.32		
		28.02.2020	(39,948)	Transfer	3,669,653	3.29		
		13.03.2020	45,000	Transfer	3,714,653	3.33		
		20.03.2020	(822,500)	Transfer	2,892,153	2.59		
		27.03.2020	(709,000)	Transfer	2,183,153	1.95		
		31.03.2020	(8,500)	Transfer	2,174,653	1.95		
		2,174,653	1.95	31.03.2020			2,174,653	1.95
3	KOTAK STANDARD MULTICAP FUND	2,377,800	2.13	01.04.2019				
		05.04.2019	3,000	Transfer	2,380,800	2.13		
		12.04.2019	16,200	Transfer	2,397,000	2.15		
		19.04.2019	1,200	Transfer	2,398,200	2.15		
		26.04.2019	(600)	Transfer	2,397,600	2.15		
		03.05.2019	(25,589)	Transfer	2,372,011	2.12		
		10.05.2019	(166,411)	Transfer	2,205,600	1.97		
		17.05.2019	(66,000)	Transfer	2,139,600	1.92		
		24.05.2019	28,200	Transfer	2,167,800	1.94		
		31.05.2019	8,400	Transfer	2,176,200	1.95		
		07.06.2019	29,400	Transfer	2,205,600	1.97		
		14.06.2019	(24,000)	Transfer	2,181,600	1.95		
		21.06.2019	(21,600)	Transfer	2,160,000	1.93		
		29.06.2019	(11,400)	Transfer	2,148,600	1.92		
		05.07.2019	(69,000)	Transfer	2,079,600	1.86		
		12.07.2019	(12,600)	Transfer	2,067,000	1.85		
		19.07.2019	8,400	Transfer	2,075,400	1.86		
		02.08.2019	(97,200)	Transfer	1,978,200	1.77		
		09.08.2019	(11,400)	Transfer	1,966,800	1.76		
		30.08.2019	9,600	Transfer	1,976,400	1.77		
		06.09.2019	(19,200)	Transfer	1,957,200	1.75		
		13.09.2019	(7,200)	Transfer	1,950,000	1.75		

Sl. No.	Name	Shareholding		Date	Increase / Decrease in share- holding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares at the beginning (01.04.2019) / end of the year (31.03.2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
4	L AND T MUTUAL FUND TRUSTEE LTD - L AND T HYBRID EQUITY FUND	2,021,400 3,157,008	1.81 2.83	31.03.2020 01.04.2019 26.04.2019 10.05.2019 24.05.2019 31.05.2019 14.06.2019 29.06.2019 05.07.2019 26.07.2019 02.08.2019 16.08.2019 27.09.2019 25.10.2019 01.11.2019 08.11.2019 15.11.2019 22.11.2019 06.12.2019 13.12.2019 20.12.2019 31.12.2019	Transfer Transfer	2,013,000 2,023,200 1,965,600 1,950,000 2,155,200 2,243,400 2,340,000 2,442,600 2,440,200 2,444,400 2,307,000 2,436,000 2,491,800 2,506,200 2,510,400 2,466,000 2,433,000 2,432,400 2,407,200 2,379,000 2,361,000 2,322,000 2,024,400 2,021,400	1.80 1.81 1.76 1.75 1.93 2.01 2.09 2.19 2.18 2.19 2.07 2.18 2.23 2.24 2.25 2.21 2.18 2.18 2.16 2.13 2.11 2.08 1.81 1.81	

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Sl. No.	Name	Shareholding		Date	Increase / Decrease in share- holding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares at the beginning (01.04.2019) / end of the year (31.03.2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
5	BIRLA CORPORATION LIMITED	1,911,545	1.71	31.03.2020	2,400	Transfer	1,451,600	1.30
		1,807,660	1.62	01.04.2019	(9,600)	Transfer	1,442,000	1.29
		1,807,660	1.62	31.03.2020	(13,800)	Transfer	1,428,200	1.28
				31.01.2020	(6,600)	Transfer	1,421,600	1.27
				07.02.2020	488,745	Transfer	1,910,345	1.71
				20.03.2020	1,200	Transfer	1,911,545	1.71
							1,911,545	1.71
						NIL		
						movement during the year	1,807,660	1.62
6	FRANKLIN INDIA EQUITY FUND *	900,000	0.81	01.04.2019	33,573	Transfer	933,573	0.84
				05.04.2019	190,626	Transfer	1,124,199	1.01
				12.04.2019	48,975	Transfer	1,173,174	1.05
				19.04.2019	34,025	Transfer	1,207,199	1.08
				26.04.2019	10,000	Transfer	1,217,199	1.09
				10.05.2019	170,000	Transfer	1,387,199	1.24
				12.07.2019	16,838	Transfer	1,404,037	1.26
				30.08.2019	63,162	Transfer	1,467,199	1.31
				06.09.2019	130,000	Transfer	1,597,199	1.43
				18.10.2019	(21,694)	Transfer	1,575,505	1.41
				07.02.2020	(8,457)	Transfer	1,567,048	1.40
				14.02.2020	120,151	Transfer	1,687,199	1.51
				20.03.2020			1,687,199	1.51
7	LIFE INSURANCE CORPORATION OF INDIA	1,687,199	1.51	31.03.2020				
		2,220,803	1.99	01.04.2019	(39,920)	Transfer	2,180,883	1.95
				10.01.2020	(183,000)	Transfer	1,997,883	1.79
				17.01.2020	(138,002)	Transfer	1,859,881	1.67
				24.01.2020	(209,196)	Transfer	1,650,685	1.48
				31.01.2020	(95,938)	Transfer	1,554,747	1.39
				07.02.2020	(151,049)	Transfer	1,403,698	1.26
				14.02.2020	(16,918)	Transfer	1,386,780	1.24
				21.02.2020	(3,767)	Transfer	1,383,013	1.24
				28.02.2020	(118,485)	Transfer	1,264,528	1.13
				06.03.2020			1,264,528	1.13
8	CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO EMERGING EQUITIES *	1,264,528	1.13	31.03.2020				
		469,000	0.42	01.04.2019	20,000	Transfer	489,000	0.44
				05.04.2019	53,500	Transfer	542,500	0.49
				12.04.2019	50,000	Transfer	592,500	0.53
				19.04.2019	99,000	Transfer	691,500	0.62
				26.04.2019	132,778	Transfer	824,278	0.74
				03.05.2019	27,122	Transfer	851,400	0.76
				10.05.2019	109,023	Transfer	960,423	0.86
				17.05.2019	10,000	Transfer	970,423	0.87
				24.05.2019	12,000	Transfer	982,423	0.88
				31.05.2019				

Sl. No.	Name	Shareholding		Date	Increase / Decrease in share- holding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)		
		No. of Shares at the beginning (01.04.2019) / end of the year (31.03.2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company	
9	ORIENT PAPER AND INDUSTRIES LIMITED	1,253,266	1.12	31.03.2020	07.06.2019	122,000	Transfer	1,104,423	0.99
					29.06.2019	5,000	Transfer	1,109,423	0.99
					05.07.2019	54,255	Transfer	1,163,678	1.04
					19.07.2019	10,000	Transfer	1,173,678	1.05
					26.07.2019	81,244	Transfer	1,254,922	1.12
					02.08.2019	(17,000)	Transfer	1,237,922	1.11
					09.08.2019	23,000	Transfer	1,260,922	1.13
					23.08.2019	(67,000)	Transfer	1,193,922	1.07
					06.09.2019	17,000	Transfer	1,210,922	1.08
					27.09.2019	5,000	Transfer	1,215,922	1.09
					30.09.2019	(25,000)	Transfer	1,190,922	1.07
					11.10.2019	(40,000)	Transfer	1,150,922	1.03
					25.10.2019	157,476	Transfer	1,308,398	1.17
					08.11.2019	(103,500)	Transfer	1,204,898	1.08
10	INDIA MIDCAP (MAURITIUS) LTD.	940,000	0.84	31.03.2020	15.11.2019	(173,000)	Transfer	1,031,898	0.92
					13.12.2019	(201,100)	Transfer	830,798	0.74
					17.01.2020	337,562	Transfer	1,168,360	1.05
11	KOTAK FUNDS - INDIA MIDCAP FUND #	1,380,000	1.24	31.03.2020	31.01.2020	84,906	Transfer	1,253,266	1.12
					01.04.2019			1,253,266	1.12
					12.04.2019	(10,000)	Transfer	1,370,000	1.23
					30.08.2019	2,219	Transfer	1,372,219	1.23
					11.10.2019	(292,511)	Transfer	1,079,708	0.97
					13.12.2019	(79,708)	Transfer	1,000,000	0.90
					20.12.2019	(65,710)	Transfer	934,290	0.84
					24.01.2020	(100,000)	Transfer	834,290	0.75
					31.01.2020	(100,000)	Transfer	734,290	0.66
					14.02.2020	(58,490)	Transfer	675,800	0.61
12	HDFC TRUSTEE CO LTD A/C HDFC HOUSING OPPORTUNITIES FUND- 1140D NOVEMBER 2017 (1) #	675,800	0.61	31.03.2020	31.03.2020			675,800	0.61
					01.04.2019				
					05.04.2019	(111,200)	Transfer	968,400	0.87
					10.05.2019	(8,400)	Transfer	960,000	0.86
					31.05.2019	(90,000)	Transfer	870,000	0.78
					05.07.2019	(19,800)	Transfer	850,200	0.76
					12.07.2019	(67,800)	Transfer	782,400	0.70
					02.08.2019	(43,200)	Transfer	739,200	0.66
					11.10.2019	(230,400)	Transfer	508,800	0.46
					17.01.2020	31,200	Transfer	540,000	0.48

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Sl. No.	Name	Shareholding		Date	Increase / Decrease in share- holding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares at the beginning (01.04.2019) / end of the year (31.03.2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				07.02.2020	(50,000)	Transfer	490,000	0.44
				14.02.2020	(78,133)	Transfer	411,867	0.37
				20.03.2020	1,200	Transfer	413,067	0.37
				31.03.2020	42,000	Transfer	455,067	0.41
		455,067	0.41	31.03.2020			455,067	0.41

* Not in the list of top 10 shareholders as on 01.04.2019. The same have been reflected above since shareholders were amongst the top 10 shareholders as on 31.03.2020.

Ceased to be in the list of Top 10 shareholders as on 31.03.2020. The same have been reflected above since shareholders were among the Top 10 shareholders as on 01.04.2019.

Note:

Shareholders having shares in different folios/DPIDs, 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 share- holding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares at the beginning (01.04.2019) / end of the year (31.03.2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
A. Directors								
1	Shri B. K. Birla @	199,800	0.18	01.04.2019	0	Nil movement during the year	199,800	0.18
		199,800	0.18	31.03.2020				
2	Shri Pradip Kumar Daga *	80	0.00	01.04.2019	0	Nil movement during the year	80	0.00
		80	0.00	31.03.2020				
3	Shri Jagdish Chandra Laddha #	0	0.00	01.04.2019	0			
				03.02.2020	1,000	Transfer	1,000	0.00
		1,000	0.00	31.03.2020			1,000	0.00
4	Shri R. K. Dalmia	7,150	0.01	01.04.2019	0	Nil movement during the year	7,150	0.01
		7,150	0.01	31.03.2020				
B. KMPs								
5	Shri Atul K. Kedia	596	0.00	01.04.2019	0	Nil movement during the year	596	0.00
		596	0.00	31.03.2020				

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

@ Shri B. K. Birla ceased to be a Director of the Company with effect from 3rd July, 2019 due to his demise on the said date.

* Shri Pradip Kumar Daga has ceased to be a Director of the Company w.e.f., 25.07.2019

Shri Jagdish Chandra Laddha has been appointed as a Managing Director of the Company w.e.f., 12.08.2019

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

					(₹ in Crores)
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	963.00	44.95	-	1007.95
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		963.00	44.95	-	1007.95
Change in Indebtedness during the financial year					
Additions		404.54	-	-	404.54
Reduction		-	-30.17	-	-30.17
Net Change		404.54	-30.17	-	374.37
Indebtedness at the end of the financial year					
i)	Principal Amount	1340.91	14.78	-	1355.69
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	26.63	-	-	26.63
Total (i+ii+iii)		1367.54	14.78	-	1382.32

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTOR AND / OR MANAGER:**

Sl. No	Particulars of Remuneration	Name of the Managing Director / Whole-time Director / Manager		Total Amount
		Whole-time Director	Managing Director	
		Shri R. K. Dalmia	Shri Jagdish Chandra Laddha*	
		(From 12.08.2019 to 31.03.2020)		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961.	4.44	1.09	5.53
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.15	0.00	0.15
	(c) Profits in lieu of salary under section 17(3) of the Income -tax Act, 1961.			
2	Stock option			-
3	Sweat Equity			-
4	Commission			
	- as % of profit			-
	- others (specify)			-
5	Others, please specify			
	Co's Contribution to Provident Fund (exempted), Super Annuation Fund (exempted)	0.10	0.05	0.15
	Total (A)	4.69	1.14	5.83
	Ceiling as per the Act			38.15

* Shri Jagdish Chandra Laddha has been appointed as a Managing Director of the Company w.e.f., 12.08.2019

Statutory Reports

B. REMUNERATION TO OTHER DIRECTORS:

Sl. No. Particulars of Remuneration		Name of Directors					(₹ in Crores)
		Shri Pradip Kumar Daga@	Shri Yazdi. P. Dandiwala	Shri Rajan A. Dalal	Shri Sohanlal K. Jain	Ms Preeti Vyas	Total Amount
1	Independent Directors						
	Fee for attending board / committee meetings.	0.01	0.03	0.03	0.02	0.01	0.10
	Commission *	0.05	0.15	0.15	0.15	0.15	0.65
	Others, Please Specify.	-	-	-	-	-	-
	Total (1)	0.06	0.18	0.18	0.17	0.16	0.75
2	Other Non-Executive Directors.	Shri B. K. Birla@	Shri Kumar Mangalam Birla	Smt. Rajashree Birla			
	Fee for attending board / committee meetings.	0.00	0.01	0.01	-	-	0.02
	Commission *	0.04	0.15	0.15	-	-	0.35*
	Others, Please Specify.	-	-	-	-	-	-
	Total (2)	0.04	0.16	0.16	-	-	0.37*
	Total (B) = (1+2)	-	-	-	-	-	1.12
	Total Managerial Remuneration						6.95 #
	Overall Ceiling as per the Act.						41.96

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

* rounded off as Commission amount being ₹ one Crore.

@ Shri B. K. Birla has ceased to be a Director of the Company due to his demise on 3rd July, 2019.

Shri Pradip Kumar daga has ceased to be a Director of the Company w.e.f., 25.07.2019 due to completion of his term as an Independent Director.

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

Sl. No. Particulars of Remuneration		Key Managerial Personnel			(₹ in Crores)
		CEO	Company Secretary	CFO	Total
		Shri Atul K. Kedia	Shri Snehal Shah		
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	0.54	1.14		1.68
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.12	0.00		0.12
	(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	0.05		0.11
	Total	0.72	1.19		1.91

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	-	-	-	-	-

AOC-1 Certificate

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Name of the subsidiary	:	Birla Estates Private Limited
2. The date since when subsidiary was acquired	:	Incorporated on 26th December 2017
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	:	Same as reporting period of Century Textiles and Industries Limited
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	:	Indian Rupees
5. Share capital	:	₹ 1,67,05,00,000
6. Reserves and surplus	:	₹ (89,05,31,048)
7. Total assets	:	₹ 4,18,02,94,264
8. Total Liabilities	:	₹ 4,18,02,94,264
9. Investments	:	₹ 10,00,000
10. Turnover	:	₹ 3,06,00,000
11. Profit / (Loss) before taxation	:	₹ (76,98,74,401)
12. Provision for taxation	:	NIL
13. Profit / (Loss) after taxation	:	₹ (76,98,74,401)
14. Proposed Dividend	:	NIL
15. Extent of shareholding (in percentage)	:	100%
16. Name of the subsidiary	:	Birla Century Exports Private Limited
17. The date since when subsidiary was acquired	:	Incorporated on 13th November 2018
18. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	:	Same as reporting period of Century Textiles and Industries Limited
19. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	:	Indian Rupees
20. Share capital	:	₹ 50,00,000
21. Reserves and surplus	:	₹ (76,047)
22. Total assets	:	₹ 2,63,91,496
23. Total Liabilities	:	₹ 2,63,91,496
24. Investments	:	₹ 9,98,060
25. Turnover	:	₹ 2,07,73,479
26. Profit / (Loss) before taxation	:	₹ 33,63,784
27. Provision for taxation	:	NIL
28. Profit / (Loss) after taxation	:	₹ 33,63,784
29. Proposed Dividend	:	NIL
30. Extent of shareholding (in percentage)	:	100%
31. Name of the subsidiary	:	Birla Century International LLC. (subsidiary of Birla Century Exports Private Limited)
32. The date since when subsidiary was acquired	:	On 19th August 2019
33. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	:	Same as reporting period of Century Textiles and Industries Limited
34. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.: Reporting Currency	:	USD, Exchange Rate as at 31 March 2020 – 75.05

35. Share capital	: ₹ 9,98,060
36. Reserves and surplus	: ₹ (62,02,972)
37. Total assets	: ₹ 1,81,28,843
38. Total Liabilities	: ₹ 1,81,28,843
39. Investments	: NIL
40. Turnover	: ₹ 79,11,855
41. Profit / (Loss) before taxation	: ₹ (60,80,785)
42. Provision for taxation	: NIL
43. Profit / (Loss) after taxation	: ₹ (60,80,785)
44. Proposed Dividend	: NIL
45. Extent of shareholding (in percentage)	: 100%
46. Name of the subsidiary	: Avarna LLP. (subsidiary of Birla Estates Private Limited)
47. The date since when subsidiary was acquired	: Incorporated On 19th June 2019
48. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	: Same as reporting period of Century Textiles and Industries Limited
49. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	: Indian Rupees
50. Share capital	: ₹ 10,00,000
51. Reserves and surplus	: ₹ (9,65,14,912)
52. Total assets	: ₹ 3,23,54,69,063
53. Total Liabilities	: ₹ 3,23,54,69,063
54. Investments	: NIL
55. Turnover	: NIL
56. Profit / (Loss) before taxation	: ₹ (9,65,14,912)
57. Provision for taxation	: NIL
58. Profit / (Loss) after taxation	: ₹ (9,65,14,912)
59. Proposed Dividend	: NIL
60. Extent of shareholding (in percentage)	: 50%
61. Name of the subsidiary	: Birla Tisya LLP. (subsidiary of Birla Estates Private Limited)
62. The date since when subsidiary was acquired	: Incorporated on 21st November 2019
63. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	: Same as reporting period of Century Textiles and Industries Limited
64. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	: Indian Rupees
65. Share capital	: ₹ 9,80,000
66. Reserves and surplus	: ₹ (19,500)
67. Total assets	: ₹ 54,09,66,122
68. Total Liabilities	: ₹ 54,09,66,122
69. Investments	: NIL
70. Turnover	: NIL
71. Profit / (Loss) before taxation	: ₹ (19,500)
72. Provision for taxation	: NIL
73. Profit / (Loss) after taxation	: ₹ (19,500)
74. Proposed Dividend	: NIL
75. Extent of shareholding (in percentage)	: 40%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : NIL

AOC-1 Certificate (Continued)

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates or Joint Ventures	INDUSTRY HOUSE LIMITED
1.	Latest audited Balance Sheet Date	31 March 2019
2.	Date on which the Associate or Joint Venture was associated or acquired	27 November 1952
3.	Shares of Associate or Joint Ventures held by the company on the year end	
	No.	5625 No. of Shares
	Amount of Investment in Associates or Joint Venture	Rs. 0.04 crores
	Extent of Holding (in percentage)	35.28%
4.	Description of how there is significant influence	No significant influenceas per Ind AS 28
5.	Reason why the associate/joint venture is not consolidated	As the company (Century Textiles and Industries Limited) does not have significant influence over Industry House Limited, the company has not considered it as an associate as per Ind AS 28 "Investment in Associates and Joint Ventures" and hence not consolidated
6.	Networth attributable to shareholding as per latest audited Balance Sheet	Rs. 3.21 crores
7.	Profit or Loss for the year attributable to shareholding as per latest audited Balance Sheet	Rs. 0.35 crores
i.	Considered in Consolidation	NIL
ii.	Not Considered in Consolidation	Rs. 0.35 crores

1. Names of associates or joint ventures which are yet to commence operations. : NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year. : NIL

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

Atul K.Kedia
Vice President (Legal)
& Company Secretary

Snehal Shah
Chief Financial Officer

Mumbai : 10 June 2020

J.C.Laddha
Managing Director
DIN:03266469

R.K.Dalmia
Whole-time Director
DIN:00040951

Yazdi P. Dandiwala
Director
DIN:01055000

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's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and ethical behaviour in all spheres of its operations. The Company is committed to the adoption of best governance practices and its adherence in true spirit, at all times. Your Company continuously strives for excellence and focuses on enhancement of

long-term stakeholder value viz; shareholders, employees and customers etc. through adoption of best governance, sound management and disclosure practices.

II. BOARD OF DIRECTORS

(a) Composition of the Board:

As on 31st March, 2020, the Board of Directors comprises eight members consisting of six Non-executive Directors who account for seventy five 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	Director-ships in other Indian Public Limited Companies \$	No. of Other Board Committee(s) of which he is a Chairman / Member @		No. of Shares held in the Company as at 31.03.2020	List of Directorship held in other Listed Companies and Category of Directorship
			Member	Chairman		
Shri Kumar Mangalam Birla – Chairman DIN : 00012813	Promoter – Non Executive	8	-	-	Nil	Vodafone Idea Ltd. – Non Executive – Non Independent Aditya Birla Capital Ltd. - Non Executive – Non Independent Grasim Industries Ltd. - Non Executive – Non Independent UltraTech Cement Ltd. - Non Executive – Non Independent Hindalco Industries Ltd. - Non Executive – Non Independent
Smt. Rajashree Birla DIN : 00022995	Promoter – Non Executive	6	-	-	Nil	Pilani Investment and Industries Corporation Ltd. - Non Executive – Non Independent Century Enka Ltd. – Non Executive – Non Independent UltraTech Cement Ltd. - Non Executive – Non Independent Hindalco Industries Ltd. - Non Executive – Non Independent Grasim Industries Ltd. - Non Executive – Non Independent
Shri Yazdi P. Dandiwala DIN : 01055000	Independent – Non Executive	3	4	-	Nil	Hindalco Industries Ltd. - Non Executive – Independent Pilani Investment and Industries Corporation Ltd. – Non Executive – Independent
Shri Rajan A. Dalal DIN : 00546264	Independent – Non Executive	1	1	1	Nil	Sutlej Textiles and Industries Ltd - Non Executive - Independent
Shri Sohanlal K. Jain DIN : 02843676	Independent – Non Executive	1	2	2	Nil	Century Enka Ltd. - Non Executive – Independent
Ms. Preeti Vyas DIN:02352395	Independent – Non Executive	-	-	-	Nil	-
Shri R. K. Dalmia DIN : 00040951	Executive – Whole-time Director	4	-	-	7,150	-
Shri Jagdish Chandra Laddha DIN:03266469	Executive – Managing Director	-	-	-	1,000	-

Corporate Governance Report (Continued)

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

Notes:

1. Shri B. K. Birla ceased to be a Director of the Company with effect from 3rd July, 2019 due to his demise on the said date.
2. Shri Pradip Kumar Daga ceased to be a Director of the Company w.e.f., 25.07.2019 due to completion of his term as an Independent Director of the Company.
3. Ms. Preeti Vyas was appointed w.e.f., 01.04.2019 as a Non-Executive – Independent Director.
4. In terms of provisions of the Companies Act, 2013, Smt. Rajashree Birla is related to Shri Kumar Mangalam Birla being her son, except this, no director is related to any other director on the Board.
5. Memberships of the Directors in various Committees are within the permissible limits of the Listing Regulations.
6. \$ Directorship is excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act.

(b) Board Meetings and attendance of Directors:

- (i) The members of the Board have been provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings.
- (ii) Seven Meetings of the Board of Directors were held during the year ended 31st March, 2020. These were held on:-

(1) 3rd May, 2019	(2) 20th July, 2019	(3) 12th August, 2019
(4) 30th September, 2019	(5) 19th October, 2019	(6) 8th November, 2019
(7) 28th January, 2020		
- (iii) The attendance recorded for each of the Directors at the Board Meetings during the year ended on 31st March, 2020 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 *	0	NA
Shri Kumar Mangalam Birla	4	Yes
Smt. Rajashree Birla	3	Yes
Shri Pradip Kumar Daga **	1	NA
Shri Yazdi P. Dandiwala	7	Yes
Shri Rajan A. Dalal	6	Yes
Shri Sohanlal K. Jain	7	Yes
Ms. Preeti Vyas ***	5	Yes
Shri R.K. Dalmia (Whole-time Director)	6	Yes
Shri Jagdish Chandra Laddha (Managing Director) ****	5	NA

* Shri B. K. Birla ceased to be a Director of the Company due to his demise on 3rd July, 2019.

** Shri Pradip Kumar Daga ceased to be a Director of the Company with effect from 25.07.2019 due to completion of his term as an Independent Director.

*** Ms. Preeti Vyas was appointed with effect from 01.04.2019 as a Non-Executive Independent Director of the Company.

**** Shri Jagdish Chandra Laddha was appointed as a Managing Director of the Company with effect from 12.08.2019.

(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 Jagdish Chandra Laddha, Managing 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.

d) Chart or a Matrix setting out the Skills/Expertise/Competencies of the Board of Directors

The Board of Directors of the Company possesses the requisite skills/expertise/competencies in the context of its businesses to function effectively. The core skills/expertise/competencies that are available with the Directors are as under:

Name of Directors	(Skills/Expertise/Competencies)
Shri Kumar Mangalam Birla	Business Strategy, Planning and Corporate Management
Smt. Rajashree Birla	Corporate Management and Discharge of Corporate Social Responsibility
Shri Yazdi P. Dandiwala	Legal and Risk Management
Shri Rajan A. Dalal	Accounting and Financial Skills
Shri Sohanlal K. Jain	Legal and Risk Management
Ms. Preeti Vyas	Designing and Communication, Advertising and Media
Shri Rajendra Kumar Dalmia	Production, Marketing, Accounting and Financial Skills
Shri Jagdish Chandra Laddha	Business Planning, Accounting and Financial Management

e) Confirmation from the Board of Directors in context to Independent Directors:

Board of Directors have confirmed that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management.

f) Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:

No Independent Director has resigned before expiry of his/her tenure.

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 Rajan A. Dalal
- (3) Shri Sohanlal K. Jain (4) Shri Jagdish Chandra Laddha

Three out of four 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. Shri Pradip Kumar Daga ceased to be a member of the committee w.e.f. 25.07.2019 due to completion of his term as an Independent Director of the Company. Shri Jagdish Chandra Laddha was appointed as a Member of the Committee w.e.f. 30.09.2019.

(ii) The Audit Committee meetings were held on 3rd May, 2019, 12th August, 2019, 12th August, 2019, 19th October, 2019, 8th November, 2019 and 28th January, 2020. 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	1
Shri Rajan A. Dalal	5
Shri Sohanlal K. Jain	6
Shri Jagdish Chandra Laddha	3

(iii) At the invitation of the Company, representatives from various Divisions of the Company, internal auditors, cost auditors, statutory auditors and Company 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 four Non-Executive directors as its members comprising of three Independent Directors and one Promoter Director (i.e. Chairperson of the Company) as under :-

- 1. Shri Yazdi P. Dandiwala 2. Shri Kumar Mangalam Birla
- 3. Shri Rajan A. Dalal 4. Shri Sohanlal K. Jain

Shri Yazdi P. Dandiwala is the Chairman of the Committee. Shri B. K. Birla ceased to be a member of the Committee w.e.f., 3rd July, 2019 due to his demise on the said date.

Corporate Governance Report (Continued)

Shri Pradip Kumar Daga ceased to be a member of the Committee w.e.f., 25.07.2019 due to completion of his term as an Independent Director of the Company. Shri Kumar Mangalam Birla was appointed as a member of the Committee w.e.f., 12.08.2019.

The Nomination and Remuneration Committee meetings were held on 3rd May, 2019 and 12th August, 2019. 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	1
Shri B.K. Birla	-
Shri Kumar Mangalam Birla	NA
Shri Yazdi P. Dandiwala	2
Shri Rajan A. Dalal	2
Shri Sohanlal K. Jain	2

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 9th August, 2017 authorised the Board of Directors of the Company to pay commission to Non-Executive Directors within the limits as set out in section 197(1) of the Companies Act, 2013 for a period of 5 years w.e.f., 01.04.2017. 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, commission and remuneration paid/payable to Directors:

Name of the Directors	Remuneration paid/payable for the year 2019-2020 (All figures in Rupees)		
	Commission payable for the year	Sitting fees paid during the year*	Total
I			
Shri B.K. Birla	3,86,855	-	3,86,855
Shri Kumar Mangalam Birla	15,22,462	80,000	16,02,462
Smt. Rajashree Birla	15,22,462	80,000	16,02,462
Shri Pradip Kumar Daga	4,78,369	50,000	5,28,369
Shri Yazdi P. Dandiwala	15,22,463	3,00,000	18,22,463
Shri Rajan A. Dalal	15,22,463	2,90,000	18,12,463
Shri Sohanlal K. Jain	15,22,463	2,40,000	17,62,463
Ms. Preeti Vyas	15,22,463	1,20,000	16,42,463
II (i) Shri Jagdish Chandra Laddha (Managing Director w.e.f., 12.08.2019) #			Remuneration **
Salary and allowances			1,09,38,507
Contribution of Provident Fund			4,64,214
Perquisites			-
Total			1,14,02,721
(ii) Shri R. K. Dalmia (Whole-time Director)			
Salary and allowances			4,43,61,805
Contribution to Provident Fund			8,29,619
Superannuation Fund			11,15,775
Perquisites			4,90,348
Total			4,67,97,547

* 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.

Shri Jagdish Chandra Laddha has been appointed as a Managing Director of the Company w.e.f. 12th August, 2019.

Notes:

- Commission to Non-Executive Directors including Independent Directors will be paid after the accounts are approved by the shareholders at the ensuing Annual General Meeting scheduled to be held on 25th August, 2020.
- Directors' commission amount is exclusive of applicable Goods and Services Tax (GST) which shall be borne by the Company.
- None of the Non-Executives Directors has any material financial interest in the Company apart from the remuneration by way of fees and commission received by them. Certain professional services were rendered to the Company by a firm in which a Non-Executive director is a partner. In the opinion and judgment of the Board, this did not affect the independence of the said director.

VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee of the Board comprises of three Non-Executive Independent Directors viz. Shri Rajan A. Dalal, Shri Yazdi P. Dandiwala, Ms. Preeti Vyas, and one Executive Director viz. Shri R. K. Dalmia. Shri Rajan A. Dalal is the Chairman of the Committee. Ms. Preeti Vyas was appointed as a Member of the committee on 8th November, 2019. Shri Pradip Kumar Daga has ceased to be a member of the Committee w.e.f., 25th July, 2019 due to completion of his term as an Independent Director of the Company.

The Company Secretary viz. Shri Atul K. Kedia has been designated as the Compliance Officer. During the year ended 31st March, 2020, 19 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 one Non-Executive Promoter Director viz. Smt. Rajashree Birla, two Non-Executive Independent Directors viz. Shri Yazdi P. Dandiwala and Shri Rajan A. Dalal and two Executive Directors viz. Shri R. K. Dalmia and Shri Jagdish Chandra Laddha. Shri Jagdish Chandra Laddha was appointed as a member of the Committee w.e.f., 8th November, 2019. Smt. Rajashree Birla is the Chairperson of the Committee.

2. Risk Management Committee

The Board of Directors of the Company has constituted a Risk Management Committee of the Board presently comprising of two Non-Executive Independent Directors viz. Shri Rajan A. Dalal and Shri Sohanlal K. Jain and two Executive Directors viz. Shri R.K. Dalmia and Shri Jagdish Chandra Laddha. Shri Jagdish Chandra Laddha was appointed as a member of the Committee w.e.f. 8th November, 2019.

3. Finance Committee

The Board of Directors of the Company has constituted a Finance Committee of the Board presently comprising of two Non-Executive Independent Directors viz. Shri Yazdi P. Dandiwala and Shri Rajan A. Dalal and two Executive Directors viz. Shri R.K. Dalmia and Shri Jagdish Chandra Laddha. Shri Jagdish Chandra Laddha was appointed as a member of the Committee w.e.f., 8th November, 2019.

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 Yazdi P. Dandiwala, Shri Rajan A. Dalal, Shri Sohanlal K. Jain and Ms. Preeti Vyas.

Note : In the committees as mentioned at Serial nos.1 to 4, Shri Pradip Kumar Daga ceased to be member w.e.f., 25.07.2019 due to completion of his term as an Independent Director of the Company.

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
120th	Wednesday	09.08.2017	2.30 P.M.	Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai – 400 025
121st	Tuesday	31.07.2018	2.30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018
122nd	Tuesday	30.07.2019	2.30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018

Corporate Governance Report (Continued)

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

Day	Date	Time	Venue
Wednesday	24.10.2018	11.00 A.M	Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai – 400 025

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

Yes, details of which are given hereunder:-

AGMs

Date	Matter
09.08.2017	<ul style="list-style-type: none"> ▪ 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. ▪ Approval for payment of commission to Non-Whole-time Directors.
31.07.2018	<ul style="list-style-type: none"> ▪ 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. ▪ Re-appointment and remuneration of Shri D.K. Agrawal as Whole-time Director of the Company.
30.07.2019	<ul style="list-style-type: none"> ▪ Re-appointment of Shri Yazdi P. Dandiwala as an Independent Director. ▪ Re-appointment of Shri Rajan Dalal as an Independent Director. ▪ Re-appointment of Shri Sohanlal K. Jain as an Independent Director.

EGM

Date	Matter
24.10.2018	Resolution for approval of the scheme of demerger amongst Century Textiles and Industries Limited and UltraTech Cement Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

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

Special Resolutions passed at the last Annual General Meeting of the Company were not 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 Resolution to be passed at the ensuing Annual General Meeting of the Company is 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 | Financial Express, All India
Loksatta, 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 website. As and when any presentation is made to Institutional investors/ analysts the same will be displayed on the website. |

(b) Shareholders' grievances/complaints:

Grievance Redressal division's

E-mail ID for investors

investorrelations@birlacentury.com

X. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting to be held:

Day, Date, Time and Venue:

Day : Tuesday

Date : 25th August, 2020

Time : 2.30 P.M.

Venue : Through Video Conferencing or Other Audio -Visual Means

(b) Financial Year : 2020-2021

First Quarterly Results : On or before 14th August, 2020

Second Quarterly Results : On or before 14th November, 2020

Third Quarterly Results : On or before 14th February, 2021

Audited Yearly Results for the Year ending 31st March, 2021 : On or before 30th May, 2021

(c) Dates of Book Closure:

18th August, 2020 to 25th August, 2020 (Both days inclusive).

(d) Dividend payment date:

Dividend on Equity Shares will be made payable from Thursday, the 27th August, 2020 once approved. In respect of shares held in physical form, the dividend will be paid to such shareholders whose name appear in the Register of Members as at 25th August, 2020. 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
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai –400 001.	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai –400 001.
National Stock Exchange of India Ltd. "Exchange Plaza", Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	

(ii) Codes:

i) Equity Shares	
BSE	500040
National Stock Exchange of India Ltd.	CENTURYTEX
ii) Secured Redeemable Non-Convertible Debentures (privately placed)	
BSE	955276*
BSE	959259

* have been redeemed on 15th April, 2020.

Notes :-

- i) Listing fees have been paid to the Stock Exchanges for the year 2020-2021.
- ii) Depository connectivity:
National Securities Depository Limited and
Central Depository Services (India) Limited

Corporate Governance Report (Continued)

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

Equity Shares in Demat Form	INE055A01016
Secured Redeemable Non-Convertible Debentures (privately placed) (XVII Series)	INE055A07088*
Secured Redeemable Non-Convertible Debentures (privately placed) (XVIII Series)	INE055A07096

* have been redeemed on 15th April, 2020.

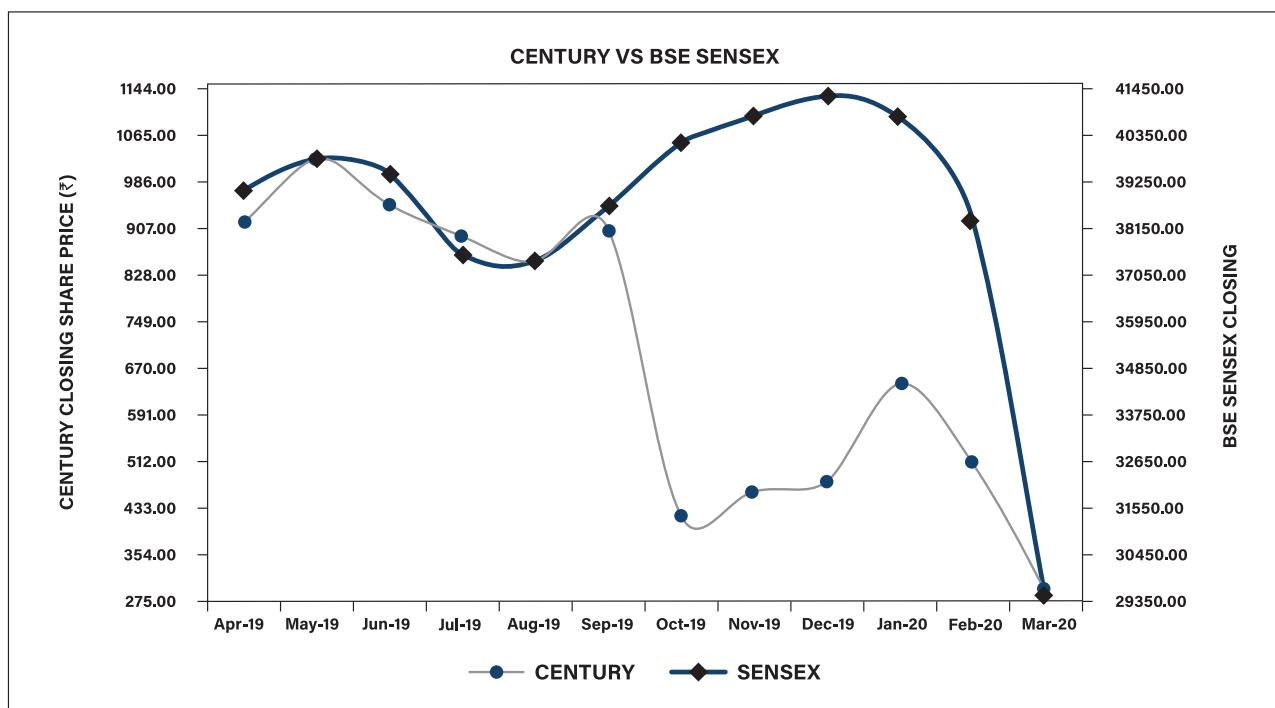
(g) Market price Data:

The details of monthly highest and lowest closing quotations of the equity shares of the Company during financial year 2019-2020 are as under :-

Month	BSE Limited		(In ₹ Per Share)	
	High	Low	National Stock Exchange of India Ltd.	
			High	Low
April, 2019	940.15	890.00	940.55	889.90
May, 2019	1055.20	893.35	1055.00	895.55
June, 2019	1057.15	926.50	1056.55	927.00
July, 2019	987.60	875.60	988.50	875.60
August, 2019	909.10	811.95	909.30	811.80
September, 2019	967.10	829.50	966.75	829.55
October, 2019	924.60	378.85	924.30	378.70
November, 2019	463.70	388.25	463.10	388.80
December, 2019	501.00	470.00	501.25	470.65
January, 2020	643.70	471.00	644.20	471.00
February, 2020	610.70	506.90	610.25	506.75
March, 2020	529.70	226.65	528.35	227.00

(h) Performance in comparison to broad based indices :

CENTURY VS BSE SENSEX



(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-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, (Maharashtra) Telephone No. 022 – 4918 6000, Fax No. 022 – 4918 6060. Please quote on all the correspondence – Unit – Century Textiles and Industries Limited. **For shareholders queries - Telephone No. 022 – 4918 6270 Email ID - rnt. helpdesk@linkintime.co.in; bonds.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, 2020 is given below:-

Sr. No.	No. of Equity Shares held	No. of Folios	No. of Shares	Percentage of Shareholding
1.	1 to 100	49,891	18,54,432	1.66
2.	101 to 500	13,744	33,97,991	3.04
3.	501 to 1000	2,652	20,23,854	1.81
4.	1001 to 5000	2,279	48,37,246	4.33
5.	5001 to 10000	284	20,18,206	1.81
6.	10001 to 100000	224	60,42,024	5.41
7.	100001 to 500000	46	1,21,82,023	10.91
8.	500001 & above	27	7,93,39,904	71.03
9.	Total	69,147	11,16,95,680	100.00

(m) Shareholding pattern as at 31st March, 2020:

Sr. No.	Category	No. of Folios	% of Folios	No. of Shares Held	% of Share holding
1.	Promoters	8	0.01	5,60,77,970	50.21
2.	Resident Individuals	66,351	95.96	1,80,11,635	16.13
3.	Private Corporate Bodies	1,233	1.78	66,80,488	5.98
4.	Financial Institutions	4	0.01	13,78,558	1.23
5.	Nationalised Banks, Govt. Insurance Companies and Mutual Funds	71	0.10	1,49,60,117	13.39
6.	FII's & Foreign Portfolio Investors (Corporate)	119	0.17	1,36,91,909	12.26
7.	NRIs and OCBs	1,361	1.97	8,95,003	0.80
8.	Total	69,147	100.00	11,16,95,680	100.00

(n) 22,192 equity shares of the face value of ₹ 10/- each for 190 folios in respect of which dividend was not encashed for seven consecutive years were transmitted to Investor Education and Protection Fund (IEPF) Authority on 26th September, 2019. The above mentioned shares were transmitted pursuant to requirement under section 124 of the Companies Act, 2013 read with Rule 6 of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time.

(o) Dematerialisation of equity shares:

About 98.67% of total equity share capital is held in dematerialised form with NSDL and CDSL.

Corporate Governance Report (Continued)

(p) 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. Further, the Company has a Risk Management Policy which addresses the foreign currency risk. Refer Note no. 43 to the financial statement.

The Company has a robust frame work in place to protect its interest from risks arising out of market volatility. Based on market intelligence and continuous monitoring, the procurement team is advised on appropriate strategy to deal with such market volatility. The Company does not have any exposure hedged during the financial year 2019-20.

(q) List of all credit ratings obtained by the Company for financial facilities

Long-Term Rating	CRISIL AA/Stable (Reaffirmed) – 29th January, 2020
Short-Term Rating	CRISIL A1+ (Reaffirmed) – 29th January, 2020

(r) Plant (Manufacturing Units):

- | | |
|---|--|
| (i) BIRLA CENTURY
Plot No. 826,
GIDC Industrial Estate,
Jhagadia – 393 110,
Dist. Bharuch (Gujarat). | (iii) CENRAY MINERALS AND CHEMICALS
Nawa Nagna,
Jamnagar – 361 007,
(Gujarat). |
| (ii) CENTURY RAYON *
Rayon, Tyre Cord &
Chemical Plants,
Murbad Road,
Kalyan - 421 103,
(Maharashtra). | (iv) CENTURY PULP & PAPER
Ghanshyamdhamb,
P.O. Lalkua – 262 402,
Dist. Nainital
(Uttarakhand). |

Other Unit (Property Development)

CENTURY ESTATES

Birla Aurora, Level 8, Dr. Annie Besant Road,

Worli, Mumbai – 400 030

* With effect from 1st February, 2018 the Company has granted to Grasim Industries Ltd. (GIL) the right and responsibility to manage, operate, use and control the viscose filament yarn business of Century Rayon Division of the Company for 15 years, for a commuted royalty of ₹ 600 Crores, interest free, refundable, security deposit of ₹ 200 Crores and Century Rayon's working capital to GIL at actuals.

(s) 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 IND AS 24 – 'Related Party Disclosures' are disclosed in Note 40 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 behaviour, actual or suspected fraud etc. and the same has been disclosed on the website of the Company. Further no personnel has been denied access to the Audit Committee.
- (iv) Direct wholly owned subsidiary Companies incorporated under the Companies Act, 2013.
 - 1. Birla Estates Private Limited
 - 2. Birla Century Exports Private Limited
- (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_prtty_transaction_policy.pdf
 - 3. Material subsidiary – N.A.
- (vi) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) - N.A.
- (vii) Certificate from Practicing Company Secretary:

The Company has obtained a certificate from Gagan B. Gagrani, Practicing Company Secretary, Membership no. FCS 1772 and CP No. 1388, that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority.

- (viii) Recommendation of any committee of the board which is mandatorily required:

Any recommendations given by the committees of the Board are required to be placed before the Board. The Board has accepted all the recommendations by various committees of the Board during the financial year 31st March, 2020.

- (ix) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Total fees for all services paid by Century Textiles and Industries Limited and its subsidiaries, on a consolidated basis, to SRBC & Co LLP and other firms in the network entity of which SRBC & Co LLP is a part of:

Particulars	₹ in Crores
Fees for audit and related services paid to SRBC & Co. LLP affiliate firms and to entities of the network of which SRBC & Co LLP is a part of (including fees for limited review).	1.45
Other fees paid to SRBC & Co LLP and other firms in the network entity of which SRBC & Co LLP is a part of:	1.03
Total	2.48

Excluded ₹ 0.50 Crore related to special audit pertaining to Cement Division demerger, recovered from the demerged undertaking.

(x) DISCLOSURE IN RELATION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The details of complaints are as under :

No. of complaints filed during the financial year	Nil
No. of complaints disposed off during the financial year	Nil
No. of complaint pending as on end of the financial year	Nil

- (xi) All Accounting Standards mandatorily required have been followed without exception in preparation of the financial statements.
- (xii) 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.

- (xiii) No money was raised by the Company through public issue, rights issue etc. in the last financial year.

- (xiv) (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 in terms of a resolution passed by the members and has been further reviewed/approved by the Nomination and Remuneration Committee of the Board. The remuneration paid is mentioned in item V of this report.

(c) The Company has one Managing Director on the Board whose appointment and remuneration has been fixed by the Board on the 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 Jagdish Chandra Laddha who is a Managing Director of the Company is mentioned in item V of this report.

- (xv) (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.

Corporate Governance Report (Continued)

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 Managing 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 Managing 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, 2020.

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 10th June, 2020 and the same was approved.

FOR SHAREHOLDERS' INFORMATION

I. DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors (the "Board") of Century Textiles and Industries Limited (the "Company") has adopted this Dividend Distribution Policy (the "Policy") of the Company

as required in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration the relevant circumstances enumerated hereunder or other factors as may be decided and considered relevant by the Board while recommending dividend, including whilst declaring interim dividend(s). The Policy reflects the intent of the Company to enhance stakeholder value and reward its shareholders by sharing a portion of its profits after retaining sufficient funds for the growth of the Company, based on the following parameters:

1. Circumstances under which shareholders may or may not expect dividend

Before recommending dividend, the Board will consider various relevant factors, including the Company's financial needs, keeping in mind the business considerations. The dividend shall usually be paid out of the profits as available, and distributed in accordance with the provisions of the Companies Act, 2013 and the Rules framed thereunder, other applicable legislation/Regulations, the Articles of Association of the Company as in force and as amended from time to time and/or stipulations by lending banks/institutions, if any.

The Board may consider payment of dividend out of accumulated Profits/ Free Reserves in case of inadequacy or absence of profit for the relevant year, subject to compliance of applicable laws, in line with historical trends. The Board, if the situation so warrants, may not declare the payment of dividend in any financial year, at its sole discretion and retain the earnings for the relevant year for investment towards growth of the Company's business.

2. Financial Parameters

- i. Adequacy of net profit available for distribution;
- ii. Dividend payout ratios viz dividend to net profit, dividend to cash profit etc.;
- iii. Other financial ratios viz. debt/equity, interest coverage, return on equity etc.;
- iv. Operating cash flow of the Company and commitments to forecasted capital expenditure for the current and projected periods;
- v. Cost of borrowings;
- vi. Contingent liabilities with financial implications.

3. Internal Factors

- i. Historical dividend payout trends based on past performance of the Company;

- ii. Present and future working capital requirements of the existing business of the Company;
- iii. Brand/business acquisition;
- iv. Expansion / Modernisation of existing business/diversification into new business;
- v. Additional investments in Subsidiaries / Associates of the Company;
- vi. Any other relevant factor as may be deemed fit by the Board.

4. External Factors

- i. State of the economy i.e. the macro economic environment prevailing in the country;
- ii. Taxation and other regulatory concerns;
- iii. Statutory/Legislative and Executive restrictions;
- iv. Global business environment.

5. Utilisation of retained earnings

The Board may retain its earning in order to make better use of available funds and increase the stakeholder value in the long run. The decision of utilization of the retained earnings of the Company will be subject to the applicable provisions of the Companies Act and other applicable laws/Regulations. The retained earnings shall be utilized for securing the long term growth objectives of the Company's business including:

- i. Diversification / Expansion of the Company's business;
- ii. Modernisation of plant and machinery;
- iii. Acquisitions;
- iv. Repayment of loans;
- v. Payment of dividend in future.

6. Parameters to be adopted with regard to various classes of shares

At present the Company has only one class of shares i.e. equity shares with equal voting rights and dividend.

7. General

The policy is effective henceforth and will be revised / amended as may, in the opinion of the Board, be deemed necessary and will be available on the Company's website www.centurytextind.com and disclosed in the Annual Report.

II. FILING OF COST AUDIT REPORT

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 Corporate Affairs.

Details of the Cost Audit Reports for the financial year 2018-19 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.	04.09.2019
<u>Cement #</u>		
a) Century Cement b) Maihar Cement Unit I & II c) Manikgarh Cement Unit I & II d) Sonar Bangla	M/s. R. Nanabhoy and Co.	04.09.2019
<u>Paper</u>		
Century Pulp and Paper	M/s. R. Nanabhoy and Co.	04.09.2019

During the year 2018-19, shareholders of the Company had approved Scheme of Demerger ("Scheme") between the Company and UltraTech Cement Limited to demerge its cement business into UltraTech Cement Limited.

III. DEBENTURE TRUSTEE DETAILS:

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.	:	022-22040465
E-mail	:	corporate@sbicaptrustee.com
Investor Grievance email	:	investor.cell@sbicaptrustee.com
Website	:	www.sbicaptrustee.com
Contact person	:	Mr. Prashant Joshi (Group Head Legal Compliance) Tel. No. 022-43025522
SEBI Registration No.	:	IND000000536

Corporate Governance Report (Continued)

ANNEXURE-'A'

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, 2020.

Mumbai
10th June, 2020

Jagdish Chandra Laddha
Managing Director
DIN:03266469

ANNEXURE-'B'

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Century Textiles and Industries Limited
Century Textiles and Industries Limited
Century Bhavan, Dr. Annie Besant Road,
Worli, Mumbai - 400030

1. The Corporate Governance Report prepared by Century Textiles and Industries Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, 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, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2020 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2020 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings held from April 01, 2019 to March 31, 2020:
 - (a) Board of Directors' meetings;
 - (b) Audit Committee meetings;
 - (c) Annual General meeting (AGM);
 - (d) Nomination and Remuneration Committee meetings;
 - (e) Stakeholders Relationship Committee meetings;
 - (f) Independent Directors' meetings; and
 - (g) Risk Management Committee meetings;
 - v. Obtained necessary declarations from the directors of the Company including Independent directors;
 - vi. Obtained and read the policy adopted by the Company for related party transactions;
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee; and
 - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 1 above.

Statutory Reports

Other matters and Restriction on Use

9. This report 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.
10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**
Partner

Membership Number: 112773
UDIN: 20112773AAAADG4859

Place of Signature: Mumbai
Date: June 10, 2020

Business Responsibility (BR) Report

Section A: General Information about the Company:

1	Corporate Identity Number (CIN) of the Company	L17120MH1897PLC000163			
2	Name of the Company	Century Textiles and Industries Limited			
3	Registered Address	Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai-400 030			
4	Website	www.centurytextind.com			
5	E-mail ID	ctil.ho@birlacentury.com			
6	Financial Year Reported	01.04.2019 to 31.03.2020			
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Name of the Sector 1. Paper i) Wood/Bagasse/Recycle Based Paper ii) Multilayer Packaging Board 2. Textiles i) Fabrics 3. Real Estate	Code 17013 17016 13121 & 13131 4100		
8	List three key products/services that the Company manufactures/provides (as in the balance sheet)	i) Wood/Bagasse/Recycle Paper. ii) Fabrics			
9.	Total number of locations where business activity is undertaken by the Company	i. Number of International Locations (Provide details of major 5): NIL ii. Number of National Locations: Thee National Locations have manufacturing units.			
10	Markets served by the Company.	Local	State	National	International
		✓	✓	✓	✓

Section B: Financial Details of the Company

(₹ in Crores)

1	Paid-up Capital (INR)	111.69
2	Total Turnover (INR)	3332.42
3	Total Profit after taxes (INR)	450.37
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR for the year ended 31st March, 2020 was ₹ 4.51 Crores which is 1% of the profit after tax.
5	List of Activities in which expenditure in 4 above has been incurred	Please refer Annexure II to Board's Report for details on CSR initiatives undertaken by the Company.

Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies?

YES

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):

NO

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:

Other entities viz. Suppliers, distributors etc. with whom the Company does business do not participate in the Business Responsibility initiatives of the Company.

Section D: BR Information

1. Details of Director/Directors responsible for BR

- a) Details of the Director/Directors responsible for implementation of the BR Policy/Policies

DIN Number : 00040951

Business Responsibility (BR) Report (Continued)

- b) **Name** : Mr. R.K.Dalmia
c) **Designation** : Whole time Director
d) **Details of the BR Head**

Sr. No.	Particulars	Details	
1.	DIN Number (if applicable)	N.A.	00040951
2.	Businesses	Pulp and Paper	Textiles
	Name	Mr. J. P. Narain	Mr. R. K. Dalmia
3.	Designation	Chief Executive Officer	Senior President & Whole-time Director
4.	Telephone number	05945-268044 /268219	022 – 2495 7000
5.	E-mail-Id	jp.narain@birlacentury.com	rkdalmia@birlacentury.com

2. Principle-wise(as per NVGs) BR Policy/Policies (Reply in Y/N)

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1	Businesses should conduct and govern themselves with ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability through their life cycle.
P3	Businesses should promote the well being of all employees.
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

2a. Details of Compliances:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any National/International Standards? If yes, specify? (50 Words).						-			
4.	Has the policy been approved by the Board? If yes, has it been signed by MD / Owner / CEO / Appropriate Board Director?						Yes			
5.	Does the Company have a specified Committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?					View restricted to employees.				
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?			The policies are communicated to key internal stakeholders and it is an ongoing process.						
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to Policy/Policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
				The Company is working on developing and improving its system for evaluating the implementation of the policies. The policies are evaluated internally from time to time and updated whenever required.						

2b. If answer to Sr. No.1 against any principle, is 'No', please explain why: (Tick up to2 options)

Sr. No.	Questions	P11	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles.									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles.									
3	The company does not have financial or manpower resources available for the task.									
4	It is planned to be done within next 6 months.									
5	It is planned to be done within the next 1 year.									
6	Any other reason (please specify).									

Not Applicable

3. Governance related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3months, 3-6 months, Annually, More than1year.

The Business Responsibilities performance is assessed on an ongoing basis by the management i.e. Senior President/ CEO of the respective businesses.

- b) Does the Company publish a BR? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Statement forms a part of the Annual Report of the Company and is published annually on the website of the Company – www.centurytextind.com

Section E: Principle - wise performance**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.**

- a. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/ Joint Venture/ Suppliers/ Contractors/NGOs/ Others?

The Company's governance structure guides the organization on various aspects of doing business, keeping in mind the core values of integrity, commitment, passion, seamlessness and speed.

The Code of Conduct covers the Company and is applicable to all the employees of the Company.

- b. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details there of in about 50 words or so.

No complaints were received from any of the stakeholders during the year.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

- a. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.

The Company is constantly focused on the development of products and services that help build sustainable structures which are more durable, more resource-efficient, more-cost effective and more conducive to human lifestyle. Right since its inception, the Company has laid great emphasis on ecological balance and sustainable development to provide a green, healthy and pollution free environment. Company's effort in addressing environment concerns includes:

Pulp and Paper

- a) Century Pulp & Paper's products are ECO labelled and Forest Stewardship Council (FSC) certified.
- b) Reduced usage of LPG gas consumption, by self-generated Comprehensive Methane Gas (CMG) from waste water of washed Bagasse.
- c) Sensors installed for 24 hours online control of Effluent Treatment Plant and Stacks of Power Boiler.

Textiles

- a) The Unit has taken certifications for manufacturing of recycled products under sustainability drive.

Business Responsibility (BR) Report (Continued)

- b) Increased share of regenerated fibers like viscose, Modal, Excel and other Sustainable Fibers like Hemp, Banana, Jute etc.
- c) Awarded Higg certification following ZDHC Guideline as our endeavor to use more and more Eco-Friendly Dyes and Chemicals.
- b. **For each such product, provide following details in respect of resource use (energy, water, raw material etc.) as per unit of product (optional):**

- (i) **Reduction during sourcing/production/distribution achieved since the previous year through the value chain?**

Pulp and Paper

- (i) Reduction during sourcing/production/distribution achieved since the previous year through the value chain.

a) Energy:

The Unit continues to take several initiatives to reduce power consumption during the production process. As a result, power consumption per ton of paper has reduced. Initiatives taken by Pulp & Paper unit have been recognised by Confederation of Indian Industry (CII) as well as by Bureau of Energy Efficiency (BEE), Ministry of Power, Government of India, continuously during the last 5 years. And also recognised the plant as "Excellent Energy Efficient Unit"

b) Water:

The Unit continues to take multiple initiatives to reduce water consumption during its first use, including re-use of waste water after tertiary treatment. As a result, water consumption per ton of paper production has reduced.

c) Raw Material:

By substituting different forms of pulp (wood base, agro base, re-cycle base, etc.), we are formulating the New Recipe to help in reduce pulp usage per ton of paper production.

Textiles

Reduction during sourcing/production/distribution achieved since the previous year through the value chain.

a) Water:

Installed additional 4th stage RO to existing RO Plant Plant/ ZLD (Zero liquid discharge), which has increased the water recovery from 88% to 94 % of the Plant.

b) Raw Material:

By optimizing machine parameter and Product Mix, increased the realisation of cotton by 1%.

- ii) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

As the products of the company are used for a variety of purposes and by a diverse and large number of consumers, it is not feasible to identify the reduction of resource usage by the consumers.

- c. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

- (iii) **If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.**

Pulp and Paper

a) FSC Certification:

Pulp & Paper plants are FSC certified, which signifies that the product comes from responsible & sustainable source.

b) Clones:

We develop & produce various species of eucalyptus clones, and distribute it among nearby farmers. This helps us to ensure, sustainable supply of our future raw material requirements.

c) Local sourcing:

We encourage local sourcing of raw materials, except imported Pulp, Chemicals and Spares.

Textiles**a) Raw Material:**

Company procures sustainable Raw Material like Organic, Fair Trade Cotton and Regenerated Fiber like Excel.

b) Fuel:

Procurement of Agro Waste as Fuel for Boilers instead of using Coal signifies our commitment to use Renewable Energy Sources.

c) Local Sourcing:

Cotton farmers are imparted knowledge to increase their yield using minimum or nil pesticides in their farm, we also promote organic cotton.

d. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**Pulp and Paper**

Pulp & Paper plant always prefers to source goods and services from local suppliers with an objective of Vendor Development within the vicinity of the plant, unless and until imported supply is the only source. This objective also assures timely supply, besides the cost advantage in all these sourcing.

At present, around 85% of our major raw material (except Imported Pulp, Chemicals and Spares) are sourced locally within a vicinity of approx. 300 km.

Textiles

MSME, Local and small vendors are always preferred for procurement of goods and services. However, this is subject to fulfillment of Cost and Quality optimization.

Unit also put all its efforts to inculcate skills and quality in Local Vendors by way of imparting training, suggesting ways to improve efficiency, making them aware of newer technology and energy efficient machines which help them to deliver quality output to the Company.

e. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof in 50 words or so.**Pulp and Paper**

Pulp & Paper plants have taken various initiatives towards waste management and continuous monitoring with a view to ensure reduction in waste generation. Some of those steps are as under:

- a) Plants already have one dedicated production line, which takes waste/recycle inputs (paper) as its raw material to manufacture fresh paper. During the year 2019-20 approx. 19% of our sales volume are products of this production line.
- b) Wastes like bagasse pith and wood bark dust, are being used in boilers as fuel to generate power. During the year 2019-20, this process contributed approx. 4% of our total steam generation.
- c) Plant sludge is being further re-utilized for manufacturing of second grade Multilayer Packaging Board (Grey back).

Textiles

The textile division has taken various initiatives towards waste management and continuous monitoring with a view to ensure reduction in waste generation. Some of those steps are as under: -

- a) Commissioned additional 4th stage RO to existing RO Plant/ ZLD (Zero liquid discharge),which has increased the water recovery from 88% to 94% of the Plant.
- b) Ecofriendly recycling of food waste through Vermicomposting. Out of 1000 gram of food waste we get 255-gram vermicomposting.

Business Responsibility (BR) Report (Continued)

Principle 3 - Businesses should promote the wellbeing of all employees.

- a. Please indicate the Total number of permanent employees.

4492

- b. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

5230

- c. Please indicate the Number of permanent women employees.

65

- d. Please indicate the Number of permanent employees with disabilities.

11

- e. Do you have an employee association that is recognized by management?

No

- f. What percentage of your permanent employees are members of this recognized employee association?

N.A

- g. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

The Company does not have any child labour, forced labour or involuntary labour. No complaint for sexual harassment and for discriminatory employment was received during the year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as at end of the financial year
1.	Child labour / forced Labour / involuntary labour	Nil	N.A.
2.	Sexual harassment	NIL	N.A
3.	Discriminatory employment	Nil	N.A.

- h. What percentage of your under mentioned employees were given Safety & Skill Upgradation training in the last year?

(a)	Permanent Employees	{}	Almost all the employees join the Company's Safety and Skill Upgradation programmes and are conscious about its utility and benefits.
(b)	Permanent Women Employees		
(c)	Casual/Temporary/Contractual Employees		
(d)	Employees with Disabilities		

Principle 4: Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

- a. Has the company mapped its internal and external stakeholders? Yes / No.

Yes.

- b. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes.

- c. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof in 50 words or so.

The Company's plants are generally located in areas where, among others, disadvantaged, vulnerable and marginalized communities with poor socio-economic indicators are living. The Company constantly provides, directly or otherwise, opportunities for livelihood and supply of health care, primary education, women empowerment etc. for these persons.

Principle 5: Businesses should respect and promote human rights.

- a. Does the policy of the Company on Human Rights cover only the Company or extends to the Group/Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company has in place a Human Rights Policy which only covers itself.

- b. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No stakeholder complaints were received during the last financial year.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment.

- a. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

The Company has an Environment Policy which only covers itself.

- b. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Yes/No. If yes, please give hyper link for web page etc.

No.

- c. Does the company identify and assess potential environmental risks? Yes/No.

Yes. The Company has an Environment Management System in place to identify and assess existing and potential risks across its operations.

Pulp and Paper Plant and Textiles Plant both continue to access potential environmental risks, and to mitigate these we have in place an Environmental Management System (EMS). Our plants are having ISO 14001 and OHSAS 18001 certified.

- d. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof in, about 50 words or so. If yes, whether any environmental compliance report is filed?

Yes,

Pulp and Paper plant is has following two CDM projects;

- Steam & Power generation by utilizing bagasse pith, and
- Steam & Power generation by utilizing Pre-Hydrolysis Liquor of Rayon Grade Pulp.

Textile plant has following CDM projects;

- Steam Generation by utilizing Agro Waste (Eco Friendly Green & Clean Fuel).

- e. Has the Company undertaken any other initiatives on – Clean Technology, Energy Efficiency, Renewable Energy, etc. Yes /No. If yes, please give hyper link for web page etc.

Yes,

Pulp and Paper plant continues to take various initiatives on;

- a) **Clean Technology:**

Implemented Elementary Chlorine Free (ECF) and Oxygen De-lignification (ODL) technologies for bleaching of hardwood pulp.

- b) **Energy Efficiency:**

Steam condensing and optimization of Boilers.

- c) **Renewable Energy:**

Generation of energy and Compressed Methane Gas (CMG) from bio-mass waste.

Business Responsibility (BR) Report (Continued)

Textile plant continues to take various initiatives on;

a) Clean Technology:

As per International Guidelines of ZDHC, Plant adopted use of Green Dyes and Chemicals for Fabric Processing.

b) Energy Efficiency:

Plant has implemented EnMS ISO 50001:2011. Target of reduction in Specific Energy Consumption is achieved.

c) Renewable Energy:

Generation of steam from Agro Waste Briquette.

f. Are the Emissions/Waste generated by the Company with in the permissible limits given by CPCB/SPCB for the financial year being reported?

The emissions/waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year being reported. During the last five years, Pulp & Paper Unit has spent approx. ₹ 50 Crore on this aspect.

g. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

a. Is your company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with:

The company is a member of several associations viz:

- Federation of Indian Exports Organization.
- The Cotton Textiles Export Promotion Council.
- Indian Paper Manufacturers Association.
- Confederation of Indian Industry.
- National Safety Council.
- Kumaun Gharwal Chamber of Commerce and Industry.
- Coal consumer Association etc.

b. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company continuously advocates the use of alternative fuels and energy conservation.

Principle 8: Businesses should support inclusive growth and equitable development.

a. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details there of.

The Company has an Equitable Development Policy. It also encourages its Suppliers and Contractors to ensure inclusive growth and equitable development.

b. Are the programmes / projects undertaken through in-house team / own foundation / external NGO /government structures/any other organization?

All plants of the Company undertake community initiatives for inclusive growth and equitable development in the field of education, health care, promotion of sports and other general areas, through its employees and in-house teams.

c. Have you done any impact assessment of your initiative?

The individual plants are regularly interacting with the local communities to assess the impact of community development projects undertaken by these units to ensure that the objectives and benefits of these projects are being met.

d. What is your Company's direct contribution to Community Development Projects- Amount in INR and the details of the projects undertaken?

Contribution towards Corporate Social Responsibility (CSR) is ₹ 5.11 Crores (includes ₹ 0.60 Crore of 2018-19 unspent CSR amount) contribution towards Corporate Social Responsibility. The Company is very well aware of its responsibility towards community and is continuously striving to achieve equitable development in the vicinity of the individual manufacturing units of the Company.

e. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes. As indicated, the individual manufacturing units of the Company are in constant contact with local community leaders to ensure that all development initiatives of the Company are successfully adopted by the concerned communities.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.**a. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

No cases of customer complaints were pending as on the end of FY20.

b. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

The requisite information as mandated by the local laws is inscribed on the product label of the Company.

c. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No.

d. Did your Company carry out any consumer survey/consumer satisfaction trends.

The Company interacts and obtains feedback from customers on a periodical basis regarding consumer satisfaction.

Independent Auditor's Report

To the Members of Century Textiles and Industries Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying statement of standalone Ind AS financial statements of Century Textiles and Industries Limited ("the Company") which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical

responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

As explained in note 35 of the standalone Ind AS financial statements, the Company has considered the appointed date as the date of transfer of control as per the circular issued by Ministry of Corporate Affairs and consequently recognized the effect of demerger on appointed date as per the scheme of demerger approved by National Company Law Tribunal. Accordingly, comparative previous period figures have been restated. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matter	How our audit addressed the key audit matter
Recognition and Measurement of Deferred Tax (Note 16 of the financial statements)	
The Company has recognized Minimum Alternate Tax (MAT) credit receivable of ₹ 361.55 Crores as at March 31, 2020. The Company also has recognized deferred tax assets of ₹ 178.14 Crores on unabsorbed depreciation and indexation benefit on land. Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Company has remeasured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime and has recognized a net gain of ₹ 137.00 Crores. The recognition and measurement of MAT credit receivable and deferred tax balances; is a key audit matter as the recoverability of such credits within the allowed time frame in the manner prescribed under tax regulations and estimation of year of transition to the new tax regime involves significant estimate of the financial projections, availability of sufficient taxable income in the future and tax positions adopted by the Company.	Our procedures included, amongst others, the following: <ul style="list-style-type: none"> • Considered Company's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes" • Performed test of controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls. • Performed the tests of details including the following key procedures: <ul style="list-style-type: none"> ➢ Involved tax specialists who evaluated the Company's tax positions basis the tax law and also by comparing it with prior years and past precedents ➢ Discussed the future business plans and financial projections as approved by the management ➢ Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it to the approved business plan, projections used for estimation of likely year of transition to the new tax regime ➢ Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial

Independent Auditor's Report (Continued)

statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 38 to the standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 15 to the standalone Ind AS financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**
Partner

Place of Signature: Mumbai
Date: 10 June, 2020

Membership Number: 112773
UDIN: 20112773AAAADI9091

**Annexure '1' referred to in paragraph 1 under the heading
'Report on Other Legal and Regulatory Requirements'
of our report of even date**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment and inventories are held in the name of the Company, except the following:
 - 1. Land measuring 29 acres at a carrying value of 4.03 Crores at Textiles Division.
 - 2. Land measuring 6.31 acres at a carrying value of 0.01 Crore at Real Estate Division.
- As explained to us, The Company is in process of getting the above lands transferred in Company's name.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2020 and no material discrepancies were noticed in respect of such confirmations.
 - iii. (a) The Company has granted loans to a company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
 - (b) The Company has granted loans to a firm covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
 - iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
 - v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
 - vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products, and are of the opinion that *prima facie*, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
 - vii. (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of Statute	Nature of dues	Amount* (₹ in Crores)	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1962	Custom duty	0.22	2000-2001	High Court
		4.42	2004-2017	CESTAT
		1.03	1987-2017	Departmental Authorities

Independent Auditor's Report (Continued)

Name of Statute	Nature of dues	Amount* (₹ in Crores)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	0.95	2005-2010	High Court
		0.21	2006-2016	CESTAT
		1.84	1994-2018	Departmental Authorities
The Central Excise Act, 1944	Excise Duty	25.97	1994-2018	High Court
		0.22	1994-2018	CESTAT
		8.24	1994-2018	Departmental Authorities
Sales Tax and Entry Tax	Sales Tax and Entry Tax	0.33	1999-2018	High Court
		4.85	1987-2017	Departmental Authorities

*Net of deposits

- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- ix. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans/debt instruments for the purposes for which they were raised.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**
Partner

Place of Signature: Mumbai
Date: 10 June, 2020

Membership Number: 112773
UDIN: 20112773AAAADI9091

Annexure 2 to the Independent Auditor's report of even date on the standalone financial statements of Century Textiles and Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Century Textiles and Industries Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A Company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2020, 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.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Place of Signature: Mumbai

Date: 10 June, 2020

Membership Number: 112773

UDIN: 20112773AAAADI9091

Standalone

Standalone Balance Sheet

as at 31 March 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019 (Restated)* (₹ in Crores)		
		(₹ in Crores)				
I ASSETS						
NON-CURRENT ASSETS						
(a) Property, plant and equipment	3	3,381.63	3,496.13			
(b) Capital work-in-progress		137.47	43.72			
(c) Investment property	4	897.43	931.74			
(d) Investment property under development		36.40	230.72			
(e) Intangible assets	5	8.20	2.56			
(f) Financial assets						
(i) Investments	6	274.24	265.39			
(ii) Loans	6A	7.17	6.92			
(iii) Other financial assets	7	2.89	7.88			
(g) Deferred tax assets (net)	16	64.56	-			
(h) Advance tax (net of provisions)		190.06	119.94			
(i) Other non-current assets	8	50.90	40.83			
SUB-TOTAL		5,050.95	5,145.83			
CURRENT ASSETS						
(a) Inventories	9	882.97	627.60			
(b) Financial assets						
(i) Trade receivables	10	182.52	203.86			
(ii) Cash and cash equivalents	11	45.06	12.64			
(iii) Other bank balances (other than (ii) above)	11	60.65	37.29			
(iv) Loans	6A	181.17	6.87			
(v) Other financial assets	7	30.83	26.04			
(c) Other current assets	8	107.31	116.91			
SUB-TOTAL		1,490.51	1,031.21			
Assets classified as held for Sale	35	1.33	2.23			
TOTAL		6,542.79	6,179.27			
II EQUITY AND LIABILITIES						
EQUITY						
(a) Equity share capital	12	111.69	111.69			
(b) Other equity		3,465.32	3,194.80			
SUB-TOTAL		3,577.01	3,306.49			
LIABILITIES						
NON-CURRENT LIABILITIES						
(a) Financial liabilities						
(i) Borrowings	14	527.42	701.58			
(ii) Lease liabilities	14A	15.44	12.20			
(iii) Other financial liabilities	15	87.16	91.83			
(b) Deferred tax liabilities (net)	16	-	93.99			
(c) Other non-current liabilities	17	615.77	686.72			
SUB-TOTAL		1,245.79	1,586.32			
CURRENT LIABILITIES						
(a) Financial liabilities						
(i) Borrowings	18	15.62	200.44			
(ii) Lease liabilities	14A	1.95	-			
(iii) Trade Payables	19					
1) total outstanding dues of micro enterprises and small enterprises						
2) total outstanding dues of creditors other than micro enterprises and small enterprises		8.87	6.70			
(iv) Other financial liabilities	15	431.28	506.31			
(b) Provisions	20	943.47	260.17			
(c) Other current liabilities	17	180.59	175.60			
SUB-TOTAL		92.88	94.29			
Liabilities directly associated with assets held for sale	35	1,674.66	1,243.51			
TOTAL		45.33	42.95			
Significant accounting policies	2A					
The accompanying notes are an integral part of the financial statements						
* Refer note 35(b)						

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 10 June 2020

Atul K.Kedia
Vice President (Legal)
& Company Secretary

Snehal Shah
Chief Financial Officer
Mumbai : 10 June 2020

J.C.Laddha
Managing Director
DIN:03266469

R.K.Dalmia
Whole-time Director
DIN:00040951

Yazdi P. Dandiwalla
Director
DIN:01055000

Standalone Statement of Profit and Loss

for the year ended 31 March 2020

Particulars	Note No.	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated)* (₹ in Crores)
Continuing Operations			
I Revenue from Operations	21	3,424.26	3,943.56
II Other income	22	43.37	109.67
III Total Income (I + II)		3,467.63	4,053.23
IV Expenses			
(a) Cost of materials consumed	23	1,755.42	1,864.81
(b) Purchases of traded goods	24	48.22	11.72
(c) Changes in inventories of finished goods, work-in-progress and traded goods	25	(33.99)	(10.78)
(d) Employee benefits expense	26	256.33	266.71
(e) Finance costs	27	93.13	101.55
(f) Depreciation and amortisation expense	28	227.76	193.00
(g) Other expenses	29	746.43	847.44
Total Expenses		3,093.30	3,274.45
V Profit before tax from continuing operations (III - IV)		374.33	778.78
VI Tax Expense of continuing operations			
(a) Current tax	16	53.92	174.58
(b) MAT credit recognised	16	(53.92)	(174.58)
(c) Deferred tax	16	(93.69)	266.91
Total tax expense		(93.69)	266.91
VII Profit after tax from continuing operations (V - VI)		468.02	511.87
VIII Discontinued Operations			
(a) Profit before tax from discontinued operations		(27.13)	(46.56)
(b) Gain on demerger of Cement business division (Refer note 35(b))		-	5,593.46
(c) Tax (Expense) / Income of discontinued operations		9.48	16.79
Profit after tax from discontinued operations		(17.65)	5,563.69
IX Profit for the year (VII + VIII)		450.37	6,075.56
X Other comprehensive income			
(i) Items that will be re-classified to profit or loss - continuing operations			
(a) Net movement in cash flow hedge reserve		2.00	(2.62)
(b) Income tax on (a)		(0.70)	0.92
(ii) Items that will not be re-classified to profit or loss - continuing operations			
(a) Re-measurement gain on defined benefit plans		(6.15)	1.56
(b) Net gain / (loss) on Fair value through Other Comprehensive Income (OCI) - Equity Instruments		(76.16)	(40.51)
(c) Income tax on (a) & (b)		2.15	(0.55)
(iii) Items that will not be re-classified to profit or loss - discontinued operations			
(a) Re-measurement gain on defined benefit plans		-	0.16
(b) Income tax on (a)		-	(0.05)
Total other comprehensive income for the year (net of tax)		(78.86)	(41.09)
XI Total comprehensive income for the year (IX + X)		371.51	6,034.47
XII Earnings per equity share :			
(a) Basic & Diluted Earnings Per Share - Continuing operations	31	41.90	45.83
(b) Basic & Diluted Earnings Per Share - Discontinued operations	31	(1.58)	498.14
(c) Basic & Diluted Earnings Per Share - (Continuing & discontinued operations)	31	40.32	543.97
Significant accounting policies	2A		
The accompanying notes are an integral part of the financial statements			
* Refer note 35(b)			

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 10 June 2020

Atul K.Kedia
Vice President (Legal)
& Company Secretary

Snehal Shah
Chief Financial Officer
Mumbai : 10 June 2020

J.C.Laddha
Managing Director
DIN:03266469

R.K.Dalmia
Whole-time Director
DIN:00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Standalone Statement of Changes In Equity

for the year ended 31 March 2020

	Equity Share Capital	Equity Securities	General Reserves (See Note 13(a))	Capital Reserve (See Note 13 (d))	Reserves and Surplus	Debenture Redemption Reserve (See Note 13(b)(i))	Retained Earnings	Cash Flow Hedge Reserve (See Note 13e(iii))	Other comprehensive income through Other Comprehensive Income (See Note 13e(i))	Total Other Equity	Total Equity
As at 1 April 2018	111.69	643.22	1,273.54	100.00	120.84	369.74	-	-	128.86	2,636.20	2,747.89
Profit for the year (Restated)*	-	-	-	-	-	6,075.56	-	-	-	6,075.56	6,075.56
Other comprehensive income / (loss) (Restated)*	-	-	-	-	-	1.12	(1.70)	(40.51)	(41.09)	(41.09)	(41.09)
Total comprehensive income for the year	-	-	-	-	-	6,076.68	(1.70)	(40.51)	6,034.47	6,034.47	6,034.47
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	-	(72.60)	-	-	(72.60)	(72.60)	(72.60)
Dividend distribution tax (See Note 13 (c))	-	-	-	-	-	(14.92)	-	-	(14.92)	(14.92)	(14.92)
Distribution to shareholders (distribution of shares of Resulting Company on demerger of Cement business division) (Refer Note 35(b))	-	-	-	-	-	(5,388.35)	-	-	(5,388.35)	(5,388.35)	(5,388.35)
Transferred to debenture redemption reserve	-	-	-	-	-	60.42	(60.42)	-	-	-	-
As at 31 March 2019	111.69	643.22	1,273.54	100.00	181.26	910.13	(1.70)	88.35	3,194.80	3,306.49	3,306.49
Profit for the year	-	-	-	-	-	450.37	-	-	450.37	450.37	450.37
Other comprehensive income / (loss)	-	-	-	-	-	(4.00)	1.30	(76.16)	(78.86)	(78.86)	(78.86)
Total comprehensive income for the year	-	-	-	-	-	446.37	1.30	(76.16)	371.51	371.51	371.51
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	-	-	(83.77)	-	(83.77)	(83.77)	(83.77)
Dividend distribution tax (See Note 13 (c))	-	-	-	-	-	-	(17.22)	-	(17.22)	(17.22)	(17.22)
As at 31 March 2020	111.69	643.22	1,273.54	100.00	181.26	1,255.51	(0.40)	12.19	3,465.32	3,577.01	3,577.01

* Refer note 35(b)

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**
Atul K.Kedia
Vice President (Legal)
Partner
Membership No: 112773
Mumbai : 10 June 2020

Snehal Shah
Chief Financial Officer
& Company Secretary
Mumbai : 10 June 2020

J.C.Laddha
Managing Director
DIN:03266469

R.K.Dalmia
Whole-time Director
DIN:00040951

Yazdi P. Dandiwala
Director
DIN:01055000

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

Standalone Cash Flow Statement

for the year ended 31 March 2020

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated)* (₹ in Crores)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax From Continuing Operations	374.33	778.78
Net Profit / (Loss) Before Tax From Discontinued Operation	(27.13)	5,546.90
Add / (Less) :		
Depreciation and amortisation on property plant and equipment	189.32	177.63
Depreciation and amortisation on investment property	37.09	30.71
Depreciation and amortisation on intangible assets	1.35	1.19
Loss/(gain) on sale of property plant and equipment and investment properties	3.23	(9.58)
Gain on demerger of Cement division business	-	(5,593.46)
Allowance for credit loss	0.80	4.54
Unrealized exchange (gain) / loss	4.03	(3.49)
Unrealized exchange (gain) / loss on derivatives	-	(0.37)
Interest income	(14.86)	(11.76)
Provision for interest written back	(9.75)	(56.48)
Interest expense	93.13	137.85
Liabilities written back	(18.75)	(10.84)
Dividend on investments	(2.81)	(3.84)
	282.78	(5,337.90)
Working capital adjustments :		
Decrease / (increase) in inventory	(6.37)	(180.91)
Decrease / (increase) in trade receivables	21.49	(80.74)
Decrease / (increase) in other financial assets	3.85	21.66
Decrease / (increase) in other assets	12.72	(178.99)
(Decrease) / increase in other financial liabilities	7.09	2.23
(Decrease) / increase in trade payables	(64.69)	382.91
(Decrease) / increase in provisions	4.44	(34.99)
(Decrease) / increase in other liabilities	(69.97)	(87.65)
Decrease / (increase) in other bank balance	(13.90)	(10.76)
	(105.34)	(167.24)
Cash generated from operations	524.64	820.54
Add / (Less) :		
Direct taxes paid	(124.04)	(196.23)
	400.60	624.31
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property plant and equipment and intangible assets	(198.66)	(93.67)
Proceeds from sale of property plant and equipment and investment properties	4.98	18.36
Interest received (finance income)	13.62	7.07
Purchase of investment property	(38.30)	(58.00)
Investment in subsidiary	(85.00)	(81.87)
Dividend on investments	2.81	3.84
Loans given to subsidiary	(176.96)	(3.35)
Net movement in fixed deposits with bank	(9.46)	(0.49)
	(486.97)	(208.11)

Standalone

Standalone Cash Flow Statement (Continued)

for the year ended 31 March 2020

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated)* (₹ in Crores)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from borrowings	600.00	-
Repayment of borrowings	(108.16)	(4.81)
Net proceeds / (repayment) of short term borrowings	(76.25)	(318.04)
Dividend paid	(83.77)	(72.60)
Dividend distribution tax paid	(17.22)	(14.92)
Lease Liability Paid	(2.87)	-
Interest paid	(84.37)	(266.95)
Net Cash Flows From / (Used In) Financing Activities	227.36	(677.32)
Net Increase / (Decrease) In Cash And Cash Equivalents	140.99	(261.12)
Cash and cash equivalents at the beginning of the year	(96.06)	165.06
Cash and cash equivalents at the year end	44.93	(96.06)
Acquisition of property, plant and equipment by means of a finance lease	-	12.20
Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated)* (₹ in Crores)
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per the above comprise of the following		
Cash and cash equivalents - (Refer note 11)	45.06	12.64
Cash credit facilities - (Refer note 18)	(0.13)	(108.70)
Balance as per cash flow statement	44.93	(96.06)

* Refer note 35(b)

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 10 June 2020

Atul K.Kedia
Vice President (Legal)
& Company Secretary

Snehal Shah
Chief Financial Officer
Mumbai : 10 June 2020

J.C.Laddha
Managing Director
DIN:03266469

R.K.Dalmia
Whole-time Director
DIN:00040951

Yazdi P. Dandiwala
Director
DIN:01055000

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

Notes to Standalone Financial Statements

for the year ended 31 March 2020

1. CORPORATE INFORMATION

Century Textiles and Industries Limited is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The principal place of business of the company is located at Century Bhawan, Dr. A. B. Road, Worli, Mumbai. The Company is principally engaged in manufacturing of Textiles, Cement, Pulp and Paper and Real estate.

The financial statements were approved for issue in accordance with a resolution of the board of directors on 10 June 2020.

2A. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The standalone financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The separate financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Non-cash distribution liability

The financial statements are presented in INR and all values are rounded to the nearest Crores (INR 00,00,000), except when otherwise indicated.

2.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3 Fair value measurement

The company measures financial instruments, such as derivatives, investments etc, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Notes

to Standalone Financial Statements for the year ended 31 March 2020

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.4 Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, and consideration payable to the customer (if any).

Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale provide customers with discounts. The discounts give rise to variable consideration.

Discounts

Discounts includes target and growth rebates, price reductions, incentives to customers or retailers. To estimate the amount of discount, the company applies accumulated experience using the most likely method. The Company determines that the estimates of discounts are not constrained based on its historical experience, business forecast and the current economic conditions. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected discount. No element of financing is deemed present as the sales are made with credit terms largely ranging between 7 days to 120 days.

Notes

to Standalone Financial Statements for the year ended 31 March 2020

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2.5 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

Government grants such as sales tax incentive, export benefit schemes are recognized in the Statement of Profit and Loss as a part of other operating revenues where as grants related to royalty, power incentives and interest subsidies are netted off from the related expense.

2.6 Taxes

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (i.e in other comprehensive income). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Notes

to Standalone Financial Statements for the year ended 31 March 2020

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction in OCI.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year.

The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss as credit in current tax expense and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.7 Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Notes

to Standalone Financial Statements for the year ended 31 March 2020

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Class	Useful life
Buildings	30 years – 60 years
Plant & equipment and Air conditioning plant	3 years – 25 years
Electric installations	3 years – 10 years
Furniture & fixtures	3- 10 years
Office equipment	3-10 years
Vehicles	5 -10 years

The management has estimated the above useful life and the same is supported by technical expert.

Refer Note 2.11 on Accounting of leases as per Ind As 116 applied from April 1, 2019 for right of use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Cost of software capitalised is amortised over its useful life which is estimated to be a period of five years.

2.9 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The company, based on technical assessment made by management, depreciates the building over estimated useful lives of 40 years. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes. Fair value are determined based on an annual evaluation performed by an accredited external independent valuer.

2.10 Non-current assets held for sale/distribution to owners and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale/distribution if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale/distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/distribution classification is regarded met only when the assets or disposal group is available for immediate sale/distribution in its present condition, subject only to terms that are usual and customary for sales/distribution of such assets (or disposal groups), its sale/distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),

Notes

to Standalone Financial Statements for the year ended 31 March 2020

- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/ for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/distribution are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in Note 35. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

2.11 Leases (Applied from 1 April 2019)

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a lessee

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities under financial liabilities in the Balance Sheet.

Notes

to Standalone Financial Statements for the year ended 31 March 2020

iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases (till 31 March 2019)

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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to Standalone Financial Statements for the year ended 31 March 2020

2.13 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average cost basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment loss of continuing operations, including impairment on inventories is recognised in the statement of profit and loss.

2.15 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

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An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it

2.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.17 Employee Benefits

Defined Contribution plans

For certain group of employees, employee benefit in the form of Provident fund, Employees State Insurance Contribution and Labour Welfare fund are defined contribution plans. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of profit and loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of profit and loss. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave

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as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

2.18 Research and Development

Research expenditure, including overheads, on research and development, is charged as an expense in the year in which incurred.

2.19 Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at INR spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement: and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are equity instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 116
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently

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enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps to manage its foreign currency risks and interest rate risks respectively.

These derivative instruments are not designated as cash flow, fair value or net investment hedges and are entered into for period consistent with currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in the Statement of profit and loss except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

2.21 Investment in Subsidiary

The Company's investment in its subsidiaries are carried at cost.

2.22 Earnings Per Share:

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.23 Cash dividend and non-cash distribution to equity holders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

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Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

2.24 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

2B. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Employee benefit plans

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 36.

b) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 43 and 44 for further disclosures.

c) Useful Lives of Property, Plant & Equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

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2C. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

The Company applied Ind AS 116 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2020, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 116 Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. The Company has applied Ind AS 116 'Leases' (Ind AS 116) with a date of initial application of April 1, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognized as at April 1, 2019.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. As a lessee, the Company previously classified leases as operating or finance lease based on its assessment of whether the lease transferred significantly all the risk and rewards incidental to the ownership of the underlying asset of the Company. Under Ind AS 116, the Company recognizes the right-of-use assets and lease liabilities as stated in the Note 45.

On adoption of Ind AS 116, the Company has recognized 'Right of Use' assets amounting to ₹ 48.74 Crores (including reclassification of Lease prepayments from other assets amounting to ₹ 44.67 Crores) and 'Lease Liabilities' amounting to ₹ 16.28 Crores (including reclassification of finance lease obligation from borrowings amounting to ₹ 12.21 Crores) as at April 1, 2019. There is no impact of the same on retained earnings as at April 1, 2019 and no significant impact for the year ended March 31, 2020.

The Company has applied Ind AS 116 only to the contracts that were previously identified as leases. As a practical expedient, contracts previously identified as lease under Ind AS 17 has not reassessed as to whether a contract is, or contains, a lease under Ind AS 116.

The Company has used the following practical expedites when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17:

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the exemption not to recognize right-of-use asset and liabilities for leases with remaining lease term of 12 months or less.
- Excluded initial direct costs from measuring the right-of-use asset at the date of application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The lease liabilities as at March 31, 2019 can be reconciled to the operating lease commitments as of April 1, 2019, as follows:

Particulars	INR (in Crores)
Operating lease commitments as at March 31, 2019 as disclosed in the Standalone Ind AS financial statements	4.80
Less: Commitments relating to short-term leases	-
Less: Commitments relating to leases of low-value assets	-
Net operating lease commitments	4.80
Weighted average incremental borrowing rate as at April 1, 2019	8.50%
Discounted operating lease commitments as at April 1, 2019	4.07
Add: Lease payments relating to renewal periods not included in operating lease	-
Add: Transferred of finance lease as at April 1, 2019	12.21
Lease liabilities as at April 1, 2019	16.28

Other amendments

The Company does not have any significant impact of the amendments in accounting standards on its financial statements

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NOTE 3 A. PROPERTY, PLANT AND EQUIPMENT

								(₹ in Crores)		
	Land - Freehold	Land - leasehold (Finance lease)	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Vehicles	Electric Installations	Railway Wagons Leasehold	Total
I. GROSS BLOCK										
Balance as at 1 April 2018	387.44	86.98	985.06	8,146.96	31.73	52.54	17.04	411.44	62.04	10,181.23
Additions	0.09	-	0.90	31.40	0.22	0.98	0.65	1.15	-	35.39
Additions-Discontinued Operations (Refer note 35)	0.64	-	66.58	308.59	1.87	1.85	0.40	4.99	-	384.92
Disposals	(2.59)	-	(0.38)	(116.8)	(0.24)	(0.46)	(0.59)	(0.06)	-	(16.00)
Distributed to shareholders (Refer note 35)	(39.98)	(35.10)	(430.50)	(3,200.61)	(22.35)	(17.25)	(7.63)	(287.64)	(62.04)	(4,103.10)
Balance as at 31 March 2019	345.60	51.88	621.66	5,274.66	11.23	37.66	9.87	129.88	-	6,482.44
Additions	-	-	6.55	67.96	0.57	0.71	0.72	-	-	76.51
Disposals	-	-	-	(18.18)	(0.29)	(0.39)	(2.17)	(0.81)	-	(21.84)
Transfer to Right of Use Assets	-	(51.88)	-	-	-	-	-	-	-	(51.88)
Balance as at 31 March 2020	345.60	-	628.21	5,324.44	11.51	37.98	8.42	129.07	-	6,485.23
II. ACCUMULATED DEPRECIATION										
Balance as at 1 April 2018	8.69	18.85	251.92	3,435.24	22.58	36.22	10.07	223.33	58.94	4,065.84
Depreciation expense for the year	0.08	1.29	18.28	143.55	1.21	2.90	1.36	8.95	-	177.62
Depreciation-Discontinued Operations (Refer note 35)	0.62	-	65.31	305.47	1.81	1.82	0.39	4.93	-	380.35
Impairment (Refer note 35)	0.02	-	1.27	3.12	0.06	0.03	0.01	0.06	-	4.57
Disposal of assets	-	-	(0.15)	(6.41)	(0.22)	(0.35)	(0.44)	(0.04)	-	(7.61)
Distributed to shareholders (Refer note 35)	(8.70)	(12.93)	(85.77)	(1,302.99)	(16.36)	(12.22)	(5.05)	(131.51)	(58.94)	(1,634.47)
Balance as at 31 March 2019	0.71	7.21	250.86	2,577.98	9.08	28.40	6.34	105.72	-	2,986.30
Depreciation expense for the year	-	-	17.21	161.25	0.81	1.97	0.98	4.41	-	186.63
Disposal of assets	-	-	-	(10.89)	(0.27)	(0.34)	(1.59)	(0.48)	-	(13.57)
Transfer to Right of Use Assets	-	(7.21)	-	-	-	-	-	-	-	(7.21)
Balance as at 31 March 2020	0.71	-	268.07	2,728.34	9.62	30.03	5.73	109.65	-	3,152.15
NET BLOCK										
Balance as at 1 April 2018	378.75	68.13	733.14	4,711.72	9.15	16.32	6.97	188.11	3.10	6,115.39
Balance as at 31 March 2019	344.89	44.67	370.80	2,696.68	2.15	9.26	3.53	24.16	-	3,496.13
Balance as at 31 March 2020	344.89	-	360.14	2,596.10	1.89	7.95	2.69	19.42	-	3,333.08
B. RIGHT OF USE ASSETS										
Cost										
Balance as on 1st April 2019 due to adoption of Ind AS 116		51.88							51.88	
Additions during the year		-							6.57	
Balance as at 31st March, 2020	51.88	6.57							58.45	
Accumulated depreciation and impairment										
Balance as on 1st April 2019 due to adoption of Ind AS 116		7.21							7.21	
Depreciation for the year		1.04							2.69	
Balance as at 31st March, 2020	8.25	1.65							9.90	
Net carrying amount as at March 31, 2020	43.63	4.92							48.55	

Notes

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C. NET BOOK VALUE

Particulars	(₹ in Crores)	
	31-Mar-20	31-Mar-19 (Restated)
Owned assets	3,333.08	3,496.13
Right-of-use assets	48.55	-
Total	3,381.63	3,496.13

Note:

- (i) During the year ended 31 March 2020 and 31 March 2019, there are no impairment loss determined at each level of Cash Generating Unit (CGU). The recoverable amount was based on value in use and was determined at the level of CGU.
- (ii) Capitalised borrowing cost: No borrowing costs are capitalised on property, plant and equipment under construction
- (iii) Title deeds:
 - (a) Includes land measuring 29 acres and 15 guntha at a cost of ₹ 4.03 Crores (31 March 2019 ₹ 4.03 Crores) at Century Rayon division pending to be transferred in the name of the Company.
 - (b) Refer note 14 and note 18 for details of pledge and securities.

NOTE 4 : INVESTMENT PROPERTIES

Particulars	(₹ in Crores)		
	Land (Including TDRs)	Buildings	Total
I. Gross Block			
Balance as at 1 April 2018	7.46	1,036.28	1,043.74
Additions	0.21	3.61	3.82
Disposals	-	0.66	0.66
Balance as at 31 March 2019	7.67	1,039.23	1,046.90
Additions	-	2.80	2.80
Disposals	-	0.02	0.02
Balance as at 31 March 2020	7.67	1,042.01	1,049.68
II. Accumulated depreciation			
Balance as at 1 April 2018	-	84.19	84.19
Depreciation expense for the year	-	30.89	30.89
Disposal of assets	-	0.08	0.08
Balance as at 31 March 2019	-	115.16	115.16
Depreciation expense for the year	-	37.09	37.09
Disposal of assets	-	-	-
Balance as at 31 March 2020	-	152.25	152.25
Net Block			
Balance as at 31 March 2019	7.67	924.07	931.74
Balance as at 31 March 2020	7.67	889.76	897.43

Note :

- (i) Information regarding Income and expenditure of Investment properties

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
Rental income derived from Investment properties (See Note 21)	130.26	145.95
Direct operating expenses (including repairs and maintenance)		
generating rental income	(26.84)	(12.92)
Profit arising from investment properties before depreciation		
and indirect expenses	103.42	133.03
Less: Depreciation	37.09	30.89
Profit arising from investment properties before indirect expenses	66.33	102.14

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- (ii) Buildings consist of two commercial properties in India which are leased to third parties.
- (iii) Out of the total land under Investment Properties, 6.31 acres of land amounting to ₹ 0.01 Crore, which was allotted to the company on lease under the Poorer Class Accommodation Scheme 1898 as amended by 1913 Act and 1925 Act, which stated that in the event of no default being made in complying with the conditions of the lease, then on expiry of the lease all the right, title and interest shall vest with the company. The lease expired in the year 1955 and the company has filed a petition for execution of formal deed of conveyance.
- (iv) Refer note 14 and note 18 for details of pledge and securities.
- (v) Capitalised borrowing cost : Borrowing costs of ₹ 2.69 Crores (31 March 2019 ₹ 12.59 Crores) is capitalised on Investment property under development.
- (vi) Leasing arrangements
- (vii) Certain investment properties are leased to tenants under long term operating leases with rentals payable monthly. (Refer note 45)
- (viii) Fair value

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique (See Note below)	Fair Value Hierarchy (See Note below)	Fair Value	
			31 March 2020	31 March 2019
Land	Stamp Duty Reckoner rate	Level 2	2,487.64	2,487.64
Commercial Property *	Stamp Duty Reckoner rate	Level 2	2,288.30	2,288.30

* Includes Investment property under development

Note:

The above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The Independent Valuer has referred to the publications and Government website for Ready Reckoner rates. Suitable adjustments if required have been made to account for availability of FSI in land parcels in Mumbai in accordance with the guidelines prescribed by the Department of Registrations and Stamps. The adjustments related to floors, lifts and other factors are not considered for valuation of commercial property. Since the valuation is based on the published Ready Reckoner rates , the company has classified the same under Level 2.

NOTE 5 : INTANGIBLE ASSETS

Particulars	(₹ in Crores)	
	Computer Softwares	
I. Gross Block		
Balance as at 1 April 2018		15.97
Additions		-
Additions - Discontinued Operations (Refer note 35)		1.79
Disposals		-
Transfer to asset held for distribution/sale		1.65
Balance as at 31 March 2019		16.11
Additions		6.99
Disposals		-
Balance as at 31 March 2020		23.10

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to Standalone Financial Statements for the year ended 31 March 2020

NOTE 5 : INTANGIBLE ASSETS (contd.)

(₹ in Crores)

Particulars	Computer Softwares
II. Accumulated depreciation	
Balance as at 1 April 2018	11.91
Depreciation expense for the year	1.19
Depreciation - Discontinued Operations (Refer note 35)	1.68
Impairment (Refer note 35)	0.11
Disposal of assets	-
Transfer to asset held for distribution/sale	(1.34)
Balance as at 31 March 2019	13.55
Depreciation expense for the year	1.35
Disposal of assets	-
Balance as at 31 March 2020	14.90
Net Block	
Balance as at 31 March 2019	2.56
Balance as at 31 March 2020	8.20

Note : Break-up of Depreciation / Amortisation for the year :

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
Depreciation / amortisation for the year		
- On Property, plant & equipment (See note 3)	189.32	177.62
- On Investment property (See note 4)	37.09	30.89
- On Other intangible assets (See note 5)	1.35	1.19
	227.76	209.70
Less : Depreciation of Discontinued operation (See Note 35)		
- On Property, plant & equipment (See note 3)	-	16.41
- On Other intangible assets (See note 5)	-	0.29
	227.76	193.00

NOTE 6: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
A. Investment in Subsidiaries measured at cost less impairments, if any		
Unquoted Investments :		
Equity Shares of ₹ 10 each, of Birla Estates Private Limited	167.05	82.05
16,70,50,000 Shares (31 March 2019, 8,20,50,000 shares)		
Equity Shares of ₹ 10 each, of Birla Century Exports Pvt. Ltd.	0.50	0.50
5,00,000 Shares (31 March 2019, 5,00,000 shares)		
Total	167.55	82.55
B. Investments carried at fair value through OCI		
Quoted investments (Refer note (i) below)	63.01	136.93
Unquoted investments (Refer note (i) & (ii) below)	35.14	37.37
Total (Quoted & unquoted investments)	98.15	174.30
C. Investments carried at Amortised Cost		
Quoted Government and trust securities	8.54	8.54
Total [A] + [B] + [C]	274.24	265.39

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Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 6: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS (contd.)

Note:

- (i) Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding. Refer Note 44 for determination of their fair values
- (ii) Investments in unquoted investments includes investment in Industry House Limited (IHL) amounting to ₹ 24.01 Crores (31 March 2019 ₹ 23.60 Crores). The Company is holding 35.28% of equity shares in IHL. As the company does not have significant influence over Industry House Limited, the Company has not considered it as an associate as per Ind AS 28 " Investments in Associates and Joint Ventures" and hence not consolidated. The Company's share of profit of Industry House Limited is insignificant.

NOTE 6A: LOANS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
a) Loan (Security deposits) (at amortised cost)	7.17	6.92	0.69	3.35
- Doubtful	-	-	-	-
Less: Allowance for credit losses	-	-	-	-
	7.17	6.92	0.69	3.35
b) Loan to Subsidiary (Refer below note (i))	-	-	180.48	3.52
Total	7.17	6.92	181.17	6.87

Note:

- (i) Disclosure as per section 186(4) of the Act.

Particulars	Rate of Interest	Due date	As at 31.3.2019	Loan Given	Loan Repaid	As at 31.3.2020
Birla Estates Private Ltd (Unsecured)	8.25%	21/03/2021	3.52	264.91	87.95	180.48

The loan has been utilised for meeting their working capital requirement.

Disclosure as per regulation 53(f) and 34(3) read together with para A Schedule V of (SEBI (LODR) Regulations, 2015.

Name of the Company	Relationship	Amount outstanding at the year end		Maximum Principal amount	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
Birla Estates Private Ltd	Subsidiary	180.48	3.52	257.32	3.52

NOTE 7: OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(i) Financial assets at amortised cost				
a) Interest subsidy	-	-	7.06	7.04
b) Interest receivable	-	-	2.33	1.11
c) Claims and other receivables	-	-	8.86	3.33
d) Unbilled lease rentals	0.35	3.39	2.05	7.32
e) Others	-	-	8.54	4.89
- Doubtful	-	-	0.14	0.14
Less: Allowance for credit loss	-	-	(0.14)	(0.14)
	0.35	3.39	28.84	23.69

Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 7: OTHER FINANCIAL ASSETS (contd.)

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
f) Finance lease receivables (Refer Note 44)	2.54	4.49	1.99	1.98
Less: Allowance for credit loss	-	-	-	-
	2.54	4.49	1.99	1.98
	2.89	7.88	30.83	25.67
(ii) Financial assets at fair value				
a) Derivatives financial instruments carried at fair value through profit and loss (FVTPL) (Refer below note (i))	-	-	-	0.03
b) Derivatives financial instruments carried at fair value through other comprehensive income (FVTOCI) (Refer below note (i))	-	-	-	0.34
	-	-	-	0.37
Total	2.89	7.88	30.83	26.04

(i) Derivative financial instruments

The Company entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss.

Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

NOTE 8: OTHER ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Capital advances				
(i) For property, plant and equipment	35.61	23.32	-	-
	35.61	23.32	-	-
(b) Advances other than capital advances				
(i) Export incentives receivable	0.89	1.34	9.80	6.19
(ii) Balances with Government authorities (other than income taxes)	7.29	8.80	27.39	27.64
(iii) Amount paid against disputed demands	4.15	4.23	-	-
(iv) Advances to vendors / suppliers	-	-	44.97	64.34
(v) Prepaid expenses	1.01	0.63	19.02	7.29
(vi) Others	1.95	2.51	6.13	11.45
	15.29	17.51	107.31	116.91
Total	50.90	40.83	107.31	116.91

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to Standalone Financial Statements for the year ended 31 March 2020

NOTE : 9 INVENTORIES

(At cost or net realisable value, whichever is lower)

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Raw materials	127.61	135.60
Goods in transit	4.96	35.58
(b) Work-in-progress	188.45	176.86
(c) Finished and semi-finished goods	126.41	103.93
(d) Stock-in-trade of goods acquired for trading	0.66	0.74
(e) Fuels, stores and spares	128.73	123.52
Goods in transit	1.06	0.88
(f) Other materials	23.75	17.86
(g) Real estate inventory	281.34	32.63
Total	882.97	627.60

Note :

- (i) Cost of inventories recognised as an expense includes ₹ 0.21 Crores (31 March 2019 ₹ 1.31 Crores) in respect of write-downs of inventory to net realisable value.
- (ii) For charge created on real estate inventory refer Note 14 and 18
- (iii) Borrowing costs of ₹ 16.53 Crores (31 March 2019 ₹ Nil) is capitalised in Real estate inventory

NOTE 10: TRADE RECEIVABLES

Particulars	Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Secured, considered good	26.04	32.49
Unsecured, considered good	156.48	171.37
Unsecured, considered doubtful	1.74	6.18
Less: Allowance for credit losses	(1.74)	(6.18)
Receivables - credit impaired	6.71	5.83
Less: Allowance for credit losses	(6.71)	(5.83)
Total	182.52	203.86
Of the above, trade receivables from:		
- Related Parties (Refer Note 40)	1.99	-
- Others	180.53	203.86
Total	182.52	203.86

Note : No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner or a director or a member. Trade receivables are non interest bearing and are generally on terms of 7 to 120 days of credit period.

Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 11: CASH AND BANK BALANCES

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Cash and cash equivalents		
(a) Balances with banks		
- Current Accounts	5.16	11.35
- Debit balance in Cash Credit / Overdraft Accounts	39.70	1.19
(b) Cash in hand	0.20	0.10
Total	45.06	12.64
Other Bank Balances		
(a) Earmarked balances with banks		
- Unclaimed dividend accounts	2.31	2.16
(b) Balances with Banks:		
- Fixed deposits with maturity more than 3 months (including interest accrued)	9.95	0.49
- On margin accounts	48.39	34.64
Total	60.65	37.29

Note : Short term fixed deposits are varying between three months and twelve months, depending on the immediate cash requirements and earn interest at the respective short term deposit rate. Interest rate is between 6.00% to 7.00%

NOTE 12: EQUITY SHARE CAPITAL

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Authorised :		
14,80,00,000 (31 March 2019 - 14,80,00,000) Equity Shares of ₹ 10 each.	148.00	148.00
1,00,00,000 (31 March 2019 - 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 2019 - 11,17,11,090) Equity Shares of ₹ 10 each .	111.71	111.71
	111.71	111.71
(c) Subscribed and paid up:		
11,16,95,680 (31 March 2019 - 11,16,95,680) Equity Shares of ₹ 10 each, fully paid up (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.)	111.69	111.69
Total	111.69	111.69

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

	Opening Balance	Fresh Issue	Closing Balance
Equity shares with voting rights			
Year ended 31 March 2020			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69
Year ended 31 March 2019			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69

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Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 12: EQUITY SHARE CAPITAL (contd.)**(d) Shareholders holding more than 5% shares of the Company**

Class of shares / Name of shareholders	As at 31 March 2020		As at 31 March 2019	
	Number of shares held	Percentage	Number of shares held	Percentage
Equity shares with voting rights				
(a) Pilani Investment and Industries Corporation Limited	3,69,78,570	33.11 %	3,69,78,570	33.11 %
(b) IGH Holding Private Limited	1,11,50,000	9.98 %	1,11,50,000	9.98 %
(c) Aditya Marketing and Manufacturing Limited	75,60,900	6.77 %	75,60,900	6.77 %

- (e) The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31 March 2020.

NOTE 13: OTHER EQUITY

Particulars	As at 31 March 2020		As at 31 March 2019 (Restated) (₹ in Crores)
	(₹ in Crores)	643.22	
(a) Securities Premium			643.22

Note :

- (i) Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(b) Other reserves

(i) Capital Redemption Reserve	100.00	100.00
Note :		
Capital redemption reserves was created during the year ended 31 March 2001, on redemption of 10.25% Redeemable Cumulative Non-convertible Preference Shares privately placed with financial institutions and banks. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
(ii) Debenture Redemption Reserve (DRR)		
As per last Balance Sheet	181.26	120.84
Add: Transferred from Retained earnings (Refer note below)	-	60.42
	181.26	181.26

Note :

The Company has issued redeemable non-convertible debentures. The Company was required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16th August, 2019, the Company is not required to create Debenture Redemption Reserve (DRR). Accordingly, the Company has not created DRR during the year and DRR created till previous years will be transferred to retained earnings on redemption of debentures.

(c) Dividend distribution made and proposed

Particulars	As at 31 March 2020		As at 31 March 2019 (Restated) (₹ in Crores)
	(₹ in Crores)		
Cash dividends on equity shares paid during the year			
Dividend for the year ended on 31 March 2019: ₹ 7.50 per share (31 March 2018 ₹ 6.50 per share)	83.77	72.60	
Dividend distribution tax on above	17.22	14.92	
	100.99	87.52	
Proposed dividend on equity shares			
Proposed dividend for the year ended on 31 March 2020 ₹ 3.00 per share (31 March 2019 ₹ 7.50 per share)	33.51	83.77	
Dividend distribution tax on above	-	17.22	
	33.51	100.99	

Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 13: OTHER EQUITY (contd.)

Note :

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at 31 March 2020.

(d) General Reserves

General Reserves is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserves will be utilised in accordance with the provisions of the Companies Act, 2013.

(e) Other Comprehensive Income

(i) FVOCI equity investments:

The company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(ii) Cash Flow Hedge:

The mark to market loss on the forward contracts outstanding has been recognised by company in cash flow hedge reserve. The Company transfers amounts from this reserve to statement of profit and loss when the relevant forward contracts are derecognised or hedging relationship no longer exists,

NOTE 14:BORROWINGS

Particulars	Non-Current		Current Maturities	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Measured at Amortised Cost				
(A) Secured Non Convertible Debentures				
1 (7,000) Redeemable Non Convertible debentures (Repayment due on Apr' 2020 Interest rate as at 31 March 2020 - 8.29 % p.a)	-	699.67	700.00	-
2 (4000) Redeemable Non Convertible debentures (Repayment due on Feb' 2023 Interest rate as at 31 March 2020 - 7.95 % p.a)	399.32	-	-	-
(B) Term Loan from Bank - Secured				
3 Term loan from Axis Bank 700 Cr (Repayable in 16 half yearly installments, repayment falling due on Dec' 2024)	128.10	-	70.00	-
4 Term Loan from South India Bank Ltd (Repayable in 8 equal quarterly instalments, last instalment falling due on Mar' 2020)	-	-	-	37.46
5 Term Loan from Export Import Bank of India (Repayable in 8 equal quarterly instalments, last instalment falling due on Mar' 2020)	-	-	-	62.43
6 TUF Loan from State Bank of India (Repayable in 36 equal quarterly Instalments, last instalment falling due on Mar' 2020)	-	-	-	0.70
7 TUF Loan from State Bank of India (Repayable in 20 equal quarterly Instalments, last instalment falling due on Sept' 2020)	-	-	-	2.74
8 TUF Loan from State Bank of India (Repayable in 20 equal quarterly Instalments, last instalment falling due on Dec' 2020) Interest accrued on above Amount disclosed under the head " Other Financial Liabilities - Current " (Refer Note 15)	-	1.91	1.93	2.60
	-	-	26.49	-
	-	-	(798.42)	(105.93)
Total	527.42	701.58	-	-

Effective rate of Interest : All the term loans are carried at the Interest rate from 7.00% to 9.00%

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to Standalone Financial Statements for the year ended 31 March 2020

NOTE 14:BORROWINGS (contd.)

Details of Security:

1. Loans covered in Sr. No. 1 :

First pari passu charge on Plant and Machineries present and future of Birla Century,Pulp and Paper divisions and Freehold land admeasuring 25,323.78 sq. meters and Birla Centurion Building thereon situated at Worli, Lower Parel Divisions, District Mumbai bearing C.S No. 794 (Part) of Lower Parel Divisions, G/S Ward excluding Furniture and Fixtures and vehicles of all above divisions.

2. Loans covered in Sr. No. 2 :

First pari passu charge on Plant and Machineries, present and future of Birla Century,Pulp and Paper divisions and Freehold land admeasuring 25,323.78 sq. meters and Birla Centurion building thereon situated at Worli, Lower Parel Divisions, G/S ward excluding furniture and fixtures and vehicles of all above divisions.

3. Loans covered in Sr. No. 3 :

First pari passu charge on the present and future movable fixed assets of the Borrower's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand. First pari passu security interest on freehold land admeasuring 25323.78 sq. meters and the Birla Centurion Building thereon situated at Worli, Lower Parel Division, Mumbai. Negative lien on the present and future immovable fixed assets of the Borrower's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand.

4. Loans covered in Sr. No. 4 & 5 :

First pari passu charge over the present and future property plant and equipment of Birla Century,Pulp & Paper Divisions and Phase I of Real Estate Development at Worli excluding leasehold land at Pulp & Paper, and Birla Century, furniture and fixtures, vehicles and other miscellaneous assets of all divisions.

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

First pari passu charge on entire property plant and equipment, present and future of Textiles 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.

6. Loan covered in Sr. No. 7 above :

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

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

First pari passu charge over the property plant and equipment, present and future, of the Company (excluding leasehold land at Birla Century and Pulp & Paper and furniture and fixtures, vehicle and other miscellaneous assets of all the above divisions).

NOTE 14A: LEASE LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
			As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Lease Liability (Refer Note 45)	15.44	12.20	1.95	-
	15.44	12.20	1.95	-

Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 15: OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Other Financial Liabilities measured at amortised cost				
(a) Deposits from dealers and agents	-	-	45.87	46.48
(b) Deposits against rental arrangements	86.64	91.33	60.10	47.79
(c) Current maturities of non current borrowings (Including Interest accrued on borrowings) (Refer Note 14)	-	-	798.42	105.93
(d) Interest accrued	-	-	21.87	31.60
(e) Unclaimed / Unpaid dividends (Refer Note below (i))	-	-	2.31	2.16
(f) Creditors for capital supplies / services	-	-	12.10	21.40
(g) Other liabilities	0.52	0.50	1.76	1.85
	87.16	91.83	942.43	257.21
Other Financial Liabilities Measured at Fair value				
a) Derivatives financial instruments carried at fair value through Other Comprehensive Income (FVTOCI) (Refer Note below (ii))	-	-	1.04	2.96
	-	-	1.04	2.96
Total	87.16	91.83	943.47	260.17

Note :-

- (i) Unclaimed dividend amounting to ₹ 0.04 Crore (31 March 2019 ₹ 0.03 Crore) is pending on account of litigation among claimants / notices from the tax recovery officer.
- (ii) Derivative financial instruments:

The Company entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss.

Derivative instruments at fair value through profit or loss reflect the negative change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

Changes in liabilities arising from financing activities (excluding lease liabilities)

Particulars	As at 1 April 2019	Cash flow	As at 31 March 2020
			As at 31 March 2020
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	807.50	518.34	1,325.84
Current borrowings			
Working capital loans / cash credit from banks	108.70	(108.57)	0.13
Pre-shipment, Post-shipment and Export Bills Discounting facilities	43.01	(42.30)	0.71
Bills discounted with banks	3.78	(3.78)	-
Under a buyer's credit arrangement in foreign currency	-	14.78	14.78
Commercial Papers	44.95	(44.95)	-
Total	1,007.94	333.52	1,341.46

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Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 15: OTHER FINANCIAL LIABILITIES (contd.)

Particulars	As at 1 April 2018	Cash flow	Discontinued Operations	(₹ in Crores) As at 31 March 2019
Non- current borrowings				
Long term borrowings (including current maturities and interest accrued)	2,894.50	(512.43)	(1,574.57)	807.50
Current borrowings				
Working capital loans / cash credit from banks	11.86	97.45	(0.61)	108.70
Pre-shipment, Post-shipment and Export Bills Discounting facilities	57.12	(14.11)	-	43.01
Bills discounted with banks	6.90	(3.12)	-	3.78
Under a buyer's credit arrangement in foreign currency	148.23	(148.23)	-	-
Commercial Papers	1,238.46	(250.04)	(943.47)	44.95
Derivatives	20.93	(20.93)	-	-
Total	4,378.00	(851.41)	(2,518.65)	1,007.94

NOTE 16: INCOME TAX

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
(a) Tax expense recognised in the Statement of Profit and Loss on continuing operations		
Current tax		
In respect of current year	53.92	174.58
	53.92	174.58
Minimum Alternate Tax (MAT) Credit entitlement	(53.92)	(174.58)
	(53.92)	(174.58)
Deferred tax		
In respect of current year	127.22	269.26
In respect of earlier years	(83.91)	(2.35)
Adjustments due to changes in tax rates	(137.00)	-
	(93.69)	266.91
Total income tax expense on continuing operations		
Tax expense recognised in the Statement of Profit and Loss on discontinuing operations		
Current tax		
In respect of current year	-	-
Deferred tax		
In respect of current year origination and reversal of temporary differences	(9.48)	(16.79)
	(9.48)	(16.79)
Total income tax expense on discontinuing operations		
Net tax expense recognised in the Statement Profit and Loss		
	(103.17)	250.12
(b) Income tax recognised in other comprehensive income		
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	(2.15)	0.60
Cash flow hedge	0.70	(0.92)
	(1.45)	(0.32)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	(2.15)	0.60
Income taxes related to items that will be reclassified to profit or loss	0.70	(0.92)
	(1.45)	(0.32)

Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 16: INCOME TAX (contd.)

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
(c) Amounts Recognised directly in Equity - Nil (31 March 2019 - Nil)		
(d) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
Profit/(loss) before tax from continuing operations	374.33	778.78
Income tax expense calculated at 34.944% (31 March 2019 - 34.944%)	130.81	272.14
Effect of income that is exempt from taxation	(0.64)	(1.30)
Effect of expenses that is non-deductible in determining taxable profit	1.61	3.93
Effect of tax incentives and concessions (research and development and other allowances)	(1.21)	(0.47)
Effect of current year losses for which no deferred tax asset is recognised	-	-
Others	(3.35)	(5.04)
Re-measurement of deferred tax (refer note (ii) below)	(137.00)	-
	(9.78)	269.26
Adjustments recognised in the current year in relation to the deferred tax of prior years (refer note (iii) below)	(83.91)	(2.35)
Income tax expense recognised In profit or loss from continuing operations	(93.69)	266.91
Profit/(loss) before tax from discontinuing operations	(27.13)	(46.56)
Income tax expense calculated at 34.944%	(9.48)	(16.27)
Reversal of tax difference in book base and tax base	-	(0.52)
Income tax expense recognised In profit or loss from discontinuing operations	(9.48)	(16.79)

Note :

- (i) The tax rate used for above deferred tax reconciliation for 31 March 2020 and 31 March 2019 is 34.944% respectively.
- (ii) Pursuant to the enactment of the Taxation Law (Amendment) Act, 2019 which is effective from April 1, 2019, domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. Based on the Company's assessment of the expected year of transition to the new tax regime, the Company has remeasured the deferred tax liabilities at the newly enacted tax rate and has written back an amount of ₹ 137 Crores during the year ended March 31, 2020.

Accordingly, deferred tax asset on temporary differences which are expected to reverse after financial year ending 2027 have been reversed in the current financial year amounting to ₹ 137 Crores. Accordingly, deferred tax assets have been increased by ₹ 137 Crores and the tax charge for the year have decreased by ₹ 137 Crores.

- (iii) During the year, the Company has received the approval to develop one land and hence transferred it from investment property to inventory. Accordingly, the Company has reassessed the recoverability of deferred tax asset on indexation benefit related to said land and recognised deferred tax asset of ₹ 89.07 Crores and disclosed as DTA pertaining to earlier years. Further there are certain other adjustments amounting to ₹ 5.16 Crores as a result of which the net adjustment recognised is ₹ 83.91 Crores.

(e) The movement in deferred tax assets and liabilities during the year ended 31 March 2020 and 31 March 2019 :

Movement during the year ended 31 March 2020	As at 31 March 2019 (Restated)	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2020 (₹ in Crores)
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	850.97	(241.69)	-	609.28
(ii) Actuarial gain on defined benefit obligation	5.63	-	(2.15)	3.48
(iii) Interest expenses on unwinding of financial liability	3.79	0.20	-	3.99
	860.39	(241.49)	(2.15)	616.75

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Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 16: INCOME TAX (contd.)

		₹ in Crores)			
Movement during the year ended 31 March 2020		As at 31 March 2019 (Restated)	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2020
Tax effect of items constituting deferred tax assets					
(i) Employee benefits		0.70	(0.55)	-	0.15
(ii) Other provisions		7.60	(2.34)	-	5.26
(iii) Expenses allowable for tax purpose when paid		34.78	(18.31)	-	16.47
(iv) Tax losses		166.33	(81.19)	-	85.14
(v) Provision for leave encashment		21.63	0.81	-	22.44
(vi) Interest Income on unwinding of financial assets		21.32	-	-	21.32
(vii) Other temporary differences		12.60	0.05	-	12.65
(viii) Upfront royalty		192.89	(36.78)	-	156.11
(ix) Cash flow hedge		0.92	-	(0.70)	0.22
		458.77	(138.31)	(0.70)	319.76
Deferred Tax liability / (asset)		401.62	(103.18)	(1.45)	296.99
MAT credit		(307.63)	(53.92)	-	(361.55)
Net Deferred Tax liability / (asset)		93.99	(157.10)	(1.45)	(64.56)
Movement during the year ended 31 March 2019		As at 31 March 2018	Recognised in profit and Loss	Recognised in Other comprehensive income	Transfer on account of Demerger
					As at 31 March 2019 (Restated)
Tax effect of items constituting deferred tax liabilities					
(i) Property, plant and equipments, investment property and real estate Inventory		1,193.24	86.16	-	428.43
(ii) Actuarial gain on defined benefit obligation		5.03	-	0.60	-
(iii) Interest expenses on unwinding of financial liability		0.51	3.28	-	-
		1,198.78	89.44	0.60	428.43
					860.39
Tax effect of items constituting deferred tax assets					
(i) Employee benefits		1.20	(0.50)	-	-
(ii) Other provisions		4.71	2.89	-	-
(iii) Expenses allowable for tax purpose when paid		115.62	(11.85)	-	68.99
(iv) Government grants		22.22	-	-	22.22
(v) Tax losses		645.14	(340.15)	-	138.66
(vi) Provision for leave encashment		22.95	(1.32)	-	-
(vii) Interest Income on unwinding of financial assets		20.95	0.37	-	-
(viii) Other temporary differences		15.61	(3.01)	-	-
(ix) Upfront royalty		-	192.89	-	-
(x) Cash flow hedge		-	-	0.92	-
		848.40	(160.68)	0.92	229.87
					458.77
Deferred Tax liability / (asset)		350.37	250.12	(0.32)	198.56
MAT credit		(133.05)	(174.58)	-	(307.63)
Net Deferred Tax liability / (asset)		217.32	75.54	(0.32)	198.56
					93.99

Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 17: OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Advances received from customers	-	-	5.62	13.67
(b) Deferred revenue - Government grant (Refer Note below)	7.67	46.23	-	-
(c) Deferred revenues (Refer Note 33)	608.10	640.49	52.87	52.96
(d) Statutory dues				
- Taxes Payable (other than income taxes)	-	-	32.51	25.72
- Employee recoveries and employer contributions	-	-	1.88	1.89
(e) Other Liabilities	-	-	-	0.05
Total	615.77	686.72	92.88	94.29

Note : Government grants

In the past, under the Export Promotion Capital Goods (EPCG) Scheme, the Company had received Government grant for the purchase of certain items of property, plant and equipments. As per the EPCG scheme the Company has an obligation to export up to 8 times of grant amount. As and when the Company fulfils the export obligation, proportionate grant is released to the Statement of profit and loss (Refer Note 39).

NOTE 18 BORROWINGS - CURRENT

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	
Secured Borrowings measured at amortised cost.			
(a) Loans repayable on demand from banks			
Cash credit from banks	0.13	108.70	
Pre-shipment, post-shipment and export bills discounting facilities	0.71	43.01	
Bills discounted with banks	-	3.78	
Unsecured borrowings measured at amortised cost.			
(a) Short term borrowings from banks:			
Under a buyer's credit arrangement in foreign currency	14.78	-	
(b) Commercial papers	-	44.95	
(Maximum balance outstanding during the year ₹ 600 Crores)			
(31 March 2019 ₹ 2,075 Crores)			
Total	15.62	200.44	

Note:

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) and 2nd charge on a pari-passu basis over the present and future property plant and equipments (plant and machinery) of Birla Century (Gujarat), Century Pulp and paper and Phase 1 of Real Estate Development, Worli (excluding furniture, fixtures, vehicles and other miscellaneous assets) and mortgage of freehold immovable properties of Century Pulp and Paper on pari-passu 2nd charge basis with other working capital lenders.
- (ii) The charge created as per para (i) also extends to the guarantees given by the banks on behalf of the Company to other banks, aggregating ₹ Nil (31 March 2019 - ₹ Nil).

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Notes

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NOTE 19: TRADE PAYABLES

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Trade payable - Micro and small enterprises (Refer Note 34)	8.87	6.70
Trade payable - Other than micro and small enterprises	431.28	506.31
Total	440.15	513.01

Note :

- (i) 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.
- (ii) Trade payables are non interest bearing and are normally settled on 60-90 days terms. Acceptances are interest bearing and have an average term of six months. There are no other amounts paid / payable towards interest / principal under the MSMED.

NOTE 20: PROVISIONS

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Provision for employee benefits				
(i) Leave entitlement	-	-	23.21	20.70
(ii) Gratuity (Refer Note 36)	-	-	2.30	-
	-	-	25.51	20.70
(b) Other Provisions				
(i) Disputed matters (Refer Note 37)	-	-	155.08	154.90
	-	-	155.08	154.90
Total	-	-	180.59	175.60

NOTE 21: REVENUE FROM OPERATIONS

Particulars	Year Ended 31 March 2020 (₹ in Crores)		Year Ended 31 March 2019 (Restated) (₹ in Crores)
(a) Sale of products		3,137.86	3,424.57
(b) Rent from leased properties:			
Rent from Investment properties (Refer Note 4)	144.97		159.10
Rent from other assets (Refer Note 33)	49.59		49.59
		194.56	
			3,332.42
(c) Other operating revenues :			3,633.26
Export benefits		21.93	21.48
Sale of scrap		5.35	4.03
Insurance and other claims		0.70	0.37
Liabilities no longer required		13.15	10.83
Government Grants (Refer note below (a))		38.57	100.99
Renewable energy credits		0.94	-
Gain on sale of Transferable Development Rights (TDR)		-	160.16
Others		11.20	12.44
			91.84
Total		3,424.26	3,943.56

Note :

- (i) Other operating income for year ended March 31, 2019 includes ₹ 71.24 Crores on account of credit of duty paid on fulfilment of export obligation by utilizing prior year exports of other divisions based on endorsements received during the year from Director General of Foreign Trade.

Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 21: REVENUE FROM OPERATIONS (contd.)

NOTE 21 A: DISAGGREGATED REVENUE INFORMATION:

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Segment		
Textile products	737.00	765.36
Paper and Pulp products	2,383.38	2,642.67
Real Estates (Sale of TDR)	-	160.16
Others (Salt and Chemicals)	17.48	16.54
Total revenue from contracts with customers	3,137.86	3,584.73
India		
Outside India	2,537.34 600.52	3,155.06 429.67
Total revenue from contracts with customers	3,137.86	3,584.73
Timing of revenue recognition		
Goods transferred at a point in time	3,137.86	3,584.73
Services transferred over time	-	-
Total revenue from contracts with customers	3,137.86	3,584.73

NOTE 21 B:

Reconciliation with segment revenue	Year ended 31 March 2020				
	Textile	Pulp and Paper	Real Estates	Others	Total
Revenue as per Segment	786.59	2,383.38	144.97	17.48	3,332.42
Less:					
Rent from Investment properties	-	-	(144.97)	-	(144.97)
Rent from Other assets	(49.59)	-	-	-	(49.59)
Total Revenue from contracts with customers	737.00	2,383.38	-	17.48	3,137.86

Reconciliation with segment revenue	Year ended 31 March 2019				
	Textile	Pulp and Paper	Real Estates	Others	Total
Revenue as per Segment	814.95	2,642.67	159.10	16.54	3,633.26
Add: Gain on sale of TDR	-	-	160.16	-	160.16
Less:					
Rent from Investment properties	-	-	(159.10)	-	(159.10)
Rent from Other assets	(49.59)	-	-	-	(49.59)
Total Revenue from contracts with customers	765.36	2,642.67	160.16	16.54	3,584.73

NOTE 21 C: CONTRACT BALANCES

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Trade Receivables	182.52	203.86
Contract Liabilities (Advance received from customers)	5.62	13.67

NOTE 21 D: RECONCILING THE AMOUNT OF REVENUE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS WITH THE CONTRACTED PRICES

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Revenue as per contracted prices	3,251.33	3,710.42
Adjustments :		
Discount	113.47	125.69
Revenue from contract with customers	3,137.86	3,584.73

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to Standalone Financial Statements for the year ended 31 March 2020

NOTE : 22 OTHER INCOME

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Dividend on FVTPL Investments	1.67	2.69
Dividend on FVTOCI Investments	1.14	1.15
	2.81	3.84
Interest Income :		
Non current investments at amortised cost	0.71	0.71
On Income tax refund	-	0.46
Other interest income	14.15	5.90
	14.86	7.07
Gain on foreign currency fluctuations and translations (net)	-	6.96
Fair value gain on financial instruments at FVTPL *	-	0.08
Provision for interest written back #	9.75	56.48
Surplus on sale of property plant and equipments (net)	-	9.50
Management consultancy fees	4.35	10.11
Miscellaneous Income	11.60	15.63
Total	43.37	109.67

* Fair value gain on financial instruments at fair value through profit or loss relates to foreign exchange forward contracts that was not designated for hedge accounting.

Provision towards interest on expected unfulfilment of export obligation has been written back.

NOTE 23: COST OF MATERIALS CONSUMED

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Raw material consumed		
Opening stock	135.60	104.69
Add: Purchases	1,326.61	1,492.18
	1,462.21	1,596.87
Less: Closing stock	(127.61)	(135.60)
	1,334.60	1,461.27
Dyes, colour and chemicals consumed		
Opening stock	15.72	13.85
Add: Purchases	330.63	312.41
	346.35	326.26
Less: Closing stock	(16.71)	(15.72)
	329.64	310.54
Packing materials consumed		
Opening stock	3.11	2.54
Add: Purchases	95.11	93.57
	98.22	96.11
Less: Closing stock	(7.04)	(3.11)
	91.18	93.00
Total	1,755.42	1,864.81

Notes

to Standalone Financial Statements for the year ended 31 March 2020

NOTE 24: PURCHASE OF TRADED GOODS

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Purchase of traded goods	48.22	11.72

NOTE 25: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Opening stock :-		
Finished goods	103.93	79.39
Work-in-progress	176.86	190.85
Stock-in-trade	0.74	0.51
	281.53	270.75
Closing stock :-		
Finished goods	126.41	103.93
Work-in-progress	188.45	176.86
Stock-in-trade	0.66	0.74
	315.52	281.53
Total	(33.99)	(10.78)

NOTE 26: EMPLOYEE BENEFITS EXPENSES

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Salaries, wages, bonus, etc.	227.81	238.09
Contributions to provident and other funds	13.57	12.34
Gratuity expenses (Refer Note 36)	4.14	4.43
Staff welfare expenses	10.81	11.85
Total	256.33	266.71

NOTE 27: FINANCE COST

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Interest on debts and borrowings (Refer Note below)	100.34	97.67
Exchange differences regarded as an adjustment to borrowing costs	0.82	6.13
Unwinding of discount and effect of change in discount rate on provisions	9.71	9.30
Interest on lease liabilities (Refer Note 45)	1.48	1.04
	112.35	114.14
Less: Borrowing costs capitalised	(19.22)	(12.59)
Total	93.13	101.55

Note :

Net of subsidy of ₹ 0.11 Crore (31 March 2019 ₹ 2.26 Crores) under the Technology Upgradation Fund Scheme of the Government of India.

The capitalisation rate used to determine the amount of borrowing cost to be capitalised is the weighted average interest rate applicable to the entity's general borrowings during the year, in this case 8.25% (31 March 2019 8.00%)

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NOTE 28: DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Depreciation of property plant and equipments (Refer Note 3)	189.32	161.21
Depreciation on Investment properties (Refer Note 4)	37.09	30.89
Amortization of Intangible assets (Refer Note 5)	1.35	0.90
Total	227.76	193.00

NOTE 29: OTHER EXPENSES

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Consumption of stores and spares	55.70	81.38
Job work charges	19.25	23.54
Power, fuel and water	409.31	474.15
Buildings repairs	19.65	23.02
Machinery repairs	23.16	29.57
Rent	2.25	2.56
Rates and taxes	15.46	16.65
Insurance	12.17	7.18
Freight, forwarding, octroi, etc.	44.02	45.14
Advertisement and publicity	2.60	5.69
Allowance for credit loss	0.06	0.79
Commission	10.61	14.16
Brokerage, discounts, incentives etc.	1.87	3.74
Commission to Non Executive Directors	1.00	1.50
Director's fees and travelling expenses	0.13	0.17
Loss on sale of Investments	-	0.23
Provision for doubtful debts and advances	0.80	0.96
Miscellaneous expenses (Refer below notes A, B & C)	128.39	117.01
Total	746.43	847.44

NOTE A: AUDITORS' REMUNERATION:

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Statutory Auditors		
As Auditors:		
Audit fees	1.09	1.30
Tax audit fees	0.10	0.20
Limited review	0.15	0.15
In Other Capacity:		
Certificates and other services	0.09	0.14
Reimbursement of expenses	0.04	0.06
Total	1.47	1.85

Notes

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NOTE 29: OTHER EXPENSES (contd.)

NOTE B: DETAILS OF CORPORATE SOCIAL RESPONSIBILITY AS PER SECTION 135 (5) OF ACT AND RULES MADE THEREUNDER:

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019 (Restated) (₹ in Crores)
	(₹ in Crores)	(₹ in Crores)
During the year, the Company has spent ₹ 5.11 Crores (31 March 2019 : ₹ 3.18 Crores) including ₹ 0.60 Crore of previous year balance (31 March 2019 : ₹ 3.18 Crores) towards various schemes of corporate social responsibility as prescribed under section 135 of the Act. The details are :		
Amount to be spent during the year	9.73	3.78
Amount spent by the company during the year :		
a) Construction/acquisition of any asset	-	-
b) On purpose other than above (including ₹ 0.60 Crore of previous year unspent amount)	5.11	3.18
Amount unspent	4.62	0.60

NOTE C: DISCLOSURE OF POLITICAL CONTRIBUTIONS AS PER SECTION 182 (3) OF ACT:

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019 (Restated) (₹ in Crores)
	(₹ in Crores)	(₹ in Crores)
Political contributions made under section 182(3) by purchase and distribution of Electoral Bonds	1.00	-
	1.00	-

30 HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US dollars. This forecast transactions are highly probable and they comprise about 8.64% of the companies total expected sales in US dollars. The foreign exchange contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rate.

31 EARNINGS PER SHARE (EPS):

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
a) For Continuing Operations		
Profit attributable to equity shareholders for basic & diluted EPS	468.02	511.87
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2019 ₹ 10 each) (in Rupees)	41.90	45.83
b) For Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	(17.65)	5,563.69
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2019 ₹ 10 each) (in Rupees)	(1.58)	498.14
c) For Continuing & Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	450.37	6,075.56
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2019 ₹ 10 each) (in Rupees)	40.32	543.97

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Notes

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- 32** 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 ₹ 4.13 Crores (31 March 2019: ₹ 3.40 Crores). During the year ₹ Nil (31 March 2019: ₹ 0.77 Crore) capital expenditure on research and development has been incurred.
- 33** During the financial year 2017-18, the Company had entered into an agreement with Grasim Industries Limited ('GIL') granting right to manage and operate the Company's Viscose Filament Yarn ('VFY') business, which is part of Textile segment, for a duration of 15 years commencing from February 1, 2018. As a part of consideration, GIL has paid an upfront Royalty of ₹ 600.00 Crores. In addition GIL has also paid the carrying value of net working capital and the interest free security deposit of ₹ 200.00 Crores which is repayable after 15 years. With effect from February 1, 2018, GIL have right to use the VFY business assets including its intangible assets for a period of 15 years from the above date. The Company has recognized Royalty income over the period of 15 years.

Pursuant to the agreement, GIL shall incur all capital expenditure and commitments involving capital expenditure as may be necessary for the proper, optimum and profitable operation of the VFY Business. In this regard, Company has agreed that all improvement/ capital expenditure done by GIL during the tenure of agreement will be transferred to the Company, at such fair value as may be agreed between the Company & GIL.

34 TRADE PAYABLE

- (i) ₹ 8.87 Crores (31 March 2019 ₹ 6.70 Crores) 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; and
- (ii) The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

35. DISCONTINUED OPERATIONS

a) Yarn and Denim division

During the earlier years, on receipt of sale consideration and on fulfilment of all closing conditions as per the signed business transfer agreement (BTA), the Company had recognized the sale of its Yarn and Denim units ("Y&D units") (included in Textiles segment) and has recognized loss on disposal amounting to ₹ 18.12 Crores. Pursuant to the objections raised by the workers of Y&D units against the said business transfer, during the previous year the Company had terminated the BTA, refunded the sale consideration and had taken back the possession of the Y&D units. The Company is currently exploring various alternatives including sale to other buyers and accordingly has classified the operations as Discontinued operations.

The Results of Yarn and Denim unit for the year are presented below:

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
Revenue including other income	5.61	-
Expenses	(32.74)	(74.64)
Impairment loss recognised on the remeasurement to fair value less costs to sell	-	-
Profit before income tax	(27.13)	(74.64)
Income tax (expense) / credit	9.48	26.08
Profit / (Loss) after income tax	(17.65)	(48.56)

The major class of assets and liabilities of Yarn and Denim Division classified as held for sale as at 31 March 2020 are, as follows

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
Assets		
Other Financial Assets	1.27	2.11
Inventories	0.06	0.06
Cash and Cash Equivalents	-	0.06
Assets classified as held for sale	1.33	2.23

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35. DISCONTINUED OPERATIONS (contd.)

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
Liabilities		
Trade Payables	39.34	41.24
Other Financial Liabilities	0.04	0.04
Provisions	5.51	1.34
Other Current Liabilities	0.44	0.33
Liabilities Associated with Assets Held for Sale	45.33	42.95
Net Assets directly associated with Yarn and denim	(44.00)	(40.72)

The net cash flows of Yarn and Denim Unit are, as follows:

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
Net cash flow from operating activities	(14.38)	(41.20)
Net cash flow from investing activities (from sale of business)	-	-
Net cash flow from financing activities	-	-
Net cash generated from discontinued operations	(14.38)	(41.20)

b) Cement division

The Scheme of Demerger between the Company and UltraTech Cement Limited ("Resulting Company") and their respective shareholders and creditors ("Scheme") was approved by the National Company Law Tribunal ('NCLT') on July 3, 2019 and on completion of all conditions precedent, as specified in the Scheme, the Scheme became effective on October 1, 2019. Pursuant to the Scheme becoming effective, the Cement Business Division is demerged from the Company and transferred to and vested in the Resulting Company with effect from May 20, 2018 i.e. the Appointed Date.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no. 09/2019 dated August 21, 2019 ('MCA Circular'), the Appointed Date identified under the Scheme shall also be deemed to be the date of transfer of control for the purpose of conforming to accounting standards. Accordingly, the Company has recognized the effect of the demerger on May 19, 2018 and debited the fair value as at May 19, 2018 of Demerged Undertaking i.e. fair value of shares of Resulting Company to be distributed to the shareholder of the Company, amounting to ₹ 5,388.28 Crores to the retained earnings in the Statement of Changes in Equity as dividend distribution. The difference in the fair value and carrying value of Cement Business Division as at May 19, 2018 amounting to ₹ 5,593.46 Crores is recognized as gain on demerger of Cement Business Division in the statement of profit and loss account. The operations of Cement Business Division were classified as discontinued operations until May 19, 2018.

As the demerger is effective from FY 2018-2019, the previous year figures have been restated accordingly and there is no impact on Balance Sheet as at April 1, 2018.

i) Gain on demerger of Cement business division

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Fair value of shares of Resulting Company to be distributed to the shareholder of the Company	5,388.28
Less: Net asset / (liabilities) of Demerged Undertaking (Refer note ii below)	(205.18)
Gain on demerger of Cement business division	5,593.46

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35. DISCONTINUED OPERATIONS (contd.)**ii) The carrying value of assets and liabilities of Demerged Undertaking derecognized as at May 19, 2018**

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Assets	
Non Current Assets	
Property, plant and equipments (including CWIP)	2,482.40
Financial assets	235.81
Other assets	88.86
Sub - Total	2,807.07
Current Assets	
Inventories	731.81
Financial assets	500.32
Other assets	356.84
Sub - Total	1,588.97
Total Assets	4,396.04
Liabilities	
Non Current Liabilities	
Financial liabilities	1,573.36
Provisions	6.73
Deferred tax liabilities (net)	198.56
Sub - Total	1,778.65
Current Liabilities	
Financial liabilities	2,309.11
Provisions	244.20
Other current liabilities	269.26
Sub - Total	2,822.57
Total Liabilities	4,601.22
Net asset / (liabilities) of Demerged Undertaking	(205.18)

iii) The Results of Cement Division upto May 19, 2018

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Revenue including other income	574.52
Expenses	(546.44)
Profit before income tax	28.08
Income tax (expense) / credit	(9.29)
Profit / (Loss) after income tax	18.79

Notes

to Standalone Financial Statements for the year ended 31 March 2020

35. DISCONTINUED OPERATIONS (contd.)

- iv) The impact of above restatement on statement of profit and loss for the previous year figures is as follows:

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Revenue - increase/(decrease)	3.03
Other income - increase/(decrease)	10.11
Interest expense - (increase)/decrease	(5.66)
Other expense - (increase)/decrease	-
Tax expense of continuing operations - (increase)/decrease	(2.61)
Profit before tax of discontinued operations - increase/(decrease)	5,280.13
Tax expense of discontinued operations - (increase)/decrease	109.49
Profit after tax - increase/(decrease)	5,394.49
OCI before tax of discontinued operations - increase/(decrease)	(8.00)
Tax expense of OCI of discontinued operations - increase/(decrease)	2.80
Total Comprehensive income - increase/(decrease)	5,389.29
Earnings per share (EPS)	
EPS from continuing operations - increase/(decrease)	0.44
EPS from discontinued operations - increase/(decrease)	482.55
EPS from total operations - increase/(decrease)	482.99
Impact on other equity - increase/(decrease)	0.94

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Deferred tax assets (Net) increase/(decrease)	0.95
Other bank balances increase/(decrease)	(27.40)
Assets classified as held for distribution increase/(decrease)	(3,992.71)
Other equity increase/(decrease)	0.94
Non current Borrowings increase/(decrease)	699.67
Deferred tax liabilities (Net) increase/(decrease)	(8.73)
Current Borrowings increase/(decrease)	(280.74)
Other financial liabilities increase/(decrease)	62.43
Provisions increase/(decrease)	(121.70)
Liabilities directly associated with assets classified as held for distribution increase/(decrease)	(4,371.03)

The impact of above restatement on statement of cash flows for the previous year figures is as follows:

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Net Cash Generated From Operating Activities	(772.26)
Net Cash Generated From Investment Activities	98.11
Net Cash Flows From / (Used In) Financing Activities	683.09

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36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS".

(a) Defined Contribution Plans:

The Company's contribution to Provident Fund and Superannuation Fund aggregating ₹ 13.57 Crores (31 March 2019: ₹ 12.34 Crores) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

(i) Gratuity

The company has a defined benefit gratuity plan (funded).The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments, property and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Employee Attrition rate	2% to 5%	2% to 6%
Discount rate	6.71%	7.60%
Expected rate(s) of salary increase	3.75% to 6%	3% to 6%

Defined benefit plans – as per actuarial valuation on 31st March, 2020

Particulars	Funded Plan	
	Gratuity	Year Ended 31 March 2019 (₹ In Crores)
I. (a) Expense recognised in the Statement of Profit and Loss		
Service Cost:		
Current Service Cost	4.41	5.96
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	(0.27)	0.02
Current service cost of discontinued operation	-	(1.55)
Components of defined benefit costs recognised in profit or loss	4.14	4.43
(b) Included in Other Comprehensive Income		
Remeasurement (gain)/loss	-	(1.63)
Return on plan assets (income)	2.70	(0.09)
Actuarial (gain)/loss recognized for the period	3.45	
Remeasurement (gain)/loss of Discontinued operation	-	0.16
Remeasurement (gain)/loss	6.15	(1.56)
II. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation	51.23	45.85
2. Fair value of plan assets	48.93	45.85

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to Standalone Financial Statements for the year ended 31 March 2020

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS". (contd.)

Particulars	Funded Plan	
	Gratuity	
	Year Ended 31 March 2020 (₹ In Crores)	Year Ended 31 March 2019 (₹ In Crores)
III. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	45.85	138.29
2. Liability to be Transferred in	-	5.78
3. Expenses Recognised in Profit and Loss Account:		
- Current Service Cost	4.41	5.96
- Past Service Cost	-	-
- Interest Expense / (Income)	3.45	1.43
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses):		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	3.50	(0.21)
iii. Experience Adjustments	(0.04)	(1.14)
5. Benefit payments	(5.93)	(7.13)
Less : Transferred to Demerged Undertaking	-	(90.88)
Less : Transferred to Discontinued Operations	-	(6.25)
Present value of defined benefit obligation at the end of the year	51.23	45.85
IV. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	45.85	138.29
2. Fair Value of plan assets to be transferred	-	5.77
3. Adjustments to Opening Fair value of Plan Asset	-	-
4. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	0.49	1.41
5. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	3.72	0.39
- Others (specify)	-	-
6. Contributions by employer (including benefit payments recoverable)	4.80	3.49
7. Benefit payments	(5.93)	(7.13)
Less : Transferred to Demerged Undertaking	-	(90.12)
Less : Transferred to Discontinued Operations	-	(6.25)
Fair value of plan assets at the end of the year	48.93	45.85

Expected Contribution during next Annual reporting period ₹ 7.92 Crores (31 March 2019 ₹ 10.70 Crores)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Changes in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Discount rate	31-Mar-20	1%	(2.90)
	31-Mar-19	1%	(2.48)
Salary growth rate	31-Mar-20	1%	3.23
	31-Mar-19	1%	2.81
Withdrawal rate	31-Mar-20	1%	(2.91)
	31-Mar-19	1%	(2.53)

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to Standalone Financial Statements for the year ended 31 March 2020

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS". (contd.)

Maturity profile of defined benefit obligation (Undiscounted amount) :

	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
Within 1 year	7.92	8.82
1 - 2 year	6.07	7.77
2 - 3 year	5.70	6.12
3 - 4 year	6.34	6.28
4 - 5 year	4.76	5.15
Above 5 years	20.44	30.01
	51.23	64.15

The fair value of Company's plan asset by category are as follows:

Asset category	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
Cash and cash equivalents	0.79	1.87
Debt instruments (quoted)	189.45	192.81
Equity instruments (quoted)	4.34	4.34
Deposits with Insurance companies	28.89	26.40
Fair Value of plan assets to be transferred (See Note 33)	(84.42)	(83.20)
Less : Transferred to Demerged Undertaking	(90.12)	(90.12)
Less : Transferred to Discontinued Operations	-	(6.25)
Total	48.93	45.85

The weighted average duration of the defined benefit obligation as at 31 March 2020 is 12.36 years (31 March 2019 12.38 years)

(ii) Provident Fund

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 31 March, 2020.

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

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
Guaranteed interest rate	8.50%	8.65%
Discount rate for the remaining term to maturity of interest portfolio	6.71%	7.60%
Contribution during the year (employee and employer including discontinued operations)	7.48	12.16

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37 PROVISION FOR DISPUTED MATTERS

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 of which will depend on the outcome of the respective proceedings.

The movements in the above account are summarized below:-

S No.	Nature of liability	As at 31 March 2019 (Restated)	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31 March 2020	
					Continuing	Discontinued
1	Entry Tax / Sales Tax	-	-	-	-	-
2	Water Charges	90.53	7.86	0.25	98.14	-
3	Octroi Duty	38.54	-	-	38.54	-
4	Cess	0.48	-	-	0.48	-
5	Custom Duty difference on imported Coal and Interest there on	-	-	-	-	-
6	Reimbursement of Taxes to suppliers, etc	-	-	-	-	-
7	Renewable Purchase obligation	-	-	-	-	-
8	Excise Duty	5.96	-	5.96	-	-
9	Claims against Lease Rentals	-	-	-	-	-
10	Provision for restructuring cost	25.49	-	-	-	25.49
11	Others	19.39	0.34	1.80	17.92	-
Total		180.39	8.20	8.01	155.08	25.49

S No.	Nature of liability	As at 31 March 2018	Amounts provided for during the year	Amounts utilised / written back during the year	Transfer on account of Demerger	As at 31 March 2019 (Restated)	
						Continuing	Discontinued
1	Entry Tax / Sales Tax	141.92	0.01	20.77	121.16	-	-
2	Water Charges	83.59	7.20	0.26	-	90.53	-
3	Octroi Duty	38.54	-	-	-	38.54	-
4	Cess	22.25	3.48	-	25.25	0.48	-
5	Custom Duty difference on imported Coal and Interest there on	17.72	1.52	-	19.24	-	-
6	Reimbursement of Taxes to suppliers, etc	1.37	-	0.76	0.61	-	-
7	Renewable Purchase obligation	9.61	-	5.48	4.13	-	-
8	Excise Duty	8.23	-	-	2.27	5.96	-
9	Claims against Lease Rentals	4.52	0.16	0.02	4.66	-	-
10	Provision for restructuring cost	-	25.49	-	-	-	25.49
11	Others	41.33	3.90	2.60	23.24	19.39	-
Total		369.08	41.76	29.89	200.56	154.90	25.49

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38 CONTINGENT LIABILITIES

- (i) Contingent liabilities (to the extent not provided for)

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
Contingent liabilities - Continuing Operations		
(a) (i) Claims against the Company not acknowledged as debts in respect of :		
- Custom Duty and Excise Duty	11.61	13.26
- Sales Tax and Entry Tax	4.41	6.99
- Power Charges	3.13	1.23
- Others	7.59	6.93
(ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Company had an interest (proportionate)	24.04	23.22
(b) Disputed income tax matters under appeal	61.82	61.21
(c) Liability on account of Jute packaging obligation upto 30 June 1997 under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987	Amount not determinable	Amount not determinable
(d) The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. There were many interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) as regards definition of PF wages and inclusion of certain allowances for the purpose of PF contribution, as well as effective date of its applicability. Having consulted and evaluated impact on its financial statement, the Company has implemented the changes as per clarifications vide the Apex Court judgement dated 28 February 2019, with effect from 1st March 2019 i.e., immediate after pronouncement of the judgement, as part of statutory compliance. The Company will evaluate its position and act, in case there is any other interpretation of the same issued in future either in form of Social Security Code or by authorities concerned under the Employees' Provident Funds and Miscellaneous Provisions Act.	Amount not determinable	Amount not determinable
The amounts shown above represents 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 judgments / decisions pending with various forums/authorities. The Company does not expect any reimbursements against the above.		

39 COMMITMENTS

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	144.49	103.54
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	180.40	704.30

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40 RELATED PARTY DISCLOSURE

1 Relationships :

(a) Where significant influence exists :

- (i) M/s Pilani Investment and Industries Corporation Limited (As a Shareholder of the Company directly & indirectly)

(b) Where control exists :

Birla Estate Private Limited

Birla Century Exports Private Limited (incorporated on 13 November 2018)

(c) Key Management Personnel (KMP) :

Managing Director :

Shri J. C. Laddha (w.e.f. 12.08.2019)

Whole-time Director :

Shri R. K. Dalmia (w.e.f. 15.09.2018)

Non Executive Directors

Shri B.K. Birla (Up to 03.07.2019)

Smt. Rajashree Birla

Shri Kumar Mangalam Birla

Shri Pradip Kumar Daga (Up to 24.07.2019)

Shri Rajan A Dalal

Shri Yazdi P Dandiwala

Shri Sohanlal Kundanmal Jain

Smt. Preeti Vyas

(d) Other Related Parties (Company Managed Funds)

- (i) Pension & Provident Fund of Century Textiles & Industries Limited
 - Pension And Provident Fund Of Century Textiles And Industries Limited
- (ii) Gratuity Fund of Century Textiles & Industries Limited
 - Century Textiles And Industries Limited Employees Gratuity Fund
- (iii) Superannuation Fund of Century Textiles & Industries Limited
 - Century Textiles And Industries Limited (Textiles Division) Superannuation Scheme

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period are disclosed below:

Transactions With Related Parties	For the period ended	Where control exists (b)	KMP & Directors of the Company (c)	Company Managed Funds (d)
Nature of transactions with Related Parties				
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-20	-	-	7.48
	31-Mar-19	-	-	8.41
Century Textiles & Industries Ltd. (Textiles Division)	31-Mar-20	-	-	0.48
Superannuation Scheme	31-Mar-19	-	-	0.55

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40 RELATED PARTY DISCLOSURE (contd.)

Transactions With Related Parties	For the period ended	Where control exists (b)	KMP & Directors of the Company (c)	Company Managed Funds (d)	(₹ in Crores)
Remuneration to Managing Director	31-Mar-20	-	1.09	-	-
	31-Mar-19	-	-	-	-
Remuneration to Whole time Director	31-Mar-20	-	4.33	-	-
	31-Mar-19	-	3.90	-	-
Sitting fees to independent and non executive directors	31-Mar-20	-	0.12	-	-
	31-Mar-19	-	0.15	-	-
Commission to non whole time directors	31-Mar-20	-	1.00	-	-
	31-Mar-19	-	1.50	-	-
Other Transactions (Expenses)	31-Mar-20	3.07	-	-	-
	31-Mar-19	-	-	-	-
Deffered Revenue	31-Mar-20	14.60	-	-	-
	31-Mar-19	-	-	-	-
Sale of Goods	31-Mar-20	1.80	-	-	-
	31-Mar-19	-	-	-	-
Other Transactions (Income)	31-Mar-20	8.41	-	-	-
	31-Mar-19	0.35	-	-	-
Loans & Advances Given					
Loan	31-Mar-20	176.98	-	-	-
	31-Mar-19	3.50	-	-	-
Investment					
Equity Shares of Subsidiary	31-Mar-20	85.00	-	-	-
	31-Mar-19	82.50	-	-	-
Balances Receivable / (Payable) with Related Parties	Balance as at	Where control exists (b)	KMP & Directors of the Company (c)	Company Managed Funds (d)	
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-20	-	-	-	(0.62)
	31-Mar-19	-	-	-	(0.55)
Commission payable to non whole time directors	31-Mar-20	-	(1.00)	-	-
	31-Mar-19	-	(1.50)	-	-
Payable against Other Expenses	31-Mar-20	(0.01)	-	-	-
	31-Mar-19	-	-	-	-
Receivable against Sale of Goods / Other Income	31-Mar-20	4.70	-	-	-
	31-Mar-19	-	-	-	-
Loans / Advances / Deposits (Receivable)	31-Mar-20	180.48	-	-	-
	31-Mar-19	3.51	-	-	-

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.

41 SEGMENT INFORMATION

A. Information about Business Segment - Primary

S. No.	Particulars	2019-20	2018-19	Pulp and Paper	Real Estate	Others	Total	(₹ in Crore)
		2019-20	2019-20	2018-19 (Restated)	2019-20	2018-19	2019-20	2018-19 (Restated)
1	Segment Revenue							
	Sales of products	786.59	814.95	2,383.47	2,642.75	145.66	16.54	3,333.20
	Less: Inter Segment Revenue	-	-	0.09	0.08	0.69	0.78	0.12
	Net Sales from Continuing Operations	786.59	814.95	2,383.38	2,642.67	144.97	16.54	3,332.42
	Sales from Discontinued Operations:							3,633.26
	Textiles						-	-
	Cement						-	563.43
							3,332.42	4,196.69
2	Result							
	Segment Result of Continuing Operations							
	Profit/(Loss) from Discontinued Operations:							
	Textiles	42.94	78.82	387.89	613.64	66.55	218.07	3.83
	Cement							914.05
							(27.13)	(74.64)
							-	5,621.54
							474.08	6,460.95
3	Other Information							
	Segment Assets	971.50	961.62	3102.22	3142.92	1,729.88	1,538.18	37.64
	Segment Assets Discontinued Operations:							5,841.02
	Textiles							5,680.36
	Add: Unallocated Common Assets							
	Total Assets							700.44
	Segment Liabilities	981.82	1,017.11	403.60	547.39	147.91	129.86	12.55
	Segment Liabilities Discontinued Operations:							6,542.79
	Textiles							496.69
	Add: Unallocated Common Liabilities							
	Total Liabilities							1,546.35
	Capital Expenditure during the year (excluding advances)	50.97	24.42	97.89	18.00	7.31	59.55	-
	Add: Unallocated Capital Expenditure							1,374.10
4								1,122.92
								2,965.78
	Depreciation and amortisation	45.02	48.53	143.19	111.95	38.90	31.75	0.13
	Add: Unallocated Depreciation							227.24
							0.25	156.17
5								192.48
							0.52	0.52
							227.76	193.00

Adjustments & Eliminations:

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

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to Standalone Financial Statements for the year ended 31 March 2020

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41 SEGMENT INFORMATION (contd.)

B. Reconciliation of profit

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Segment profit [A]	501.21	914.05
Unallocable Income/(Expense)[B]:		
Employee Benefit Expense	(13.75)	(16.78)
Depreciation & Amortisation Expense	(0.53)	(0.52)
Other Expense	(41.94)	(50.79)
Other Income	22.47	34.37
Total	(33.75)	(33.72)
Finance Cost [C]	(93.13)	(101.55)
Inter-segment Profit / (Loss) (elimination) [D]	-	-
Profit before tax from Continuing Operations [A+B+C+D]	374.33	778.78
Add/(Less): Taxes		
Income Tax (Charge) / Credit	93.69	(266.91)
Profit after tax from continuing operations	468.02	511.87
Profit from Discontinued Operations	(27.13)	5,546.90
Add/(Less): Taxes		
Income Tax (Charge) / Credit	9.48	16.79
Profit after tax from discontinuing Operations	(17.65)	5,563.69
Profit for the year	450.37	6,075.56

C. Reconciliation of Assets & Liabilities

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
I (A) Segment Operating Assets	5,842.35	5,682.59
Unallocated Assets		
(B) Non-current Assets		
Property, Plant and Equipments	39.86	39.29
Other Intangible Assets	-	-
Financial Assets		
Non-Current Investments	274.24	265.39
Others	-	-
Deferred Tax Assets	64.56	-
Non Current Tax	190.05	119.94
Other Non Current Assets	-	11.74
Total Non-Current Assets (B)	568.71	436.36
(C) Current Assets		
Financial Assets		
Cash and Cash Equivalents	45.06	12.64
Bank balances other than above cash & cash equivalents	60.65	37.29
Others	7.47	6.90
Current Tax Assets (Net)		
Other Current Assets	18.55	3.49
Total Current Assets (C)	131.73	60.32
Total Unallocated Assets (B+C)	700.44	496.68
TOTAL ASSETS (A + B + C)	6,542.79	6,179.27

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41 SEGMENT INFORMATION (contd.)

Particulars		As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
II	(A) Segment Operating Liabilities	1,591.68	1,749.86
	Unallocated Liabilities		
	(B) Non-Current Liabilities		
	Financial Liabilities		
	Borrowings	527.42	701.58
	Lease Liabilities	15.44	12.20
		542.86	713.78
	Deferred Tax Liability (Net)	-	93.99
	Total Non-Current Liabilities (B)	542.86	807.77
	(C) Current Liabilities		
	Financial Liabilities		
	Current Borrowings	15.53	91.74
	Lease Liabilities	1.95	-
	Cash Credit Facilities	0.09	108.70
		17.57	200.44
	Trade Payables	5.84	2.15
	Other Financial Liabilities	29.85	2.96
	Current Maturities of long term debts	771.93	105.93
	Other Current Liabilities	5.91	1.36
	Provisions	0.14	2.31
	Total Current Liabilities (C)	831.24	315.15
	Total Unallocated Liability (B+C)	1,374.10	1,122.92
	Total LIABILITIES (A+B+C)	2,965.78	2,872.78

D. Secondary Segment

Particulars		Year Ended 31 March 2020	Year Ended 31 March 2019 (Restated)
I	Geographic information		
	Revenue from external customers		
	India	2,731.90	3,203.59
	Outside India	600.52	429.67
	Total revenue from continuing operations	3,332.42	3,633.26
Particulars		As at 31 March 2020	As at 31 March 2019 (Restated)
II	Non-current operating assets:		
	India	4,461.13	4,704.87
	Outside India	-	-
	Total	4,461.13	4,704.87

Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible assets.

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41 SEGMENT INFORMATION (contd.)

E. Revenue from major products and services

The following is an analysis of the Company revenue from continuing operations from its major products and services:

Sale of Products	Year Ended 31 March 2020	Year Ended 31 March 2019 (Restated)
Cotton Fabric	659.24	684.90
Cotton Yarn	59.84	77.97
Pulp & Paper (including Paper Board / Straw Board)	2,383.37	2,642.65
Others	35.41	19.05
Rental Services	194.56	208.69
Total	3,332.42	3,633.26

Composition of the business segment

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

- a. Textiles Yarn, Fabric, Viscose filament yarn, Tyre yarn & leasing of Viscose filament yarn & Tyre yarn plant
- 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 and Chemicals
- F. The Board of Director monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.
- G. No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2020 and 31 March 2019
- H. The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2A.

Segment profit represents the profit before finance cost and tax earned by each segment without allocation of central administration costs and directors' salaries, investment income and finance costs. This is the measure reported to the chief operating decision maker for the purposes of allocation and assessment of segment performance.

42. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, equity includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Company is monitoring capital using debt equity ratio as its base which is debt to equity. The company's policy is to keep debt equity ratio below two and infuse capital if and when required through issue of new shares and/or better operational results and efficient working capital management.

In order to achieve the aforesaid objectives, the Company has demerged its Cement Units to Ultratech Cement Limited along with a debt of ₹ 3,000 Crores. Hence post demerger, debt of the Company has reduced substantially. Business focus has now shifted to Real Estate, Pulp & Paper and Textile and capital expenditure will be incurred on the basis of optimum IRR.

Debt-to-equity ratio are as follows:

	31 March 2020 (₹ in Crores)	31 March 2019 (Restated) (₹ in Crores)
Debt (A)	1,314.97	1,007.95
Equity (B)	3,577.01	3,306.49
Debt to Equity Ratio (A / B)	0.37	0.30

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees these risks management . The Company's senior management provides assure that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that counter party will not meet it obligation under a financial instrument or customer contract leading to a financial loss. The Company expose to credit risk mainly from trade receivables and other financial assets. The group only deals with parties which has good credit ratings / worthiness based on company's internal assement.

The Company has divided parties in two grades based on their performance.

Good: parties with a positive external rating (if available) and stable financial position with no past default is considered in this category.

Doubtful: parties where the company doesn't have information on their financial position or has past trend of default are considered under this category.

The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

(i) Trade receivables.

Customer credit is managed by each business division subject to the Company's established policy procedures and control related to customer credit risk management.

Export customers are mainly against Letter of Credit and/or insurance cover on export outstanding is also taken. Generally deposits are taken from domestic debtors. Apart from deposit there is a commission agent area wise. In case any customer defaults the amount is first recovered from deposits, then from the agent's commission. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification. The carrying amount and fair value of security deposit amounts to ₹ 45.89 Crores (31 March 2019: ₹ 46.48 Crores) as it is payable on demand.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Company has written off trade receivables amounting to ₹ 1.27 Crs during the year (31 March 2019 ₹ 0.75 Crs) as there was no reasonable expectations of recovery and were outstanding for more than 360 days from becoming due.

As at 31 March 2020	Less Then 180 Days ₹ In Crores)	More Then 180 Days ₹ In Crores)
Expected loss rate	0.00%	79.34%
Gross carrying amount	180.32	10.65
Loss allowance provision	-	8.45
As at 31 March 2019	Less Then 180 Days ₹ In Crores)	More Then 180 Days ₹ In Crores)
Expected loss rate	0.15%	85.16%
Gross carrying amount	202.13	13.74
Loss allowance provision	0.31	11.70

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

Reconciliation of loss allowance provision for Trade Receivables

Particulars	31 March 2020 (₹ In Crores)	31 March 2019 (₹ In Crores)
Balance as at beginning of the year	12.01	10.15
Impairment losses recognised in the year based on lifetime expected credit losses	-	-
On receivables originated in the year	0.80	8.67
For Discontinued Operations	-	(6.06)
Amounts written off during the year as uncollectible	(1.27)	(0.75)
Amounts recovered / written back during the year	(3.09)	-
Balance at end of the year (Continuing Operations)	8.45	12.01

(ii) Other Financial Assets

Credit risk from balances with banks is managed by Company's treasury department in accordance with the Company policy. Investment of surplus funds are made only in approved Mutual Funds and that too in liquid funds. As soon as the fund reaches to a reasonable level the Company repay its working capital borrowing by redeeming the liquid fund. The other financial assets are from various forum of Government authorities and are released by Government authorities on completion of relevant terms and conditions for the release of outstanding.

B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, FVTOCI Investments, derivatives and other financial assets.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The sensitivity analyses in the following sections relates to the outstanding balance as at 31 March 2020 and 31 March 2019

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2020.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2020 and 31 March 2019

(i) Currency Risk

This is the risk that the Company may suffer losses as a result of adverse exchange rate movement during the relevant period. As a policy, Company is covering all foreign exchange risk on account of import and loans so that Company may not be put to any loss situation due to adverse fluctuations in currency rates. There is periodical review of foreign exchange transactions and hedging by the Company's executives.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company evaluates exchange rate exposure arising from foreign currency transactions. The company follows established risk management policies and standard operating procedures. The company's exposure to foreign currency changes for all other currencies is not material.

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

	Currency	Change in rate	(₹ In Crores) Effect on profit before tax
31 March 2020	USD	+5%	(5.62)
	USD	-5%	5.62
	EUR	+5%	(0.02)
	EUR	-5%	0.02
31 March 2019	USD	+5%	(6.17)
	USD	-5%	6.17
	EUR	+5%	0.20
	EUR	-5%	(0.20)

Outstanding foreign currency exposures	As at 31 March 2020		As at 31 March 2019	
	Foreign Currency (in millions)	₹ In Crores	Foreign Currency (in millions)	₹ In Crores
Trade Receivables				
USD	2.93	22.01	5.01	34.63
Euro	0.17	1.37	1.27	9.83
Others	0.04	0.36	0.10	0.69
Trade Payables				
USD	12.85	97.20	19.33	133.69
Euro	0.05	0.44	0.07	0.56
Others	0.01	0.10	-	-
Borrowings				
USD	2.05	15.52	-	-

The following table gives details in respect of outstanding foreign exchange forward contracts

Forward Contracts	As at March 31, 2020			
	Buy / Sell	Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Sell	3.70	27.30	(1.04)

Forward Contracts	As at March 31, 2019			
	Buy / Sell	Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Sell	14.05	99.22	0.31
In EUR	Buy	0.93	7.48	(0.11)

(ii) Interest rate risk

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Company has issued fixed rate bonds and loans taken from banks are linked to MCLR rate of the bank, which are variable.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase / decrease in basis points	(₹ In Crores) Effect on profit before tax
31 March 2020	INR	+50	(1.00)
	INR	-50	1.00
31 March 2019	INR	+50	(0.54)
	INR	-50	0.54

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

Particulars	Total Borrowings	Floating rate Borrowings	Fixed rate Borrowings	(₹ In Crores)
INR	1,341.46	200.03	1,141.43	
Total as at 31 March 2020	1,341.46	200.03	1,141.43	
INR	1,007.95	308.28	699.67	
Total as at 31 March 2019	1,007.95	308.28	699.67	

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

(iii) Equity Price Risk

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

C. Liquidity Risk

(i) Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at 31 March 2020	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	845.47	558.84	35.58	-	1,439.89
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	0.13	-	-	-	-	0.13
Pre-shipment, Post-shipment facilities	-	0.71	-	-	-	0.71
Buyers Credit	-	14.78	-	-	-	14.78
Trade payables						
Trade payables - Micro and small enterprises	-	8.87	-	-	-	8.87
Trade payables - other than micro and small enterprises	-	431.28	-	-	-	431.28
Other financial liabilities						
Deposits from dealers and agents	45.89	-	-	-	-	45.89
Deposits against rental arrangements	-	60.10	86.64	-	-	146.74
Other Interest Accrued	-	21.87	-	-	-	21.87
Unclaimed / Unpaid dividends	-	2.31	-	-	-	2.31
Creditors for Capital Supplies / Services	-	12.10	-	-	-	12.10
Other current liabilities	-	1.76	0.50	-	-	2.26
(b) Derivative financial instruments						
Derivatives not designated as a hedging instruments	-	1.04	-	-	-	1.04
Total	46.02	1,400.29	645.98	35.58	-	2,127.87

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

As at 31 March 2019						(₹ in Crores)
	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	
(a) Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	171.51	762.16	-	-	933.67
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	108.70	-	-	-	-	108.70
Pre-shipment, Post-shipment facilities	-	43.01	-	-	-	43.01
Bill Discounting with Bank	-	3.78	-	-	-	3.78
Commercial Paper	-	44.95	-	-	-	44.95
Buyers Credit	-	-	-	-	-	-
Trade payables	-					
Trade payables - Micro and small enterprises	-	6.70	-	-	-	6.70
Trade payables - other than micro and small enterprises	-	506.31	-	-	-	506.31
Other financial liabilities						
Deposits from dealers and agents	46.48	-	-	-	-	46.48
Deposits against rental arrangements	-	47.79	79.12	12.21	-	139.12
Other Interest accrued	-	31.60	-	-	-	31.60
Unclaimed / Unpaid dividends	-	2.16	-	-	-	2.16
Creditors for Capital Supplies / Services	-	21.40	-	-	-	21.40
Other current liabilities	-	1.85	0.50	-	-	2.35
(b) Derivative financial instruments						
Foreign exchange forward contracts	-	2.96	-	-	-	2.96
Total	155.18	884.02	841.78	12.21	-	1,893.19

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

As at 31 March 2020						(₹ in Crores)
	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	
(a) Non Derivative financial instruments						
Trade Receivables	-	182.52	-	-	-	182.52
Other Bank Balances	2.31	58.34	-	-	-	60.65
Other financial Assets						
Security Deposits	0.69	-	-	7.17	-	7.86
Interest subsidy	-	7.06	-	-	-	7.06
Interest receivable	-	2.33	-	-	-	2.33
Claims and other receivable	-	8.86	-	-	-	8.86
Unbilled Revenue	-	2.05	0.35	-	-	2.40
Loan to subsidiary	180.48	-	-	-	-	180.48
Others	-	8.54	-	-	-	8.54
Finance Lease Receivables	-	1.99	2.54	-	-	4.53
(b) Derivative financial instruments						
Held for trading derivatives carried at FVTPL	-	-	-	-	-	-
Total	183.48	271.69	2.89	7.17	-	465.23

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to Standalone Financial Statements for the year ended 31 March 2020

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

As at 31 March 2019		On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments							
Trade Receivables	-	203.86	-	-	-	-	203.86
Other Bank Balances	-	37.29	-	-	-	-	37.29
Other financial Assets							
Security Deposits	-	3.35	-	-	-	6.92	10.27
Advances recoverable in cash	-	-	-	-	-	-	-
Interest subsidy	-	7.04	-	-	-	-	7.04
Interest receivable	-	1.11	-	-	-	-	1.11
Loan to subsidiary	-	3.52	-	-	-	-	3.52
Unbilled Revenue	-	7.32	3.39	-	-	-	10.71
Claims and other receivable	-	3.33	-	-	-	-	3.33
Others	-	4.89	-	-	-	-	4.89
Finance Lease Receivables	-	1.98	4.49	-	-	-	6.47
(b) Derivative financial instruments							
Foreign exchange forward contracts	-	0.37	-	-	-	-	0.37
Total	-	274.06	7.88	-	6.92	288.86	

44. FAIR VALUE MEASUREMENT

Fair value of financial assets and financial liabilities

Particulars	31 March 2020		31 March 2019	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial assets				
Financial assets measured at Fair value through OCI:				
Investments				
Quoted equity shares	63.01	63.01	136.93	136.93
Unquoted equity shares	35.14	35.14	37.37	37.37
Financial assets at amortised cost for which Fair value are disclosed				
Government and Trust Securities	8.54	8.35	8.54	8.38
Other financial Assets				
Security Deposit	7.86	7.86	10.27	10.27
Interest subsidy and Interest receivable	9.39	9.39	8.15	8.15
Claims and other receivable	8.86	8.86	3.33	3.33
Unbilled Revenue	2.40	2.40	10.71	10.71
Finance Lease	4.53	4.95	6.47	5.60
Loan to subsidiary	180.48	180.48	3.52	3.52
Others	8.54	8.54	4.89	4.89
Trade Receivables	182.52	182.52	203.86	203.86
Cash and Cash Equivalents	45.06	45.06	12.64	12.64
Other Bank Balances	60.65	60.65	37.29	37.29
Total	616.98	617.21	483.97	482.94

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to Standalone Financial Statements for the year ended 31 March 2020

44. FAIR VALUE MEASUREMENT (contd.)

Particulars	31 March 2020		31 March 2019	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial liabilities				
Financial liabilities at amortised cost for which Fair value are disclosed				
Floating rate borrowings (including current maturities and Interest accrued)	200.03	200.03	308.28	308.28
Fixed rate borrowings (including current maturities and Interest accrued)	1,141.43	1,141.43	699.67	699.67
Trade payables	440.15	440.15	513.01	513.01
Other financial liabilities				
Deposits from dealers and agents	45.89	45.89	46.48	46.48
Deposits against rental arrangements	146.74	146.89	139.12	141.25
Other interest accrued	21.87	21.87	31.60	31.60
Unclaimed / Unpaid dividends	2.31	2.31	2.16	2.16
Creditors for capital supplies/services	12.10	12.10	21.40	21.40
Other liabilities	2.26	2.26	2.35	2.35
Total	2,012.78	2,012.93	1,764.07	1,766.20

The management assessed that cash and cash equivalents, trade receivables, trade payables, cash credit and all other current financial assets and liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Receivables are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) The fair value of loans from banks and other financial liabilities, security deposit, as well as other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- (iii) The fair values of the unquoted equity instruments have been estimated using a net adjusted fair value method. The valuation requires management to make certain assumptions about the assets, liabilities, investments of Investee Company. The probabilities of the various assumptions can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments based on the best information available to the Company.
- (iv) The fair values of quoted equity instruments are derived from quoted market prices in active markets.
- (v) The Company enters into foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs.
- (vi) The fair value of floating rate borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. As the Company's interest rates changes with the change in market interest rate, there is no material difference in carrying value and fair value. The own non performance risk as at 31 March 2020 was assessed to be insignificant.

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to Standalone Financial Statements for the year ended 31 March 2020

44. FAIR VALUE MEASUREMENT (contd.)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at Fair value through OCI:				
Investments				
Quoted equity shares	63.01	-	-	63.01
Unquoted equity shares	-	-	35.14	35.14
Financial assets at amortised cost for which Fair value are disclosed	-			
Government and Trust Securities	-	8.35	-	8.35
Other financial Assets				
Security Deposit	-	7.86	-	7.86
Interest subsidy and Interest receivable	-	9.39	-	9.39
Claims and other receivable	-	8.86	-	8.86
Unbilled Revenue	-	2.40	-	2.40
Finance Lease	-	4.95	-	4.95
Loan to subsidiary	-	180.48	-	180.48
Others	-	8.54	-	8.54
Trade Receivables	-	182.52	-	182.52
Cash and Cash Equivalents	-	45.06	-	45.06
Other Bank Balances	-	60.65	-	60.65
Total	63.01	519.06	35.14	617.21
Financial liabilities				
Financial liabilities at amortised cost for which Fair value are disclosed				
Floating rate borrowings (including current maturities and Interest accrued)	-	200.03	-	200.03
Fixed rate borrowings (including current maturities and Interest accrued)	-	1,141.43	-	1,141.43
Trade payables	-	440.15	-	440.15
Other financial liabilities				
Deposits from dealers and agents	-	45.89	-	45.89
Deposits against rental arrangements	-	146.89	-	146.89
Other interest accrued	-	21.87	-	21.87
Unclaimed / Unpaid dividends	-	2.31	-	2.31
Creditors for capital supplies/services	-	12.10	-	12.10
Other liabilities	-	2.26	-	2.26
Total	-	2,012.93	-	2,012.93

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to Standalone Financial Statements for the year ended 31 March 2020

44. FAIR VALUE MEASUREMENT (contd.)

Fair value measurement hierarchy of financial assets and financial liabilities

Particulars	Fair value hierarchy as at 31 March 2019				(₹ in Crores)	
	Level 1	Level 2	Level 3	Total		
Financial assets						
Financial assets measured at Fair value through OCI:						
Investments						
Quoted equity shares	136.93	-	-	136.93		
Unquoted equity shares	-	-	37.37	37.37		
Financial assets at amortised cost for which Fair value are disclosed						
Government and Trust Securities	-	8.38	-	8.38		
Other financial Assets						
Security Deposit	-	10.27	-	10.27		
Interest subsidy and Interest receivable	-	8.15	-	8.15		
Loan to subsidiary	-	3.52	-	3.52		
Claims and other receivable	-	3.33	-	3.33		
Finance Lease	-	5.60	-	5.60		
Unbilled Revenue	-	10.71	-	10.71		
Others	-	4.89	-	4.89		
Trade Receivables	-	203.86	-	203.86		
Cash and Cash Equivalents	-	12.64	-	12.64		
Other Bank Balances	-	37.29	-	37.29		
Total	136.93	308.64	37.37	482.94		

Particulars	Fair value hierarchy as at 31 March 2019				(₹ in Crores)	
	Level 1	Level 2	Level 3	Total		
Financial liabilities						
Financial liabilities at amortised cost for which Fair value are disclosed						
Floating rate borrowings (including current maturities and Interest accrued)	-	308.28	-	308.28		
Fixed rate borrowings (including current maturities and Interest accrued)	-	699.67	-	699.67		
Trade payables	-	513.01	-	513.01		
Other financial liabilities						
Deposits from dealers and agents	-	46.48	-	46.48		
Deposits against rental arrangements	-	141.25	-	141.25		
Other interest accrued	-	31.60	-	31.60		
Unclaimed / Unpaid dividends	-	2.16	-	2.16		
Creditors for capital supplies/services	-	21.40	-	21.40		
Other liabilities	-	2.35	-	2.35		
Total	-	1,766.20	-	1,766.20		

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Notes

to Standalone Financial Statements for the year ended 31 March 2020

44. FAIR VALUE MEASUREMENT (contd.)

Fair Valuation Techniques and Inputs used - recurring Items

Financial assets/ financial liabilities measured at Fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity	(₹ in Crores)
	31 March 2020	31 March 2019					
Financial assets							
Investments							
Unquoted Equity investments	35.14	37.37	Level 3	Replacement Cost Method	Investment property held by investee companies	5% (31 March 2019: 5%) increase (decrease) in the fair value of investment property would result in increase (decrease) in fair value of unquoted equity investment by ₹ 1.16 Crores (31 March 2019 ₹ 1.24 Crores)	
Total financial assets	35.14	37.37					

There were no transfers between level 1 and level 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements, refer example below.

There were no significant inter-relationships between unobservable inputs that materially affects fair values.

Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:

Particulars	31 March 2020	31 March 2019
Opening	37.37	37.37
Re-measurement recognised in OCI	(2.23)	-
Purchases	-	-
Sales	-	-
Closing	35.14	37.37

45 DISCLOSURE UNDER IND AS 116 "LEASES":

Lessee:

The Company has lease contracts for lands & buildings used in its operations. Leases of land and building generally have lease terms between 3 and 99 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

Amount recognized in statement of profit or loss	For the year ended March 31, 2020
Depreciation of Right-of-use assets	2.69
Interest on lease liabilities (including interest on reclassified prepayments)	1.48
Expenses related to short term leases	1.38
Expenses related to leases of low value assets, excluding short term leases of low value assets	-
Variable lease payments not included in measurement of lease liabilities	-
Total	5.55

The following table sets out the maturity analysis of lease liability to be paid after the reporting date:

Particulars	March 31, 2020	March 31, 2019
Less than 1 year	1.95	0.01
1-3 years	3.32	0.03
3-5 years	0.04	0.03
5 years and above	12.08	12.13
Total as at 31 March 2020	17.39	12.20

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to Standalone Financial Statements for the year ended 31 March 2020

45 DISCLOSURE UNDER IND AS 116 "LEASES": (contd.)

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

As at 1 April 2018	4.07
Additions	2.51
Accretion of interest	0.44
Payments	1.83
As at 31 March 2019	5.19
Add-Reclassification of Finance Lease Obligation from borrowings as at 31 March 2020 (B)	12.20
Total as at 31 March 2020 (Refer note 14A)	17.39
Current	1.95
Non-current	15.44

Amount recognized in statement of cash flows	For the year ended March 31, 2020
Total cash outflow of leases	2.88

Lessor - Operating Lease:

The Company has significant leasing arrangements 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. The Company has entered into operating leases for its Investment property . These typically have lease terms of between 1 to 4 years. The Company has recognized an amount of ₹ 144.97 as rental income for operating lease during the year ended March 31, 2020

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	(₹ in Crores)
March 31, 2020	
Less than a year	67.97
One to two years	27.55
Two to three years	13.42
Three to four years	0.74
Four to five years	-
Total (A)	109.68
More than five years (B)	-
Total (A +B)	109.68

Particulars	(₹ in Crores)
March 31, 2019	
Less than a year	96.10
One to five years	82.90
More than five years	-
Total	179.00

Lessor - Finance Lease:

The Company has entered into Finance leases arrangement for leasehold improvement in investment property. These leases have terms of between three and five years

Notes

to Standalone Financial Statements for the year ended 31 March 2020

45 DISCLOSURE UNDER IND AS 116 "LEASES": (contd.)

Amount receivable under Finance Lease:

Particulars	(₹ in Crores)
	March 31, 2020
Less than a year	2.28
One to two years	2.19
Two to three years	0.48
Three to four years	-
Four to five years	-
Total (A)	4.95
More than five years (B)	-
Total (A +B)	4.95
Unearned Finance Income	(0.42)
Present value of minimum lease payment receivable	4.53

Particulars	(₹ in Crores)
	March 31, 2019
Less than a year	2.36
One to five years	4.89
Total (A)	7.25
More than five years (B)	-
Total (A +B)	7.25
Unearned Finance Income	(0.78)
Present value of minimum lease payment receivable	6.47

- 46** On account of the spread of COVID-19 virus, the Government of India had imposed a complete nation-wide lockdown on March 24, 2020 leading to shut down of the Company's manufacturing facilities and operations. The Company has since resumed its manufacturing facilities and is currently in the process of scaling up its operations. Some of the products manufactured by the Company are covered under essential services or is used by the customers in essential services. The Company believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets. The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these financial statements.

- 47** Figures less than ₹ 50,000 have been shown at actuals in brackets, since the figures are rounded off to the nearest lakh.

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 10 June 2020

Atul K.Kedia
Vice President (Legal)
& Company Secretary

Snehal Shah
Chief Financial Officer
Mumbai : 10 June 2020

J.C.Laddha
Managing Director
DIN:03266469

R.K.Dalmia
Whole-time Director
DIN:00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Independent Auditor's Report

To the Members of Century Textiles and Industries Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Century Textiles and Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of

the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

As explained in note 35 of the consolidated Ind AS financial statements, the company has considered the appointed date as the date of transfer of control as per the circular issued by Ministry of Corporate Affairs and consequently recognized the effect of demerger on appointed date as per the scheme of demerger approved by National Company Law Tribunal. Accordingly, comparative previous period figures have been restated. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Consolidated

Independent Auditor's Report (Continued)

Key audit matter	How our audit addressed the key audit matter
Recognition and Measurement of Deferred Tax (Note 16 of the financial statements)	<p>The Group has recognized Minimum Alternate Tax (MAT) credit receivable of ₹ 361.55 Crores as at March 31, 2020. The Group also has recognized deferred tax assets of ₹ 178.14 Crores on unabsorbed depreciation and indexation benefit on land. Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Company has remeasured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime and has recognized a net gain of ₹ 137 Crores.</p> <p>The recognition and measurement of MAT credit receivable and deferred tax balances; is a key audit matter as the recoverability of such credits within the allowed time frame in the manner prescribed under tax regulations and estimation of year of transition to the new tax regime involves significant estimate of the financial projections, availability of sufficient taxable income in the future and tax positions adopted by the Company.</p> <p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> • Considered Group's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes" • Performed test of controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls • Performed the tests of details including the following key procedures: <ul style="list-style-type: none"> ➢ Involved tax specialists who evaluated the Company's tax positions basis the tax law and also by comparing it with prior years and past precedents ➢ Discussed the future business plans and financial projections as approved by the management ➢ Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it to the approved business plan, projections used for estimation of likely year of transition to the new tax regime • Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes"

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act

for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in

the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies

Consolidated

Independent Auditor's Report (Continued)

- (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure 1" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 38 to the consolidated Ind AS financial statements;
 - ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 15 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2020.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Place of Signature: Mumbai
Date: 10 June, 2020

Membership Number: 112773
UDIN: 20112773AAAADH6003

Annexure 1 to the Independent Auditor's report of even date on the consolidated financial statements of Century Textiles and Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Century Textiles and Industries Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Century Textile and Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated

financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated

financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31,2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**
Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**
Partner

Place of Signature: Mumbai
Date: 10 June, 2020

Membership Number: 112773
UDIN: 20112773AAAADH6003

Consolidated

Consolidated Balance Sheet

as at 31 March 2020

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019 (Restated)* (₹ in Crores)
		(₹ in Crores)		
I ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	3	3,386.94	3,496.13	
(b) Capital work-in-progress		139.71	43.80	
(c) Investment property	4	897.43	931.74	
(d) Investment property under development		36.40	230.72	
(e) Intangible assets	5	8.92	2.58	
(f) Financial assets				
(i) Investments	6	106.69	182.84	
(ii) Loans	6A	57.17	6.92	
(iii) Other financial assets	7	2.89	7.88	
(g) Deferred tax assets (net)	16	64.56	-	
(h) Advance tax (net of provisions)		191.49	120.52	
(i) Other non-current assets	8	51.29	40.83	
SUB-TOTAL		4,943.49	5,063.96	
Current Assets				
(a) Inventories	9	1,337.68	699.00	
(b) Financial assets				
(i) Trade receivables	10	181.24	203.86	
(ii) Cash and cash equivalents	11	58.70	21.25	
(iii) Other bank balances (other than (ii) above)	11	60.65	37.29	
(iv) Loans	6A	0.88	3.35	
(v) Other financial assets	7	28.13	26.04	
(c) Other current assets	8	135.39	117.83	
SUB-TOTAL		1,802.67	1,108.62	
Assets classified as held for Sale	35	1.33	2.23	
TOTAL		6,747.49	6,174.81	
II EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	12	111.69	111.69	
(b) Other equity		3,367.80	3,182.40	
(c) Non Controlling-Interest		132.09	-	
SUB-TOTAL		3,611.58	3,294.09	
LIABILITIES				
Non-Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	14	549.92	701.58	
(ii) Lease liabilities	14A	15.44	12.20	
(iii) Other financial liabilities	15	87.15	91.83	
(b) Provisions	20	0.74	0.35	
(c) Deferred tax liabilities (net)	16	-	93.99	
(d) Other non-current liabilities	17	601.18	686.72	
SUB-TOTAL		1,254.43	1,586.67	
Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	18	33.84	200.44	
(ii) Lease liabilities	14A	1.95	-	
(iii) Trade Payables	19	8.87	6.70	
1) total outstanding dues of micro enterprises and small enterprises				
2) total outstanding dues of creditors other than micro enterprises and small enterprises				
(iii) Other financial liabilities	15	483.74	512.65	
(b) Provisions	20	944.16	260.17	
(c) Other current liabilities	17	181.94	175.81	
Sub-Total		181.65	95.33	
Liabilities directly associated with assets held for sale	35	1,836.15	1,251.10	
TOTAL		45.33	42.95	
Significant accounting policies		6,747.49	6,174.81	
The accompanying notes are an integral part of the financial statements	2A			

*Refer note 35(b)

As per our report of even date

 For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003

 For and on behalf of Board of Directors of
Century Textiles and Industries Limited

per **Abhishek Agarwal**
 Partner
 Membership No: 112773
 Mumbai : 10 June 2020

Atul K.Kedia
 Vice President (Legal)
 & Company Secretary

Snehal Shah
 Chief Financial Officer
 Mumbai : 10 June 2020

J.C.Laddha
 Managing Director
 DIN:03266469

R.K.Dalmia
 Whole-time Director
 DIN:00040951

Yazdi P. Dandiwala
 Director
 DIN:01055000

Consolidated Statement of Profit and Loss

for the year ended 31 March 2020

Particulars	Note No.	Year Ended 31 March 2020 (` in Crores)	Year Ended 31 March 2019 (Restated)* (` in Crores)
Continuing Operations			
I Revenue from Operations	21	3,423.42	3,943.56
II Other income	22	35.21	109.78
III Total Income (I + II)		3,458.63	4,053.34
IV Expenses			
(a) Cost of materials consumed	23	1,755.42	1,864.81
(b) Purchases of traded goods	24	48.22	11.72
(c) Changes in inventories of finished goods, work-in-progress and traded goods	25	(35.34)	(10.78)
(d) Employee benefits expense	26	302.01	275.59
(e) Finance costs	27	87.09	101.55
(f) Depreciation and amortisation expense	28	228.58	193.00
(g) Other expenses	29	788.26	851.07
Total Expenses		3,174.24	3,286.96
V Profit before tax from continuing operations (III - IV)		284.39	766.38
VI Tax Expense of continuing operations			
(a) Current tax	16	53.92	174.58
(b) MAT credit recognised	16	(53.92)	(174.58)
(c) Deferred tax	16	(93.69)	266.91
Total tax expense		(93.69)	266.91
VII Profit after tax from continuing operations (V - VI)		378.08	499.47
VIII Discontinued Operations			
(a) Profit before tax from discontinued operations		(27.13)	(46.56)
(b) Gain on demerger of Cement business division (See note 35(b))		-	5,593.46
(c) Tax (Expense) / Income of discontinued operations		9.48	16.79
Profit after tax from discontinued operations		(17.65)	5,563.69
IX Profit for the year (VII + VIII)		360.43	6,063.16
X Other comprehensive income			
(i) Items that will be re-classified to profit or loss - continuing operations		2.00	(2.62)
(a) Net movement in cash flow hedge reserve		(0.70)	0.92
(b) Income tax on (a)			
(ii) Items that will not be re-classified to profit or loss - continuing operations		(6.15)	1.56
(a) Re-measurement gain on defined benefit plans			
(b) Net gain / (loss) on Fair value through Other Comprehensive Income (OCI) - Equity Instruments		(76.16)	(40.51)
(c) Income tax on (a) & (b)		2.15	(0.55)
(iii) Items that will not be re-classified to profit or loss - discontinued operations		-	0.16
(a) Re-measurement gain on defined benefit plans			
(b) Income tax on (a)		-	(0.05)
Total other comprehensive income for the year (net of tax)		(78.86)	(41.09)
XI Total comprehensive income for the year (IX + X)		281.57	6,022.07
Profit/(Loss) for the period attributable to:			
Owners of the Company		365.25	6,063.16
Non-controlling Interest		(4.82)	-
Other comprehensive Income/(Loss) attributable to:			
Owners of the Company		(78.86)	(41.09)
Non-controlling Interest		-	-
Total comprehensive income attributable to:			
Owners of the Company		286.39	6,022.07
Non-controlling Interest		(4.82)	-
XII Earnings per equity share :			
(a) Basic & Diluted Earnings Per Share - Continuing operations	31	34.28	44.72
(b) Basic & Diluted Earnings Per Share - Discontinued operations	31	(1.58)	498.14
(c) Basic & Diluted Earnings Per Share - (Continuing & discontinued operations)	31	32.70	542.86
Significant accounting policies	2A		
The accompanying notes are an integral part of the financial statements			

*Refer note 35(b)

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 10 June 2020

Atul K.Kedia
Vice President (Legal)
& Company Secretary

Snehal Shah
Chief Financial Officer
Mumbai : 10 June 2020

J.C.Laddha
Managing Director
DIN:03266469

R.K.Dalmia
Whole-time Director
DIN:00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Consolidated

Consolidated Statement of Changes In Equity

for the year ended 31 March 2020

	Equity Share Capital	Reserves and Surplus	Other comprehensive income	Total Other Equity attributable to the Owners of the Company	Attributable to Non -Controlling Interest	Total Equity	
	Equity Securities Premium (See Note 13(a))	General Reserves (See Note 13(d))	Capital Redemption Reserve (See Note 13(b)(i))	Debtenture Reserve (See Note 13(b)(ii))	Retained Earnings	Cash Flow Hedge Reserve (See Note 13(e)(i))	Equity Instruments through Other Comprehensive Income (See Note 13(e)(ii))
As at 1 April 2018	111.69	643.22	1,273.54	100.00	120.84	369.74	-
Profit for the year (Restated)*	-	-	-	-	-	6,063.16	-
Other comprehensive income / (loss) (Restated)*	-	-	-	-	1.12	(1.70)	(40.51)
Total comprehensive income for the year	-	-	-	-	6,064.28	(1.70)	(40.51)
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	(72.60)	-	(72.60)
Dividend distribution tax (See Note 13 (c))	-	-	-	-	(14.92)	-	(14.92)
Distribution to shareholders (distribution of shares of Resulting Company on demerger of Cement business division) (Refer Note 35(b))	-	-	-	-	(5,388.35)	-	(5,388.35)
Transferred to debenture redemption reserve	-	-	-	-	60.42	(60.42)	-
As at 31 March 2019	111.69	643.22	1,273.54	100.00	181.26	897.73	(1.70)
Profit for the year	-	-	-	-	365.25	-	365.25
Other comprehensive income / (loss)	-	-	-	-	(4.00)	1.30	(76.16)
Total comprehensive income for the year	-	-	-	-	361.25	1.30	(76.16)
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	(83.77)	-	(83.77)
Dividend distribution tax (See Note 13 (c))	-	-	-	-	(17.22)	-	(17.22)
Contribution from Non-Controlling Interest	-	-	-	-	-	-	136.91
As at 31 March 2020	111.69	643.22	1,273.54	100.00	181.26	1,157.99	(0.40)
					12.19	3,367.80	132.09
							3,611.58

* Refer note 35(b)

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
Firm Registration Number 324982E / E300003

Abhishek Agarwal
Partner
Membership No: 112773
Mumbai : 10 June 2020

J.C.Laddha
Managing Director
DIN:03266469

R.K.Dalmia
Whole-time Director
DIN:0040951

Yazdi P. Dandiwala
Director
DIN:01055000

Consolidated Cash Flow Statement

for the year ended 31 March 2020

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated)* (₹ in Crores)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax From Continuing Operations	284.39	766.38
Net Profit / (Loss) Before Tax From Discontinued Operation	(27.13)	5,546.90
Add / (Less) :		
Depreciation and amortisation on property plant and equipment	190.10	177.63
Depreciation and amortisation on investment property	37.09	30.71
Depreciation and amortisation on intangible assets	1.39	1.19
Loss/(gain) on sale of property plant and equipment and investment properties	3.23	(9.58)
Gain on demerger of Cement division business	-	(5,593.46)
Allowance for credit loss	0.80	4.54
Unrealized exchange (gain) / loss	4.03	(3.49)
Unrealized exchange (gain) / loss on derivatives	-	(0.37)
Interest income	(6.66)	(11.76)
Provision for interest written back	(9.75)	(56.48)
Interest expense	87.09	137.85
Liabilities written back	(18.75)	(10.84)
Dividend on investments	(2.81)	(3.84)
	285.76	(5,337.90)
Working Capital Adjustments :		
Decrease / (increase) in inventory	(389.68)	(180.91)
Decrease / (increase) in trade receivables	22.77	(80.74)
Decrease / (increase) in other financial assets	(43.64)	21.74
Decrease / (increase) in other assets	(14.83)	(181.85)
(Decrease) / increase in other financial liabilities	7.77	2.23
(Decrease) / increase in trade payables	(18.57)	382.91
(Decrease) / increase in provisions	5.96	(34.99)
(Decrease) / increase in other liabilities	3.17	(149.08)
Decrease / (increase) in other bank balance	(13.90)	(10.76)
	(440.95)	(231.45)
Cash generated from operations	102.07	743.93
Add / (Less) :		
Direct taxes paid	(124.88)	(196.23)
Net Cash Generated From Operating Activities	(22.81)	547.70
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property plant and equipment and intangible assets	(207.65)	(93.67)
Proceeds from sale of property plant and equipment and investment properties	4.98	18.36
Interest received (finance income)	5.42	7.07
Purchase of investment property	(37.13)	(58.00)
Dividend on investments	2.81	3.84
Net movement in fixed deposits with bank	(9.46)	(0.49)
Net Cash Flows Used In Investing Activities	(241.03)	(122.89)

Consolidated

Consolidated Cash Flow Statement (Continued)

for the year ended 31 March 2020

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated)* (₹ in Crores)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Contribution from Non-Controlling Interest	136.91	-
Proceeds from borrowings	622.50	-
Repayment of borrowings	(108.16)	(4.81)
Net proceeds / (repayment) of short term borrowings	(76.25)	(318.04)
Dividend paid	(83.77)	(72.60)
Dividend distribution tax paid	(17.22)	(14.92)
Lease Liability paid	(2.87)	-
Interest paid	(79.50)	(266.95)
Net Cash Flows From / (Used In) Financing Activities	391.64	(677.32)
Net Increase / (Decrease) In Cash And Cash Equivalents	127.80	(252.51)
Cash and cash equivalents at the beginning of the year	(87.45)	165.06
Cash and cash equivalents at the year end	40.35	(87.45)
Non-Cash Investing and Financing Transaction		
Acquisition of property, plant and equipment by means of a finance lease	-	12.20

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated)* (₹ in Crores)
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per the above comprise of the following		
Cash and cash equivalents - (Refer note 11)	58.70	21.25
Cash credit facilities - (Refer note 18)	(18.35)	(108.70)
Balance as per cash flow statement	40.35	(87.45)

*Refer note 35(b)

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**

Partner

Membership No: 112773

Mumbai : 10 June 2020

Atul K.Kedia

Vice President (Legal)
& Company Secretary

Snehal Shah

Chief Financial Officer
Mumbai : 10 June 2020

J.C.Laddha

Managing Director
DIN:03266469

R.K.Dalmia

Whole-time Director
DIN:00040951

Yazdi P. Dandiwala

Director
DIN:01055000

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

Notes to Consolidated Financial Statements

for the year ended 31 March 2020

1. CORPORATE INFORMATION

Century Textiles and Industries Limited ('Company' or 'Parent Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The principal place of business of the Company is located at Century Bhawan, Dr. A. B. Road, Worli, Mumbai. The Company and its subsidiaries ('Group') is principally engaged in the business of Textiles, Pulp and Paper and Real estate.

The financial statements were approved for issue in accordance with a resolution of the board of directors on 10 June 2020.

2A. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

The Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Non-cash distribution liability

The financial statements are presented in INR and all values are rounded to the nearest Crores (INR 00,00,000), except when otherwise indicated.

Basis of consolidation

The Group consolidates all entities which are controlled by it. The consolidated Ind AS financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

Consolidation procedure:

The consolidated Ind AS financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated Ind AS financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Group Information:

The consolidated financial statements of the Group include subsidiaries listed in the table below:

Name	Principal activities	Country of incorporation	% equity interest	
			31-Mar-20	31-Mar-19
Birla Estates Pvt. Ltd.	Real Estate	India	100	100
Avarna Projects LLP	Real Estate	India	50	-
Birla Tisya LLP	Real Estate	India	40	-
Birla Century Exports Pvt. Ltd.	Trading in Textiles	India	100	100
Birla Century LLC	Trading in Textiles	United States	100	-

Consolidated

Notes

to Consolidated Financial Statements for the year ended 31 March 2020

Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control):

The Group controls the decision related to the all relevant activities in respect of the operation of the entity and hence has consolidated the LLP's as subsidiaries as per Ind AS-110 even though group holds 50% or less voting rights in the LLPs.

2.2 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

2.3 Fair value measurement

The Group measures financial instruments, such as derivatives, investments etc, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.4 Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, and consideration payable to the customer (if any).

Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale provide customers with discounts. The discounts give rise to variable consideration.

Discounts

Discounts includes target and growth rebates, price reductions, incentives to customers or retailers. To estimate the amount of discount, the Group applies accumulated experience using the most likely method. The Group determines that the estimates of discounts are not constrained based on its historical experience, business forecast and the current economic conditions. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected discount. No element of financing is deemed present as the sales are made with credit terms largely ranging between 7 days to 120 days.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

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Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2.5 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

Government grants such as sales tax incentive, export benefit schemes are recognized in the Statement of Profit and Loss as a part of other operating revenues where as grants related to royalty, power incentives and interest subsidies are netted off from the related expenses.

2.6 Taxes

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction in OCI or equity.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other

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comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year.

The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss as credit in current tax expense and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.7 Property, plant and equipment's.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Class	Useful life
Buildings	30 years – 60 years
Plant & equipment's and Air conditioning plant	3 years – 25 years
Electric installations	3 years – 10 years
Furniture & fixtures	3 - 10 years
Office equipment's	3 - 10 years
Vehicles	5 - 10 years

The management has estimated the above useful life and the same is supported by technical experts, where relevant.

Refer Note 2.11 on Accounting of leases as per Ind As 116 applied from 1 April 2019 for right of use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The

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estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Cost of software capitalised is amortised over its useful life which is estimated to be a period of five years. Mining rights are amortised over the period of the respective mining agreement.

2.9 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group, based on technical assessment made by management, depreciates the building over estimated useful lives of 40 years. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Group measures investment property using cost based measurement, the fair value of investment properties are disclosed in notes. Fair value are determined based on an annual evaluation performed by an accredited external independent valuer.

2.10 Non-current assets held for sale/ distribution to owners and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale/distribution if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale/distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/distribution classification is regarded met only when the assets or disposal group is available for immediate sale/distribution in its present condition, subject only to terms that are usual and customary for sales/distribution of such assets (or disposal groups), its sale/distribution is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale/distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/ for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/distribution are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

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Additional disclosures are provided in Note 35. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

2.11 Leases (Applied from 1 April 2019)

At inception of contract, the Group assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a lessee

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Group presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Group presents lease liabilities under financial liabilities in the Balance Sheet.

iii) Short term leases and leases of low value of assets

The Group applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases (till 31 March 2019)

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.13 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment loss of continuing operations, including impairment on inventories is recognised in the statement of profit and loss.

2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it

2.16 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.17 Employee Benefits

Defined Contribution plans

For certain group of employees, employee benefit in the form of Provident fund, Employees State Insurance Contribution and Labour Welfare fund are defined contribution plans. The Group has no obligation, other than the contribution payable to the respective fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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Defined benefit plans

The Group provides for retirement benefit in the form of gratuity. The Group's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

In respect of certain employees, provident fund contributions are made to a trust administered by the Group. Periodic contributions to the Fund are charged to the Statement of profit and loss. The Group has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of profit and loss. The Group's liability is determined on the basis of an actuarial valuation using the projected unit credit method.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

2.18 Research and Development

Research expenditure, including overheads, on research and development, is charged as an expense in the year in which incurred.

2.19 Foreign currencies

The Group's financial statements are presented in INR, which is also the Group's functional currency.

Transactions in foreign currencies are initially recorded by the Group at INR spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

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2.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. All fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. The Group has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are equity instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

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- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments:

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps to manage its foreign currency risks and interest rate risks respectively.

These derivative instruments are not designated as cash flow, fair value or net investment hedges and are entered into for period consistent with currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in the Statement of profit and loss except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

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For the purpose of hedge accounting, hedges are classified as:

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

2.21 Earnings Per Share:

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.22 Cash dividend and non-cash distribution to equity holders

The Group recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

2.23 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

2B. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the Grouping disclosures, and

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the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Employee benefit plans

The Group's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 36.

b) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 43 and 44 for further disclosures.

c) Useful Lives of Property, Plant & Equipment:

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset / component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets

2C. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

The Group applied Ind AS 116 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2020, but do not have an impact on the financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 116 Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. The Company has applied Ind AS 116 'Leases' (Ind AS 116) with a date of initial application of April 1, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognized as at April 1, 2019.

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Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. As a lessee, the Group previously classified leases as operating or finance lease based on its assessment of whether the lease transferred significantly all the risk and rewards incidental to the ownership of the underlying asset of the Group. Under Ind AS 116, the Group recognizes the right-of-use assets and lease liabilities as stated in the Note 45.

On adoption of Ind AS 116, the Company has recognized 'Right of Use' assets amounting to ₹ 48.74 Crores (including reclassification of Lease prepayments from other assets amounting to ₹ 44.67 Crores) and 'Lease Liabilities' amounting to ₹ 16.28 Crores (including reclassification of finance lease obligation from borrowings amounting to ₹ 12.21 Crores) as at April 1, 2019. There is no impact of the same on retained earnings as at April 1, 2019 and no significant impact for the year ended March 31, 2020.

The Group has applied Ind AS 116 only to the contracts that were previously identified as leases. As a practical expedient, contracts previously identified as lease under Ind AS 17 has not reassessed as to whether a contract is, or contains, a lease under Ind AS 116.

The Group has used the following practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17:

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the exemption not to recognize right-of-use asset and liabilities for leases with remaining lease term of 12 months or less.
- Excluded initial direct costs from measuring the right-of-use asset at the date of application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The lease liabilities as at March 31, 2019 can be reconciled to the operating lease commitments as of April 1, 2019, as follows:

Particulars	INR (in Crores)
Operating lease commitments as at March 31, 2019 as disclosed in the Consolidated Ind AS financial statements	4.80
Less: Commitments relating to short-term leases	-
Less: Commitments relating to leases of low-value assets	-
Net operating lease commitments	4.80
Weighted average incremental borrowing rate as at April 1, 2019	8.50%
Discounted operating lease commitments as at April 1, 2019	4.07
Add: Lease payments relating to renewal periods not included in operating lease	-
Add: Transferred of finance lease liability as at April 1, 2019	12.21
Lease liabilities as at April 1, 2019	16.28

Other amendments

The Group does not have any significant impact of all other amendments in accounting standards on its financial statements.

NOTE 3

A. PROPERTY, PLANT AND EQUIPMENT

Particulars	Land - Freehold	Land - leasehold (Finance lease)	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Vehicles	Electric Installations	Railway Wagons Leasehold	Total
I. GROSS BLOCK										
Balance as at 1 April 2018	387.44	86.98	985.06	8,146.96	31.73	52.54	17.04	411.44	62.04	10,181.23
Additions	0.09	-	0.90	31.40	0.22	0.98	0.65	1.15	-	35.39
Additions-Discontinued Operations (Refer note 35)	0.64	-	66.58	308.59	1.87	1.85	0.40	4.99	-	384.92
Disposals	(2.59)	-	(0.38)	(116.8)	(0.24)	(0.46)	(0.59)	(0.06)	-	(16.00)
Distributed to shareholders (Refer note 35)	(39.98)	(35.10)	(430.50)	(3,200.61)	(22.35)	(17.25)	(7.63)	(287.64)	(62.04)	(4,103.10)
Balance as at 31 March 2019	345.60	51.88	621.66	5,274.66	11.23	37.66	9.87	129.88	-	6,482.44
Additions	-	-	10.19	68.27	1.19	1.42	1.47	0.06	-	82.60
Disposals	-	-	(51.88)	-	(18.18)	(0.29)	(0.39)	(2.17)	-	(21.84)
Transfer to Right of Use Assets	-	-	-	-	-	-	-	-	-	(51.88)
Balance as at 31 March 2020	345.60	-	631.85	5,324.75	12.13	38.69	9.17	129.13	-	6,491.32
II. ACCUMULATED DEPRECIATION										
Balance as at 1 April 2018	8.69	18.85	251.92	3,435.24	22.58	36.22	10.07	223.33	58.94	4,065.84
Depreciation expense for the year	0.08	1.29	18.28	143.55	1.21	2.90	1.36	8.95	-	177.62
Depreciation-Discontinued Operations (Refer note 35)	0.62	-	65.31	305.47	1.81	1.82	0.39	4.93	-	380.35
Impairment (Refer note 35)	0.02	-	1.27	3.12	0.06	0.03	0.01	0.06	-	4.57
Disposal of assets	-	-	(0.15)	(6.41)	(0.22)	(0.35)	(0.44)	(0.04)	-	(7.61)
Distributed to shareholders (Refer note 35)	(8.70)	(12.93)	(85.77)	(1,302.99)	(16.36)	(12.22)	(5.05)	(131.51)	(58.94)	(1,634.47)
Balance as at 31 March 2019	0.71	7.21	250.86	2,577.98	9.08	28.40	6.34	105.72	-	2,986.30
Depreciation expense for the year	-	-	17.73	161.27	0.89	2.06	1.04	4.42	-	187.41
Disposal of assets	-	-	-	(10.89)	(0.27)	(0.34)	(1.59)	(0.48)	-	(13.57)
Transfer to Right of Use Assets	-	(7.21)	-	-	-	-	-	-	-	(7.21)
Balance as at 31 March 2020	0.71	-	268.59	2,728.36	9.70	30.12	5.79	109.66	-	3,152.93
NET BLOCK										
Balance as at 1 April 2018	378.75	68.13	733.14	4,711.72	9.15	16.32	6.97	188.11	3.10	6,115.39
Balance as at 31 March 2019	344.89	44.67	370.80	2,696.68	2.15	9.26	3.53	24.16	-	3,496.13
Balance as at 31 March 2020	344.89	-	363.26	2,596.39	2.43	8.57	3.38	19.47	-	3,338.39

B. RIGHT OF USE ASSETS

Description	Land	Building	Total
COST			
Balance as on 1st April 2019 due to adoption of Ind AS 116	51.88	-	51.88
Additions during the year	-	6.57	6.57
Balance as at 31st March, 2020	51.88	6.57	58.45
Accumulated depreciation and impairment			
Balance as on 1st April 2019 due to adoption of Ind AS 116	7.21	-	7.21
Depreciation for the year	1.04	1.65	2.69
Balance as at 31st March, 2020	8.25	1.65	9.90
Net carrying amount as at March 31, 2020	43.63	4.92	48.55

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NOTE 3 (contd.)

C: NET BOOK VALUE

Particulars	(₹ in Crores)	
	31-Mar-20	31-Mar-19 (Restated)
Owned assets	3,338.39	3,496.13
Right-of-use assets	48.55	-
Total	3,386.94	3,496.13

Note:

- (i) During the year ended 31 March 2020 and 31 March 2019, there are no impairment loss determined at each level of Cash Generating Unit (CGU). The recoverable amount was based on value in use and was determined at the level of CGU.
- (ii) Capitalised borrowing cost: No borrowing costs are capitalised on property, plant and equipment under construction
- (iii) Title deeds:
 - (a) Includes land measuring 29 acres and 15 guntha at a cost of ₹ 4.03 Crores (31 March 2019 ₹ 4.03 Crores) at Century Rayon division pending to be transferred in the name of the Company.
 - (b) Refer note 14 and note 18 for details of pledge and securities.

NOTE 4 : INVESTMENT PROPERTIES

Particulars	(₹ in Crores)		
	Land (Including TDRs)	Buildings	Total
I. Gross Block			
Balance as at 1 April 2018	7.46	1,036.28	1,043.74
Additions	0.21	3.61	3.82
Disposals	-	0.66	0.66
Balance as at 31 March 2019	7.67	1,039.23	1,046.910
Additions	-	2.80	2.80
Disposals	-	0.02	0.02
Balance as at 31 March 2020	7.67	1,042.01	1,049.68
II. Accumulated depreciation			
Balance as at 1 April 2018	-	84.19	84.19
Depreciation expense for the year	-	30.89	30.89
Disposal of assets	-	0.08	0.08
Balance as at 31 March 2019	-	115.16	115.16
Depreciation expense for the year	-	37.09	37.09
Disposal of assets	-	-	-
Balance as at 31 March 2020	-	152.25	152.25
Net Block			
Balance as at 31 March 2019	7.67	924.07	931.74
Balance as at 31 March 2020	7.67	889.76	897.43

Note :

- (i) Information regarding Income and expenditure of Investment properties

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
Rental income derived from Investment properties (See Note 21)	130.26	145.95
Direct operating expenses (including repairs and maintenance)		
generating rental income	(26.84)	(12.92)
Profit arising from investment properties before depreciation and indirect expenses	103.42	133.03
Less: Depreciation	37.09	30.89
Profit arising from investment properties before indirect expenses	66.33	102.14

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NOTE 4 : INVESTMENT PROPERTIES (contd.)

- (ii) Buildings consist of two commercial properties in India which are leased to third parties.
- (iii) Out of the total land under Investment Properties, 6.31 acres of land amounting to ₹ 0.01 Crores, which was allotted to the company on lease under the Poorer Class Accommodation Scheme 1898 as amended by 1913 Act and 1925 Act, which stated that in the event of no default being made in complying with the conditions of the lease, then on expiry of the lease all the right, title and interest shall vest with the company. The lease expired in the year 1955 and the company has filed a petition for execution of formal deed of conveyance.
- (iv) Refer note 14 and note 18 for details of pledge and securities.
- (v) Capitalised borrowing cost: Borrowing costs of ₹ 2.69 Crores (31 March 2019 ₹ 12.59 Crores) is capitalised on Investment property under development.
- (vi) Leasing arrangements: Certain investment properties are leased to tenants under long term operating leases with rentals payable monthly. (Refer Note 45)
- (vii) Fair value

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique (See Note below)	Fair Value Hierarchy (See Note below)	Fair Value	
			31 March 2020	31 March 2019
Land	Stamp Duty Reckoner rate	Level 2	2,487.64	2,487.64
Commercial Property *	Stamp Duty Reckoner rate	Level 2	2,288.30	2,288.30

* Includes Investment property under development

Note:

The above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The Independent Valuer has referred to the publications and Government website for Ready Reckoner rates. Suitable adjustments if required have been made to account for availability of FSI in land parcels in Mumbai in accordance with the guidelines prescribed by the Department of Registrations and Stamps. The adjustments related to floors, lifts and other factors are not considered for valuation of commercial property. Since the valuation is based on the published Ready Reckoner rates , the company has classified the same under Level 2.

NOTE 5 : INTANGIBLE ASSETS

Particulars	(₹ in Crores)	
	Computer Softwares	
I. Gross Block		
Balance as at 1 April 2018		15.97
Additions		0.02
Additions - Discontinued Operations (Refer note 35)		1.79
Disposals		-
Transfer to asset held for distribution/sale		1.65
Balance as at 31 March 2019		16.13
Additions		7.73
Disposals		-
Balance as at 31 March 2020		23.86

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NOTE 5 : INTANGIBLE ASSETS (contd.)

(₹ in Crores)

Particulars	Computer Softwares
II. ACCUMULATED DEPRECIATION	
Balance as at 1 April 2018	11.91
Depreciation expense for the year	1.19
Depreciation - Discontinued Operations (Refer note 35)	1.68
Impairment (Refer note 35)	0.11
Disposal of assets	-
Transfer to asset held for distribution/sale	(1.34)
Balance as at 31 March 2019	13.55
Depreciation expense for the year	1.39
Disposal of assets	-
Balance as at 31 March 2020	14.94
Net Block	
Balance as at 31 March 2019	2.58
Balance as at 31 March 2020	8.92

Note : Break-up of Depreciation / Amortisation for the year :

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
Depreciation / amortisation for the year		
- On Property, plant & equipment (See note 3)	190.10	177.62
- On Investment property (See note 4)	37.09	30.89
- On Other intangible assets (See note 5)	1.39	1.19
	228.58	209.70
Less : Depreciation of Discontinued operation (See Note 35)		
- On Property, plant & equipment (See note 3)	-	16.41
- On Other intangible assets (See note 5)	-	0.29
	228.58	193.00

NOTE 6: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
A. Investments carried at fair value through OCI		
Quoted investments (Refer note (i) below)	63.01	136.93
Unquoted investments (Refer note (i) & (ii) below)	35.14	37.37
Total (Quoted & unquoted investments)	98.15	174.30
B. Investments carried at Amortised Cost		
Quoted Government and trust securities	8.54	8.54
Total [A] + [B]	106.69	182.84

Note:

- (i) Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding. Refer Note 44 for determination of their fair values
- (ii) Investments in unquoted investments includes investment in Industry House Limited (IHL) amounting to ₹ 24.01 Crores (31 March 2019 ₹ 23.60 Crores). The Company is holding 35.28% of equity shares in IHL. As the company does not have significant influence over Industry House Limited, the Company has not considered it as an associate as per Ind AS 28 " Investments in Associates and Joint Ventures" and hence not consolidated. The Company's share of profit from Industry House Limited is insignificant.

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NOTE 6: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS (contd.)

NOTE 6A: LOANS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
a) Loan (Security deposits) (at amortised cost)	57.17	6.92	0.88	3.35
- Doubtful	-	-	-	-
Less: Allowance for credit losses	-	-	-	-
	57.17	6.92	0.88	3.35

NOTE 7: OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(i) Financial assets at amortised cost				
a) Interest subsidy	-	-	7.06	7.04
b) Interest receivable	-	-	2.33	1.11
c) Claims and other receivables	-	-	8.86	3.33
d) Unbilled lease rentals	0.35	3.39	2.05	7.32
e) Others	-	-	5.84	4.89
- Doubtful	-	-	0.14	0.14
Less: Allowance for credit loss	-	-	(0.14)	(0.14)
	0.35	3.39	26.14	23.69
f) Finance lease receivables (Refer Note 44)	2.54	4.49	1.99	1.98
Less: Allowance for credit loss	-	-	-	-
	2.54	4.49	1.99	1.98
	2.89	7.88	28.13	25.67
(ii) Financial assets at fair value				
a) Derivatives financial instruments carried at fair value through profit and loss (FVTPL) (Refer below note (i))	-	-	-	0.03
b) Derivatives financial instruments carried at fair value through other comprehensive income (FVTOCI) (Refer below note (i))	-	-	-	0.34
	-	-	-	0.37
Total	2.89	7.88	28.13	26.04

Note:

(i) Derivative financial instruments

The Company entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss.

Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

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NOTE 8: OTHER ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Capital advances				
(i) For property, plant and equipment	35.61	23.32	-	-
	35.61	23.32	-	-
(b) Advances other than capital advances				
(i) Export incentives receivable	0.89	1.34	10.12	6.19
(ii) Balances with Government authorities (other than income taxes)	7.58	8.80	27.60	28.25
(iii) Amount paid against disputed demands	4.15	4.23	-	-
(iv) Advances to vendors / suppliers	-	-	60.65	64.65
(v) Prepaid expenses	1.11	0.63	19.29	7.29
(vi) Others	1.95	2.51	17.73	11.45
	15.68	17.51	135.39	117.83
Total	51.29	40.83	135.39	117.83

NOTE : 9 INVENTORIES

(At cost or net realisable value, whichever is lower)

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	
		31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Raw materials		127.61	135.60
Goods in transit		4.96	35.58
(b) Work-in-progress		188.45	176.86
(c) Finished and semi-finished goods		127.76	103.93
(d) Stock-in-trade of goods acquired for trading		0.66	0.74
(e) Fuels, stores and spares		128.73	123.52
Goods in transit		1.06	0.88
(f) Other materials		24.08	17.86
Goods in transit		-	-
(g) Real estate inventory		734.37	104.03
Total	1,337.68		699.00

Note :

- (i) Cost of inventories recognised as an expense includes ₹ 0.21 Crores (31 March 2019 ₹ 1.31 Crores) in respect of write-downs of inventory to net realisable value.
- (ii) For charge created on real estate inventory refer note 14 and 18
- (iii) Borrowing costs of ₹ 16.53 Crores (31 March 2019 ₹ Nil) is capitalised in Real estate inventory

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NOTE 10: TRADE RECEIVABLES

Particulars	Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Secured, considered good	26.04	32.49
Unsecured, considered good	155.20	171.37
Unsecured, considered doubtful	1.74	6.18
Less: Allowance for credit losses	(1.74)	(6.18)
Receivables - credit impaired	6.71	5.83
Less: Allowance for credit losses	(6.71)	(5.83)
Total	181.24	203.86
Of the above, trade receivables from:		
- Related Parties (Refer Note 40)	-	-
- Others	181.24	203.86
Total	181.24	203.86

Note : No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner or a director or a member. Trade receivables are non interest bearing and are generally on terms of 7 to 120 days of credit period.

NOTE 11: CASH AND BANK BALANCES

Particulars	As at 31 March 2020 (₹ in Crores)		As at 31 March 2019 (Restated) (₹ in Crores)
Cash and cash equivalents			
(a) Balances with banks			
- Current Accounts	17.09		12.42
- Debit balance in Cash Credit / Overdraft Accounts	39.70		1.19
(b) Cheques and drafts on hand	1.70		-
(c) Cash in hand	0.21		0.10
(d) Fixed deposits with original maturity less than 3 months (including interest accrued)	-		7.54
Total	58.70		21.25
Other Bank Balances			
(a) Earmarked balances with banks			
- Unclaimed dividend accounts	2.31		2.16
- Fixed deposits	-		-
(b) Balances with Banks:			
- Fixed deposits with maturity more than 3 months (including interest accrued)	9.95		0.49
- On margin accounts	48.39		34.64
Total	60.65		37.29

Note : Short term fixed deposits are varying between three months and twelve months, depending on the immediate cash requirements and earn interest at the respective short term deposit rate. Interest rate is between 6.00% to 7.00%

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NOTE 12: EQUITY SHARE CAPITAL

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Authorised :		
14,80,00,000 (31 March 2019 - 14,80,00,000) Equity Shares of ₹ 10 each.	148.00	148.00
1,00,00,000 (31 March 2019 - 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 2019 - 11,17,11,090) Equity Shares of ₹ 10 each .	111.71	111.71
	111.71	111.71
(c) Subscribed and paid up:		
11,16,95,680 (31 March 2019 - 11,16,95,680) Equity Shares of ₹ 10 each, fully paid up (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.)	111.69	111.69
Total	111.69	111.69

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

	Opening Balance	Fresh Issue	Closing Balance
Equity shares with voting rights			
Year ended 31 March 2020			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69
Year ended 31 March 2019			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69

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

Class of shares / Name of shareholders	As at 31 March 2020		As at 31 March 2019	
	Number of shares held	Percentage	Number of shares held	Percentage
Equity shares with voting rights				
(a) Pilani Investment and Industries Corporation Limited	3,69,78,570	33.11 %	3,69,78,570	33.11 %
(b) IGH Holding Private Limited	1,11,50,000	9.98 %	1,11,50,000	9.98 %
(c) Aditya Marketing and Manufacturing Limited	75,60,900	6.77 %	75,60,900	6.77 %

- (e) The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31 March 2020.

NOTE 13: OTHER EQUITY

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Securities Premium	643.22	643.22

Note :

- (i) Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

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to Consolidated Financial Statements for the year ended 31 March 2020

NOTE 13: OTHER EQUITY (contd.)

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(b) Other reserves		
(i) Capital Redemption Reserve	100.00	100.00
Note :		
Capital redemption reserves was created during the year ended 31 March 2001, on redemption of 10.25% Redeemable Cumulative Non-convertible Preference Shares privately placed with financial institutions and banks. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
(ii) Debenture Redemption Reserve (DRR)		
As per last Balance Sheet	181.26	120.84
Add: Transferred from Retained earnings (Refer note below)	-	60.42
	181.26	181.26

Note :

The Company has issued redeemable non-convertible debentures. The Company was required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16th August, 2019, the Company is not required to create Debenture Redemption Reserve (DRR). Accordingly, the Company has not created DRR during the year and DRR created till previous years will be transferred to retained earnings on redemption of debentures.

(c) Dividend distribution made and proposed

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Cash dividends on equity shares paid during the year		
Dividend for the year ended on 31 March 2019: ₹ 7.50 per share (31 March 2018 ₹ 6.50 per share)	83.77	72.60
Dividend distribution tax on above	17.22	14.92
	100.99	87.52
Proposed dividend on equity shares		
Proposed dividend for the year ended on 31 March 2020 ₹ 3.00 per share (31 March 2019 ₹ 7.50 per share)	33.51	83.77
Dividend distribution tax on above	-	17.22
	33.51	100.99

Note :

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at 31 March 2020.

(d) General Reserves

General Reserves is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserves will be utilised in accordance with the provisions of the Companies Act, 2013.

(e) Other Comprehensive Income

(i) FVOCI equity investments:

The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(ii) Cash Flow Hedge:

The mark to market loss on the forward contracts outstanding has been recognised by company in cash flow hedge reserve. The company transfers amounts from this reserves to statement of profit and loss when the relevant forward contracts are derecognised or the hedging relationship no longer exists.

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NOTE 14:BORROWINGS

Particulars	Non-Current		Current Maturities	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Measured at Amortised Cost				
(A) Secured Non Convertible Debentures				
1. (7,000) Redeemable Non Convertible debentures (Repayment due on Apr' 2020 Interest rate as at 31 March 2020 - 8.29 % p.a)	-	699.67	700.00	-
2. (4000) Redeemable Non Convertible debentures (Repayment due on Feb' 2023 Interest rate as at 31 March 2020 - 7.95 % p.a)	399.32	-	-	-
(B) Term Loan from Bank - Secured				
3. Term loan from Axis Bank 700 Cr (Repayable in 16 half yearly installments, repayment falling due on Dec' 2024)	128.10	-	70.00	-
4. Term Loan from South India Bank Ltd (Repayable in 8 equal quarterly instalments, last instalment falling due on Mar' 2020)	-	-	-	37.46
5. Term Loan from Export Import Bank of India (Repayable in 8 equal quarterly instalments, last instalment falling due on Mar' 2020)	-	-	-	62.43
6. Term Loan from HDFC Bank (Repayable in 18 monthly instalments, last instalment falling due on May' 2023)	22.50	-	-	-
7. TUF Loan from State Bank of India (Repayable in 36 equal quarterly Instalments, last instalment falling due on Mar' 2020)	-	-	-	0.70
8. TUF Loan from State Bank of India (Repayable in 20 equal quarterly Instalments, last instalment falling due on Sept' 2020)	-	-	-	2.74
9. TUF Loan from State Bank of India (Repayable in 20 equal quarterly Instalments, last instalment falling due on Dec' 2020) Interest accrued on above	-	1.91	1.93	2.60
Amount disclosed under the head "Other Financial Liabilities - Current " (Refer Note 15)	-	-	26.63	-
Total	549.92	701.58	-	-

Effective rate of Interest : All the term loans are carried at the Interest rate from 7.00% to 9.00%

Details of Security:

1. Loans covered in Sr. No. 1 :

First pari passu charge on Plant and Machineries present and future of Birla Century,Pulp and Paper divisions and Freehold land admeasuring 25,323.78 sq. meters and Birla Centurion Building thereon situated at Worli,Lower Parel Divisions, District Mumbai bearing C.S No. 794 (Part) of Lower Parel Divisions, G/S Ward excluding Furniture and Fixtures and vehicles of all above divisions.

2. Loans covered in Sr. No. 2 :

First pari passu charge on Plant and Machineries, present and future of Birla Century,Pulp and Paper divisions and Freehold land admeasuring 25,323.78 sq. meters and Birla Centurion building thereon situated at Worli, Lower Parel Divisions, G/S ward excluding furniture and vehicles of all above divisions.

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NOTE 14:BORROWINGS (contd.)

3. Loans covered in Sr. No. 3 :

First pari passu charge on the present and future movable fixed assets of the Borrower's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand. First pari passu security interest on freehold land admeasuring 25323.78 sq. meters and the Birla Centurion Building thereon situated at Worli, Lower Parel Division, Mumbai. Negative lien on the present and future immovable fixed assets of the Borrower's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand.

4. Loans covered in Sr. No. 4 & 5 :

First pari passu charge over the present and future property plant and equipment of Birla Century,Pulp & Paper Divisions and Phase I of Real Estate Development at Worli excluding leasehold land at Pulp & Paper, and Birla Century, furniture and fixtures, vehicles and other miscellaneous assets of all divisions.

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

Exclusive mortgage of Land and Building situated at Sahad, opposite chemical land, Kalyan. First & exclusive charge on current assets of the company's birla vanya project at Kalyan.

6. Loan covered in Sr. No. 7 above :

First pari passu charge on entire property plant and equipment, present and future of Textiles 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.

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

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

8. Loans covered in Sr. No.9 above :

First pari passu charge over the property plant and equipment, present and future, of the Company (excluding leasehold land at Birla Century and Pulp & Paper and furniture and fixtures, vehicle and other miscellaneous assets of all the above divisions).

NOTE 14A: LEASE LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2020	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020	As at 31 March 2019 (Restated) (₹ in Crores)
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
Lease liability (Refer Note 45)	15.44	12.20	1.95	-
	15.44	12.20	1.95	-

NOTE 15: OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2020	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020	As at 31 March 2019 (Restated) (₹ in Crores)
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
Other Financial Liabilities measured at amortised cost				
(a) Deposits from dealers and agents	-	-	45.87	46.48
(b) Deposits against rental arrangements	86.64	91.33	60.65	47.79
(c) Current maturities of non current borrowings (Including Interest accrued on borrowings) (Refer Note 14)	-	-	798.56	105.93
(d) Interest accrued	-	-	21.87	31.60
(e) Unclaimed / Unpaid dividends (Refer Note below (i))	-	-	2.31	2.16
(f) Creditors for capital supplies / services	-	-	12.10	21.40
(g) Other liabilities	0.51	0.50	1.76	1.85
	87.15	91.83	943.12	257.21

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to Consolidated Financial Statements for the year ended 31 March 2020

NOTE 15: OTHER FINANCIAL LIABILITIES (contd.)

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Other Financial Liabilities Measured at Fair value				
a) Derivatives financial instruments carried at fair value through Other Comprehensive Income (FVTOCI) (Refer Note below (ii))	-	-	1.04	2.96
	-	-	1.04	2.96
Total	87.15	91.83	944.16	260.17

Note :-

- (i) Unclaimed dividend amounting to ₹ 0.04 Crores (31 March 2019 ₹ 0.03 Crores) is pending on account of litigation among claimants / notices from the tax recovery officer.
- (ii) Derivative financial instruments:

The Company entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss.

Changes in liabilities arising from financing activities (excluding lease liabilities)

Particulars	As at 1 April 2019	Cash flow	As at 31 March 2020
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	807.50	540.98	1,348.48
Current borrowings			
Working capital loans / cash credit from banks	108.70	(90.35)	18.35
Pre-shipment, Post-shipment and Export Bills Discounting facilities	43.01	(42.30)	0.71
Bills discounted with banks	3.78	(3.78)	-
Under a buyer's credit arrangement in foreign currency	-	14.78	14.78
Commercial Papers	44.95	(44.95)	-
Derivatives	-	-	-
Total	1,007.94	374.38	1,382.32

Particulars	As at 1 April 2018	Cash flow	Discontinued Operations	As at 31 March 2019
Non- current borrowings				
Long term borrowings (including current maturities and interest accrued)	2,894.50	(512.43)	(1,574.57)	807.50
Current borrowings				
Working capital loans / cash credit from banks	11.86	97.45	(0.61)	108.70
Pre-shipment, Post-shipment and Export Bills Discounting facilities	57.12	(14.11)	-	43.01
Bills discounted with banks	6.90	(3.12)	-	3.78
Under a buyer's credit arrangement in foreign currency	148.23	(148.23)	-	-
Commercial Papers	1,238.46	(250.04)	(943.47)	44.95
Derivatives	20.93	(20.93)	-	-
Total	4,378.00	(851.41)	(2,518.65)	1,007.94

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NOTE 16: INCOME TAX

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
(a) Tax expense recognised in the Statement of Profit and Loss on continuing operations		
Current tax		
In respect of current year	53.92	174.58
	53.92	174.58
Minimum Alternate Tax (MAT) Credit entitlement	(53.92)	(174.58)
	(53.92)	(174.58)
Deferred tax		
In respect of current year	127.22	269.26
In respect of earlier years	(83.91)	(2.35)
Adjustments due to changes in tax rates	(137.00)	-
	(93.69)	266.91
Total income tax expense on continuing operations		
Tax expense recognised in the Statement of Profit and Loss on discontinuing operations		
Current tax	-	-
In respect of current year		
Deferred tax		
In respect of current year origination and reversal of temporary differences	(9.48)	(16.79)
	(9.48)	(16.79)
Total income tax expense on discontinuing operations		
Net tax expense reconsinged in the Statement Profit and Loss		
	(103.17)	250.12
(b) Income tax recognised in other comprehensive income		
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	(2.15)	0.60
Cash flow hedge	0.70	(0.92)
	(1.45)	(0.32)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	(2.15)	0.60
Income taxes related to items that will be reclassified to profit or loss	0.70	(0.92)
	(1.45)	(0.32)
(c) Amounts Recognised directly in Equity - Nil (31 March 2019 - Nil)		
(d) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
Profit/(loss) before tax from continuing operations	284.39	766.38
Income tax expense calculated at 34.944% (31 March 2019 - 34.944%)	99.38	267.80
Effect of income that is exempt from taxation	(0.64)	(1.30)
Effect of expenses that is non-deductible in determining taxable profit	1.61	3.93
Effect of tax incentives and concessions (research and development and other allowances)	(1.21)	(0.47)
DTA not recognised on losses	31.43	4.34
Others	(3.35)	(5.04)
Re-measurement of deferred tax (refer note (ii) below)	(137.00)	-
	(9.78)	269.26
Adjustments recognised in the current year in relation to the deferred tax of prior years (refer note (iii) below)	(83.91)	(2.35)
Income tax expense recognised In profit or loss from continuing operations	(93.69)	266.91
Profit/(loss) before tax from discontinuing operations	(27.13)	(46.56)
Income tax expense calculated at 34.944%	(9.48)	(16.27)
Reversal of tax difference in book base and tax base	-	(0.52)
Income tax expense recognised In profit or loss from discontinuing operations	(9.48)	(16.79)

Note :

- (i) The tax rate used for above deferred tax reconciliation for 31 March 2020 and 31 March 2019 is 34.944% respectively.

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NOTE 16: INCOME TAX (contd.)

- (ii) Pursuant to the enactment of the Taxation Law (Amendment) Act, 2019 which is effective from April 1, 2019, domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. Based on the Group's assessment of the expected year of transition to the new tax regime, the Group has remeasured the deferred tax liabilities at the newly enacted tax rate and has written back an amount of ₹ 137 Crores during the year ended March 31, 2020.

Accordingly, deferred tax asset on temporary differences which are expected to reverse after financial year ending 2027 have been reversed in the current financial year amounting to ₹ 137 Crores. Accordingly, deferred tax assets have been increased by ₹ 137 Crores and the tax charge for the year have decreased by ₹ 137 Crores.

- (iii) During the year, the Group has received the approval to develop one land and hence transferred it from investment property to inventory. Accordingly, the Group has reassessed the recoverability of deferred tax asset on indexation benefit related to said land and recognised deferred tax asset of ₹ 89.07 Crores and disclosed as DTA pertaining to earlier years. Further there are certain other adjustments amounting to ₹ 5.18 Crores as a result of which the net adjustment recognised is ₹ 83.89 Crores.
- (iv) Unrecognised deferred tax assets on tax losses / unused tax credit for which no deferred tax assets is recognised amount to ₹ 102.34 Crores and ₹ 12.40 Crores as at March 31, 2020 and March 31, 2019 respectively. The expiry of unrecognised Deferred Tax Asset is as detailed below:

As at 31st March, 2020 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	Closing balance
Business losses including unabsorbed depreciation	Nil	Nil	102.34	102.34
Total	Nil	Nil	102.34	102.34
As at 31st March, 2019 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	Closing balance
Business losses including unabsorbed depreciation	Nil	Nil	12.40	12.40
Total	Nil	Nil	12.40	12.40

(e) The movement in deferred tax assets and liabilities during the year ended 31 March 2020 and 31 March 2019 :

Movement during the year ended 31 March 2020	As at 31 March 2019 (Restated)	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2020
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	850.97	(241.69)	-	609.28
(ii) Actuarial gain on defined benefit obligation	5.63	-	(2.15)	3.48
(iii) Interest expenses on unwinding of financial liability	3.79	0.20	-	3.99
	860.39	(241.49)	(2.15)	616.75
Tax effect of items constituting deferred tax assets				
(i) Employee benefits	0.70	(0.55)	-	0.15
(ii) Other provisions	7.60	(2.34)	-	5.26
(iii) Expenses allowable for tax purpose when paid	34.78	(18.31)	-	16.47
(iv) Tax losses	166.33	(81.19)	-	85.14
(v) Provision for leave encashment	21.63	0.81	-	22.44
(vi) Interest Income on unwinding of financial assets	21.32	-	-	21.32
(vii) Other temporary differences	12.60	0.05	-	12.65
(viii) Upfront royalty	192.89	(36.78)	-	156.11
(ix) Cash flow hedge	0.92	-	(0.70)	0.22
	458.77	(138.31)	(0.70)	319.76
Deferred Tax liability / (asset)	401.62	(103.18)	(1.45)	296.99
MAT credit	(307.63)	(53.92)	-	(361.55)
Net Deferred Tax liability / (asset)	93.99	(157.10)	(1.45)	(64.56)

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NOTE 16: INCOME TAX (contd.)

Movement during the year ended 31 March 2019	As at 31 March 2018	Recognised in profit and Loss	Recognised in Other comprehensive income	Transfer on account of Demerger	(₹ in Crores) As at 31 March 2019 (Restated)
Tax effect of items constituting deferred tax liabilities					
(i) Property, plant and equipments, investment property and real estate Inventory	1,193.24	86.16	-	428.43	850.97
(ii) Actuarial gain on defined benefit obligation	5.03	-	0.60	-	5.63
(iii) Interest expenses on unwinding of financial liability	0.51	3.28	-	-	3.79
	1,198.78	89.44	0.60	428.43	860.39
Tax effect of items constituting deferred tax assets					
(i) Employee benefits	1.20	(0.50)	-	-	0.70
(ii) Other provisions	4.71	2.89	-	-	7.60
(iii) Expenses allowable for tax purpose when paid	115.62	(11.85)	-	68.99	34.78
(iv) Government grants	22.22	-	-	22.22	-
(v) Tax losses	645.14	(340.15)	-	138.66	166.33
(vi) Provision for leave encashment	22.95	(1.32)	-	-	21.63
(vii) Interest Income on unwinding of financial assets	20.95	0.37	-	-	21.32
(viii) Other temporary differences	15.61	(3.01)	-	-	12.60
(ix) Upfront royalty	-	192.89	-	-	192.89
(x) Cash flow hedge	-	-	0.92	-	0.92
	848.40	(160.68)	0.92	229.87	458.77
Deferred Tax liability / (asset)	350.37	250.12	(0.32)	198.56	401.62
MAT credit	(133.05)	(174.58)	-	-	(307.63)
Net Deferred Tax liability / (asset)	217.32	75.54	(0.32)	198.56	93.99

NOTE 17: OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Advances received from customers	-	-	90.67	13.67
(b) Deferred revenue - Government grant (Refer Note below)	7.67	46.23	-	-
(c) Deferred revenues (Refer Note 33)	593.51	640.49	52.87	52.96
(d) Statutory dues				
- Taxes Payable (other than income taxes)	-	-	35.90	26.65
- Employee recoveries and employer contributions	-	-	2.21	2.00
(e) Other Liabilities	-	-	-	0.05
Total	601.18	686.72	181.65	95.33

Note : Government grants

In the past, under the Export Promotion Capital Goods (EPCG) Scheme, the Company had received Government grant for the purchase of certain items of property, plant and equipments. As per the EPCG scheme the Company has an obligation to export up to 8 times of grant amount. As and when the Company fulfils the export obligation, proportionate grant is released to the Statement of profit and loss (Refer Note 39).

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NOTE 18 BORROWINGS - CURRENT

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Secured Borrowings measured at amortised cost.		
(a) Loans repayable on demand from banks		
Cash credit from banks	18.35	108.70
Pre-shipment, post-shipment and export bills discounting facilities	0.71	43.01
Bills discounted with banks	-	3.78
Unsecured borrowings measured at amortised cost.		
(a) Short term borrowings from banks:		
Under a buyer's credit arrangement in foreign currency	14.78	-
(b) Commercial papers	-	44.95
(Maximum balance outstanding during the year ₹ 600 Crores)		
(31 March 2019 ₹ 2,075 Crores)		
Total	33.84	200.44

Note:

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) and 2nd charge on a pari-passu basis over the present and future property plant and equipments (plant and machinery) of Birla Century (Gujarat), Century Pulp and paper and Phase 1 of Real Estate Development, Worli (excluding furniture, fixtures, vehicles and other miscellaneous assets) and mortgage of freehold immovable properties of Century Pulp and Paper on pari-passu 2nd charge basis with other working capital lenders.
- (ii) The charge created as per para (i) also extends to the guarantees given by the banks on behalf of the Company to other banks, aggregating ₹ Nil (31 March 2019 Nil).

NOTE 19: TRADE PAYABLES

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Trade payable - Micro and small enterprises (Refer Note 34)	8.87	6.70
Trade payable - Other than micro and small enterprises	483.74	512.65
Total	492.61	519.35

Note :

- (i) 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.
- (ii) Trade payables are non interest bearing and are normally settled on 60-90 days terms. Acceptances are interest bearing and have an average term of six months. There are no other amounts paid / payable towards interest / principal under the MSMED.

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NOTE 20: PROVISIONS

Particulars	Non-Current		Current	
	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
(a) Provision for employee benefits				
(i) Leave entitlement	0.74	0.35	24.11	20.70
(ii) Gratuity (Refer Note 36)	-	-	2.75	-
	0.74	0.35	26.86	20.70
(b) Other Provisions				
(i) Disputed matters (Refer Note 37)	-	-	155.08	155.11
	-	-	155.08	155.11
Total	0.74	0.35	181.94	175.81

NOTE 21: REVENUE FROM OPERATIONS

Particulars	Year Ended 31 March 2020 (₹ in Crores)		Year Ended 31 March 2019 (Restated) (₹ in Crores)
	31 March 2020 (₹ in Crores)	31 March 2019 (Restated) (₹ in Crores)	
(a) Sale of products	3,136.84		3,424.57
(b) Rent from leased properties:			
Rent from Investment properties (Refer Note 4)	144.97		159.10
Rent from other assets (Refer Note 33)	49.59		49.59
	194.56		
		3,331.40	3,633.26
(c) Other operating revenues :			
Export benefits	22.11		21.48
Sale of scrap	5.35		4.03
Insurance and other claims	0.70		0.37
Liabilities no longer required	13.15		10.83
Government Grants (Refer Note below (a))	38.57		100.99
Renewable energy credits	0.94		-
Gain on sale of Transferable Development Rights (TDR)	-		160.16
Others	11.20		12.44
	92.02		310.30
Total	3,423.42		3,943.56

Note :

- (i) Other operating income for year ended March 31, 2019 includes ₹ 71.24 Crores on account of credit of duty paid on fulfilment of export obligation by utilizing prior year exports of other divisions based on endorsements received during the year from Director General of Foreign Trade.

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NOTE 21: REVENUE FROM OPERATIONS (contd.)

NOTE 21 A: DISAGGREGATED REVENUE INFORMATION:

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Segment		
Textile products	735.98	765.36
Paper and Pulp products	2,383.38	2,642.67
Real Estates (Sale of TDR)	-	160.16
Others (Salt and Chemicals)	17.48	16.54
Total revenue from contracts with customers	3,136.84	3,584.73
India	2,538.12	3,155.06
Outside India	598.72	429.67
Total revenue from contracts with customers	3,136.84	3,584.73
Timing of revenue recognition		
Goods transferred at a point in time	3,136.84	3,584.73
Services transferred over time	-	-
Total revenue from contracts with customers	3,136.84	3,584.73

NOTE 21 B:

Reconciliation with segment revenue	Year ended 31 March 2020				
	Textile	Pulp and Paper	Real Estates	Others	Total
Revenue as per Segment	785.57	2,383.38	144.97	17.48	3,331.40
Less:					
Rent from Investment properties	-	-	(144.97)	-	(144.97)
Rent from Other assets	(49.59)	-	-	-	(49.59)
Total Revenue from contracts with customers	735.98	2,383.38	-	17.48	3,136.84

Reconciliation with segment revenue	Year ended 31 March 2019				
	Textile	Pulp and Paper	Real Estates	Others	Total
Revenue as per Segment	814.95	2,642.67	159.10	16.54	3,633.26
Add: Gain on sale of TDR	-	-	160.16	-	160.16
Less:					
Rent from Investment properties	-	-	(159.10)	-	(159.10)
Rent from Other assets	(49.59)	-	-	-	(49.59)
Total Revenue from contracts with customers	765.36	2,642.67	160.16	16.54	3,584.73

NOTE 21 C: CONTRACT BALANCES

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Trade Receivables	181.24	203.86
Contract Liabilities (Advance received from customers)	90.67	13.67

NOTE 21 D: RECONCILING THE AMOUNT OF REVENUE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS WITH THE CONTRACTED PRICES

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
Revenue as per contracted prices	3,250.31	3,710.42
Adjustments		
Discount	113.47	125.69
Revenue from contract with customers	3,136.84	3,584.73

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NOTE : 22 OTHER INCOME

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Dividend on FVTPL Investments	1.67	2.69
Dividend on FVTOCI Investments	1.14	1.15
	2.81	3.84
Interest Income :		
Non current investments at amortised cost	0.71	0.71
On Income tax refund	-	0.46
Other interest income	5.95	6.00
	6.66	7.17
Gain on foreign currency fluctuations and translations (net)	0.01	6.96
Fair value gain on financial instruments at FVTPL *	-	0.08
Provision for interest written back #	9.75	56.48
Surplus on sale of property plant and equipments (net)	-	9.50
Management consultancy fees	4.35	10.11
Miscellaneous Income	11.63	15.64
Total	35.21	109.78

* Fair value gain on financial instruments at fair value through profit or loss relates to foreign exchange forward contracts that was not designated for hedge accounting.

Provision towards interest on expected unfulfilment of export obligation has been written back.

NOTE 23: COST OF MATERIALS CONSUMED

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Raw material consumed		
Opening stock	135.60	104.69
Add: Purchases	1,326.61	1,492.18
	1,462.21	1,596.87
Less: Closing stock	(127.61)	(135.60)
	1,334.60	1,461.27
Dyes, colour and chemicals consumed		
Opening stock	15.72	13.85
Add: Purchases	330.63	312.41
	346.35	326.26
Less: Closing stock	(16.71)	(15.72)
	329.64	310.54
Packing materials consumed		
Opening stock	3.11	2.54
Add: Purchases	95.11	93.57
	98.22	96.11
Less: Closing stock	(7.04)	(3.11)
	91.18	93.00
Total	1,755.42	1,864.81

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NOTE 24: PURCHASE OF TRADED GOODS

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Purchase of traded goods	48.22	11.72

NOTE 25: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Opening stock :-		
Finished goods	103.93	79.39
Work-in-progress	176.86	190.85
Stock-in-trade	0.74	0.51
	<u>281.53</u>	270.75
Closing stock :-		
Finished goods	127.76	103.93
Work-in-progress	188.45	176.86
Stock-in-trade	0.66	0.74
	<u>316.87</u>	281.53
Total	(35.34)	(10.78)

NOTE 26: EMPLOYEE BENEFITS EXPENSES

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Salaries, wages, bonus, etc.	271.52	246.41
Contributions to provident and other funds	14.91	12.61
Gratuity expenses (Refer Note 36)	4.36	4.66
Staff welfare expenses	11.22	11.91
Total	302.01	275.59

NOTE 27: FINANCE COST

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Interest on debts and borrowings (Refer Note below)	94.30	97.67
Exchange differences regarded as an adjustment to borrowing costs	0.82	6.13
Interest on lease liabilities (Refer Note 45)	1.48	1.04
Unwinding of discount and effect of change in discount rate on provisions	9.71	9.30
	<u>106.31</u>	<u>114.14</u>
Less: Borrowing costs capitalised	(19.22)	(12.59)
Total	87.09	101.55

Note :

Net of subsidy of ₹ 0.11 Crore (31 March 2019 ₹ 2.26 Crores) under the Technology Upgradation Fund Scheme of the Government of India.

The capitalisation rate used to determine the amount of borrowing cost to be capitalised is the weighted average interest rate applicable to the entity's general borrowings during the year, in this case 8.25% (31 March 2019 8.00%)

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NOTE 28: DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Depreciation of property plant and equipments (Refer Note 3)	190.10	161.21
Depreciation on Investment properties (Refer Note 4)	37.09	30.89
Amortization of Intangible assets (Refer Note 5)	1.39	0.90
Total	228.58	193.00

NOTE 29: OTHER EXPENSES

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Consumption of stores and spares	55.70	81.38
Job work charges	19.25	23.54
Power, fuel and water	409.31	474.15
Buildings repairs	20.18	23.07
Machinery repairs	23.16	29.57
Rent	3.38	2.78
Rates and taxes	15.61	18.64
Insurance	12.34	7.19
Freight, forwarding, octroi, etc.	44.25	45.14
Advertisement and publicity	29.32	10.24
Allowance for credit loss	0.06	0.79
Commission	10.82	14.16
Brokerage, discounts, incentives etc.	2.88	3.74
Commission to Non Executive Directors	1.00	1.50
Director's fees and travelling expenses	0.13	0.17
Loss on sale of Investments	3.23	0.23
Provision for doubtful debts and advances	0.80	0.96
Miscellaneous expenses (See below note A & B)	136.84	113.82
Total	788.26	851.07

NOTE A: Details of corporate social responsibility as per Section 135 (5) of Act and Rules made thereunder:

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
During the year, the Company has spent ₹ 5.11 Crores (31 March 2019 : ₹ 3.18 Crores) including ₹ 0.60 Crore of previous year unspent amount towards various schemes of corporate social responsibility as prescribed under section 135 of the Act. The details are :		
Gross amount required to be spent by the Company during the year as per section 135 of Companies Act 2013	9.73	3.78
Amount spent by the company during the year :	-	-
a) Construction/acquisition of any asset	-	-
b) On purpose other than above (including ₹ 0.60 Crore of previous year unspent amount)	5.11	3.18
Amount unspent	4.62	0.60

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NOTE 29: OTHER EXPENSES (contd.)

NOTE B: DISCLOSURE OF POLITICAL CONTRIBUTIONS AS PER SECTION 182 (3) OF ACT:

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Political contributions made under section 182(3) by purchase and distribution of Electoral Bonds	1.00	-
	1.00	-

30 HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The Group uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US dollars. This forecast transactions are highly probable and they comprise about 8.64% of the companies total expected sales in US dollars. The foreign exchange contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rate.

31 EARNINGS PER SHARE (EPS):

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
a) For Continuing Operations		
Profit after tax from continuing operations	378.08	499.47
Add: Loss attributable to Non-Controlling Interest	4.82	-
Profit attributable to equity shareholders for basic & diluted EPS	382.90	499.47
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2019 ₹ 10 each) (in Rupees)	34.28	44.72
b) For Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	(17.65)	5,563.69
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2019 ₹ 10 each) (in Rupees)	(1.58)	498.14
c) For Continuing & Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	365.25	6,063.16
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2019 ₹ 10 each) (in Rupees)	32.70	542.86

- 32** 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 ₹ 4.13 Crores (31 March 2019: ₹ 3.40 Crores). During the year ₹ NIL (31 March 2019: ₹ 0.77 Crore) capital expenditure on research and development has been incurred.
- 33** During the financial year 2017-18, the Group had entered into an agreement with Grasim Industries Limited ('GIL') granting right to manage and operate the group's Viscose Filament Yarn ('VFY') business, which is part of Textile segment, for a duration of 15 years commencing from February 1, 2018. As a part of consideration, GIL has paid an upfront Royalty of ₹ 600.00 Crores. In addition GIL has also paid the carrying value of net working capital and the interest free security deposit of ₹ 200.00 Crores which is repayable after 15 years. With effect from February 1, 2018, GIL have right to use the VFY business assets including its intangible assets for a period of 15 years from the above date. The Group has recognized Royalty income over the period of 15 years.

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Pursuant to the agreement, GIL shall incur all capital expenditure and commitments involving capital expenditure as may be necessary for the proper, optimum and profitable operation of the VFY Business. In this regard, Group has agreed that all improvement/ capital expenditure done by GIL during the tenure of agreement will be transferred to the Group, at such fair value as may be agreed between the Group & GIL.

34 TRADE PAYABLE

- (i) ₹ 8.87 Crores (31 March 2019 ₹ 6.70 Crores) 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; and
- (ii) The above information has been determined to the extent such parties have been identified on the basis of the information available with the Group regarding the status of suppliers under the MSME.

35. DISCONTINUED OPERATIONS

a) Yarn and Denim division

During the earlier years, on receipt of sale consideration and on fulfilment of all closing conditions as per the signed business transfer agreement (BTA), the Group had recognized the sale of its Yarn and Denim units ("Y&D units") (included in Textiles segment) and has recognized loss on disposal amounting to ₹ 18.12 Crores. Pursuant to the objections raised by the workers of Y&D units against the said business transfer, during the previous year the Group had terminated the BTA, refunded the sale consideration and had taken back the possession of the Y&D units. The Group is currently exploring various alternatives including sale to other buyers and accordingly has classified the operations as Discontinued operations.

The Results of Yarn and Denim unit for the year are presented below:

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
Revenue including other income	5.61	-
Expenses	(32.74)	(74.64)
Impairment loss recognised on the remeasurement to fair value less costs to sell"	-	-
Profit before income tax	(27.13)	(74.64)
Income tax (expense) / credit	9.48	26.08
Profit / (Loss) after income tax	(17.65)	(48.56)

The major class of assets and liabilities of Yarn and Denim Division classified as held for sale as at 31 March 2020 are, as follows

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
Assets		
Other Financial Assets	1.27	2.11
Inventories	0.06	0.06
Cash and Cash Equivalents	-	0.06
Assets classified as held for sale	1.33	2.23
Liabilities		
Trade Payables	39.34	41.24
Other Financial Liabilities	0.04	0.04
Provisions	5.51	1.34
Other Current Liabilities	0.44	0.33
Liabilities Associated with Assets Held for Sale	45.33	42.95
Net Assets directly associated with Yarn and denim	(44.00)	(40.72)

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35. DISCONTINUED OPERATIONS (contd.)

The net cash flows of Yarn and Denim Unit are, as follows:

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (₹ in Crores)
Net cash flow from operating activities	(14.38)	(41.20)
Net cash flow from investing activities (from sale of business)	-	-
Net cash flow from financing activities	-	-
Net cash generated from discontinued operations	(14.38)	(41.20)

b) Cement division

The Scheme of Demerger between the Holding Company and UltraTech Cement Limited ("Resulting Company") and their respective shareholders and creditors ("Scheme") was approved by the National Company Law Tribunal ('NCLT') on July 3, 2019 and on completion of all conditions precedent, as specified in the Scheme, the Scheme became effective on October 1, 2019. Pursuant to the Scheme becoming effective, the Cement Business Division is demerged from the Holding Company and transferred to and vested in the Resulting Company with effect from May 20, 2018 i.e. the Appointed Date.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no. 09/2019 dated August 21, 2019 ('MCA Circular'), the Appointed Date identified under the Scheme shall also be deemed to be the date of transfer of control for the purpose of conforming to accounting standards. Accordingly, the Holding Company has recognized the effect of the demerger on May 19, 2018 and debited the fair value as at May 19, 2018 of Demerged Undertaking i.e. fair value of shares of Resulting Company to be distributed to the shareholder of the Holding Company, amounting to ₹ 5,388.28 Crores to the retained earnings in the Statement of Changes in Equity as dividend distribution. The difference in the fair value and carrying value of Cement Business Division as at May 19, 2018 amounting to ₹ 5,593.46 Crores is recognized as gain on demerger of Cement Business Division in the statement of profit and loss account. The operations of Cement Business Division were classified as discontinued operations until May 19, 2018.

As the demerger is effective from FY 2018-2019, the previous year figures have been restated accordingly and there is no impact on Balance Sheet as at April 1, 2018.

i) Gain on demerger of Cement business division

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Fair value of shares of Resulting Company to be distributed to the shareholder of the Company	5,388.28
Less: Net asset / (liabilities) of Demerged Undertaking (Refer note ii below)	(205.18)
Gain on demerger of Cement business division	5,593.46

ii) The carrying value of assets and liabilities of Demerged Undertaking derecognized as at May 19, 2018

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Assets	
Non Current Assets	
Property, plant and equipments (including CWIP)	2,482.40
Financial assets	235.81
Other assets	88.86
Sub - Total	2,807.07
Current Assets	
Inventories	731.81
Financial assets	500.32
Other assets	356.84
Sub - Total	1,588.97
Total Assets	4,396.04

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35. DISCONTINUED OPERATIONS (contd.)

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Liabilities	
Non Current Liabilities	
Financial liabilities	1,573.36
Provisions	6.73
Deferred tax liabilities (net)	198.56
Sub - Total	1,778.65
Current Liabilities	
Financial liabilities	2,309.11
Provisions	244.20
Other current liabilities	269.26
Sub - Total	2,822.57
Total Liabilities	4,601.22
Net asset / (liabilities) of Demerged Undertaking	(205.18)

iii) The Results of Cement Division upto May 18, 2018

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Revenue including other income	574.52
Expenses	(546.44)
Profit before income tax	28.08
Income tax (expense) / credit	(9.29)
Profit / (Loss) after income tax	18.79

iv) The impact of above restatement on statement of profit and loss for the previous year figures is as follows:

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Revenue - increase/(decrease)	3.03
Other income - increase/(decrease)	10.11
Interest expense - (increase)/decrease	(5.66)
Other expense - (increase)/decrease	-
Tax expense of continuing operations - (increase)/decrease	(2.61)
Profit before tax of discontinued operations - increase/(decrease)	5,280.13
Tax expense of discontinued operations - (increase)/decrease	109.49
Profit after tax - increase/(decrease)	5,394.49
OCI before tax of discontinued operations - increase/(decrease)	(8.00)
Tax expense of OCI of discontinued operations - increase)/(decrease	2.80
Total Comprehensive income - increase/(decrease)	5,389.29
Earnings per share (EPS)	
EPS from continuing operations - increase/(decrease)	0.44
EPS from discontinued operations - increase/(decrease)	482.55
EPS from total operations - increase/(decrease)	482.99
Impact on other equity - increase/(decrease)	0.94

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35. DISCONTINUED OPERATIONS (contd.)

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Deferred tax assets (Net) increase/(decrease)	0.95
Other bank balances increase/(decrease)	(27.40)
Assets classified as held for distribution increase/(decrease)	(3,992.71)
Other equity increase/(decrease)	0.94
Non current Borrowings increase/(decrease)	699.67
Deferred tax liabilities (Net) increase/(decrease)	(8.73)
Current Borrowings increase/(decrease)	(280.74)
Other financial liabilities increase/(decrease)	62.43
Provisions increase/(decrease)	(121.70)
Liabilities directly associated with assets classified as held for distribution increase/(decrease)	(4,371.03)

The impact of above restatement on statement of cash flows for the previous year figures is as follows:

Particulars	Year Ended 31 March 2019 (₹ in Crores)
Net Cash Generated From Operating Activities	(774.94)
Net Cash Generated From Investment Activities	100.84
Net Cash Flows From / (Used In) Financing Activities	683.09

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS".

(a) Defined Contribution Plans:

The Group's contribution to Provident Fund and Superannuation Fund aggregating ₹ 14.91 Crores (31 March 2019: ₹ 12.61 Crores) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

(i) Gratuity

The Group has a defined benefit gratuity plan (funded).The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments, property and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	31 March 2020	31 March 2019
Employee Attrition rate	2% to 5%	2% to 6%
Discount rate	6.71%	7.60%
Expected rate(s) of salary increase	3.75% to 6%	3% to 6%

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36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS". (contd.)

Defined benefit plans – as per actuarial valuation on 31st March, 2020

Particulars	Funded Plan	
	Gratuity	
	31 March 2020 ₹ In Crores)	31 March 2019 ₹ In Crores)
I. (a) Expense recognised in the Statement of Profit and Loss		
Service Cost:		
Current Service Cost	4.57	6.20
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	(0.21)	0.01
Current service cost of discontinued operation	-	(1.55)
Components of defined benefit costs recognised in profit or loss	4.36	4.66
I. (b) Included in Other Comprehensive Income		
Remeasurement (gain)/loss	0.01	(1.63)
Return on plan assets (income)	2.69	(0.09)
Actuarial (gain)/loss recognized for the period	3.45	-
Remeasurement (gain)/loss of Discontinued operation	-	0.16
Remeasurement (gain)/loss	6.15	(1.56)
II. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation	52.70	46.37
2. Fair value of plan assets	49.95	46.37
	2.75	-
III. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	46.59	138.29
2. Liability to be Transferred in	0.52	6.29
3. Expenses Recognised in Profit and Loss Account:		
- Current Service Cost	4.57	6.20
- Past Service Cost	-	-
- Interest Expense / (Income)	3.51	1.42
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses):		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	3.50	(0.21)
iii. Experience Adjustments	(0.06)	(1.14)
5. Benefit payments	(5.93)	(7.35)
Less : Transferred to Demerged Undertaking	-	(90.88)
Less : Transferred to Discontinued Operations	-	(6.25)
Present value of defined benefit obligation at the end of the year	52.70	46.37
IV. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	46.37	138.29
2. Fair Value of plan assets to be transferred	0.52	6.29
3. Adjustments to Opening Fair value of Plan Asset	-	-
4. Expenses Recognised in Profit and Loss Account	-	-
- Expected return on plan assets	0.49	1.41
5. Recognised in Other Comprehensive Income	-	-
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	3.70	0.39
- Others (specify)	-	-
6. Contributions by employer (including benefit payments recoverable)	4.80	3.49
7. Contributions transferred	-	-
8. Benefit payments	(5.93)	(7.13)

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36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS". (contd.)

Particulars	Funded Plan	
	Gratuity	
	31 March 2020 (` In Crores)	31 March 2019 (` In Crores)
Less : Transferred to Demerged Undertaking	-	(90.12)
Less : Transferred to Discontinued Operations	-	(6.25)
Fair value of plan assets at the end of the year	49.95	46.37

Expected Contribution during next Annual reporting period ₹ 8.14 Crores (31 March 2019 ₹ 10.70 Crores)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Changes in assumption	Impact on defined benefit obligation		(` In Crores)
		Increase in assumption	Decrease in assumption	
Discount rate	31-Mar-20	1%	(4.04)	4.62
	31-Mar-19	1%	(3.22)	3.63
Salary growth rate	31-Mar-20	1%	4.54	(1.76)
	31-Mar-19	1%	3.63	(3.27)
Withdrawal rate	31-Mar-20	1%	0.26	(0.29)
	31-Mar-19	1%	0.23	(0.25)

Maturity profile of defined benefit obligation (Undiscounted amount) :

	As at 31 March 2020 (` in Crores)	As at 31 March 2019 (` in Crores)
Within 1 year	8.02	8.89
1 - 2 year	6.27	7.86
2 - 3 year	5.76	6.23
3 - 4 year	6.40	6.47
4 - 5 year	4.83	5.36
Above 5 years	21.42	31.80
	52.70	66.61

The fair value of Group's plan asset by category are as follows:

Asset category	As at 31 March 2020 (` in Crores)	As at 31 March 2019 (` in Crores)
Cash and cash equivalents	0.79	1.87
Debt instruments (quoted)	190.47	192.81
Equity instruments (quoted)	4.34	4.34
Deposits with Insurance companies	28.89	26.40
Fair Value of plan assets to be transferred (See Note 33)	(84.42)	(83.20)
Less : Transferred to Demerged Undertaking	(90.12)	(90.12)
Less : Transferred to Discontinued Operations	-	(6.25)
Total	49.95	45.85

The weighted average duration of the defined benefit obligation as at 31 March 2020 is 12.15 years (31 March 2019 12.38 years)

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36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS". (contd.)

(ii) Provident Fund

In case of certain employees, the Provident fund contribution is made to trusts administered by the Group. 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 31 March, 2020.

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

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
Guaranteed interest rate	8.50%	8.65%
Discount rate for the remaining term to maturity of interest portfolio	6.71%	7.60%
Contribution during the year (employee and employer including discontinued operations)	7.48	12.16

37 PROVISION FOR DISPUTED MATTERS

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 of which will depend on the outcome of the respective proceedings.

The movements in the above account are summarized below:-

S No.	Nature of liability	As at 31 March 2019 (Restated)	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31 March 2020	
					Continuing	Discontinued
1	Entry Tax / Sales Tax	-	-	-	-	-
2	Water Charges	90.53	7.86	0.25	98.14	-
3	Octroi Duty	38.54	-	-	38.54	-
4	Cess	0.48	-	-	0.48	-
5	Custom Duty difference on imported Coal and Interest there on	-	-	-	-	-
6	Reimbursement of Taxes to suppliers, etc	-	-	-	-	-
7	Renewable Purchase obligation	-	-	-	-	-
8	Excise Duty	5.96	-	5.96	-	-
9	Claims against Lease Rentals	-	-	-	-	-
10	Provision for restructuring cost	25.49	-	-	-	25.49
11	Others	19.39	0.34	1.80	17.92	-
Total		180.39	8.20	8.01	155.08	25.49

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37 PROVISION FOR DISPUTED MATTERS (contd.)

S No.	Nature of liability	As at 31 March 2018	Amounts provided for during the year	Amounts utilised / written back during the year	Transfer on account of Demerger	As at 31 March 2019 (Restated)	
						Continuing	Discontinued
1	Entry Tax / Sales Tax	141.92	0.01	20.77	121.16	-	-
2	Water Charges	83.59	7.20	0.26	-	90.53	-
3	Octroi Duty	38.54	-	-	-	38.54	-
4	Cess	22.25	3.48	-	25.25	0.48	-
5	Custom Duty difference on imported Coal and Interest there on	17.72	1.52	-	19.24	-	-
6	Reimbursement of Taxes to suppliers, etc	1.37	-	0.76	0.61	-	-
7	Renewable Purchase obligation	9.61	-	5.48	4.13	-	-
8	Excise Duty	8.23	-	-	2.27	5.96	-
9	Claims against Lease Rentals	4.52	0.16	0.02	4.66	-	-
10	Provision for restructuring cost	-	25.49	-	-	-	25.49
11	Others	41.33	3.90	2.60	23.24	19.39	-
Total		369.08	41.76	29.89	200.56	154.90	25.49

38 CONTINGENT LIABILITIES

- (i) Contingent liabilities (to the extent not provided for)

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
(a) (i) Claims against the Group not acknowledged as debts in respect of :		
- Custom Duty and Excise Duty	11.61	13.26
- Sales Tax and Entry Tax	4.41	6.99
- Power Charges	3.13	1.23
- Others	7.59	6.93
(ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Group had an interest (proportionate)	24.04	23.22
(b) Disputed income tax matters under appeal	61.82	61.21
(c) Liability on account of Jute packaging obligation upto 30 June 1997 under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987	Amount not determinable	Amount not determinable
(d) The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Group believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. There were many interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) as regards definition of PF wages and inclusion of certain allowances for the purpose of PF contribution, as well as effective date of its applicability. Having consulted and evaluated impact on its financial statement, the Group has implemented the changes as per clarifications vide the Apex Court judgement dated 28 February 2019, with effect from 1st March 2019 i.e., immediate after pronouncement of the judgement, as part of statutory compliance. The Group will evaluate its position and act, in case there is any other interpretation of the same issued in future either in form of Social Security Code or by authorities concerned under the Employees' Provident Funds and Miscellaneous Provisions Act.	Amount not determinable	Amount not determinable
The amounts shown above represents 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 judgments / decisions pending with various forums/authorities. The Group does not expect any reimbursements against the above.		

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39 COMMITMENTS

Particulars	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (₹ in Crores)
Capital commitments Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	144.49	103.54
Other Commitments The Group 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	180.40	704.30

40 RELATED PARTY DISCLOSURE

1 Relationships :

(a) Where significant influence exists :

- (i) M/s Pilani Investment and Industries Corporation Limited (As a Shareholder of the Company directly & indirectly)

(b) Key Management Personnel (KMP) :

Managing Director :

Shri J. C. Laddha (w.e.f. 12.08.2019)

Whole-time Director :

Shri R. K. Dalmia (w.e.f. 15.09.2018)

Non Executive Directors

Shri B.K. Birla (Up to 03.07.2019)

Smt. Rajashree Birla

Shri Kumar Mangalam Birla

Shri Pradip Kumar Daga (Up to 24.07.2019)

Shri Rajan A Dalal

Shri Yazdi P Dandiwala

Shri Sohanlal Kundanmal Jain

Smt. Preeti Vyas

(c) Other Related Parties (Company Managed Funds)

(i) Pension & Provident Fund of Century Textiles & Industries Limited

- Pension And Provident Fund Of Century Textiles And Industries Limited

(ii) Gratuity Fund of Century Textiles & Industries Limited

- Century Textiles And Industries Limited Employees Gratuity Fund

(iii) Superannuation Fund of Century Textiles & Industries Limited

- Century Textiles And Industries Limited (Textiles Division) Superannuation Scheme

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40 RELATED PARTY DISCLOSURE (contd.)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period are disclosed below:

Transactions With Related Parties	For the period ended	KMP & Directors of the Company (b)	Company Managed Funds (c)	(₹ in Crores)
Nature of transactions with Related Parties				
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-20	-	7.48	
	31-Mar-19	-	8.41	
Century Textiles & Industries Ltd. (Textiles Division)	31-Mar-20	-	0.48	
Superannuation Scheme	31-Mar-19	-	0.55	
Remuneration to Managing Director	31-Mar-20	1.09	-	
	31-Mar-19	-	-	
Remuneration to Whole time Director	31-Mar-20	4.33	-	
	31-Mar-19	3.90		
Sitting fees to independent and non executive directors	31-Mar-20	0.12	-	
	31-Mar-19	0.15	-	
Commission to non whole time directors	31-Mar-20	1.00	-	
	31-Mar-19	1.50	-	
(₹ in Crores)				
Balances Receivable / (Payable) with Related Parties	Balance as at	KMP & Directors of the Company (c)	Company Managed Funds (d)	
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-20	-	(0.62)	
	31-Mar-19	-	(1.75)	
Commission payable to non whole time directors	31-Mar-20	(1.00)	-	
	31-Mar-19	(1.50)	-	

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.

41 SEGMENT INFORMATION

A. Information about Business Segment - Primary

S. No.	Particulars	2019-20		2018-19		Pulp and Paper		Real Estate		Others		Total (₹ in Crores)
		2019-20	2018-19	2019-20	2018-19	(Restated)	2019-20	2018-19	(Restated)	2019-20	2018-19	
1 Segment Revenue												
Sales of products	785.57	814.95	2,383.47	2,642.75	145.66	159.14	17.48	16.54	3,332.18	3,633.38	-	
Less: Inter Segment Revenue	-	-	0.09	0.08	0.69	0.04	-	-	0.78	0.12	-	
Net Sales from Continuing Operations	785.57	814.95	2,383.38	2,642.67	144.97	159.10	17.48	16.54	3,331.40	3,633.26	-	
Sales from Discontinued Operations:									-	-	-	
Textiles									-	-	-	
Cement									-	-	563.43	
									3,331.40	4,196.69		
2 Result												
Segment Result of Continuing Operations	42.54	78.47	387.89	613.64	(29.04)	206.02	3.83	3.52	405.22	901.65	-	
Profit/(Loss) from Discontinued Operations:									(27.13)	(74.64)	-	
Textiles									-	5,621.54		
Cement									378.09	6,448.55		
3 Other Information												
Segment Assets	971.92	961.68	3,102.22	3,142.92	2,086.32	1,610.54	37.42	37.64	6,197.88	5,752.78	-	
Segment Assets Discontinued Operations:									-	-	-	
Textiles									-	-	-	
Add: Unallocated common Assets									1.33	2.23	-	
Total Assets									548.28	419.81	-	
Segment Liabilities	982.66	1,017.12	403.60	547.39	269.18	137.80	13.02	12.55	6,747.49	6,174.82	-	
Segment Liabilities Discontinued Operations:									1,668.46	1,714.86	-	
Textiles									45.33	42.95	-	
Add: Unallocated Common Liabilities									1,422.12	1,122.91	-	
Total Liabilities									3,135.91	2,880.72	-	
4 Capital Expenditure during the year (excluding advances)												
Add: Unallocated Capital Expenditure	50.97	24.42	97.89	18.00	16.30	59.55	-	-	165.16	101.97	-	
5 Depreciation and amortisation												
Add: Unallocated Depreciation	45.02	48.53	143.19	111.95	39.72	31.75	0.13	0.25	228.06	192.48	0.52	0.52
									228.58	193.00		

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Adjustments & Eliminations:

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

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41 SEGMENT INFORMATION (contd.)

B. Reconciliation of profit

Particulars	Year Ended 31 March 2020 (₹ in Crores)	Year Ended 31 March 2019 (Restated) (₹ in Crores)
Segment profit [A]	405.22	901.65
Unallocable Income/(Expense)[B]:		
Employee Benefit Expense	(13.75)	(16.78)
Depreciation & Amortisation Expense	(0.53)	(0.52)
Other Expense	(41.93)	(50.79)
Other Income	22.47	34.37
Total	(33.74)	(33.72)
Finance Cost [C]	(87.09)	(101.55)
Inter-segment Profit / (Loss) (elimination) [D]	-	-
Profit before tax from Continuing Operations [A+B+C+D]	284.39	766.38
Add/(Less): Taxes		
Income Tax (Charge) / Credit	93.69	(266.91)
Profit after tax from continuing operations	378.08	499.47
Profit from Discontinued Operations	(27.13)	5,546.90
Add/(Less): Taxes		
Income Tax (Charge) / Credit	9.48	16.79
Profit after tax from discontinuing Operations	(17.65)	5,563.69
Profit for the year	360.43	6,063.16

C. Reconciliation of Assets & Liabilities

	As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
I (A) Segment Operating Assets	6,199.21	5,755.01
Unallocated Assets		
(B) Non-current Assets		
Property, Plant and Equipments	39.86	39.28
Other Intangible Assets	-	-
Financial Assets		
Non-Current Investments	106.69	182.84
Others	-	-
Deferred Tax Assets	64.56	
Non Current Tax	191.63	120.52
Other Non Current Assets	-	11.74
Total Non-Current Assets (B)	402.74	354.38
(C) Current Assets		
Financial Assets		
Cash and Cash Equivalents	58.99	21.25
Bank balances other than above cash & cash equivalents	60.65	37.29
Others	7.33	3.39
Current Tax Assets (Net)	126.97	61.93
Other Current Assets	18.57	3.49
Total Current Assets (C)	145.54	65.42
Total Unallocated Assets (B+C)	548.28	419.80
TOTAL ASSETS (A + B + C)	6,747.49	6,174.81

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41 SEGMENT INFORMATION (contd.)

		As at 31 March 2020 (₹ in Crores)	As at 31 March 2019 (Restated) (₹ in Crores)
II	(A) Segment Operating Liabilities	1,713.79	1,757.81
	Unallocated Liabilities		
	(B) Non-Current Liabilities		
	Financial Liabilities		
	Borrowings	549.92	701.58
	Lease Liabilities	15.44	12.20
		565.36	713.78
	Deferred Tax Liability (Net)	-	93.99
		565.36	807.77
	(C) Current Liabilities		
	Financial Liabilities		
	Current Borrowings	15.51	91.74
	Lease Liabilities	1.95	2.96
	Cash Credit Facilities	18.35	108.70
		35.81	200.44
	Trade Payables	5.84	2.15
	Other Financial Liabilities	37.13	2.96
	Current Maturities of long term debts	771.93	105.93
	Other Current Liabilities	5.91	1.37
	Provisions	0.14	2.29
		856.76	315.14
	Total Unallocated Liability (B+C)	1,422.12	1,122.91
	TOTAL LIABILITIES (A+B+C)	3,135.91	2,880.72

D. Secondary Segment

	Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019 (Restated)
I	Geographic information		
	Revenue from external customers		
	India	2,732.68	3,203.59
	Outside India	598.72	429.67
	Total revenue from continuing operations	3,331.40	3,633.26
	Particulars	As at 31 March 2020	As at 31 March 2019 (Restated)
II	Non-current operating assets:		
	India	4,469.40	4704.97
	Outside India	-	-
	Total	4,469.40	4704.97

Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible assets.

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41 SEGMENT INFORMATION (contd.)

E. Revenue from major products and services

The following is an analysis of the Company revenue from continuing operations from its major products and services:

Sale of Products	Year Ended 31 March 2020	Year Ended 31 March 2019 (Restated)
Cotton Fabric	658.22	684.90
Cotton Yarn	59.84	77.97
Pulp & Paper (including Paper Board / Straw Board)	2,383.37	2,642.65
Others	35.41	19.05
Rental Services	194.56	208.69
Total	3,331.40	3,633.26

Composition of the business segment

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

- a. Textiles Yarn, Fabric, Viscose filament yarn, Tyre yarn & leasing of Viscose filament yarn & Tyre yarn plant
 - 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 and Chemicals
- F.** The Board of Director monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.
- G.** No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2020 and 31 March 2019
- H.** The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2A.

Segment profit represents the profit before finance cost and tax earned by each segment without allocation of central administration costs and directors' salaries, investment income and finance costs. This is the measure reported to the chief operating decision maker for the purposes of allocation and assessment of segment performance.

42. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, equity includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. The Group's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Group is monitoring capital using debt equity ratio as its base which is debt to equity. The Group's policy is to keep debt equity ratio below two and infuse capital if and when required through issue of new shares and/or better operational results and efficient working capital management.

In order to achieve the aforesaid objectives, the Group has demerged its Cement Units to Ultratech Cement Limited along with a debt of ₹ 3,000 Crores. Hence post demerger debt of the Group has reduced substantially. Business focus has now shifted to Real Estate, Pulp & Paper and Textile and capital expenditure will be incurred on the basis of optimum IRR.

Debt-to-equity ratio are as follows:

	31 March 2020 (₹ in Crores)	31 March 2019 (Restated) (₹ in Crores)
Debt (A)	1,355.69	1,007.95
Equity (B)	3,479.49	3,294.09
Debt to Equity Ratio (A / B)	0.39	0.31

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Group's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the risk management. The Group's senior management provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Group exposes to credit risk mainly from trade receivables and other financial assets. The group only deals with parties which has good credit ratings / worthiness based on Group's internal assessment.

The Group has divided parties in two grades based on their performance.

Good: parties with a positive external rating (if available) and stable financial position with no past default is considered in this category.

Doubtful: parties where the Group doesn't have information on their financial position or has past trend of default are considered under this category.

The Group has not acquired any credit impaired asset. There was no modification in any financial assets.

(i) Trade receivables.

Customer credit is managed by each business division subject to the Group's established policy procedures and control related to customer credit risk management.

Export customers are mainly against Letter of Credit and/or insurance cover on export outstanding is also taken. Generally deposits are taken from domestic debtors. Apart from deposit there is a commission agent area wise. In case any customer defaults the amount is first recovered from deposits, then from the agent's commission. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification. The carrying amount and fair value of security deposit amounts to ₹ 45.89 Crores (31 March 2019: ₹ 46.48 Crores) as it is payable on demand.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Group has written off trade receivables amounting to ₹ 1.37 Crs during the year (31 March 2019 ₹ 0.75 Crs) as there was no reasonable expectations of recovery and were outstanding for more than 360 days from becoming due.

As at 31 March 2020	Less Than 180 Days ₹ In Crores)	More Than 180 Days ₹ In Crores)
Expected loss rate	0.00%	78.53%
Gross carrying amount	178.93	10.76
Loss allowance provision	-	8.45
As at 31 March 2019	Less Than 180 Days ₹ In Crores)	More Than 180 Days ₹ In Crores)
Expected loss rate	0.15%	85.16%
Gross carrying amount	202.13	13.74
Loss allowance provision	0.31	11.70

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

Reconciliation of loss allowance provision for Trade Receivables

Particulars	31 March 2020 (₹ In Crores)	31 March 2019 (₹ In Crores)
Balance as at beginning of the year	12.01	10.15
Impairment losses recognised in the year based on lifetime expected credit losses	-	-
On receivables originated in the year	0.80	8.67
For Discontinued Operations	-	(6.06)
Amounts written off during the year as uncollectible	(1.27)	(0.75)
Amounts recovered / written back during the year	(3.09)	-
Balance at end of the year (Continuing Operations)	8.45	12.01

(ii) Other Financial Assets

Credit risk from balances with banks is managed by Group's treasury department in accordance with the Group policy. Investment of surplus funds are made only in approved Mutual Funds and that too in liquid funds. As soon as the fund reaches to a reasonable level the Group repay its working capital borrowing by redeeming the liquid fund. The other financial assets are from various forum of Government authorities and are released by Government authorities on completion of relevant terms and conditions for the release of outstanding.

B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, FVTOCI Investments, derivatives and other financial assets.

The Group has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The sensitivity analysis in the following sections relates to the outstanding balance as at 31 March 2020 and 31 March 2019

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2020.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2020 and 31 March 2019

(i) Currency Risk

This is the risk that the Group may suffer losses as a result of adverse exchange rate movement during the relevant period. As a policy, Group is covering all foreign exchange risk on account of import and loans so that Group may not be put to any loss situation due to adverse fluctuations in currency rates. There is periodical review of foreign exchange transactions and hedging by the Group's executives.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. The Group's exposure to foreign currency changes for all other currencies is not material.

	Currency	Change in rate	(₹ In Crores) Effect on profit before tax
31 March 2020	USD	+5%	(5.62)
	USD	-5%	5.62
	EUR	+5%	(0.02)
	EUR	-5%	0.02
31 March 2019	USD	+5%	(6.17)
	USD	-5%	6.17
	EUR	+5%	0.20
	EUR	-5%	(0.20)

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

Outstanding foreign currency exposures	As at 31 March 2020		As at 31 March 2019	
	Foreign Currency (in millions)	₹ In Crores	Foreign Currency (in millions)	₹ In Crores
Trade Receivables				
USD	2.93	22.01	5.01	34.63
Euro	0.17	1.37	1.27	9.83
Others	0.04	0.36	0.10	0.69
Trade Payables				
USD	12.85	97.20	19.33	133.69
Euro	0.05	0.44	0.07	0.56
Others	0.01	0.10	-	-
Borrowings				
USD	2.05	15.52	-	-

The following table gives details in respect of outstanding foreign exchange forward contracts

Forward Contracts	Buy / Sell	31 March 2020		
		Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Sell	3.70	27.30	(1.04)
31 March 2019				
Forward Contracts	Buy / Sell	Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
		In USD	14.05	99.22
In EUR	Buy	0.93	7.48	(0.11)

(ii) Interest rate risk

The Group manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Group has issued fixed rate bonds and loans taken from banks are linked to MCLR rate of the bank, which are variable.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Currency	Increase / decrease in basis points	Effect on profit before tax	(₹ In Crores)
31 March 2020	INR	+50	(1.11)	
	INR	-50	1.11	
31 March 2019	INR	+50	(0.54)	
	INR	-50	0.54	

Particulars	Total Borrowings	Floating rate Borrowings	Fixed rate Borrowings	(₹ In Crores)
INR	1,382.32	256.37	1,125.95	
Total as at 31 March 2020	1,382.32	256.37	1,125.95	
INR	1,007.94	308.28	699.66	
Total as at 31 March 2019	1,007.94	308.28	699.66	

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

(iii). Equity Price Risk

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

C. Liquidity Risk

(i) Liquidity risk management

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Group ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management

(ii) Maturities of financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

As at 31 March 2020						(₹ in Crores)
	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	
(a) Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	847.57	574.95	46.23	-	1,468.75
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	18.35	-	-	-	-	18.35
Pre-shipment, Post-shipment facilities	-	0.71	-	-	-	0.71
Buyers credit	-	14.78	-	-	-	14.78
Trade payables						
Trade payables - Micro and small enterprises	-	8.87	-	-	-	8.87
Trade payables - other than micro and small enterprises	-	483.74	-	-	-	483.74
Other financial liabilities						
Deposits from dealers and agents	45.89	-	-	-	-	45.89
Deposits against rental arrangements	-	60.65	86.64	-	-	147.29
Other long term liabilities	-	-	-	-	-	-
Other Interest Accrued	-	21.87	-	-	-	21.87
Unclaimed / Unpaid dividends	-	2.31	-	-	-	2.31
Creditors for Capital Supplies / Services	-	12.10	-	-	-	12.10
Other current liabilities	-	1.76	0.49	-	-	2.25
(b) Derivative financial instruments						
Derivatives not designated as a hedging instruments	-	1.04	-	-	-	1.04
Total	64.24	1,455.40	662.08	46.23	-	2,227.95

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

As at 31 March 2019	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	(₹ in Crores)
						Total
(a) Non Derivative financial instruments						
Long term borrowings	-	171.51	762.16	-	-	933.67
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	108.70	-	-	-	-	108.70
Pre-shipment, Post-shipment facilities	-	43.01	-	-	-	43.01
Bill Discounting with Bank	-	3.78	-	-	-	3.78
Buyer's credit	-	44.95	-	-	-	44.95
Commercial Paper	-	-	-	-	-	-
Trade payables						
Trade payables - Micro and small enterprises	-	6.70	-	-	-	6.70
Trade payables - other than micro and small enterprises	-	512.65	-	-	-	512.65
Other financial liabilities						
Deposits from dealers and agents	46.48	-	-	-	-	46.48
Deposits against rental arrangements	-	47.79	79.12	12.21	-	139.12
Other Interest accrued	-	31.60	-	-	-	31.60
Unclaimed / Unpaid dividends	-	2.16	-	-	-	2.16
Creditors for Capital Supplies / Services	-	21.40	-	-	-	21.40
Other current liabilities	-	1.85	0.50	-	-	2.35
(b) Derivative financial instruments						
Foreign exchange forward contracts	-	2.96	-	-	-	2.96
Total	155.18	890.36	841.78	12.21	-	1,899.53

(iii) Maturities of financial assets

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

As at 31 March 2020	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	(₹ in Crores)
						Total
(a) Non Derivative financial instruments						
Trade Receivables	-	181.24	-	-	-	181.24
Other Bank Balances	2.31	58.34	-	-	-	60.65
Other financial Assets						
Security Deposits	-	0.88	-	7.17	50.00	58.05
Interest subsidy	-	7.06	-	-	-	7.06
Interest receivable	-	2.33	-	-	-	2.33
Claims and other receivable	-	8.86	-	-	-	8.86
Unbilled Revenue	-	2.05	0.35	-	-	2.40
Others	-	5.84	-	-	-	5.84
Finance Lease Receivables	-	1.99	2.54	-	-	4.53
(b) Derivative financial instruments						
Held for trading derivatives carried at FVTPL	-	-	-	-	-	-
Held for trading derivatives carried at FVTOCI	-	-	-	-	-	-
Total	2.31	268.59	2.89	7.17	50.00	330.96

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (contd.)

As at 31 March 2019	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	(₹ in Crores)
						Total
(a) Non Derivative financial instruments						
Trade Receivables	-	203.86	-	-	-	203.86
Other Bank Balances	-	37.29	-	-	-	37.29
Other financial Assets						
Security Deposits	-	3.35	-	-	6.92	10.27
Advances recoverable in cash	-	-	-	-	-	-
Interest subsidy	-	7.04	-	-	-	7.04
Interest receivable	-	1.11	-	-	-	1.11
Finance Lease Receivables	-	1.98	4.49	-	-	6.47
Unbilled Revenue	-	7.32	3.39	-	-	10.71
Claims and other receivable	-	3.33	-	-	-	3.33
Others	-	4.89	-	-	-	4.89
(b) Derivative financial instruments						
Held for trading derivatives carried at FVTPL	-	-	-	-	-	-
Held for trading derivatives carried at FVTOCI	-	0.37	-	-	-	0.37
Total	-	270.54	7.88	-	6.92	285.34

44. FAIR VALUE MEASUREMENT

Fair value of financial assets and financial liabilities

Particulars	31 March 2020		31 March 2019	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial assets				
Financial assets measured at Fair value through OCI:				
Investments				
Quoted equity shares	63.01	63.01	136.93	136.93
Unquoted equity shares	35.14	35.14	37.37	37.37
Financial assets at amortised cost for which Fair value are disclosed				
Government and Trust Securities	8.54	8.35	8.54	8.38
Other financial Assets				
Security Deposit	58.05	58.05	10.27	10.27
Interest subsidy and Interest receivable	9.39	9.39	8.15	8.15
Claims and other receivable	8.86	8.86	3.33	3.33
Unbilled Revenue	2.40	2.40	10.71	10.71
Finance Lease	4.53	4.95	6.47	5.60
Others	5.84	5.84	4.89	4.89
Trade Receivables	181.24	181.24	203.86	203.86
Cash and Cash Equivalents	58.70	58.70	21.25	21.25
Other Bank Balances	60.65	60.65	37.29	37.29
Total	496.35	496.58	489.06	488.03

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44. FAIR VALUE MEASUREMENT (contd.)

Particulars	31 March 2020		31 March 2019	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial liabilities				
Financial liabilities at amortised cost for which Fair value are disclosed				
Floating rate borrowings (including current maturities and Interest accrued)	256.37	256.37	308.28	308.28
Fixed rate borrowings (including current maturities and Interest accrued)	1,125.95	1,125.95	699.66	699.66
Trade payables	492.61	492.61	519.35	519.35
Other financial liabilities				
Deposits from dealers and agents	45.89	45.89	46.48	46.48
Deposits against rental arrangements	147.29	146.89	139.12	141.25
Other interest accrued	21.87	21.87	31.60	31.60
Unclaimed / Unpaid dividends	2.31	2.31	2.16	2.16
Creditors for capital supplies/services	12.10	12.10	21.40	21.40
Other liabilities	2.25	2.25	2.35	2.35
Total	2,106.64	2,106.24	1,770.40	1,772.53

The management assessed that cash and cash equivalents, trade receivables, trade payables, cash credit and all other current financial assets and liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Receivables are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) The fair value of loans from banks and other financial liabilities, security deposit, as well as other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- (iii) The fair values of the unquoted equity instruments have been estimated using a net adjusted fair value method. The valuation requires management to make certain assumptions about the assets, liabilities, investments of Investee Group. The probabilities of the various assumptions can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments based on the best information available to the Group.
- (iv) The fair values of quoted equity instruments are derived from quoted market prices in active markets.
- (v) The Group enters into foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs.
- (vi) The fair value of floating rate borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. As the Group's interest rates changes with the change in market interest rate, there is no material difference in carrying value and fair value. The own non performance risk as at 31 March 2020 was assessed to be insignificant.

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44. FAIR VALUE MEASUREMENT (contd.)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at Fair value through OCI:				
Investments				
Quoted equity shares	63.01	-	-	63.01
Unquoted equity shares	-	-	35.14	35.14
Financial assets at amortised cost for which Fair value are disclosed	-			
Government and Trust Securities	-	8.35	-	8.35
Other financial Assets	-			
Security Deposit	-	58.05	-	58.05
Interest subsidy and Interest receivable	-	9.39	-	9.39
Claims and other receivable	-	8.86	-	8.86
Unbilled Revenue	-	2.40	-	2.40
Finance Lease	-	4.95	-	4.95
Others	-	5.84	-	5.84
Trade Receivables	-	181.24	-	181.24
Cash and Cash Equivalents	-	58.70	-	58.70
Other Bank Balances	-	60.65	-	60.65
Total	63.01	398.43	35.14	496.58
Financial liabilities				
Financial liabilities at amortised cost for which Fair value are disclosed				
Floating rate borrowings (including current maturities and Interest accrued)	-	256.37	-	256.37
Fixed rate borrowings (including current maturities and Interest accrued)	-	1,125.95	-	1,125.95
Trade payables	-	492.61	-	492.61
Other financial liabilities				
Deposits from dealers and agents	-	45.89	-	45.89
Deposits against rental arrangements	-	146.89	-	146.89
Other interest accrued	-	21.87	-	21.87
Unclaimed / Unpaid dividends	-	2.31	-	2.31
Creditors for capital supplies/services	-	12.10	-	12.10
Other liabilities	-	2.25	-	2.25
Total	-	2,106.24	-	2,106.24

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44. FAIR VALUE MEASUREMENT (contd.)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at Fair value through OCI:				
Investments				
Quoted equity shares	136.93	-	-	136.93
Unquoted equity shares	-	-	37.37	37.37
Financial assets measured at Fair value through Profit or Loss				
Foreign currency forward contracts	-	-	-	-
Financial assets at amortised cost for which Fair value are disclosed	-	-	-	-
Government and Trust Securities	-	8.38	-	8.38
Other financial Assets	-	-	-	-
Security Deposit	-	10.27	-	10.27
Interest subsidy and Interest receivable	-	8.15	-	8.15
Claims and other receivable	-	3.33	-	3.33
Unbilled Revenue	-	10.71	-	10.71
Finance Lease	-	5.60	-	5.60
Others	-	4.89	-	4.89
Trade Receivables	-	203.86	-	203.86
Cash and Cash Equivalents	-	21.25	-	21.25
Other Bank Balances	-	37.29	-	37.29
Total	136.93	313.73	37.37	488.03

Particulars	Fair value hierarchy as at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
Financial liabilities at amortised cost for which Fair value are disclosed				
Floating rate borrowings (including current maturities and Interest accrued)	-	308.28	-	308.28
Fixed rate borrowings (including current maturities and Interest accrued)	-	699.66	-	699.66
Trade payables	-	519.35	-	519.35
Other financial liabilities				
Deposits from dealers and agents	-	46.48	-	46.48
Deposits against rental arrangements	-	141.25	-	141.25
Other long term liabilities	-	-	-	-
Other interest accrued	-	31.60	-	31.60
Unclaimed / Unpaid dividends	-	2.16	-	2.16
Creditors for capital supplies/services	-	21.40	-	21.40
Other liabilities	-	2.35	-	2.35
Total	-	1,772.53	-	1,772.53

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44. FAIR VALUE MEASUREMENT (contd.)

Fair Valuation Techniques and Inputs used - recurring Items

(₹ in Crores)

Financial assets/ financial liabilities measured at Fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	31 March 2020	31 March 2019				
Financial assets						
Investments:						
Unquoted Equity investments	35.14	37.37	Level 3	Replacement Cost Method	Investment property held by investee companies	5% (31 March 2019: 5%) increase (decrease) in the fair value of investment property would result in increase (decrease) in fair value of unquoted equity investment by ₹ 1.16 Crores (31 March 2019 ₹ 1.24 Crores)
Total financial assets	35.14	37.37				

There were no transfers between level 1 and level 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements, refer example below.

There were no significant inter-relationships between unobservable inputs that materially affects fair values.

Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:

Particulars	31 March 2020	31 March 2019
Opening	37.37	37.37
Re-measurement recognised in OCI	(2.23)	-
Purchases	-	-
Sales	-	-
Closing	35.14	37.37

45 DISCLOSURE UNDER IND AS 116 " LEASES ":

Lessee:

The Group has lease contracts for lands & buildings used in its operations. Leases of land and building generally have lease terms between 3 and 99 years. Generally, the Group is restricted from assigning and subleasing the leased assets.

Amount recognized in statement of profit or loss	For the year ended 31 March 2020
Depreciation of Right-of-use assets	2.69
Interest on lease liabilities	1.48
Expenses related to short term leases	1.38
Expenses related to leases of low value assets, excluding short term leases of low value assets	-
Variable lease payments not included in measurement of lease liabilities	-
Total	5.55

The following table sets out the maturity analysis of lease liability to be paid after the reporting date:

Particulars	31 March 2020	31 March 2019
Less than 1 year	1.95	0.01
1-3 years	3.32	0.03
3-5 years	0.04	0.03
5 years and above	12.08	12.13
Total as at 31 March 2020	17.39	12.20

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to Consolidated Financial Statements for the year ended 31 March 2020

45 DISCLOSURE UNDER IND AS 116 " LEASES ": (contd.)

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

As at 1 April 2018	4.07
Additions	2.51
Accretion of interest	0.44
Payments	1.83
As at 31 March 2019	5.19
Add-Reclassification of Finance Lease Obligation from borrowings as at 31 March 2020 (B)	12.20
Total as at 31 March 2020 (Refer note 14A)	17.39
Current	1.95
Non-current	15.44

Amount recognized in statement of cash flows	For the year ended 31 March 2020
Total cash outflow of leases	2.88

Lessor - Operating Lease:

The Group has significant leasing arrangements 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. The Group has entered into operating leases for its Investment property. These typically have lease terms of between 1 to 4 years. The Group has recognized an amount of ₹ 144.98 as rental income for operating lease during the year ended March 31, 2020

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	(₹ in Crores)
Less than a year	67.97
One to two years	27.55
Two to three years	13.42
Three to four years	0.74
Four to five years	-
Total (A)	109.68
More than five years (B)	-
Total (A +B)	109.68

Particulars	(₹ in Crores)
Less than a year	96.10
One to five years	82.90
More than five years	-
Total	179.00

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to Consolidated Financial Statements for the year ended 31 March 2020

45 DISCLOSURE UNDER IND AS 116 " LEASES ": (contd.)

Lessor - Finance Lease:

The Group has entered into Finance leases arrangement for leasehold improvement in investment property. These leases have terms of between three and five years

Amount receivable under Finance Lease:

Particulars	(₹ in Crores)
	31 March 2020
Less than a year	2.28
One to two years	2.19
Two to three years	0.48
Three to four years	-
Four to five years	-
Total (A)	4.95
More than five years (B)	-
Total (A +B)	4.95
Unearned Finance Income	(0.42)
Present value of minimum lease payment receivable	4.53

Particulars	(₹ in Crores)
	31 March 2019
Less than a year	2.36
One to five years	4.89
Total (A)	7.25
More than five years (B)	-
Total (A +B)	7.25
Unearned Finance Income	(0.78)
Present value of minimum lease payment receivable	6.47

46 SUMMARY OF NET ASSETS, SHARE IN CONSOLIDATED PROFIT AND SHARE IN OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020.

	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Parent Company								
Century Textiles and Industries Limited	94.10%	3,274.26	124.11%	447.32	100%	(78.86)	130.86%	368.46
Subsidiaries								
Birla Estates Private Limited	2.24%	78.00	(21.36)%	(76.99)	0%	-	(27.34)%	(76.99)
Birla Century Exports Private Limited	0.01%	0.37	0.09%	0.34	0%	-	0.12%	0.34
Avarna Projects LLP (Subsidiary of Birla Estates Private Limited)	3.66%	127.28	(2.67)%	(9.63)	0%	-	(3.42)%	(9.63)
Birla Tisya LLP (Subsidiary of Birla Estates Private Limited)	0.00%	0.10	0.00%	-	0%	-	0.00%	-
Birla Century International LLC (Subsidiary of Birla Century Exports Private Limited)	(0.01)%	(0.52)	(0.17)%	(0.61)	0%	-	(0.22)%	(0.61)
Total	100%	3,479.49	100%	360.43	100%	(78.86)	100%	281.57

Notes

to Consolidated Financial Statements for the year ended 31 March 2020

- 47** On account of the spread of COVID-19 virus, the Government of India had imposed a complete nation-wide lockdown on March 24, 2020 leading to shut down of the Group's manufacturing facilities, construction activities and operations. The Group has since resumed its manufacturing facilities and construction activities and is currently in the process of scaling up its operations. Some of the products manufactured by the Group are covered under essential services or are used by the customers in essential services. The Group believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets. The Group is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these financial statements.
- 48** Figures less than ₹ 50,000 have been shown at actuals in brackets, since the figures are rounded off to the nearest lakh.

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Century Textiles and Industries Limited

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 10 June 2020

Atul K.Kedia
Vice President (Legal)
& Company Secretary

Snehal Shah
Chief Financial Officer
Mumbai : 10 June 2020

J.C.Laddha
Managing Director
DIN:03266469

R.K.Dalmia
Whole-time Director
DIN:00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Consolidated

Five Year Highlights

(₹ in Crores)

PARTICULARS	CONSOLIDATED				
	2019-20	2018-19 (Restated)	2017-18	2016-17	2015-16
(A) INCOME					
(i) Sales (Net of Rebates & Returns) & rent from leased properties	3,331.40	3,633.26	3,785.99	8,160.48	8,437.67
(ii) Less : Excise Duty	-	-	49.13	754.11	778.23
(iii) Sub - total (i) - (ii)	3,331.40	3,633.26	3,736.86	7,406.37	7,659.44
(iv) Other Income (Including Operating Income)	127.23	420.08	206.63	312.76	362.92
(v) Sub - total (iii) + (iv)	3,458.63	4,053.34	3,943.49	7,719.13	8,022.36
(B) EXPENDITURE					
Material & Overheads (+ / - Stock Adj.)	2,858.57	2,992.41	3,092.31	6,714.44	7,294.15
(C) EARNING BEFORE TAX, DEPRECIATION AND AMORTIZATION FROM CONTINUING OPERATIONS (EBITDA) (A - B)	600.06	1,060.93	851.18	1,004.69	728.21
(D) Less : Finance Cost	87.09	101.55	211.81	550.75	587.65
(E) PROFIT BEFORE DEPRECIATION AND TAX (C - D)	512.97	959.38	639.37	453.94	140.56
(F) Less : Depreciation	228.58	193.00	199.31	313.34	283.09
(G) PROFIT/(LOSS) BEFORE TAX FROM CONTINUED OPERATIONS (E - F)	284.39	766.38	440.06	140.60	(142.53)
(H) Less : Tax (Net) - Including deferred tax from continuing operations	(93.69)	266.91	160.56	16.71	(47.53)
(I) PROFIT/(LOSS) AFTER TAX FROM CONTINUED OPERATIONS (G - H)	378.08	499.47	279.50	123.89	(95.00)
(J) PROFIT/(LOSS) BEFORE TAX FROM DISCONTINUING OPERATIONS	(27.13)	5,546.90	149.60	(28.90)	-
(K) Less : Tax (Net) - Including deferred tax from discontinued operations	9.48	16.79	(57.44)	10.00	-
(L) PROFIT/(LOSS) AFTER TAX FROM DISCONTINUING OPERATIONS (J + K)	(17.65)	5,563.69	92.16	(18.90)	-
(M) NET PROFIT / (LOSS) FOR THE YEAR (I + L)	360.43	6,063.16	371.66	104.99	(95.00)
DIVIDEND (%)	30.00	75.00	65.00	55.00	55.00
CASH PROFIT AFTER TAX	383.84	734.82	720.97	188.09	264.70
BOOK VALUE PER SHARE	323.33	294.91	246.02	222.19	211.62

Statement of Assets and Liabilities for Five Years

(₹ in Crores)

PARTICULARS	CONSOLIDATED				
	Year Ended 31st March, 2020	Year Ended 31st March, 2019 (Restated)	Year Ended 31st March, 2018	Year Ended 31st March, 2017	Year Ended 31st March, 2016
ASSETS					
Non-Current Assets					
(a) Property, plant & equipment (including Investment Property & CWIP)	4,469.40	4,704.97	7,290.56	7,343.69	7,434.17
(b) Financial Assets	422.80	318.16	479.70	551.56	409.56
(c) Other Non current assets (including Advance Tax)	51.29	40.83	202.56	186.64	184.32
Sub-Total - Non Current Assets	4,943.49	5,063.96	7,972.82	8,081.89	8,028.05
Current assets					
(a) Inventories	1,337.68	699.00	1,178.55	1,264.50	1,273.14
(b) Financial Assets					
(i) Trade Receivables	181.24	203.86	421.47	502.96	524.36
(ii) Cash & Cash Equivalent	120.23	61.89	249.75	89.21	101.79
(iii) Other Financial Assets	28.13	26.04	205.82	160.26	97.08
(c) Other Current assets	135.39	117.83	302.92	237.50	168.60
Sub-Total - Current Assets	1,802.67	1,108.62	2,358.51	2,254.43	2,164.97
Assets classified as held for Sale	1.33	2.23	-	-	-
TOTAL ASSETS	6,747.49	6,174.81	10,331.33	10,336.32	10,193.02
EQUITY & LIABILITIES					
Equity					
(a) Equity Share Capital	111.69	111.69	111.69	111.69	111.69
(b) Other Equity	3,367.80	3,182.40	2,636.20	2,370.17	2,252.06
(c) Non Controlling Interest	132.09				
Sub-Total - Equity	3,611.58	3,294.09	2,747.89	2,481.86	2,363.75
Liabilities					
Non-Current Liabilities					
(a) Financial Liability					
(i) Borrowings	549.92	701.58	2,392.42	3,125.95	3,283.03
(ii) Lease Liabilities	15.44	12.20	-		
(iii) Other Financial Liabilities	87.15	91.83	97.52	44.56	23.12
(b) Provisions	0.74	0.35	6.73	-	-
(c) Deferred Tax Liabilities	-	93.99	217.32	80.71	95.77
(d) Other Non-current Liabilities	601.18	686.72	813.58	156.11	190.54
Sub-Total - Non-Current Liabilities	1,254.43	1,586.67	3,527.57	3,407.33	3,592.46
Current Liabilities					
(a) Financial Liability					
(i) Borrowings	33.84	200.44	1,462.57	1,587.85	1,419.21
(ii) Lease Liabilities	1.95	-	-	-	-
(iii) Trade Payables	492.61	519.35	681.80	705.82	609.91
(iv) Other Financial Liabilities	944.16	260.17	1,182.09	1,490.11	1,538.76
(b) Provisions	181.94	175.81	418.24	445.82	469.83
(c) Other Current Liabilities	181.65	95.33	311.17	217.53	199.10
Sub-Total - Current Liabilities	1,836.15	1,251.10	4,055.87	4,447.13	4,236.81
Liabilities directly associated with assets held for sale	45.33	42.95	-	-	-
TOTAL - EQUITY & LIABILITIES	6,747.49	6,174.81	10,331.33	10,336.32	10,193.02

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CENTURY TEXTILES AND
INDUSTRIES LIMITED

CARRYING A CENTURY-OLD LEGACY INTO A NEW DECADE.

From a single unit plant in 1897, today, Century Textiles & Industries Ltd. (CTIL) is one of the leading powerhouses in the country and is at the forefront of innovation, while being still rooted in its core values.

Over the years we have brought our century-old legacy and expertise to all our business endeavours across a host of industries, becoming a trendsetter in cotton textiles with a strong presence in the Pulp and Paper, and Real Estate sectors.



BIRLA ESTATES

With the mission and vision to transform the real estate sector, the group expanded into the real estate sector in 2016.

With two fully leased out commercial projects and two recently launched residential projects in Mumbai & Bengaluru,

Birla Estates aims to deliver exceptional and premium LifeDesigned[®] homes and office spaces.



CENTURY PULP & PAPER

Established in 1984, Century Pulp and Paper is a leading manufacturer of excellent quality writing and printing paper.

It is the only company in the industry present in all paper segments—Paper, board and tissue as well as Rayon Grade Pulp products.



BIRLA CENTURY
A Division of Century Textiles and Industries Limited

BIRLA CENTURY

Birla Century is the textile division of Century Textiles & Industries Ltd. and since its inception, has always pioneered innovation in textile.

The state-of-the-art facility in Gujarat manufactures a wide range of premium textiles with applications in personal apparel and household linen.



CENTURY TEXTILES AND INDUSTRIES LIMITED

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