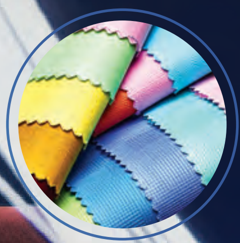
CENTURY TEXTILES AND INDUSTRIES LIMITED

Innovation

To shape the ideas of tomorrow



ANNUAL REPORT

2021-22

TRIBUTE TO A LEGEND

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You become what you believe

SHRI BASANT KUMAR BIRLA

(January 12, 1921 - 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.

Innovation

To shape the ideas of tomorrow

We recognise the importance of embracing the rapid changes in technology and optimising it to create everlasting value. The continued growth and stability of Century Textiles and Industries Ltd. has been achieved through persistent innovation that carves out a better future for all our stakeholders. Top-of-the-line contemporary equipment, world-class processes and consistent digitisation ensures that we embed technological innovation across all our businesses – textiles, real estate and pulp & paper.

Constant innovation also helps us uphold our customer-centric approach. Applying futuristic technology to our services in the form of interactive apps, advanced quality checks and value-added products help us serve our customers better. Improved product quality, reduced turnaround time and increased efficiency combine to create the perfect experience for our customer base.

Sustainability is one of the key drivers of innovation in our business. Leveraging innovative tools and processes to create outcomes that have minimal impact on the environment is of utmost importance to us in order to contribute towards an environment-friendly world.

Innovation is our future driver and we leave no stone unturned in exploring technologies that will further empower our growth.

Contents

Being future-ready in all the businesses we cater to

"As CTIL enters its 125th year, we continue to build on the strong foundations laid by our former Chairman and my grandfather Mr B K Birla. Over the past couple of years, we have become increasingly focused on innovation, customer-centricity and sustainability. Going forward, we will be harnessing these as our core strengths, to stay ahead of the curve."

- Kumar Mangalam Birla
Chairman

Dear Shareholders,

FY22 began with a deadly hold of the pandemic, making it feel like we were still trapped in the middle of a year that started several months ago. But as is the nature of challenges, they invariably push people and societies to adapt and evolve. The exigencies of the pandemic freed thinking from its conventional shackles and pushed the boundaries of innovation. But these changes did not take place in a vacuum. Without the resilient presence of frontline workers across sectors, such innovation would not hold ground. The convergence of the new with the old was a key element in our collective quest to emerge stronger from the pandemic. Even though, the near-term global outlook remains uncertain, the promise of this decade still holds.

The global economic backdrop

Global economies recovered from the pandemic shock in 2022 on the back of supportive fiscal and monetary policies and mass vaccination programmes. However, at the end of FY22, the war in Ukraine and the subsequent economic sanctions on Russia posed a large shock. It disrupted energy markets and supply chains and added to the already evolving inflationary pressures and concerns over consumer demand. Consequently, growth forecasts have been slashed. The International Monetary Fund (IMF) now expects the world economy to grow by 3.6% in CY22, that is 0.8 percentage points slower than its pre-war projections.

Many economies have experienced a sharp surge in inflation recently, particularly in food and fuel prices, taking their inflation rates well beyond the targets of central banks. Taking cognizance of the rapid pick-up in inflationary momentum, interest rates have been hiked and are poised to go up further. The pace of rate hikes is turning out to be quite swift as monetary authorities attempt to catch up with the rising inflation from their ultra-accommodative stance during the pandemic.

As the stance of monetary policy shifts, there is greater turbulence in currency markets. The dollar has been strengthening, while emerging economies have witnessed downward pressure on their currencies. At the same time, energy and commodity markets have witnessed heightened volatility. Global supply chain disruptions due to pandemic induced lock downs have been replaced by new disruptions due to the war in Ukraine and the economic sanctions.

While the global economic backdrop is challenging there are reasons to remain optimistic. First, despite the slowdown, IMF's projection of world GDP growth in CY22 is still tracking the pre-pandemic average during 2010s. Second, fiscal support in developed economies remains above the pre-pandemic trend, even if somewhat diluted versus past years. Third, mega-trends around sustainability, green investments, digitization, and disintermediation remain well-entrenched and will support growth and productivity enhancement in the medium-term.

Thus, while businesses will need to remain on guard regarding financial market volatility and cost pressures this year, one could expect the medium-term growth recovery to remain on track.

A new and stronger India

Despite the global macro-economic challenges, I believe, in India we are at the cusp of an extraordinary decade. With the roll out of economic reforms as profound as those introduced in 1991, a new generation of Indian entrepreneurs are embarking on audacious journeys. With the twin-balance sheet problem of stressed loans and over-leveraged corporates behind us, the coming decade will see an upsurge in capital expenditure across several sectors. The private sector is on the pathway of what I like to call, the 'double-engine growth', riding high on both the conventional and the new economy. Investors are excited about growth prospects in core sectors as well as sunrise sectors. However, in my view, the word sunrise sector virtually applies to the entire landscape in India, including conventional sectors like cement, steel, power, and auto, along with emerging areas like digital and renewables. Both hold the promise of high and sustained growth.

Riding high on tailwinds of growth

TEXTILE INDUSTRY - BIRLA CENTURY

The Indian textile industry has picked up pace and recovered significantly after witnessing a few sluggish years. The geopolitical winds of change have resulted in India emerging as the best option for many importers. This has been backed by the Indian government's aggressive approach to closing various Free Trade Agreements (FTAs). Government announcements such as the Production Linked Incentive (PLI) scheme, the setting up of mega textile parks, and the extension of the Rebate of State and Central Taxes and Levies scheme will further support the sector. The industry, buoyed by these factors, is on the path to a speedy recovery.

This recovery was also reflected in our performance, with growth seen across domestic and export segments of Birla Century. Strong demand in USA, our key market, and increased demand in the domestic market supported by demographic and socio-economic factors bodes well for our business. The focus on expanding the portfolio, especially in terms of natural and recycled textiles, will aid in capturing the upcoming market demand.

REAL ESTATE - BIRLA ESTATES

The Indian real estate sector is on a recovery trajectory despite the pandemic-induced challenges and ensuing restrictions. Large-scale infrastructure projects, policy push from the government, and demand for sustainable solutions have helped drive growth. Record-low interest rates, affordability, and other favourable factors have helped harness positive sentiments. Timely delivery, transparency and trust have become key hygiene factors along with quality, leading to a preference for organised players.

The need for bigger homes, better amenities and increased environmental consciousness is driving growth in the residential segment. The office space segment is seeing increased demand as technology firms continue to expand. With more offices looking to call employees back onsite, leasing activity has picked up, especially in the latter half of the year, primarily driven by the IT and ITES industry. Despite the challenging environment and inflationary pressures, the strong rebound witnessed by the real estate sector has created a positive headway for the coming year.

The Birla Estates team has rapidly embraced digital and fast-tracked technology adoption to enhance customer experience. This is demonstrated by the significant growth in bookings and the positive market response to newly launched projects. The focus on building exceptional properties leveraging cutting-edge technology, sustainable design, and consumer insights makes Birla Estates stand out and capture market growth.

PULP & PAPER INDUSTRY - CENTURY PULP & PAPER

The pulp & paper industry has been under pressure due to increasing raw material prices, shortage of key inputs like wood and coal, supply chain challenges and short-term demand hurdles due to COVID-19 variants. At the same time, the pandemic has brought focus on cleanliness, creating new opportunities for tissue and toilet paper. The e-commerce boom over the last two years has led to a surge in corrugated and container board demand. Demand is also expected to pick up in FMCG, healthcare & pharma, packaged foods, and the textile sectors, especially for eco-friendly packaging options. The reopening of educational institutions across the country and the implementation of the National Education Policy (NEP) 2020 should also contribute to the demand for writing and printing paper. The proposed ban on single-use plastic is expected to further fast-track the adoption of alternative, environmentally conscious options.

Despite the challenging environment, Century Pulp and paper has grown over pre-Covid levels, with near 100% capacity utilisation. Going forward, the expected increase in demand from multiple downstream industries and the government's focus on eco-friendly options opens up a host of possibilities for the business. We will be strategically working on expanding our portfolio and our manufacturing and integration capacity to capitalise on the available market opportunities.

Driving the future

As CTIL enters its 125th year, it becomes imperative to continue building on the strong foundation. Over the last couple of years, we have become increasingly focused on innovation, customer-centricity, and sustainability. Going forward, we will double down on harnessing these as our core strengths to stay ahead of the curve in all the industries we serve.

INNOVATION

CTIL businesses are bound together by their focus on innovation and technology to drive growth. Innovation is key. We are always in the quest to add industry-defining value-added products to our portfolio that help us serve our customers better. At the same time, innovation is also fundamental to our journey of becoming more environmentally conscious— be it by reducing our environmental footprint or introducing innately sustainable products.

CUSTOMER-CENTRICITY

Customers form the cornerstone of CTIL's existence, and this notion is incorporated into our vision, mission, and values. We have retained the position of 'partner of choice' for our customers through our continuous engagement, customised products and tailored services. Our persistent focus on customer needs and quality enables us to continue serving to the best of our capabilities.

SUSTAINABILITY

At CTIL, sustainability is embedded in everything we do, making it an integral part of our businesses. Starting from our core strategy to the smallest business decisions and actions, all must pass the sustainability impact test. We persistently create value for our stakeholders by making choices that create a positive impact on the environment, people, and communities.

We have set out on a sustainable growth path with our talented workforce, our innovative portfolio and optimised processes and platforms. Innovation, customer-centricity, and sustainability will remain key drivers for CTIL over the next couple of decades.

Sincerely,

Kumar Mangalam Birla
Chairman

Company overview

A century-old legacy of embracing the new

Century Textiles and Industries Ltd. was incorporated 125 years back in 1897 and has steadfastly evolved with the changing dynamics. Our agile, customer-first business model, focused on quality and innovation, enables us to create sustainable value for our stakeholders. We are a multi-location, multi-product organization with diversified interest from textile to real estate to pulp & paper.

2
Operational locations

47
Countries presence

4,370
Total no. of employees (Avg.)

VISION

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

MISSION

- To manufacture world-class products of outstanding quality that give our customers a competitive advantage
- To encourage people ownership, empowerment and working under a team structure
- To attain highest level of efficiency, integrity, and honesty

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

Business segments

TEXTILES

Operational since

1897

1st in India | 2nd in World

leadership in Energy and Environmental Design (LEED) gold V4 certified textile company in India

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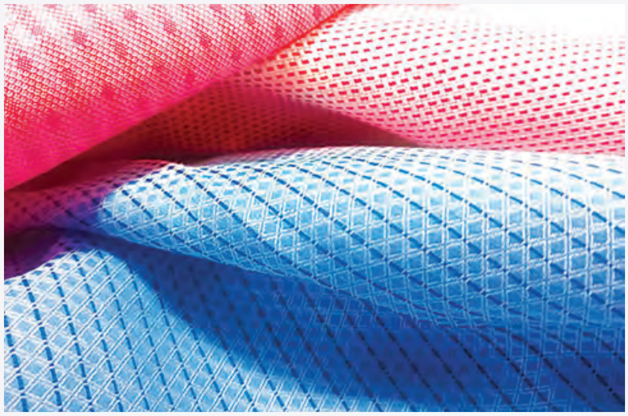

REAL ESTATE

Operational since

2016

67+ Lakhs Sq. Feet

area under construction across 5 projects

Page 22

PULP & PAPER

Operational since

1984

Largest

manufacturing facility in India for production of pulp & paper

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Our journey

125 Years of Evolution

FOUNDATION

Founded in 1897 as a one-plant company to process cotton

Came into the Birla management fold in 1951

First 50 years

DIVERSIFICATION

Diversified into chemicals, cement, pulp & paper

Christened as 'Century Textiles and Industries Limited'

Next 40 years

Next 30 years

Established 100-acre textile mill - Jhagadia plant

Focus on innovation and green operations for pulp and paper business

Forayed into real estate

CONSOLIDATION

Coming 20 years

Charting a growth plan for a future-ready company with focus on sustainability, customer-centricity and innovation

GROWTH

Moving forward with renewed insight and vigour

"We made exceptional rebound considering the backdrop of demanding operating environment, which included navigating supply chain challenges, volatile raw material prices and complying with multiple COVID-19 restrictions. As the COVID-19 moves to become an endemic, it's time to harness the learnings of the last two years to further fast-track recovery."

- J. C. Laddha
Managing Director, CTIL

Dear Shareholders,

With recurring waves of COVID-19, the fiscal year 2022 tested the resilience and agility of the country. The deadly Delta wave and the sharp shock of Omicron variant challenged the new normal. However, fast tracking of large-scale vaccination drives, sustained fiscal and monetary support, and a better adapted ecosystem kept the economy on track, albeit with some speed bumps. India is poised to be the fastest growing major economy for the next couple of years according to projections made by the International Monetary Fund (IMF). Before we move forward, I would like to take this opportunity to thank the medical fraternity for making this recovery a possibility.

Reviewing FY22

Employee safety being the topmost priority at CTIL, we focused on vaccination of all our employees. With the learning of past waves of pandemic in place, our responses were more nuanced and calibrated, enabling us to minimise impact on our operations. Our key focus was to increase our operational efficiency and implement robust capital management programs to conserve our strong cash position.

We saw broad-based recovery across all three business segments and closed the year with a revenue of ₹4,068 crore up by 58.5% as compared to ₹2,567 crore in FY21. Our EBITDA grew by 93.8% to ₹498 crore in FY22 from ₹257 crore in FY21. Our PAT stood at ₹162 crore in FY22 as compared to the negative PAT of ₹34 crore in FY21. We made exceptional rebound considering the backdrop of demanding operating environment, which included navigating supply chain challenges, volatile raw material prices and complying with multiple COVID-19 restrictions. As the COVID-19 moves to become an endemic, it's time to harness the learnings of the last two years to further fast-track recovery.

BIRLA CENTURY

After the lull of last year, we saw a strong revival in demand reflected in a capacity utilisation of 91% for FY22. Revenues were ₹1,037 crore in FY22 as compared to ₹582 crore in FY21 and ₹735 crore in FY20. This was driven by a strong product mix and well-diversified demand across the geographies. Our EBITDA was ₹29 crore in FY22 as compared to the negative ₹48 crore in FY21. Our EBITDA was impacted marginally by extreme price inflation seen in cotton prices during the year, combined with increase in power cost, even though we were able to partially pass on the cost increase to the consumers. During the year, we further raised our benchmark performance at STeP (Sustainable Textile Production audit), which was already amongst the best in industry, to 88%.

BIRLA ESTATES

The positive market sentiment indicates that it is on an upcycle and the same is reflected in our performance. Our booking value grew by 208% to ₹1,913 crore in FY22 driven by new launches. During the year we launched Birla Tisya in Bengaluru, which received stellar market response, creating a benchmark with ₹250 crore worth booking in just the first four days. Our flagship project, Birla Niyaara in Worli, Mumbai was also launched this year through an exclusive red-carpet event with a unique and innovative show of 300 drones lighting up the night sky. The property was successful in attracting buyers, receiving bookings worth ₹1,200+ crore within just a few days of the launch.

CENTURY PULP & PAPER

The business reached the pre-covid level despite multiple restrictions being in place in application industry for larger part of the year. The production capacity was fully utilised with average capacity utilisation at 99%, to meet consumer demand. We clocked a revenue of ₹2,818 crore in FY22 as compared to the ₹1,774 crore in FY21, marking a substantial growth of 58.8%. EBITDA also saw a strong growth of 91.9%, growing to ₹424 crore in FY22 as compared to the ₹221 crore in FY21. Efforts to re-align the product mix and increase efficiencies enabled robust performance, partially mitigating the impact of increasing raw material cost. We also took multiple efforts to manage the volatility in the inputs cost, including usage of substitute inputs, inventory management, and induction of new supply partners in addition to re-negotiations with the existing suppliers.

Gearing up for a year of innovations

The global economy is seeing a strong revival despite inflationary pressure in key markets like the USA and political uncertainties unfolding at the end of the year. Consumer demand is expected to drive growth in the coming year. Apart from identifying key focus areas to capture growing opportunities in the market, we are taking big strides to put innovation at the core of our operations, with advanced and cutting-edge technology being the key driver.

BIRLA CENTURY

We are increasingly customising the weave, design and texture of our products, to suit different needs. Our high-end laboratories are experimenting with fabrics to ensure that each of these customisations are achieved in a sustainable manner. This has helped us expand and enrich our brands, making way for a sustainable product portfolio with an increased number of blended products. We are also at the pilot stage of building a sampling facility that will enable us to develop samples faster and with enhanced efficiency. With our insightful Design Studios, active across all R&D centres, we are able to stay on top of new trends in the international textile landscape. We will also be looking at increasing share of renewable energy to better manage our input costs. We are also going to continue our efforts to increase transparency and have a responsible supply chain starting at the vendor development stage to build industry leading sustainable value chain.

BIRLA ESTATES

Our real estate business remains a key focus area as we look at unlocking growth in the segment. We have imbibed innovation into every stage of our projects - deal sourcing, design and planning, construction and even the process of final handover. Using the power of tech-driven tools, we have simplified our operations to maximise growth while optimising costs. We have also used insightful analytics to understand the need of our customers and came up with a road map focusing on customer centricity. This has helped us to differentiate ourselves within the competitive organised real estate segment.

CENTURY PULP & PAPER

The demand in this segment is expected to considerably go up. We are applying the pareto principle and looking for machines which provide us increased flexibility and innovative offerings to meet the demand. We are also working on strengthening our raw material sourcing to manage volatility in input markets. Our proficient and visionary R&D teams are in the process of innovating different forms of pulp with the aim to cut down on per ton pulp usage in paper production. Keeping sustainability at the forefront, we are continuing our efforts to come up with unique and eco-friendly methods of using paper products – paper straw to counter plastic straws, turning honeycombs and craft paper into cooling pads and the development of biodegradable water-resistant barrier coated boards. In line with our sustainability commitments, we are looking to increase our local raw material sourcing. As we work on securing our place as industry leaders in each of the segments, we will be looking at both organic and inorganic growth options.

ESG at core of operations

Our commitment to the environment, social, and governance norms is an inextricable component of how we approach business. We believe it to be of critical importance not only to society, but also for business growth. We increasingly view a strong ESG proposition as a way to deliver on customer requirements and enhance employee motivation by instilling a sense of purpose in what we do. We are working on creating an ESG strategy and setting some commanding targets for ourselves. Sustainability is no longer a choice but a key to remain relevant and make progress.

ENVIRONMENT

We have been persistently working on reducing our environmental footprint both in terms of process and products. We are taking a holistic approach to reducing emission by better managing energy consumption, moving towards renewable energy, upgrading our system to reduce emissions, and planting trees to neutralise negative impacts. Our waste and water management programmes are also being strategized to reduce impact. Most importantly, our R&D team is continuously working on developing products which are inherently sustainable in nature. Even our real estate business is designed and equipped to be inherently sustainable.

SOCIAL

Customer-centricity is an intrinsic value at CTIL, and we constantly strive to serve our customers better. Our innovative products are developed after extensive consumer research and help us stay ahead of our peers and serve our customers better. We continued to strengthen our customer engagement and introduced customised products aligned to their demands.

In so many years of its leadership and specifically over the last two years, the speed, adaptability, and customer-focus consistently demonstrated by the entire team at CTIL, gives me the highest confidence in our organisation's ability.

Our **employees** are our greatest strength, and their safety remained a paramount focus during the year. The last two years have been extremely difficult and taxing for everyone. Hence, mental health well-being of our people remains a matter of paramount importance to us. Our initiative, Making Individuals and Teams Resilient (MITR), undertaken in association with MPower, continues to sensitise our people about mental and emotional health at the workplace.

Being part of the **community** and playing an active role in its development and progress has been an integral aspect of our philosophy. We made significant strides in promoting inclusive education, health and hygiene awareness in our adjoining communities. During the year, we completed the construction of a training centre at Jhagadia, Bharuch. The centre will help us focus on skill development and vocational education of women to empower them by enhancing employability.

GOVERNANCE

For us at CTIL, governance is not just the letter of the law but it is equally about the spirit as well. We work proactively to understand the fast-changing regulations in our businesses in order to stay ahead of any unforeseen violations and ensure transparency in all that we do. During the year, we made significant investments in technology to aid in strengthening our governance.

TAKING THE LEGACY FORWARD

2022 marks the 125th year of CTIL's exciting journey. During this time, it has seen its fair share of economic challenges and achievements, all of which have been inspiring and fulfilling at the same time. We have emerged stronger, every time, enabled by our values. Over the decades we have built an institution we are immensely proud of, and it is of imperative importance that we keep taking it forward. As we enter a new financial year with renewed demand and optimism, I can say with utmost confidence that we have emerged stronger, and this has set us on the way for a robust future growth.

A key marker of our success is most definitely the way in which you have always reposed faith in CTIL. I would like to solicit your continued confidence, aspirations and expectations which provide us the strength to move forward with added vigour. I would also like to take this opportunity to express my sincere gratitude to our Board of Directors, Management, resilient employees and our esteemed customers, partners, suppliers, entire distribution network, regulators and bankers whose steadfast support gave us the strength and resilience to keep marching forward. As a Company, we remain committed to delivering sustainable value to all its stakeholders.

Sincerely,

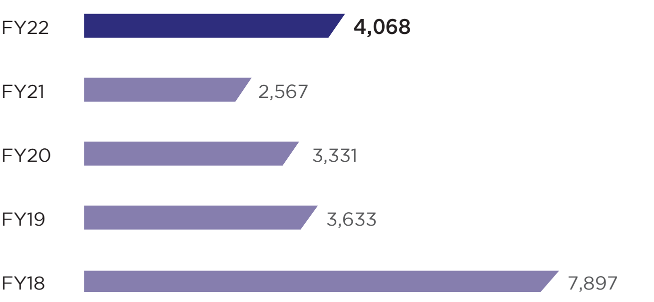
J. C. Laddha
Managing Director, Century Textiles and Industries Ltd.

Key performance indicators

Resilient outcomes of a challenging year

Net sales & rent from leased properties

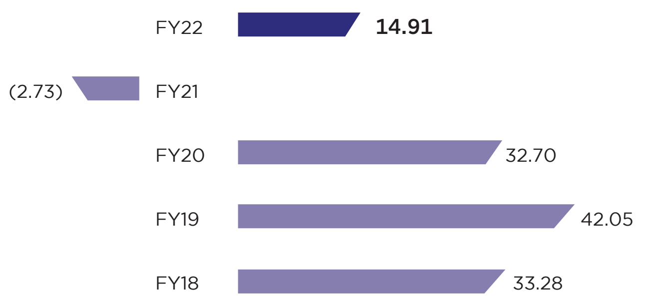
(in ₹ crore)



58% y-o-y

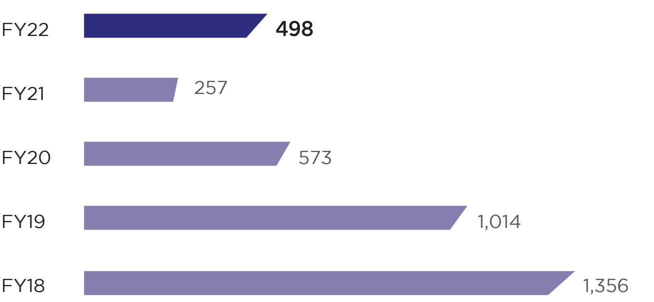
Earnings per share

(in ₹)



EBITDA

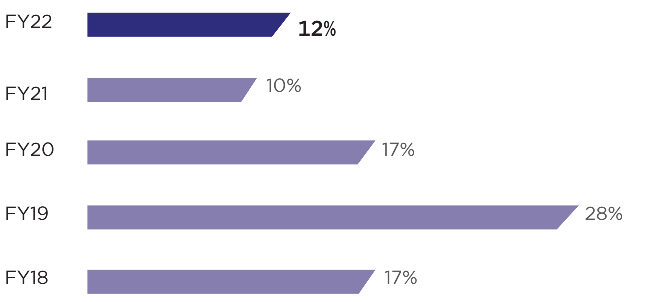
EBITDA (in ₹ crore)



94% y-o-y

EBITDA margin

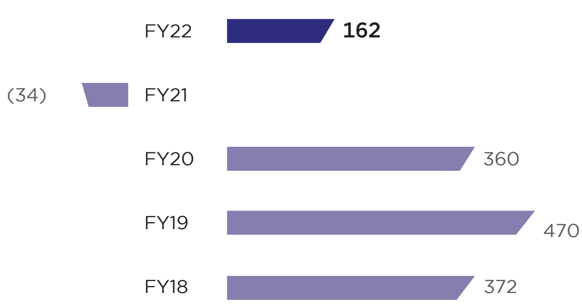
EBITDA Margin (in %)



20% y-o-y

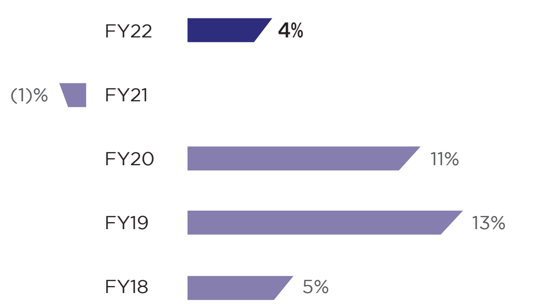
PAT

PAT (in ₹ crore)



PAT margin

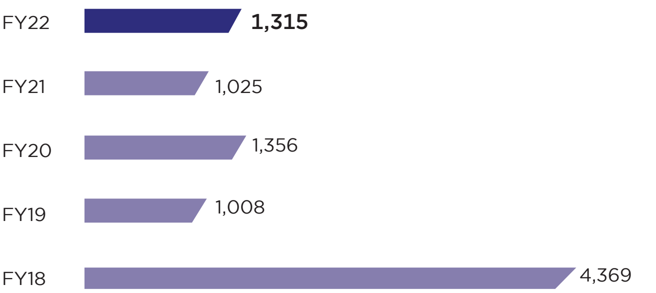
Margin (in %)



Financial statement of FY18 includes the Cement divisions of the Company, which were later merged with Ultratech as per the order of National Company Law Tribunal. Hence the financial data of FY18 is not comparable with the other financial years.

Net debt

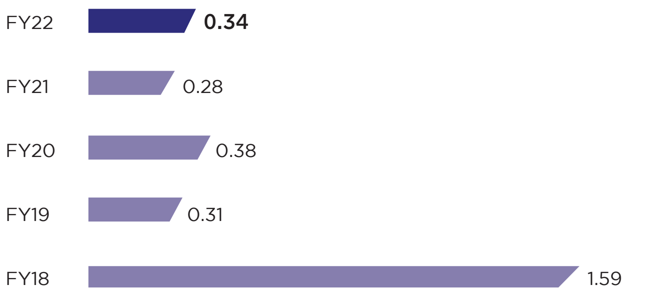
(in ₹ crore)



28% y-o-y

Net debt to equity ratio

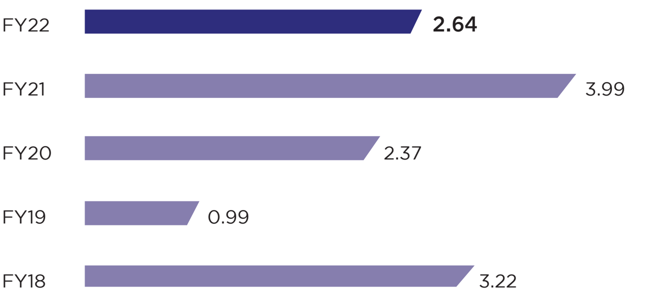
(times)



21% y-o-y

Net debt to EBITDA

(times)



1.35 y-o-y

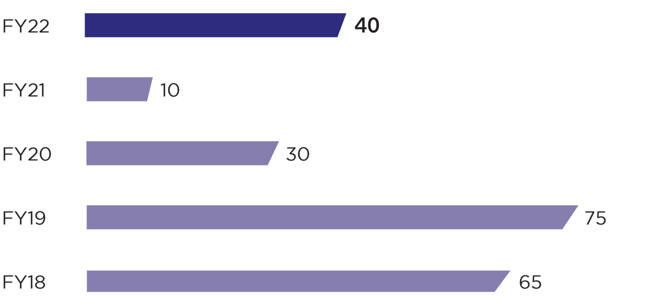
Book value per share

(in ₹)

6% y-o-y

Dividend Percentage

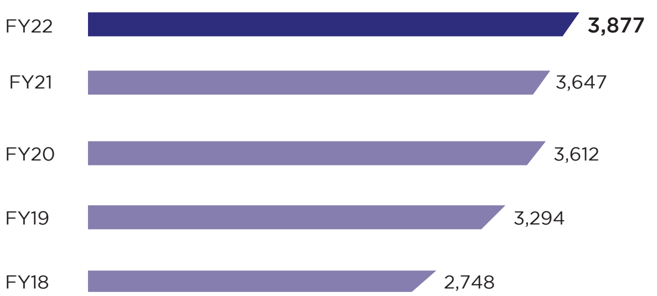
(%)



300% y-o-y

Net worth

(in ₹ crore)



6% y-o-y

Textiles

Birla Century

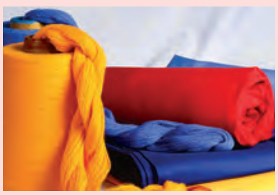
Being the market leader in the textile industry, we have been catering to both the domestic and international apparels as well as luxury garments makers. Spread across 100 acres, we produce customised and premium textiles from our state-of-the-art vertically integrated manufacturing facility in Jhagadia, Gujarat. Our consistent growth is driven by our pioneering innovation, expert sustainable operations and high quality products.

1,00,000+
Spindles produce 6,500 tonnes of yarn per year

4.9 MW
Captive power plant

Countries present
Geographic footprint (USA, Canada, UK, Australia, UAE, Hongkong and Bangladesh)

India's 1st and world's 2nd LEED V4 certified textile manufacturing company

Portfolio		Production capacity (lakh Mtrs)	Marquee customers
SHIRTINGS 	Premium fabrics from Egyptian and Supima cotton; blends in single and 2 ply	132	Louis Philippe, Cotton King, Blackberrys, Turtle, US Polo, M&S and Levi's
BED LINEN 	Tailored bed sheets and premium top-of-the-bed products with coordinated story	120	Macy's, Costco, CHF, Hometex, Royal Linen
FINER FABRICS 	Feather-touch, light-weight fabrics in fine counts with soft hand-feel and durability	81	Levi's, Grorge, US Polo, Arrow, Cotton King, Blackberrys, Turtle, M&S and Louis Philippe
BOTTOM WEIGHTS 	Luxury suiting fabrics in 100% cotton solids and yarn dyes	42	Louis Philippe, Cotton King, Blackberrys, Turtle and US Polo

OUR STRENGTHS

- Vertically integrated state-of-the-art plant providing fibre to finishing solution along with hi-tech research facility
- Strong customer relations with leading global apparel and home textile brands
- Use of eco-friendly raw material and sustainable production process with go-green and zero discharge unit, meeting global parameters
- Decades of expertise and trust built with customers across the globe
- Diversified portfolio for apparel and home textile business which can be customised as per customer requirements
- Extensive network of distributors and dealers which help sell our products in the country

CERTIFICATIONS

- Oeko - Tex Standard 100
- NABL Accreditation for our Testing Laboratory of Birla Century
- STeP - Certification
- Made In Green Tags
- SA 8000 - 2014
- LEED (Leadership in Energy and Environmental Design)
- BCI Registered Member (Better cotton Initiative)
- Global Organic Textile Standards (GOTS)

AWARDS

- Won Gold at National Awards for Manufacturing Competitiveness 2021 awarded by IRIM - International Research Institute for Manufacturing
- Won Gold for National Energy Management Award 2021 in textile segment organised by SEEM*
- Received Platinum at FAME Excellence Award for Occupational Health & Safety 2021

Key launches in FY22

Birla Century has continuously endeavoured to enrich its basket with new products to capture the ever-changing market demand.

LIVA REVIVA - BIRLA CELLULOSE SUSTAINABLE APPARELS

A recycled nature-based fabric was brought to life using 20% pre-consumer textile waste, following the principles of circular textiles for a greener environment. Liva Reviva helps us in reducing both land and marine pollution, thereby becoming an eco-friendly choice.

COTTON NYLON – STRETCH APPARELS

Our newly launched nylon stretch fabrics helps us cater to the increasing demand for lightweight luxury clothing. It is both highly stretchable and low maintenance.

FIBRE DE SUTA A CONNOISSEUR CHOICE

The emergence of Fibre De Suta Collection is the result of long research and development process combined with our extensive experience. Made with Egyptian cotton fibres, they are spun to create the finest quality of yarn dyed shirting fabrics with stringent control on every single step in the value chain.

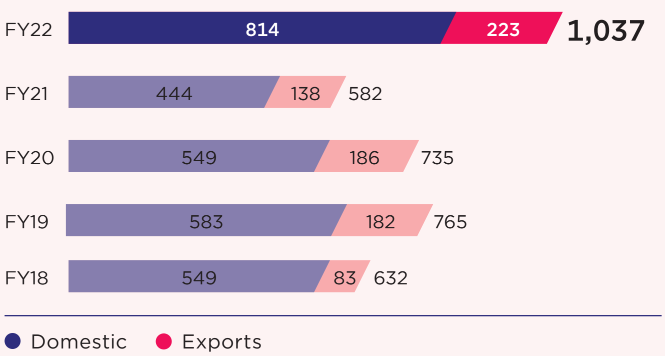
LIVA ECO VISCOSE LINEN BLEND FABRICS

Liva Eco by Birla Cellulose is a natural fluid fabric that has been eco-enhanced. Sourced from certified sustainable forests, the journey of every eco-tagged garment can be traced to its origin. The natural fibres have been used to make the fabric breathable, softer and is therefore less prone to wrinkling than 100% linen fabrics. This medium-heavy and full quality fabric is easy to work with and is suitable for blazers, skirts and trousers etc.

Financial Highlights FY22

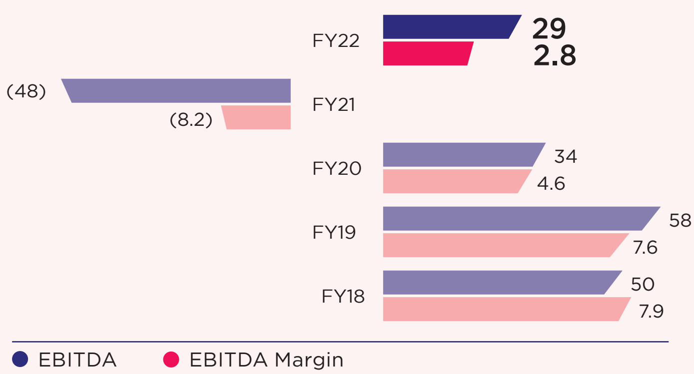
Turnover

(in ₹ crore)

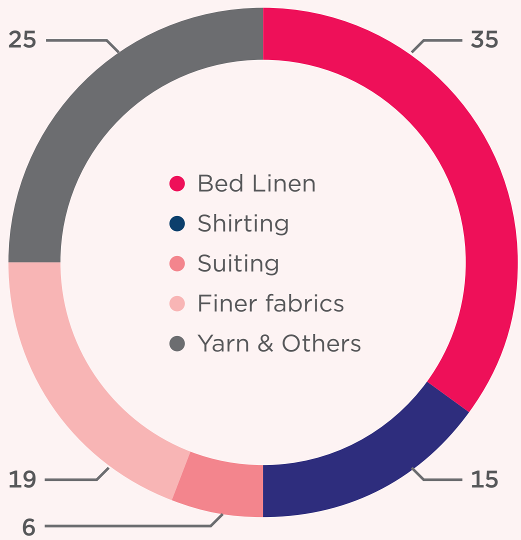


EBITDA & EBITDA margin

EBITDA (in ₹ crore)
EBITDA Margin (in %)



Product mix - Revenue (%)



91%
Capacity utilisation

21.5%
Share of export revenue

Threading together sustainable innovations

Birla Century has a long history of innovation which, along with its guaranteed quality, has helped in building customer trust. In addition to our in-house world-class technology centre, the eco-system is strengthened by collaboration with various group businesses, like Birla Cellulose and Birla Copper, among others. Research centres like TRADC and ABSTC, numerous start-ups and prestigious institutes like IIT have also played a key role in the growth our of organisation.

Some of our recent innovative product inventions:

PREMIUM ORGANIC BEDDING

We started manufacturing organic cotton a decade back which has become increasingly popular. Cultivated using environmental-friendly methods, the procedure doesn't use pesticides and does not contain any genetically engineered substances or synthetic chemicals.

Value created: Portfolio expansion, sustainability, customer-centricity

COTTON HEMP BLEND SHEETING AND APPARELS

Hemp is a carbon warrior as it uses less water and land to grow and leaves behind little to no pollution. It is antimicrobial and durable, provides protection from UV rays and thus finds wide application across product categories.

Value created: Sustainability

LYOCELL BLEND BEDDING & APPARELS

A naturally sustainable and biodegradable fibre, Lyocell is made from wood pulp sourced from sustainable plantations. It is manufactured using closed-loop technology, requiring minimal chemical input during the production process.

Value created: Portfolio expansion, sustainability

RECYCLED POLYESTER

Polyester made from recycled plastic bottles have a significant environmental benefit. It offers quick-drying, lightweight, high-performance functionality coupled with the strength and durability of virgin polyester.

Value created: Process, sustainability

We are pioneering innovation in textile while also providing our customers with customised and sustainable weave, design and texture of products. This is supported by the world-class mechanical and chemical laboratories to test fabrics and a pilot sampling facility for quick development of samples. Our research and development centres are equipped with a Design Studio for continuous innovations in designs and weaves in tune with the latest international trends.

Mr. R. K. Dalmia

Senior President and Whole-time Director

RECYCLED COTTON

In an effort to reduce textile waste, leftover mesh from the company's cuts for other products is used to create recycled cotton. It not only saves water but also eliminates one of the most polluting stages in the process, as the cotton fibre is already in the colour of the initial rag and does not need to be dyed.

Value created: Process, sustainability

STRETCH APPARELS WITH LINEN AND ITS BLENDS

We have developed linen and linen blended stretch products for the first time in 180 to 220 gsm range for Suiting and Blazer fabric.

Value created: Customer-centricity, portfolio expansion

COTTON SORONA BLENDS APPARELS

The benefits of Sorona for the consumer are seen over the life of the garments as these fabrics maintain a high level of stretch, recovery and colour fastness, even after multiple washes. These products are lightweight, breathable, a great insulator for outwear jackets, moisture wicking, quick drying, wrinkle-free and fade resistant.

Value created: Customer-centricity, portfolio expansion, sustainability

PRODUCT SUSTAINABILITY DRIVE

Our sustainable product basket has been developed by consciously selecting sustainable raw materials and maintaining various resource KPIs. These products not only contribute towards our sustainability drive but also actively contribute towards the sustainability drive of our customers.

Value created: Customer-centricity, portfolio expansion, sustainability

Outlook

The business outlook remains strong across markets. Internationally, the demand for Indian products has seen strong momentum, especially in USA, driven by an anti-China sentiment. Additionally, increased penetration of organised retail, better demographics and rising income levels have increased the demand for quality textile in the domestic market as well. Even though volatile raw material market and supply chain may create short term pressure on the margin, the long-term trajectory continues to remain on track.

Real Estate

Birla Estates

As an agile organisation backed by the might of a stable and credible corporate, Birla Estates is firmly upholding the legacy of the Birla group. In just six-years, we have established our presence in Mumbai Metropolitan Region (MMR), Bengaluru and National Capital Region (NCR).

6.1 lakh sq. ft.
Delivered across 2 Commercial Buildings

67 lakh sq. ft.
Under development across 5 Residential Projects

3 Regions
Geographical Presence across India

OUR STRENGTHS

- Backing of the Birla Brand which stands for trust and transparency
- Valuable portfolio of premium land parcels with a robust pipeline of owned and joint development projects
- Access to low-cost institutional funding
- Dynamic team with extensive real estate experience and strong sales and execution capability
- Process and research driven approach along with a professionally managed set-up

LIFE**DESIGNED**®

LIFE**DESIGNED**® is our guiding philosophy that enables us to influence lives through our projects. With deep consumer insights, each project is meticulously perfected to enrich the lives of our customers, by nurturing an ecosystem that enhances their lifestyle.

Portfolio

COMMERCIAL

Birla Aurora, Worli, Mumbai

- Our commercial portfolio comprises of 2 grade A office buildings which provide consistent leasing revenue
- 6.1 lakh sq. ft. developed
- ₹150 crore Leasing revenue potential

RESIDENTIAL

Birla Alokya, Bengaluru, Karnataka

- Our residential offerings comprises of premium homes designed & executed by partnering with a diverse set of Indian & International experts.
- 100+ lakh sq. ft. portfolio
- ₹17,000 crore revenue potential

PROJECT CERTIFICATIONS

- Birla Aurora: IGBC Platinum Certified
- Birla Centurion: IGBC Platinum Certified
- Birla Niyaara: USGBC Platinum Pre-certification
- Birla Tisya: IGBC Platinum Pre-certification
- Birla Vanya: IGBC Gold Pre-certification
- Birla Alokya: IGBC Gold Pre-certification
- Birla Navya: IGBC Gold Pre-certification

COMMERCIAL PROJECTS

Project Name	Location	Area (lakh sq. ft.)	No. of Storeys
Birla Centurion	Worli, Mumbai	3.5	12
Birla Aurora	Worli, Mumbai	2.6	22

RESIDENTIAL PROJECTS

Project Name	Location	Area (acres)	Saleable Area (lakh sq. ft.)
Birla Vanya	Kalyan, Maharashtra	22	13.2
Birla Alokya	Whitefield, Bengaluru	8	5.5
Birla Navya	Golf Course Extension Road Gurugram, NCR	48	17.8
Birla Niyaara	Worli, Mumbai	14	24.0
Birla Tisya	Rajajinagar, Bengaluru	5	6.5

Disclaimer

1. The Project “Birla Alokya” is registered with Karnataka RERA under the Registration No. PRM/KA/RERA/1250/304/PR/190724/002725 and can be viewed at: https://rera.karnataka.gov.in.
2. The Projects -Biria Vanya - Phase 1” and “Birla Vanya - Phase 2” are registered with MahaRERA under the Registration Nos. P51700019178 and P51700029755 respectively and can be viewed at https://maharera.mahaonline.gov.in.
3. Birla Navya (Amoda I and II) - RC/REP/HARERA/GGM/390/122/2020/06 OF 2020; Birla Navya (Drisha 1A) - RC/REP/HARERA/GGM/391/123/2020/07 OF 2020 www.haryanarera.gov.in. The Project Birla Navya is being developed by Avarna Projects LLP (“Developer”). Birla Estates Private Limited and Anant Raj Limited are partners in the Developer LLP.
4. The Project “Birla Tisya” comprising of 2 Towers and a Club house is registered with Karnataka RERA under the Registration No. PRM/KA/RERA/1251/309/PR/211022/004371 and can be viewed at: https://rera.karnataka.gov.in/.
5. The Project “Birla Niyaara Phase-I’ is registered with MahaRERA under the Project Registration No. P51900031916 and can be viewed at https://maharera.mahaonline.gov.in.

Key launches in FY22

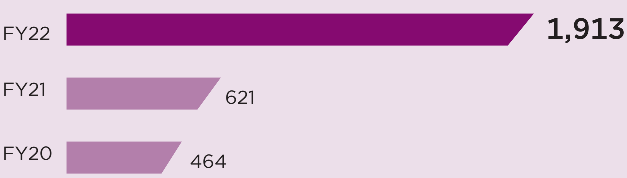
Birla Niyaara

Our flagship Birla Niyaara project at Century Mills Worli was launched through a stunning and innovative drone show that lit up the Mumbai night-sky. One of the largest integrated development that sprawls across 14 acres in the heart of Worli, Birla Niyaara has been crafted to deliver a world class holistic living experience. The project has LEED USGBC Platinum pre-certification, and is designed to have ample natural light and well-ventilated areas, reducing environmental impact and promoting a healthy life for its residents.

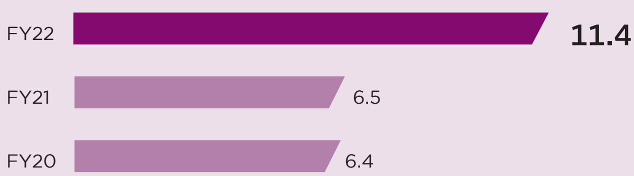
₹1,200+ crore
Booking value at launch

Financial highlights FY22

Booking value
(in ₹ crore)



Area sold
(in lakh sq. ft.)



Birla Tisya

The launch of Birla Tisya received a stellar market response from customers, making it one of the most successful launches in Bengaluru, in recent years. With IGBC LEED Platinum pre-certification, sustainability is at the heart of its design. It has a bio-hybrid sewage treatment plant, water and waste management system and a design layout that minimises energy consumption.

₹250+ crore

Booking value at launch

AWARDS

- ‘Iconic real estate brand of the year’ at Times Real Estate Conclave Awards 2021
- ‘Best Brands 2021’ at Economic Times Best Brands Awards 2021
- ‘Iconic Residential Project of the Year’ and ‘Iconic Residential Project Launch Campaign’ for Birla Niyaara
- ‘Lowest Average Accident Frequency Rate’ and ‘Longest Accident-Free Period’ at the National Safety Council – Maharashtra Chapter Awards for Birla Vanya
- ‘Outstanding Achievements in Effective Safety Culture’ at Greentech Effective Safety Culture Award 2021 for Birla Vanya
- Construction Health, Safety & Environment Achievement Award at CIDC Vishwakarma 2022 Awards for Birla Vanya, Kalyan
- 2 Safety Awards from National Safety Council in Construction. One each for Birla Alokya, Bengaluru and Birla Vanya, Kalyan

Driving growth through innovation

We are continuously harnessing the power of innovation to build internal capabilities to craft solutions that meet business needs, identify future business prospects and create stakeholder value. We are creating a culture of learning where employees develop growth mindset and seek out new opportunities to learn.

PRODUCT DESIGN AND DEVELOPMENT

We conceptualise and design our products through in-depth scientific consumer insight with a futuristic vision, ensuring sustained relevance. Our philosophy of LIFE**DESIGNED**® is aimed at providing customers with a thoughtfully planned ecosystem that is designed around the life of the customer. All designs are tested at multiple stages against market feedback and updated accordingly.

Value created: Process, customer-centricity

DEPLOYMENT OF AI, ML AND IOT/SENSORS

We are deploying AI and IOT/sensors during the construction stage - at the time of pouring of concrete for real time monitoring of the strength to help us increase the quality and speed of construction. We are working on real time project progress monitoring systems which will connect our construction sites to offices using vision-based applications, allowing managers to make faster and more informed decisions based on real-time data. These will help us to integrate with and leverage AI/ML models to solve challenging business cases in the spheres of safety, security and quality in a cost-efficient manner at our project sites in the future. We are also deploying RPA for business processes to boost efficiency and productivity.

Value created: Process

Innovation is one of the key pillars of the Birla Estates' vision, helping us transform the real estate sector in the country. We are innovating at every stage of the project lifecycle from deal sourcing to final handover of the constructed premises to the society. The use of innovation and technology does not stop at incorporating the latest available tools in the design of our products, we take a step further to innovate our workflows to bring in efficiency in processes and create innovative solutions for our customers. Our employees immerse themselves in the minds of the customers to create the best solutions for their underlying needs and challenges.

Mr. K. T. Jithendran
CEO, Birla Estates Pvt. Ltd.
(Wholly owned subsidiary of CTIL)

DIGITALLY DRIVING BUSINESS

In line with our resilient business model we have adopted industry-first technologies:

- We have an online sales platform 'buyonline.birlaestates.com' which offers virtual & 3D tours allowing the customer to virtually experience the entire project, including amenities, and book a unit with us from the comfort of their home
- A first-in-category customer engagement and self-service tool using new media (on WhatsApp platform) has been developed and launched. Branded LiDea, this is an interactive AI powered ChatBOT designed to enable FAQs from customers being answered through WhatsApp
- An automated TDS payment process was developed and deployed for the benefit of the customers

Value created: Process, customer-centricity

BUILDING INFORMATION MODELLING (BIM)

We are working with Building Information Modelling (BIM) that incorporates digital representations of buildings in 3D models to facilitate better collaboration among all stakeholders of a project. Changes to the BIM model can occur in real-time, instantly communicating changes and updates to all team members. Simulation of the schedule enables a visual representation of the construction process, allowing team members to plan out each phase of construction, leading to better design and construction.

Value created: Process, customer-centricity

Outlook

We are now at the cusp of a multi-year upcycle for the residential real estate market. The demand fundamentals are as strong as ever. There is an increased desire for home ownership, integrated layouts, larger units with focus on amenities promoting health and well-being. Some select micro-markets are already seeing price increases which are expected to sustain in the coming years.

Despite the short-term disruptions, India's commercial real estate sector continues to attract interest from occupiers and investors looking at the long-term horizon.

With a slew of very dynamic situations at play we expect the sector to move towards a sustained phase of growth in FY23. The customer preference for branded players who can deliver in time and the trust in the Birla Brand and product will help us as we focus on our growth and cement ourselves as a leading player in the Indian Real Estate.

Pulp & Paper

Century Pulp & Paper

We are India's leading integrated pulp & paper company who provides comprehensive and innovative writing and printing paper, tissue, multi-layered packaging board and rayon grade pulp (RGP) products to a wide range of customers across the globe. We are resiliently taking forward the legacy of CTIL with focus on innovation, customer-centricity, and sustainable operations.

4.81 lakh MTPA
Production capacity

86.8 MW
Captive power generation meeting 95% of total requirement

2,300+
Employees (Avg.)

SINGLE LOCATION PLANT

We are India's only integrated single-location manufacturer of writing and printing paper, multi-layered packaging board, tissue and Rayon Grade Pulp with a capacity of 4.81 MTPA at our unit in Lalkuan, Uttarakhand.

Portfolio	Production capacity (lakh MTPA)	Marquee customers
WRITING AND PRINTING PAPER  Paper with application in note book, diary, book printing, MICR cheque, ledger book printing etc	1.98	28
MULTI-LAYER PACKAGING BOARD  Packaging boards with applications in e-commerce, food, FMCG and pharma industries	1.80	27
TISSUE  Jumbo soft tissue paper rolls, facial tissue, towel grade tissue, napkin tissue and toilet tissue	0.72	17
RAYON GRADE PULP  Rayon Grade Pulp application in viscose staple fibre, viscose filament yarn and cellophane papers	0.31	1

OUR STRENGTHS

- We are India's only integrated pulp & paper mill providing comprehensive solution from a single location
- We have a leadership in the Indian market, especially in the north, which is the country's biggest paper market
- Our multi-product portfolio catering to various customer segments and the Birla brand helps preserve customer loyalty
- Our focus on technologies and captive power generation capacity helps us serve our customers better

CERTIFICATIONS

- QMS - 9001-2015
- EMS - 14001-2015
- ISO - 45001-2018
- ISO - 27001:2013
- FSC - Chain of Custody and Controlled Wood

AWARDS

- Won first prize in '110th All India Farmer's Fair Agro & Industrial Exhibition 2021'
- 'Golden Peacock Award for Energy Efficiency-2021' from Institute of Directors, in Pulp & Paper Sector

Product highlights FY22

PE free antifungal ARSR

In line with changing dynamics, the emphasis on replacing plastic in packaging products has been increasing. We recently replaced the PE coating which is treated as plastic in our ARSR products. The new product is used primarily in soap wrappings. In addition to being sustainable, it also has antifungal characteristics, improved quality and a non-stick feature. We see the product gaining significant market share over the next couple of years, as reflected in the market response.

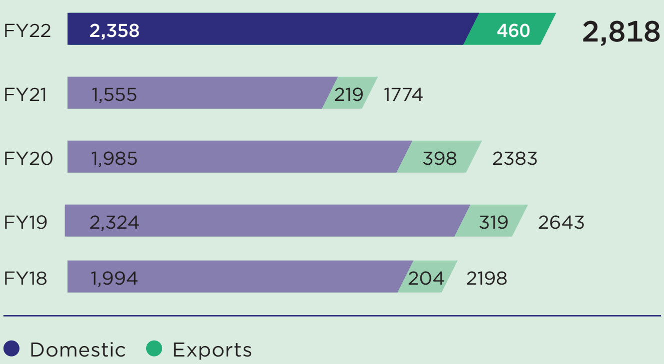
Century Prima MR board

A leading FMCG Company, who are in an elite segment in their industry, approached us with a demand for a customized product. They wanted to commission base board which could be used as a mosquito repellent after chemical treatment at their end. Our R&D team set to work, and we successfully launched the product, meeting all the compliance requirements at the customer's end. We foresee the monthly demand potential to increase over the next three years from the current levels.

Financial highlights FY22

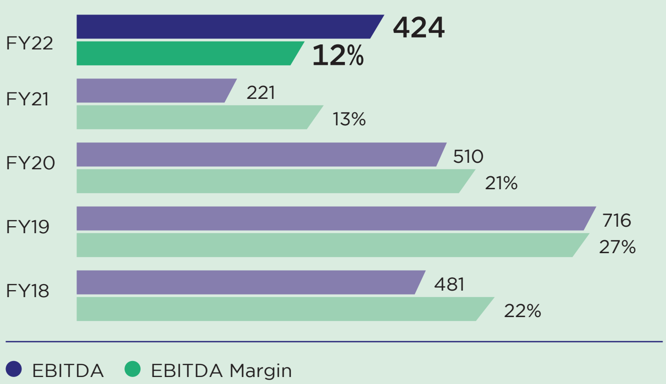
Turnover

(in ₹ crore)

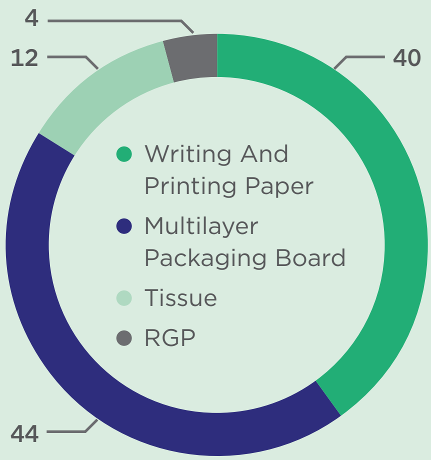


EBITDA & EBITDA margin

EBITDA (in ₹ crore)
EBITDA Margin (in %)



Product mix - Revenue (%)



99%
Capacity utilisation

31%
Revenue contribution from value-added products

Packing quality into innovative products

Innovation is the key enabler in expanding our portfolio and delivering on our sustainability goals. Upgrading and developing our products, as per insights from the market, help us to stay relevant in a fast-changing environment, while also maintaining our customer-first approach.

A list of our new innovations in this sector:

CARRIER TISSUE

It is a unique product, manufactured only by us in the whole country. It has a high and dry wet strength and serves as a transfer and cover sheet for absorbent fluff pulp in diapers and feminine hygiene products.

Value created: Portfolio expansion, customer-centricity

HIGH BF KRAFT

After a series of experiments in the design lab, we have been able to develop high BF kraft paper by using virgin, unbleached pulp. The eco-friendly, food-grade product passes compliance of heavy metal content, pentachlorophenol (PCP) and polychlorinated biphenyls (PCBs) by FSSAI. The product is currently used by some of the major food chains in India.

Value created: Portfolio expansion, Sustainability

DISPOSABLE BED ROLL

Our disposable bed roll, launched last year to meet the demand for disposable OPD products, have gained traction in the health care industry. Made of high-quality virgin tissue paper, these rolls offer an eco-friendly, bio-degradable, OBA-free (Optical Brightening Agents) hygiene solution. We are further studying the product to expand its market potential application.

Value created: Portfolio expansion, sustainability

CENTURY GREEN PULP

This pulp is made from agro-waste of sugarcane i.e. bagasse, a completely bio-degradable and compostable product. The pulp is being used to make eco-friendly tableware through moulding technology as a replacement of plastic plates, plastic bowls, thermocol glass and thermocol plates. Tableware thus made from Century Green Pulp are FDA complied and meet the requirements of FSSAI guidelines for packaging products for food.

Value created: Portfolio expansion, sustainability

QUALITY IMPROVEMENT

We enhanced our product basket by improving the brightness in our Omega Plus products to the meet customer demand, introducing standardisation of shades in FBB and SBS grades for quality consistency and reduced downtime, and by reducing the number of grades.

Value created: Process, Customer-centricity

We believe that the need to innovate is greater than ever for achieving our vision. We are focusing on improving our process and product portfolio in a sustainable manner. Our focus on innovation and ability to deliver on our commitments helps us to not only stay relevant in fast changing environment but also to become a trusted partner of our customers. Going forward, we are focusing on the development of multiple products including straw paper for use as replacement of plastic straw, honeycomb or kraft paper used as cooling pads in coolers, water resistant eco-friendly barrier coated board as well as anti-fungal board. Our R&D team is also looking at ways to substitute different forms of pulp like wood base, agro base and re-cycle base to formulate new recipes that help reduce per ton pulp usage of paper production.

Mr. Vijay Kaul
CEO, Century Pulp & Paper

Outlook

Customers across the globe, especially from US and Europe, have started looking at India as an alternative and reliable source of manufacturing. Higher spends by Government on education and increased demand for packaging board by e-commerce, FMCG, pharma and FMCD create large-scale growth opportunities in the Indian market. The demand in the segment is expected to keep growing with favourable market dynamics.

ENVIRONMENT

Reducing Environmental footprints with strategic interventions

At CTIL, we focus on sustainable and innovative solutions to reduce the impacts on environment. Few of the key focus area are - Energy management, reducing GHG emissions, Waste and Water Management.

Energy & emission reduction

We closely monitor and strategize to reduce the impact of our operations on the environment. We are committed to improve energy efficiency through technological innovations thereby reducing our energy costs and GHG emissions. Further to energy optimisation, we also focus on addressing our energy needs through clean energy sources.

9,72,447.6 t CO_2e
Emissions

44.81%
Renewable energy in Century Pulp & Paper

16,791 thousand GJ
Total energy consumption

Key updates of FY22

- Century Pulp & Paper received Golden Peacock Award on Energy conservation.
- Century Pulp & Paper and Birla Century are designated energy consumers of Bureau of Energy Efficiency.
  - In PAT 2 cycle, received 824 ESCerts (Energy Saving Certificates) at Birla Century & 29,649 EScerts at Century Pulp & Paper
  - Traded 43,409 ESCerts by Century Pulp & Paper (Only Designated Consumer traded the EScerts with 100% clearance)

Initiatives across businesses

BIRLA CENTURY

- Total power savings of 6,026.16 MWh during the FY22
- Initiated 3 MWh Wind power - step towards renewable power
- Plan for Solar Capacity of 0.5 MW
- Initiated usage of Bio mass fuels for Steam generation
- Plantation of more than 3,000 trees in and around the plant

BIRLA ESTATES

- Measures undertaken for energy conservation with a target of 10% reduction across all projects: Maximise use of LED lights, Energy efficient equipment and Renewable energy measures.
- Provision of 25% EV (Electrical charging) points at all premium projects.
- Integration of Passive architecture in our projects.
- Higher use of Sustainable construction materials like Ground Granulated Blast Furnace Slag (GGBS) and Fly Ash.

CENTURY PULP & PAPER

- During the year, total 22 energy saving schemes implemented which results to savings of
  - 2110 MWh electricity and:
  - 34.57 Thousand tonnes of steam
- Renewable Interventions:
  - Solar Installed capacity is 2.6MWp
  - Usage of Pine Tree Leaves (Perul) - saved equivalent 84 Tons of fossil fuel
  - Usage of Bark saved equivalent to 1,719 Tons of fossil fuel
- During the year 16.5 Lakh seeds provided to farmers for plantation

ENVIRONMENT

Waste management

Effective waste management is one of the key focus areas which involves both logistics and scientific knowledge in order to balance the impact on the environment while maintaining the cost effectiveness of the process. We have formed dedicated task forces and adopted technical standard on hazardous and non-hazardous waste management process.

Waste management process hierarchy

Most favoured option

- Prevention
- Minimisation
- Reuse
- Recycling
- Energy recovery
- Disposal

Least favoured option

423.30 thousand tonnes
Total waste generated

68.8%
Waste recycled/ reused

Key updates of FY22

- Targets
  - Zero Waste to Landfill by 2030
  - Single-use plastic-free sites by 2024
- Cross functional task forces for Waste Management.
- Technical Standards and guidance notes on Waste Management in place to guide Task Forces for effective waste management.
- At Birla Century, for effective utilisation of fly ash, commissioned a bricks manufacturing plant for use of bricks in own projects.
- At Century Pulp & Paper, long term associations with Cement manufacturers for sustainable utilisation of Fly Ash.
- Adherence to Hazardous wastes and other wastes including plastic Wastes as per statutory requirements.

Initiatives across businesses

BIRLA CENTURY

- Reduction in ETP Sludge (Haz Waste) generation by more than 80% from FY21
- 84.5% of waste generated recycled or reused and 100% of fly ash generated from power plant is recycled/reused during the year

BIRLA ESTATES

- Well established waste management plan in place at all projects for the collection and disposal of waste generated during construction
- Construction waste is regularly collected and disposed from site at designated locations approved by the relevant statutory bodies.
- All projects are designed with comprehensive waste management system during operation phase.

CENTURY PULP & PAPER

- Previously discarded wood barks which were chipped are being used as alternate fuel in boilers. 1,278 MT of discarded wood bark used saving 543 MT of coal
- Approximately 145 thousand tonnes of waste used as energy recovery
- 68.2% of waste generated is recycled/reused or for energy recovery.

ENVIRONMENT

Water consumption

Water is not only a critical resource for our operations but it is also an equally crucial requirement and fundament right of our host communities. The shared nature of this resource calls for all stakeholders to use it responsibly and we have taken the 3R approach to reduce its consumption, recycle and reuse it through harvesting. Alignment of our water conservation and management policy is an essential factor while making decisions, either for a new project or expansion of an existing one.

Key updates of FY22

- Cross functional task forces for Water and Waste Water Management.
- Technical Standards and guidance notes on Water & Waste Water Management in place to guide Task Forces for effective Water management.
- Water Risk assessment of sites through India Water Tool & Aquaduct tools. Appropriate mitigation measure has been taken at sites.
- Reduced 1.90% and 4.22% specific fresh water consumption in FY22 from FY21 at Birla Century and Century Pulp & Paper respectively.

14,801 thousand m^3
Fresh water used

39.18%
Water recycled/reused of total fresh water used

Initiatives across businesses

BIRLA CENTURY

- 90.12% water recycled/reused in the processes during the year
- 100 m^3/day water saved from various water saving initiatives during the year.

BIRLA ESTATES

Multiple measures for water conservation being undertaken with a target 45% water savings across all projects. The following are the few water conservation measures undertaken:

- STP recycled water being used for flushing, landscaping and road cleaning purposes
- Low-flow fixtures with saving potential of around 45% water consumption
- Automated Irrigation Systems
- Rain water harvesting mechanism installed
- Condensate drain water recycling wherever feasible.
- Select projects using recycled water during construction subject to feasibilities.

CENTURY PULP & PAPER

- Total 49 water conservation schemes implemented since FY19 and 4 schemes implemented in FY22.
- 276 m^3/day saved during the year i.e., FY22 and 900 m^3/day water saved in FY21.

SOCIAL: People Approach

Putting people first to ensure the best outcomes

We at CTIL believe a successful business is built on time-tested relationships based on mutual trust, respect and human care. These relationships provide the confidence to drive sustained growth through varying business and economic cycles. We invest in our people to enable continuous learning through developing and nurturing a caring and collaborative relationship

Average number of employees across businesses

Average staff count	1,193
Average workers (On roll)	3,177

Mental wellness literacy

2020-21	12.2%
2021-22	32.1%

HOLISTIC APPROACH TO HEALTH

Our initiative MITR (Making Individuals and Teams Resilient) is now more than one year old. Unfortunately, we still have to run it remotely. We were not able to conduct any in-person sessions at our locations for the safety of our employees, as per protocols emplaced in our organization. Nevertheless, it has helped many employees and their family members by providing services, such as a confidential helpline, a counselling cell, and a Psychiatric support cell, and by creating awareness on the importance of mental wellbeing, which generally does not get much attention. In the year gone by, we completed ten batches of sensitivity training for managers and covered all non-managers in numerous webinars related to issues, such as, anxiety and depression.

In addition, we track our employees' mental health and wellbeing awareness through a mental wellbeing literacy survey. Due to our sustained efforts, the organization's score has improved from 12.2% to 32.1% in one year. While an improved score indicates increased destigmatization of Mental Health and Awareness of treatment methods, we are aware that the low base means there is still a very long way to go for the initiative. However, the team feels encouraged and determined to further increase the program's reach and impact after having achieved the improvement during very adverse pandemic conditions.

LEARNING & DEVELOPMENT

Operating in a highly competitive and dynamic environment in which products and services offered by one can be easily replicated by the other, People Development is a key imperative for CTIL. This year's focus has been on utilizing e-learning modules to ensure that we do not miss employee development as the pandemic made in-person training a safety hazard.

Employees across the group completed mandatory courses, such as, POSH, the ABG Information Security Awareness program, and several other courses on building technical and behavioural competencies from the comfort of their homes or offices. Our 1450+ employees have completed 6,178 hours of training in the last two years.

COVID-19 PANDEMIC RESPONSE & EMPLOYEE SUPPORT

Together in the face of Adversity

For many employees, 2021-22 was one of the most challenging years of their lives, just as it was for many worldwide. It started with the devastating second COVID wave, whose full impact on our lives will emerge over the years to come. No one was left untouched by it; everyone was affected directly or indirectly. In such difficult circumstances, the employees came together as part of a larger organization, and together we overcame various challenges that emerged.

Employee Support

The Aditya Birla Group's employee emergency response service, Code Red, was available to employees and family members of CTIL. This service is a single support window which is available 24X7. It assists employees in medical, security and travel emergencies with the help of internal and external support partners. However, at the peak of the second wave of the pandemic, the existing medical infrastructure came under tremendous stress. The shortage of hospital beds was further exacerbated by the dearth of essential medical supplies and services, such as, laboratory tests, ambulance, oxygen, medicines, and other medical equipment. In such demanding circumstances, the HR team and a group of employee volunteers worked with volunteers from our sister organizations to provide requisite aid to our employees across the country. Further, the team also arranged for oxygen concentrators at our office and plant locations for our employees.

COVID Care Policy

The organization introduced a one-time COVID care policy to provide financial assistance to employees and their family members above the medical insurance coverage. Further, the policy included COVID care leave for employees to care for their family members.

Moreover, the policy also provided additional assistance to employees of family members who lost their lives because of COVID. This additional assistance comprised financial aid of up to one year's salary with a minimum and maximum cap, temporary accommodation support, child education support, future medical insurance support, and psychological and mental wellbeing support.

Vaccination drive

At CTIL, administering vaccines to our employees commenced as soon as the government authorized undertaking private vaccination in the country. The strict safety protocols, the convenience of availability, and other support systems at the vaccination centres also encouraged most of our employees' family members to get vaccinated. Moreover, contract workers and staff across our plant and office locations were also covered in the vaccination drive. The organization bore the vaccination cost of more than 96% of employees.

SOCIAL: CSR

Building a network of trust and care

Growing together as a community is a fundamental part of our ethos. We are committed to improving the lives of the people in our communities and make continuous efforts to create significant positive impact.

₹11.75 crore
CSR spend

Focus areas

COMMUNITY HELP | EDUCATION | HEALTHCARE | LIVELIHOOD & WOMEN EMPOWERMENT

We conduct regular interventions across these focus areas through partnerships with the communities where we operate. The level of intervention depends on the projects identified and prioritised by the CSR committee, in association with local community representatives.

COMMUNITY HELP

We ensure that we are seen as partners in progress of the people in the communities where we operate. This is possible with the trust we build in communities through our initiatives, which make a positive difference in the lives of the people.

Jhagadia, Bharuch, Gujarat

- Construction of a training centre @ VGTK, Sewa Rural, Jhagadia

Lalkuan, Nainital, Uttarakhand

- Construction of toilet
- Regular cleaning of garbage in surrounding slum areas
- Provision of drinking water i.e. installation of hand pump
- Multiple infrastructure project undertaken for development of local community
- Provision of cattle feed at Gaushala

LIVELIHOOD & WOMEN EMPOWERMENT

Capability building and livelihood support, especially for women, to make them independent are some of our important social interventions. These initiatives help instil self-confidence among beneficiaries and a fresh ray of hope towards life.

Jhagadia, Bharuch, Gujarat

- Facilitation of training and improving technical skills within the tribal communities of nearby villages. This also helps us in getting trained workforce for our present set up as well as the new factory

Lalkuan, Nainital, Uttarakhand

- Partnered in the government project Pine Tree Leaf to help in upliftment of socio-economic condition in rural areas, especially for women

HEALTHCARE

Focus on health of the community is an important social initiative, which enables us to engage better with society and help more people.

Jhagadia, Bharuch, Gujarat

- Hospital equipment for Central Sterile Supply Department (CSSD) provided to Sewa Rural Hospital, Jhagadia and an ambulance provided to Fulwadi Gram Panchayat
- Oxygen plant at Sevashram Hospital, Bharuch
- 3 ventilators at Jayaben Mody Hospital, Ankleshwar
- Covid awareness camps
- Mask distributions in villages, railway & government offices

Lalkuan, Nainital, Uttarakhand

- Set up of two medical oxygen plants and made provision for beds, oxygen cylinders, PPEs and pulse oximeters for hospitals.
- Supplied 1,80,000 ltrs sanitizer and 60,000 masks prepared by ladies of our skill development centre and distributed them in the surrounding areas
- Medical and blood donation camp organized in surrounding villages
- Drug addiction awareness camp organised with the help of district administration

EDUCATION

Our initiatives towards developing the future talent of our country help us connect with the future of India and fulfil our CSR objectives.

Jhagadia, Bharuch, Gujarat

- Construction of four classrooms at Umadhra High School
- Compound wall at Umadhra Primary School completed
- Furniture provided for Valia Sardar Patel Primary School
- Two rooms built at Chanderai School run by Manav Seva Trust
- Motali Primary School building constructed

Lalkuan, Nainital, Uttarakhand

- Construction of classroom in school and providing furniture and computer

GOVERNANCE: Framework

Agile governance through the ages

Our ethos forms the foundation of our corporate governance philosophy. This framework enables us to drive innovation to create value for all our stakeholders while remaining responsible to the environment and community at large.

Pillars of good governance

ACCOUNTABILITY

FAIRNESS

TRANSPARENCY

STAKEHOLDER ENGAGEMENT

ACCOUNTABILITY

- The Board is on the top of the leadership structure of the company and mantles the role of strategising, planning, guiding and monitoring the vision, mission, objectives, goals and targets of the company and all its divisions.
- The Board is appended with specific sub-committees to support their functioning: -
  - Audit Committee
  - Nomination and Remuneration Committee
  - Corporate Social Responsibility (CSR) Committee
  - Committee of Independent Directors
  - Stakeholders Relationship Committee
  - Risk Management Committee
  - Finance Committee
  - Prevention of Insider Trading Regulations Committee
- At an executive level, we have also constituted an Executive Committee (EC), consisting of the Managing Director, the Whole-time Director, the CFO, the CHRO and the divisional CEOs. The EC performs the responsibility of collectively deliberating and formulating organisation wide policies, processes, etc. It also is the go-to committee, for any major crisis or emergency.

FAIRNESS

- We ensure that we comply with all the disclosure norms required under various regulations to provide for the right of the shareholders to accurate and timely financial information as well as information about those serving on the Board of Directors. Quarterly earnings information is made available on our website and any major developments are informed through updating of the investor presentation on the website.

- We have a robust process to provide an opportunity for shareholders to voice their grievances, raise any issues concerning a violation of shareholder rights along with the mechanism for redressal. A report on the same is placed before every stakeholder committee meeting. During the year the company received 5 complaints and each of them were disposed off to the satisfaction of the shareholders except one which has since been resolved.
- We have zero-tolerance for sexual harassment at the workplace and have 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. No complaints were filed during the financial year and complaint pending is nil as on end of the financial year.

TRANSPARENCY

- All related party transactions entered into, in the ordinary course of business and arm's length pricing basis, are placed periodically before the Audit Committee in a summary form, including transactions for which omnibus approval of the Audit Committee is taken. Material individual transactions with related parties, not in the normal course of business, that may have potential conflict with the interest of the Company at large are dealt in accordance with applicable laws. During the year all individual transactions with related parties or others were on an arm's length pricing basis. Transactions with related parties as per requirements of IND AS 24 – 'Related Party Disclosures' are disclosed in Note 40 to the Financial Statements.

STAKEHOLDER ENGAGEMENT

- Familiarisation Programme for the Independent Directors: We have, over the years, 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 and Sebi Listing Regulations. 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. We plan to organise a refresher course every year for all our directors.
- We have developed and maintained Standard Operating Procedures (SOPs), with respect to dealings with customers, dealers, agents, vendors, suppliers, transporters and other business associates. These SOPs ensure fair and transparent practices, pricing and terms as well as sustainable practices.
- Our facilities are generally located in areas where, among others, disadvantaged, vulnerable and marginalized communities with poor socio-economic indicators are living. 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.
- Our Employee Value Proposition (EVP) includes along with usual items, a specific focus on health, safety and mental wellness. Comprehensive life and medical insurance is provided through one of the best insurance plans in the country. The Company has introduced mental health awareness, support and expert advice/counselling to our staff and their families, in collaboration with a pioneering organisation in mental health awareness.

GOVERNANCE: Board of Directors

A constant source of support and guidance

Our Board of Directors, comprising of veterans from different fields, drive the growth of business and ensure long-term value creation for all our stakeholders. They provide guidance in effectively managing our risks, setting strategies and targets, along with ensuring robust governance.

The Directors collectively bring in extensive and diverse experiences across a plethora of business management fields which includes business strategy and management; finance and accounting; financial markets; law and regulations; marketing, communications and branding; social and community development.

Mr. Kumar Mangalam Birla
Chairman

Smt. Rajashree Birla
Non-Executive Director

Mr. Yazdi P. Dandiwala
Independent Director

Mr. Rajan A. Dalal
Independent Director

Mr. Sohanlal K. Jain
Independent Director

Ms. Preeti Vyas
Independent Director

Mr. J. C. Laddha
Managing Director

Mr. R. K. Dalmia
Whole-time Director

50%
Independent Directors

7 years
Average tenure of Directors

Management team

A team of experienced go-getters

CTIL's management team comprises of industry experts and are accountable for executing the strategies. They are also responsible for guiding the teams in achieving the targets set by the Board.

Mr. J. C. Laddha
Managing Director

Mr. R. K. Dalmia
Senior President, Century Textiles and Whole-time Director

Mr. Vijay Kaul
CEO, Century Pulp & 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

STATUTORY REPORTS

Directors' Report

Dear Shareholders,

We have pleasure in presenting the 125th Annual Report of the Company along with the audited statement of accounts for the year ended 31st March, 2022. All the business segments of the Company demonstrated resilience on the back of improved market sentiment, conducted efficient business operations and adopted best industry practices. Overall, the Company saw better performance in all its segments, as compared to the previous year, despite disruptions caused due to 2nd and 3rd waves of Covid-19 pandemic. As the threat of reoccurrence of pandemic is still looming, the Company continues to assess and monitor the business operations regularly and is taking all possible precautions in terms of safety of its staff and workers at all the locations of its offices and manufacturing plants.

The summarized financial results are given below.

1. SUMMARISED FINANCIAL RESULTS:

(₹ in Crores)

PARTICULARS	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Earnings before finance cost, tax, depreciation and amortisation (EBITDA)	604.73	366.17	487.57	285.32
Less:				
Finance Cost	75.03	88.55	52.18	70.70
Profit after Finance Cost	**529.70**	**277.62**	**435.39**	**214.62**
Less:				
Depreciation	228.05	229.02	230.66	231.13
Profit / (Loss) before tax	**301.65**	**48.60**	**204.73**	**(16.51)**
Less:				
Share of Profit/(Loss) of Joint Venture	-	-	(0.13)	-
Profit / (Loss) before tax including Joint Venture	**301.65**	**48.60**	**204.60**	**(16.51)**
Less/(Add):				
Current Tax	54.99	-	55.01	-
Adjustment of tax relating to earlier periods	-	(19.25)	-	(19.25)
Deferred tax relating to earlier period	0.48	-	(33.59)	-
Mat credit recognized	(54.99)	-	(54.99)	-
Deferred Tax	101.38	17.81	84.01	17.81
Profit / (Loss) after tax from continuing operations	**199.79**	**50.04**	**154.16**	**(15.07)**
Discontinued Operations				
Add / (Less):				
Loss before tax from discontinued operations	(7.04)	(28.50)	(7.04)	(28.50)
Gain on sale of Century Yarn and Denim Division	17.63	-	17.63	-
Tax (Expense)/ Income of discontinued operations	(3.05)	9.96	(3.05)	9.96
Net Profit / (Loss) for the year	**207.33**	**31.50**	**161.70**	**(33.61)**
Other Comprehensive Income / (Loss)	0.63	2.28	0.63	2.28
Total Comprehensive Income/ (Loss)	**207.96**	**33.78**	**162.33**	**(31.33)**
Loss Attributable to Non-Controlling Interest	-	-	4.83	3.17
Total Comprehensive Income / (Loss) of the Company	**207.96**	**33.78**	**167.16**	**(28.16)**
Retained Earnings				
Balance brought forward	1437.04	1255.51	1277.58	1157.99
Total comprehensive Income / (Loss) for the year	207.96	33.78	167.16	(28.16)
Equity Dividend	(11.17)	(33.51)	(11.17)	(33.51)
Transfer from Debenture Redemption Reserve	-	181.26	-	181.26
Balance carried forward	1633.83	1437.04	1433.57	1277.58

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 40% i.e. ₹ 4/- (Rupees Four 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 the dividend was paid @ 10% subject to applicable 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 ₹ 44.68 Crores.

3. TRANSFER TO RESERVES:

It is proposed to transfer ₹ Nil (previous year ₹ Nil) to 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, 2022. During the year, the Company has not issued any Shares or Convertible Securities.

5. EXPORTS:

The total exports of the Company amounted to ₹ 657.08 Crores (Previous year ₹ 342.57 Crores) representing about 15.66 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. SALE OF DISCONTINUED OPERATIONS:

Century Yarn and Century Denim:

During the year under review, the Company sold and completed the sale transaction in respect of its Century Yarn and Century Denim Units of the Textile Segment in accordance with applicable law. Few workers had filed an application before the Ld. Labour Commissioner for raising an Industrial Dispute. However, the Labour Commissioner has rejected the said application and the workers have challenged the order of Labour Commissioner before High Court. The Company is taking requisite legal steps to defend the said Writ Petition.

8. EXPANSION & MODERNISATION:

a) Pulp and Paper:

i) During the year, the New Tissue Plant (TM-7), to manufacture Prime Grade Tissue paper with a capacity of 100 tons per day has been capitalized.

However, due to the ongoing pandemic during Q4, international travels were banned throughout the world. As a result, there was delay in getting visa approvals from the Government of India, for the entire technical team of the OEM supplier. Therefore, couple of teething issues are still pending to be sorted out.

ii) At present, we are manufacturing paper from Paper Mill 3 (Bagasse base) & Paper Mill 4 (Recycle base) both having monthly capacity of 7,200 Mt each. We are making technical upgradation, removing bottlenecks and balancing the plants, post which our monthly paper manufacturing capacity will increase to 8,500 Mt from each Machine (PM 3 & 4 individually). This expansion, will also help in reducing overall manufacturing cost (of these two machines) and quality improvement.

Existing Evaporator has exhausted its life, hence, to improve efficiency in evaporation of Weak Black Liquor (WBL) a new Evaporator is being installed. This will enhance the evaporation of WBL by 3,800 M3 per day and increase total solid. Burning of solid will be more efficient and will generate higher steam by 900 Mt/ day. This exercise will ultimately help in lowering down Power cost and increase pulp production. Due to increase in metal and freight costs, the revised investment for installation of a new evaporator has increased to ₹ 124 Crores as against earlier estimate of ₹ 105 Crores.

As reported last year due to Covid-19 no erection and commissioning activities could be undertaken during 2020-21 for upgradation of Paper Machines 3 and 4 and for installation of a new evaporator. Necessary steps are being taken for completion of erection and commissioning of the said Paper Machines and installation of evaporator by June, 22 and July, 22 respectively.

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

9. DIRECTORS:

a. Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. J.C Laddha (DIN: 03266469) retires by rotation, as Director, at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

The Board recommends his re-appointment.

b. Familiarisation Programme for the Independent Directors

The Company has, over the years, 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 businesses of the Company and the risks, and opportunities, etc., associated with them.

c. 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; that 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 conducting 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 judgment, 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.

d. Meetings

During the year, 5 (five) Board meetings were convened and held. The details thereof are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. AWARDS, CERTIFICATES, PRIZES:

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

Birla Estates Private Limited (100% Subsidiary):

- Iconic real estate brand of the year at Times Real Estate Conclave Awards, 2021
- Best Brands 2021 at Economic Times Best Brands Awards, 2021
- Iconic Residential Project of the Year and Iconic Residential Project Launch Campaign for Birla Niyaara, Worli, Mumbai
- Two (2) Safety Awards from National Safety Council in Construction, one each for Birla Alokya, Bengaluru and Birla Vanya, Kalyan
- Project - Birla Vanya, Kalyan
  - Lowest Average Accident Frequency Rate and Longest Accident-Free Period at the National Safety Council, Maharashtra Chapter Awards
  - Outstanding Achievements in Effective Safety Culture at Greentech Effective Safety Culture Award, 2021
  - Construction Health, Safety & Environment Achievement Award at CIDC Vishwakarma 2022, Awards

Birla Century (Textiles Division):

The Division received GOLD 2021 National Award for Manufacturing Competitiveness (NAMC) from the International Research Institute for Manufacturing, India (IRIM).

Century Pulp & Paper Division:

- The Division has been awarded "Golden Peacock Award for Energy Efficiency 2021" by the Indian Institute of Directors, for various energy conservation and efficiency initiatives taken by the plant. During this year, CPP is the only paper manufacturing plant, which won this award in Paper Sector.
- The Division has received first prize in the 110th and 111th "All India Farmers' Fair and Agro-Industrial Exhibition" 2021 and 2022 respectively, organised by and held at the G B Pant University of Agriculture & Technology, Pantnagar, Uttarakhand.
- In recognition of Outstanding Business Association, Container Corporation of India awarded a "Certificate of Appreciation" to CPP plant for the year 2021.

11. AUDITORS:

S R B C & Co. LLP, Chartered Accountants (ICAI Firm Registration No.324982E/ E300003), who are the Statutory Auditors of the Company were initially appointed for a term of five years at the Annual General Meeting of the Company held on 28th July, 2016. S R B C & Co. LLP completed their said term of five years as Statutory Auditors of the Company at the conclusion of the 124th Annual General Meeting held on 16th July, 2021 and being eligible under section 141 of the Companies Act were re-appointed for a second term of 5 (five) consecutive years w.e.f. 16th July, 2021 by the shareholders at the said AGM.

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, under Section 143(12) of the Companies Act, reported to the Audit Committee of the Board, any instances of fraud committed against the Company by its officers and employees, the details of which would otherwise be required 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 cost 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 cost records are maintained in respect of various manufacturing activities. The cost audit report for the financial year 2020-21 was filed with the Ministry of Corporate Affairs on 17th August, 2021. M/s. R. Nanabhoy & Co., Cost Accountants, were appointed 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 2022-23 at a remuneration of ₹ 1.49 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, 2023. The Secretarial Audit Report for the year ended 31st March, 2022 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 invited or 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 and guarantees given and securities provided, and the investments made as covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Consolidated and Standalone Financial Statements.

17. TRANSFER OF UNCLAIMED DIVIDEND AND UNCLAIMED SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The details pertaining to transfer of unclaimed dividend and unclaimed shares to IEPF are given in the Corporate Governance Report which forms part of this Annual Report.

18. 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, 2022 and state that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. the directors have 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 have 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 have prepared the annual accounts on a going concern basis;

e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. KEY MANAGERIAL PERSONNEL:

Mr. J.C. Laddha is the Managing Director of the Company and Mr. R. K. Dalmia is the Whole -time Director of the Company. Mr. Snehal Shah is the Chief Financial Officer and Mr. Atul K. Kedia is the Company Secretary of the Company.

20. 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 this Annual Report on Corporate Governance.

21. AUDIT COMMITTEE AND VIGIL MECHANISM:

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/or unethical conduct with respect to the Company or its business or affairs. This policy provides for formal reporting by whistle blowers of malpractices, misuse or abuse of authority, fraud, and 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. The Policy requires 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 are to 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.

22. RISK MANAGEMENT:

The Company has constituted a Risk Management Committee, mandated to review the risk management plan/process of the Company. The Risk Management Committee identifies potential risks and assesses their potential impact with the objective of taking timely action to mitigate the risks, as provided under the Enterprise Risk Management (ERM) Framework of the Company.

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, financial & economic risk, competition risk, operational risk, cyber security and data protection risk and compliance of all applicable statutes and regulations. The Company has well defined ERM policy & mechanism to mitigate these risks. The Company reviews the risk register periodically, to align with the changes in economic environment, market practices and regulations. The top risks of the company and its businesses are reviewed at least twice in a year by the Risk Management Committee. The last such review was done on 29th March, 2022.

23. 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 the 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 Annual Report.

The Company has also in place a CSR Policy and the same is available on the Company's website: www.centurytextind.com. During the year, the Company has identified and approved CSR projects of ₹ 7.38 Crores, being its statutory obligation for financial year 2021-22 of which ₹ 6.65 Crores has already been spent by the Company in financial year 2021-22 and the balance of ₹ 0.73 Crores relating to ongoing projects will be deposited in a separate bank account in terms of Section 135(6) of the Companies Act, 2013. Further, the Company has also fulfilled its balance obligation for the previous year i.e. 2020-21 by spending the amount of ₹ 5.09 Crores this year. The Company undertook several projects covering promotion of education (inclusive of providing scholarship for needy and meritorious students through A World of Opportunity Foundation - AWOO), preventive health, skill development etc. The Company also provided awareness on mental health which became increasingly prominent during pandemic time. The Company reached out to around 68 locations across 13 States. The Company's key objective is to actively contribute to the social and economic development of the communities in which it operates.

The Covid-19 pandemic continued to have impact in this financial year as well. The Company through its divisions undertook several initiatives under its CSR programme which included distribution of mask to the local community, setting up of oxygen plants at hospital, providing ventilators to hospital etc.

As a socially responsible and caring Company, we are committed to playing 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 Annual Report.

24. 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.

25. 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 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. Mr. Yazdi P. Dandiwala, one of the Directors of the Company is a Senior Partner in the said firm of Solicitors.

26. 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. In the opinion of the Board there has been no change in the circumstances which may affect the status of independent directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Companies Act, 2013 and applicable rules thereunder) of all Independent Directors on the Board. In terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 Independent Directors of the Company have already undertaken requisite steps towards the inclusion of their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

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

During the year 2021-22, no significant and material order has been passed by any regulator or by any Court or Tribunal which has a material impact on the financial position of the Company.

28. 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.

29. SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES:

Birla Estates Private Ltd., a Wholly Owned Subsidiary of the Company has on-going projects at Kalyan near Mumbai viz. 'Birla Vanya', Birla Alokya at Bengaluru, Birla Navya (under Avarna Projects, LLP between Birla Estates and Anantraj) at Gurugram. This year the Company launched Birla Niyaara at Worli, Mumbai and Birla Tisya at Rajajinagar, Bengaluru. During the year, Birla Estates Private Ltd. has also entered into an agreement to jointly develop a prime 52-acre land parcel in North Bengaluru with M S Ramaiah Realty LLP.

During the year, Birla Estates Pvt. Ltd. registered a profit after tax of ₹ 17.70 Crores (previous year loss of ₹ 51.71 Crores) and Birla Century Exports Pvt. Ltd., another Wholly Owned Subsidiary of the Company registered a loss of ₹ 0.91 Crores (previous year profit of ₹ 0.38 Crores).

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

Industry House Ltd., in which the 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.

During the year, your Company has formed a Joint Venture in collaboration with Grasim Industries Limited namely 'Birla Advanced Knits Private Limited' (JV Company) to manufacture Circular Knit Fabrics. The proposed project is located at the existing Birla Century Campus in Bharuch District. It shall have knitting and processing capacity of about 600 Ton of fabric per month. The salient feature of this project will be 100% Viscose Knitted Fabric, availability of which is currently scarce in the market. This project shall help India to substitute import and enhance export. Civil and structure work is under progress and plant & machineries required for manufacturing have been ordered.

Your Company and Grasim Industries Limited are equal shareholders in the said JV Company.

During the year, the JV Company registered a loss of ₹ 0.13 Crores (50% of profit/loss)

30. 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, associates and joint venture in the prescribed form AOC-1 is annexed separately.

31. 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'.

32. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

During the year under review, the 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.

33. 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.

34. 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 form 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, 2022 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 125th 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 holds (by himself or along with his/her spouse and dependent children) more than two percent of the equity shares of the Company.

35. ANNUAL RETURN:

The web-link for the Annual Return placed on the Company's website is https://www.centurytextind.com/assets/pdf/download-forms/annual-return-2022.pdf

36. GENERAL DISCLOSURES:

i. There were no material changes and commitments affecting the financial position of the Company between end of the financial year and the date of report.

ii. There was no revision in the financial statements.

iii. The Company has not issued any sweat equity shares.

iv. The Company has not issued any shares with differential voting rights.

v. There has been no change in nature of business.

vi. The Company has not made any application during the year under Insolvency and Bankruptcy Code, 2016 and there is no proceeding pending under the said Code as at the end of the financial year.

vii. During the year, the Company has not undergone any one-time settlement and therefore the disclosure in this regard is not applicable.

viii. The Company is not having any Employee Stock Option Scheme under Section 62(1) of the Companies Act, 2013.

37. 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. members, customers, 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:		On behalf of the Board
Century Bhavan		
Dr Annie Besant Road	J.C. Laddha	Y.P. Dandiwala
Worli, Mumbai – 400 030	Managing Director	Director
Dated: 25th April, 2022	DIN: 03266469	DIN: 01055000

Management Discussion and Analysis Report

This report covers the operations and financial performance of the Company for the year ended 31st March, 2022 and forms part of the Annual Report.

1. OVERALL REVIEW:

During the year under review, earnings before interest, tax and depreciation (EBIDTA) of the Company has improved considerably as compared to the previous year in respect of its Pulp & Paper and Textiles business segments, despite disruptions caused due to 2nd and 3rd waves of Covid-19 pandemic. The performance of the Real Estate Division was buoyant. Working and operational parameters at all the plants of the Company were satisfactory.

It is heartening to mention that during the year, the Company has launched two new real estate projects one each in Mumbai and Bengaluru. The flagship project 'Birla Niyaara' at Worli, Mumbai was launched in the month of February, 2022 and it has received an overwhelming response from the customers despite disruptions caused due to Covid-19 pandemic early in the quarter. The Company has also launched 'Birla Tisya' at Rajajinagar, Bengaluru in the month of December, 2021 and that too has received a stellar response from the customers. Besides this, the second phase of 'Birla Vanya', Kalyan was launched in the month of September, 2021, again with a strong response received from the customers.

On-going projects 'Birla Vanya' at Kalyan near Mumbai, 'Birla Alokya' at Bengaluru and 'Birla Navya' at Gurugram are progressing as per schedule.

2. BUSINESS SEGMENT – TEXTILES

a. Industry Structure and Development:

The global textile industry has been facing exceptionally challenging conditions since the past two years due to the restrictions imposed because of the Covid-19 pandemic. Further, the global supply chain had seen unprecedented levels of pressure and disruption due to logistical impasse. This led to delayed delivery resulting into reduced product shelf life and increased inventory at importer / retailer level which resulted in reduction in export orders / delayed picking of confirmed orders, apart from sharp increase in vessel shipping cost. Further, prodigious liquidity globally led to a proliferation in commodity prices including Cotton, Dyes, Chemicals, Coal, etc.

On a positive note, from the beginning of Q2 of FY 2021-22 post relaxation in Covid-19 induced restrictions, domestic market is showing an uptake in demand.

b. Opportunities and Threats:

Accelerated reopening of activities have re-opened opportunities for the textile market which were quiet for a long time. Further, China plus one policy by USA and Europe will lead to increase in demand for the Indian Market. With an added advantage of high quality standards and globally renowned accreditations, our Company will be forging ahead with its sustainability vision to build potential so as to grab opportunities coming its way.

Currently the biggest threat is the enormous increase in cotton prices leading to high finished good prices. Consumers are therefore shifting their focus from cotton to man-made fibres. Further, increase in prices of other commodities such as coal, dyes and chemicals is also making the industry non-competitive.

c. Segmental Review and Analysis:

Apparel Fabrics:

FY 2021-22 was a year with lot of ups and downs. Q1 of FY 2021-22 started with the extremely severe second wave of Covid-19 pandemic and consequent lockdown which was then followed with high demand across the world in Q2. In second half of the year, raw material prices started increasing. In Q4, on one side retail demand in apparel fabric was holding up a reasonable level and on the other side the quarter got completely disturbed due to the steep rise in Cotton prices i.e. doubling-up from pre-covid level coupled with increase in power and chemical prices.

Overall, there was firefighting throughout the year with lot of uncertainties and fluctuations and the year finally closed above planned turnover but with squeezed margins.

Print business initiated as a outsource activity has given ₹ 22 Crores additional turnover which includes 10% exports.

Bed Linen

Due to increase in cotton prices and increased inventory levels in the US, orders slowed down during Q3 and Q4 of FY 2021-22. This accumulation of inventory culminated into importers in USA offering goods in US at very low prices to liquidate Inventory. Prices are expected to be a significant point of concern till the cotton market settles down and, in the meantime, there is a possibility of retailers shifting to man-made fibres.

Yarn

The yarn business too was impacted due to the historically high prices of cotton, as absorption of the same in the prices of finished yarn was not easy.

d. **Risks and Concerns:**

There is a proliferation in cotton prices which cannot be absorbed in finished goods prices. Preference is shifting from Cotton fibre to man-made fibres i.e. synthetic, polyester etc., which are available at lower prices. This is putting pressure on margin.

e. **Outlook:**

Coming year will be challenging with respect to pricing. We must focus more on offering new products meeting customer retail price points. Also focus will be on blending with man-made fibers which can fit into the price bracket, acceptable to buyers.

Further geographic presence will be increased, and new markets will be explored such as Australia, Saudi and Russia. With the Launch of a new domestic brand, named "Hill & Glade", under the home textile segment, a major portion of domestic print business is expected to be covered by that in the coming year.

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

a) **Industry Structure & Development:**

During the last two years, the world has been grappling with the challenges posed by the Covid-19 pandemic. The prolonged Covid-19 crisis has dampened the demand as most of the paper consumption centres i.e. schools, colleges, educational institutions, court, judiciary and transportation modes (airports, bus stands, railway stations) etc. were not fully operational. This impacted the consumption and demand pattern of paper & paper products.

b) **Opportunities and Threats:**

As the impact of Covid-19 has gradually started waning globally during the 4th quarter of this year schools and educational institutions re-opened almost after a hiatus of 1 $^1/_2$ years. Resumption of activity in consumption centres is expected to lift the consumption and demand in Writing & Printing paper segment.

In the Domestic market, Central Government's initiatives to implement new education policy will also help in creating additional demand in Writing & Printing paper segment.

During this pandemic, in general, every person has become more & more conscious about health, hygiene and cleanliness aspects of life. This awareness helps in creating new demand for Tissue and Packaging Board segments of paper industry.

Last year, in addition to common challenges i.e. Non availability of containers, increased oceanic freight, disruption in logistic services, Suez Canal blockage etc., global Paper industry had specific operational difficulties too, like Imported Pulp productions fell to their lowest levels, frequent shutdowns of paper consumption centres, disrupted supplies of key input materials coal, wood and wastepaper etc. As a result prices of these input materials had seen sharp increase and some are at their life-time high.

The Russia & Ukraine war has further disrupted global supply of newsprint paper as Russia is global leader in supplying this grade of paper.

c) **Segmental Review and Analysis:**

Globally, last financial year was one of the toughest periods for Paper industry. Paper consumption points were not operational for major part of the year. Timely availability of key raw materials remained a challenge. Due to disrupted supplies, cost of couple of these raw materials touched their life-time high levels. In turn, paper manufacturing players passed these increased costs to their end-customers.

As a result, despite increased revenue over past years, margins remained thin. Therefore, financial performance during the period under review, will not offer a right comparison with the past performance of Paper industry.

d) **Risks and Concerns:**

Frequent price escalations and interrupted availability of key raw materials, remain major concern for Indian Paper industry. Russia - Ukraine war has escalated Power crises in Europe which may result into further price increase in the landed cost of Imported Pulp and Chemicals.

e) **Outlook:**

Domestic market is witnessing very good demand across all paper segments post re-start of schools, colleges, offices, judiciary, hotel, restaurants and other major consumption centres. Ongoing health issue has increased hygiene awareness and its impact on 'At Home' sales has started showing up in the domestic market.

AFH (Away from Home) demand is expected to regain with the partial relaxation in restrictions imposed on cinemas, theatres, multiplexes, restaurants and entertainment parks. Restrictions on social gatherings has been completely lifted, which will help increase the consumption in the Tissue segment.

Traders have also started building channel inventories, thereby signifying uptick in demand.

Going forward, medium to long-term outlook of the Indian paper industry is positive and is expected to grow parallel with the country's GDP and the economy.

4. BUSINESS SEGMENT – REAL ESTATE

a) Industry Structure and Development:

The Real estate sector is one of the most critical sectors of the Indian economy. The sector is the second highest employment generator after agriculture. Real estate sector in India is expected to reach a market size of US$ 1 trillion by 2030 from US$ 200 billion in 2021[1]. The growth of the sector is led by the increase in the demand for urban and semi-urban accommodations as well as corporate environment and the requirement for office space.

The Real estate sector and the Indian economy were beset by multiple challenges in FY 22. The first and the fourth quarter saw lockdowns and disruptions in business operations due to the 'Delta' and 'Omicron' Covid-19 waves respectively. The Real estate sector, specifically the residential segment has shown higher resilience and faster recovery. The volatility in the international markets due to geopolitical developments in Q4 FY 22 has also impacted the sector in a negative manner with escalating prices of raw materials and disruptions in supply. The continuation of this price increase over extended periods may weigh on the sector's performance.

The pandemic created a strong sentiment supporting housing demand. The robust performance of the residential sector clearly denotes that the sector seems to have embarked on a long-term upcycle. The demand in the segment has been led by historic low interest rates, relatively stable house prices, increasing salaries and government stimulus. Residential sales pan India have grown by 31% Y-o-Y in 9M FY22[2]. Developers with good corporate governance practices, financial accountability, trust, and brand witnessed higher sales in FY 21 and FY 22.

The increase in vaccination coverage and the relaxation in restrictions has led to the gradual opening of the offices and improvement in the Commercial segment. Net absorption grew by 3.33% in 2021 Y-o-Y[3] led by strong growth in the IT-BPM sector. Leasing by Co-working spaces also surged since the workforce of many companies remains scattered. India's reputation as a tech offshoring destination for global multinationals is likely to continue over the coming years.

Over the last two years, Real estate market's trajectory was largely determined by the trajectory of the Covid-19 virus. However, this correlation is weakening as subsequent waves are having limited adverse impact on the market owing to healthy vaccination rates and evolved business plans. The year has been an inflection point for the Real estate sector, with all trends and patterns favouring growth and stabilization over the coming years.

b) Opportunities and Threats:

The preference for home ownership has risen since the advent of the pandemic. The pandemic has reiterated the emotional security associated with home ownership as homes remain the centre of our lives where we spend quality time. There is a clear preference for integrated developments where everything required for a healthy and active lifestyle is available within the project. Additionally, there is a focus on localities which provide a social fabric and all necessities to thrive. Your Company with its commitment towards delivering high quality homes with open spaces, connected infrastructure and thoughtful amenities is ideally positioned.

Along with home ownership, the shift in customer preference towards branded players continues to strengthen. This has led to such players outperforming the market, increasing their market share and commanding a premium to local developers. Your Company is uniquely poised to capitalize on the opportunity with the brand having a huge legacy and symbolising trust, transparency, quality, and excellence.

There is a distinct differentiation emerging between land creators & aggregators and real estate developers. Landowners and creators seek to partner with reputable developers through the joint

1 July 2021 statement by DS Mishra, Secretary, Ministry of Housing and Urban Affairs

2 Propequity

3 India Office Market Q4 2021 – Cushman Wakefield

development model to maintain future business viability. This creates an opportunity which your Company with best-in-class governance standards and access to institutional funding is in a prime position to benefit from.

Customer centricity and thoughtful design are the key pillars of your Company. Timely delivery, transparency in operations will become the basic expectations from developers and product innovation and thoughtfulness, customer focus, etc. will become key differentiating factors. Continuous focus on these pillars provides an opportunity to strengthen our presence and positioning in the market.

Organisations remain flexible about their need for physical interactions and 'work from anywhere' concept though there is a move towards restarting offices in higher capacities. In the future, companies may prefer a more distributed workforce linked through technology. The growth in the commercial segment is however, expected to continue in the coming years.

c) Segment Review Analysis:

Your Company has sold 1.1 million sq. ft area in FY 22 which is more than 1.75 times the sales of the previous year. We clocked sales of INR 1913 Crores in the year which is more than 3 times the last year and more than 1.5 times the cumulative sales in the history of the organisation.

During the year, your Company launched two new projects: one each in Mumbai and Bengaluru. We launched our flagship project 'Birla Niyaara' at Worli, Mumbai in the month of February and we have received an overwhelming response from the customers despite Covid disruptions early in the quarter. We clocked sales of more than INR 1,200 Crores at launch making it one of the most successful launches in Mumbai Metropolitan Region in recent years. 'Birla Niyaara' is one-of-a-kind project in the uber luxury segment, being India's only USGBC LEED pre-certified platinum residential project making it one of Worli's landmark integrated developments. We also launched 'Birla Tisya' at Rajajinagar, Bengaluru in the month of December and received a stellar response from the customers, clocking sales of more than INR 250 Crores within 4 days. 'Birla Tisya' was one of the most successful launches in Bengaluru in recent years.

We launched the second phase at 'Birla Vanya', Kalyan in the month of September and we have received a strong response from the customers. We have completely sold out the launched first phase of 'Birla Navya' at Gurugram.

Birla Estates was awarded the 'Iconic Real Estate Brand of the Year' at TIMES Real Estate Conclave Awards 2021 and 'Best Brands 2021' at The Economic Times Best Brands Awards 2021. 'Birla Niyaara' was awarded the 'Iconic Residential Project of the Year' and 'Iconic Residential Project Launch Campaign'. 'Birla Vanya' won four awards and 'Birla Alokya' one award for its commitment towards site safety.

We signed an agreement to jointly develop a prime 52-acre land parcel in North Bengaluru with M S Ramaiah Realty LLP. The project has an estimated revenue potential of almost INR 3,000 Crores and development potential of around 4 million sq. ft. and will comprise both high and low-rise residential developments, along with retail and commercial elements.

The occupancy rate at our two commercial assets, Birla Aurora and Birla Centurion remains at a high level ensuring stable lease rentals.

We continued our focus on Customer Centricity and as part of the 'Customer Connect' initiatives, COVID Warriors amongst the customers were acknowledged and presented with thoughtful mementos. We rolled out customer feedback surveys at key stages of the customer journey to measure and improve customer engagement at various touch points.

We improved our digital security stance by implementing Zscaler Internet Access - a secure internet and web gateway delivered as a service from the cloud. Our users and endpoints are now protected from threats related to unsecure internet connections, even outside office premises creating a more robust digital work environment.

d) Risks and Concerns:

The sector continues to combat shortage of labour and spiralling input costs such as for commodities and metals. Sustained high prices and prolonged rise in the costs from the current levels will be difficult to absorb and are likely to impact the profitability of the projects. It will become necessary to pass on the increased costs to the customers by way of additional price increases.

e) Outlook:

The demand fundamentals of the residential real estate are as strong as ever. There is an increased desire for home ownership, integrated layouts, larger units with focus on amenities promoting health and well-being. The government's supportive stance of maintaining the interest rates despite inflationary pressures and some benefits towards stamp duty has aided in strengthening this demand further.

We are now at the cusp for a multi-year upcycle for the residential real estate market. This is evident from the Y-o-Y growth in the 9M FY22 sales numbers at a pan India level. Some select micro markets are already seeing an increase in prices.

Digitization continues to penetrate in all business processes associated with real estate making them more robust and ensuring developers, customers and service providers leverage it efficiently to communicate, deliver services and transact. The digital outreach channels will continue to remain important channels to reach customers and provide virtual tours of the project despite the ebbing of the COVID protocols.

Despite the short-term disruptions, India's commercial real estate sector continues to attract interest from occupiers and investors looking at the long-term horizon. The employers and employees are seeking the right balance of in-office and remote working options which will be firmed up over the coming times.

With a slew of very dynamic situations at play we expect the sector to move towards a sustained phase of growth in sales and prices in FY23 albeit with some pressure on the cost side in the short term. The customer preference for branded players who can deliver in time and the trust in the Birla Brand and product will help us as we focus on our growth and cement ourselves as a leading player in the Indian Real Estate.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains 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 loss or misuse. 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	Standalone		Consolidated	
		2021-22	2020-21	2021-22	2020-21
1.	Total Income	4196.98	2690.19	4174.01	2678.19
2.	Earnings before finance cost, tax, depreciation and Amortization (EBITDA)	604.73	366.17	487.57	285.32
3.	Less: Finance Cost	75.03	88.55	52.18	70.70
4.	Profit before depreciation, amortization and taxation.	529.70	277.62	435.39	214.62
5.	Less: Depreciation and Amortization	228.05	229.02	230.66	231.13
6.	Profit / (Loss) before taxation	301.65	48.60	204.73	(16.51)
7.	Share of Profit/(Loss) of Joint Venture	-	-	(0.13)	-
8.	Less/(Add):				
	Current Tax	54.99	-	55.01	-
	Adjustment of tax relating to earlier periods	-	(19.25)	-	(19.25)
	Deferred tax relating to earlier period	0.48	-	(33.59)	-
	Mat credit recognized	(54.99)	-	(54.99)	-
	Deferred Tax	101.38	17.81	84.01	17.81
9.	Profit / (Loss) after tax from continuing operations	199.79	50.04	154.16	(15.07)
10.	Add/(Less):				
	Loss before tax from discontinued operations	(7.04)	(28.50)	(7.04)	(28.50)
	Gain on sale of Century Yarn and Denim Division	17.63	-	17.63	-
	Tax (Expense)/ Income of discontinued operations	(3.05)	9.96	(3.05)	9.96
11.	Net Profit / (Loss) for the year	207.33	31.50	161.70	(33.61)

The Consolidated EBITDA from continuing operations for the year 2021-22 is ₹ 487.44 Crores (including share of Joint Venture) as against ₹ 285.32 Crores.

The Standalone EBIDTA from continuing operations for the year 2021-22 is ₹ 604.73 Crores as against ₹ 366.17 Crores.

In consolidated accounts interest cost has gone down from ₹ 70.70 Crores to ₹ 52.18 Crores.

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

7. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE AS COMPARED TO IMMEDIATE PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS

Ratios	F.Y. 2021-22	F.Y. 2020-21	Change (%)	Explanation for change
1. Debtors Turnover Ratio	21.72	15.14	43.46	Refer note (b)
2. Inventory Turnover Ratio	4.35	2.57	69.00	Refer note (b)
3. Interest Coverage Ratio	5.13	0.36	1325.00	Refer note (b)
4. Current Ratio	1.07	1.38	-22.46	Refer note (a)
5. Debt Equity Ratio	0.34	0.29	17.24	.-
6. Operating Profit Margin (%)	5.43	(1.37)	496.35	Refer note (b)
7. Net Profit Margin (%)	3.91	(1.28)	405.47	Refer note (b)
8. Return on Net Worth (%)	4.17	(0.92)	553.26	Refer note (b)

The above key financial ratios are in accordance with Note 46A of Consolidated Financial Statements prepared in accordance with Ind AS requirements and Schedule III of the Companies Act, 2013.

Notes :

(a) Mainly on account of classification of long term NCDs as current borrowings.

(b) During the previous year, on account of Covid outbreak and various Government's restrictions, operations of the Company were impacted significantly. During the year, the situation has improved and accordingly, cash flows and profitability of the Company have improved as compared to the previous year and almost reached to pre-covid level. Accordingly, all ratios related to cash flows, revenue and profitability of the Company have improved as compared to the previous year.

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

8. HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

The total number of employees as on 31st March, 2022 were 4205 (4268 as on 31st March, 2021). The number of employees has decreased during the year by 63. 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 centres at all manufacturing units.

Further, to prevent the spread of pandemic Covid 19, the Company had taken all precautionary measures required, such as use of masks and sanitizers, social distancing etc., at all its plants 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, 2022

[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 CIN: L17120MH1897PLC000163** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided 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, 2022 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, 2022 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 / (Issue and Listing of Non- Convertible Securities) Regulations, 2021;

   (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 Real Estates (Regulations and Development) Act, 2016.

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 issued and allotted 2500 Secured, Redeemable, Non- Convertible Debentures of ₹ 10,00,000 each amounting to ₹ 250 Crores.

(ii) The Company has entered into a joint venture agreement with Grasim Industries Limited for setting up Centre of Excellence Knitwear Project at Bharuch, Gujarat for manufacture of Knit Fabrics by formation of a new Joint Venture Company namely Birla Advanced Knits Private Limited with equal equity investments.

(iii) The company has sold and transferred Century Yarn and Century Denim Units/Undertakings operations of which were classified as 'Discontinued Operations' situated in District Khargone, Madhya Pradesh.

For Gagrani & Gagan
Company Secretaries
PR No.1199/2021

Gagan B. Gagrani
M.No. : FCS 1772
CP No. : 1388
UDIN : F001772D000184933

Place : Mumbai
Date : April 25, 2022

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure-A

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Gagrani & Gagan
Company Secretaries
PR No.1199/2021

Gagan B. Gagrani
M.No. : FCS 1772
CP No. : 1388
F001772D000184933

Place : Mumbai
Date : April 25, 2022

Annexure-II

ANNUAL REPORT ON CSR ACTIVITIES

1.	Brief outline on CSR Policy of the Company	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 projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. The Company's CSR policy can be accessed on the Company's website: www.centurytextind.com

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Smt. Rajashree Birla	Chairperson, Non-Independent, Non-Executive Director	5	5
2	Mr. Yazdi P. Dandiwala	Member, Independent, Non-Executive Director	5	5
3	Mr. Rajan A. Dalal	Member, Independent, Non-Executive Director	5	4
4	Mr. J. C. Laddha	Member, Non-Independent, Managing Director	5	5
5	Mr. R. K. Dalmia	Member, Non-Independent, Whole-time Director	5	3

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Sr. No.	Particulars	Web-link
i.	Composition of the CSR Committee and CSR Policy are available on the Company's website	https://www.centurytextind.com/assets/pdf/others/csr-policy-2020.pdf.
ii.	CSR Projects are available on the Company's website	https://www.centurytextind.com/assets/pdf/others/csr-projects-approved-by-the-board-for-the-fy-2021-22.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
-	-	NIL	NIL

6. Average net profit of the Company as per Section 135(5): ₹ 368.86 Crores

7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹ 7.38 Crores

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

   (c) Amount required to be set off for the financial year, if any: NIL

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 7.38 Crores

8. (a) CSR amount spent or unspent for the financial year 2021-22:

Total Amount Spent for the Financial Year (₹ in Crores)	Amount Unspent (₹ in Crores)				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
6.65	0.73	29th April, 2022	-	NIL	-

b) Details of CSR amount spent against ongoing projects for the financial year 2021-22:

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (₹ in lacs)	Amount spent in the current financial Year (₹ in lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in lacs)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	**Promoting Primary and Secondary Education:** The project includes Construction of Rooms, providing Furniture & Computers in Government Schools.	Promoting Education	Yes	Uttarakhand	Nainital	2 years	40.00	25.66	14.34	Yes	-	-
2	**Preventive and curative health services in communities:** The project focuses on up gradation of hospital, organising medical camps and drug addiction awareness camps, distributing covid relief supplies.	Promoting Healthcare	Yes	Uttarakhand	Nainital Udham Singh Nagar	2 years	105.50	101.61	3.89	Yes	-	-
3	**Sanitation Provisions:** The initiative focuses on improving sanitation i.e. construction of toilets, cleanliness drive in nearby areas and providing clean drinking water.	Sanitation	Yes	Uttarakhand	Nainital Udham Singh Nagar	2 years	67.94	19.54	48.40	Yes	-	-
4	**Rural Infrastructure Development Projects:** The project focuses on improving infrastructure as may be required by local community in nearby areas and to augment livelihood opportunities in the project areas.	Rural Development Projects	Yes	Uttarakhand	Nainital Udham Singh Nagar	2 years	35.00	29.61	5.39	Yes	-	-
5	**Agriculture and Animal Husbandry:** The initiative focuses on fodder development.	Eradicating Poverty	Yes	Uttarakhand	Nainital	2 years	2.00	0.95	1.05	Yes	-	-
	TOTAL*						**250.44**	**177.37**	**73.07**			

*Amounts in the above table are subject to rounding-off adjustments.

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2021-22:

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Amount spent for the project (₹ in lacs)	Mode of implementation – Direct (Yes/ No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR Registration number
	Completed projects 2021-22								
1	**Promoting Primary and Secondary Education:** This initiative includes developing infrastructure for students and schools.	Promoting Education	Yes	Gujarat	Bharuch	35.43	Yes	-	-
2	**Preventive and curative health services in communities:** Under this initiative the Company installed Oxygen Plant, provided ventilators to hospital and undertook other covid awareness and preventive measures.	Promoting Healthcare	Yes	Gujarat	Bharuch	34.83 114.83	Yes No	- Society for Education Welfare and Action- Rural (SEWA-Rural) & Ankleshwar Industrial Development Society (A.I.D.S)	- CSR00002749 CSR00003724
3	**Skill Development and Vocational Education to enhance Employability and Livelihood & Women Empowerment:** Under this initiative a training centre building was constructed and spares for looms were provided.	Promoting Education	Yes	Gujarat	Bharuch	65.57	No	Society for Education Welfare and Action- Rural (SEWA-Rural)	CSR00002749
4	**School Education Program:** Scholarship for school and college children.	Promoting Education	Yes	Pan India	Pan India	100.00	No	A World of Opportunity Foundation (AWOO)	CSR00000477
5	**MPOWER:** The initiative aims at creating awareness about mental health among children & adolescents. The key activities covered under this initiative are providing psychiatric support, counselling, guidance and organizing camps in schools, education institutes, colleges etc.	Preventive Health	Yes	Maharashtra Karnataka West Bengal	Mumbai Bengaluru Kolkata	100.00	No	Aditya Birla Education Trust	CSR00004879
	TOTAL*					**450.66**			

*Amounts in the above table are subject to rounding-off adjustments.

d) Amount spent in Administrative Overheads: ₹ 36.90 Lacs

e) Amount spent on Impact Assessment, if applicable: Not Applicable

f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 6.65 Crores

g) Excess amount for set off, if any:

Sr. No.	Particular	Amount (₹ in Crores)
i)	Two percent of average net profit of the Company as per Section 135(5)	7.38
ii)	Total amount spent for the financial year 2021-22	6.65*
iii)	Excess amount spent for the financial year {(ii)-(i)}	N.A.
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	N.A.
v)	Amount available for set off in succeeding financial years {(iii)-(iv)}	N.A.

* The amount spent during financial year 2021-22 against FY 2021-22 obligation was ₹ 6.65 Crores. In addition to this during the financial year 2021-22 the Company has spent ₹ 5.10 Crores (details mentioned in 9(b)) against ongoing projects of FY 2020-21 obligation.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (₹ in lacs)	Amount spent in the reporting Financial Year (₹ in lacs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in lacs)
				Name of the Fund	Amount (₹ in lacs)	Date of Transfer	
1	2020-21	509.27	510.45	-	NIL	-	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding Financial Year 2020-21:

1	2	3	4	5	6	7	8	9
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total Amount allocated for the project (₹ in lacs)	Amount spent on the project in the reporting financial year (₹ in lacs)	Cumulative amount spent at the end of reporting financial year (₹ in lacs)	Status of the project – Completed/ Ongoing
1	CTIL Edu	**Promoting Primary and Secondary Education**	2020-21	2 years	138.89	100.98	138.89	Completed
2	CTIL Health	**Preventive and curative health services in communities:** The project focuses on up gradation of hospital, organising medical camps at nearby localities, providing ambulance with equipments.	2020-21	2 years	212.37	165.85	213.80	Completed
3	CTIL Swach	**Sanitation Provisions:** The initiative focuses on organizing campaign on sanitation, construction of toilets, cleanliness drive in nearby areas and providing clean drinking water.	2020-21	2 years	66.00	65.00	66.00	Completed

1	2	3	4	5	6	7	8	9
Sr. No.	**Project ID**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total Amount allocated for the project (₹ in lacs)**	**Amount spent on the project in the reporting financial year (₹ in lacs)**	**Cumulative amount spent at the end of reporting financial year (₹ in lacs)**	**Status of the project – Completed/ Ongoing**
4	CTIL Infra	**Rural Infrastructure Development Projects:** The project focuses on improving infrastructure to augment livelihood opportunities in the project areas.	2020-21	2 years	185.32	156.37	185.32	Completed
5	CTIL Env	**Environmental Sustainability:** The initiative focuses on awareness and protection of natural habitats and creating environment sustainable infrastructure.	2020-21	2 years	22.11	19.37	21.48	Completed
6	CTIL Agri	**Agriculture and Animal husbandry:** The initiative focuses on fodder development, water conservation for agriculture.	2020-21	2 years	2.50	2.88	2.88	Completed
	TOTAL*				**627.19**	**510.45#**	**628.37**	

* Amounts in the above table are subject to rounding-off adjustments.

The Company has spent ₹ 1.18 lac in addition to its obligation of ₹ 509.27 lacs towards ongoing projects.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

Date of creation or acquisition of the capital asset(s) (a)	**Amount of CSR spent for creation or acquisition of capital asset (₹ in lacs) (b)**	**Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. (c)**	**Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) (d)**
20th December, 2021	15.63	Motali Primary School, Post: Motali, Tal: Ankleshwar, District-Bharuch, Gujarat 393010	Construction of classrooms (2 Nos.)
15th March, 2022	22.56	Chanderai School, Chanderai Village, Tal: Valia, District-Bharuch, Gujarat 393135	Construction of classrooms (2 Nos.)
15th November, 2021	6.22	Sardarnagar Primary School, Post Valia, Tal: Valia, District-Bharuch, Gujarat 393135	Furniture for the library
3rd December, 2021	7.00	Umadhra Primary and High School, Prathmik Mishrashala, Umadhra, Tal: Jhagadia, District-Bharuch, Gujarat 393110	Compound Wall and Construction of Classrooms (4 Nos.)
14th September, 2021	6.68	Fulwadi Gram Panchayat, Post Fulwadi, Tal: Jhagadia, District-Bharuch Gujarat 393110	Ambulance
1st October, 2021	23.96	Uttarakhand Education Department Block Education Officer, Khanshun, Block: Okhalkanda, District-Nainital, Uttarakhand 263001	Laptops (45 Nos.) and Laserjet Printer (46 Nos.)

Date of creation or acquisition of the capital asset(s) (a)	Amount of CSR spent for creation or acquisition of capital asset (₹ in lacs) (b)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. (c)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) (d)
12th October, 2021	4.79	Govt. Girls Inter College, Lalkua District-Nainital, Uttarakhand 262402	Desktops (10 Nos.) Chairs and Table for Computers (10 Nos. each)
8th November, 2021	13.33	Govt. Girls Senior Secondary School, Garli, Village : Garli, Tehsil- Pragpur, District - Kangra, Himachal Pradesh 177108 Govt. Boys Senior Secondary School, Garli, Village Garli, Tehsil- Pragpur, District- Kangra, Himachal Pradesh 177108 Smt. M.M.M. Patel Sarvajanik Vidyalaya, Vagra, District-Bharuch, Gujarat 392140 Government Middle School, Mandiarpur, District-Solan, Himachal Pradesh 173212	Construction of girls toilets (2 Nos.), projectors, interactive Board, writing board, UPS, Wall mount Kit ST, cabinets Water Purifier (1 No.) and Water Cooler (1 No.)
11th October, 2021	4.88	Industrial Training Institute, Bindukhatta, Lalkua, District-Nainital, Uttarakhand 262402	UPS (20 Nos.), Desktop (10 Nos.), Chairs and Tables for Computers (10 Nos. each)
14th October, 2021	32.43	Govt. Women Hospital, Haldwani, District-Nainital, Uttarakhand 263139	Oxygen Plant (1 No.)
15th June, 2021	21.74	Government Hospital Kotdwar, District - Pauri Gharwal Uttarakhand 246149	ABM Ventilator Flight 60-T (2 Nos.), Fuji Computed Radiography System Prima-T (1 No.), Philips Respironics Everflo Oxygen Concentrator (2 Nos.)
31st March, 2022	21.81	Village: Bindukhatta, Halduchaur Lalkua, Rajeev Nagar, District-Nainital, Uttarakhand 262402 Village: Shantipuri District - Udham Singh Nagar , Uttarakhand 263148	Construction of Community Toilets (75 Nos.)
1st October, 2021	11.47	Village: Bindukhatta & Lalkua District-Nainital, Uttarakhand 262402 Village: Shantipuri District - Udham Singh Nagar Uttarakhand 263148	Hand Pumps (32 Nos.)
31st December, 2021	6.44	Govt. Base Hospital, Haldwani, District-Nainital, Uttarakhand 263139	Fuji Computed Radiography System (1 No.)
19th May, 2021	33.28	Forest Division Nainital, Hilly Areas of Nainital District-Nainital, Uttarakhand 263001	Perul Machines (2 Nos.)
14th October, 2021	73.66	Govt. Sanatorium, Bhowali, District-Nainital, Uttarakhand 263132 Govt. Blood Bank, Khatima, District - Udham Singh Nagar Uttarakhand 262308	Oxygen Plants (2 Nos.) Refrigerator (1 No.) Elisa Reader (1 No.), Couch (2 Nos.), Table Top Centrifuge (1 No.), Serological Water Bath (1 No.), Portable Donor Couch (2 Nos.)

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5):

Our programs have a periodicity of 2-3 years for better monitoring of the programs and fund utilization which is in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014. We have broken up the total amount into tranches spread across the projects, hence the remaining expenses will be spent during FY 2022-23.

Place: Mumbai
Date: 25th April, 2022

J. C. LADDHA
Managing Director
(DIN: 03266469)

RAJASHREE BIRLA
Chairperson – CSR Committee
(DIN: 00022995)

Annexure-III

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

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

(b) Sitting Fees:

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

Annexure-IV

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED 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

- Installation of VFD in DM Transfer pump and Cooling Tower Fan at power plant
- Replacement of 90 KW circulation pump with 45 KW rating pump by estimating current thermal load, heat and mass balance calculation on thermopack

Pulp and Paper Division

- Installed 1D Body in Evaporator 3 for increasing steam generation
- Modification of Vacuum Pump's line loop for energy saving
- Air ingress arrest at boilers
- Replacement of conventional lights with LED lights
- Installation of Infra Red heating system at pre and back coater (Board Plant)
- Voltage Optimization of Transformer at tissue machine through Tap Changer
- At CMG plant, compressors replaced for energy saving

(ii) the Steps taken by the unit for utilizing alternative sources of energy:

- 3MW Renewable (Wind) Power is being used
- Continued usage of Black Liquor & Pith (Bio mass product) for steam generation
- Continued usage of CMG at Tissue plant in place of LPG
- Utilisation of Solar Energy
- Burning of Bark in Boiler, as a blended fuel to save fossil fuels
- Burning of Pine needle (Perul) as blended fuel for saving fossil fuels during Pine needle (Perul) season

(iii) Capital investment on energy conservation equipment: ₹ 11.47 Crores

- Installation of 1D Body in Evaporator
- Installation of Infra Red heating system at Board plant

B) TECHNOLOGY ABSORPTION:

(i) the efforts made towards technology absorption

- Development of cost-effective fabric with Far Infrared Reflective (FIR) material coating technology
- Upgradation of ATFD with respect to capacity enhancement of 100 KLD
- Installation of Sludge Dryer to protect environment
- Commissioning of Brick manufacturing unit
- Upgradation of DCS System in Paper Machine (PM) 4
- Upgradation of Steam & Condensate system with Metso control valves at Paper Machine (PM) 3

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

- Development of cost effective wellness products
- Saving in steam & power cost by stopping of 200 KLD old MEE
- ETP sludge volume reduced up to 85%
- 85 % of Fly Ash generated from Power Plant is recycled for Bricks Manufacturing
- Reduction in Power consumption
- Quality Improvement
- Reduction in Steam consumption

(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 expenditure	0.53
(b)	Recurring expenditure	3.83
(c)	Total	4.36
(d)	Total R&D expenditure as a percentage of total turnover	0.11%

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)	342.15
Foreign Exchange used (outflow)	580.55

On behalf of the Board,

Dated: 25th April, 2022

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 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22:

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for financial year 2021-22 (₹ in lacs)	% increase in Remuneration in the financial year 2021-22	Ratio of remuneration of each Director / to median remuneration of employees
1	Mr. Kumar Mangalam Birla, Chairman	34.13	*	9.01
2	Smt. Rajashree Birla	34.83	*	9.19
3	Mr. Yazdi P. Dandiwala	36.03	*	9.51
4	Mr. Rajan A. Dalal	35.53	*	9.37
5	Mr. Sohanlal K. Jain	35.23	*	9.30
6	Ms. Preeti Vyas	34.33	*	9.06
7	Mr. J. C. Laddha, Managing Director	235.67	-3.96	62.18
8	Mr. R. K. Dalmia, Whole-time Director	497.89	8.32	131.37
9	Mr. Snehal Shah, Chief Financial Officer	137.25	1.65	N.A.
10	Mr. Atul K. Kedia, Company Secretary	81.56	12.64	N.A.

** Not comparable as no commission was paid for financial year 2020-21.*

(ii) The median remuneration of employees of the Company during the financial year 2021-22 was ₹ 3.79 Lacs.

(iii) In the financial year, there was an increase of 18.81% in the median remuneration of employees.

(iv) There were 4205 permanent employees on the roll of the Company as on 31st March, 2022.

(v) Average percentage increase made in the salaries of employees other than Managerial Personnel in the last financial year i.e. 2021-22 was 11.70% whereas the average increase in the managerial remuneration for the same financial year was 3.90%.

(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) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

“Form AOC-1” Certificate

“FORM AOC-1”

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

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A: Subsidiaries

(₹ in Crores)

Sr. No.	Name of the subsidiary	Birla Estates Private Limited	Birla Century Exports Private Limited	Birla Century International LLC (Subsidiary of Birla Century Exports Private limited)	Avarna Projects LLP (Subsidiary of Birla Estates Private Limited)	Birla Tisya LLP (Subsidiary of Birla Estates Private Limited)	Birla Arnaa LLP (Subsidiary of Birla Estates Private Limited)
1	The date since when subsidiary was acquired/ incorporated	26th December 2017	13th November 2018	19th August 2019	19th June 2019	21st November 2019	24th February 2022
2	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					
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees	Indian Rupees	USD Exchange Rate as at 31st March 2022: ₹ 75.97	Indian Rupees	Indian Rupees	Indian Rupees
4	Share capital	200	0.50	0.10	0.05	0.05	0.25
5	Reserves and surplus	(108.20)	0.06	(1.23)	(19.76)	(4.90)	-
6	Total assets	901.64	5.95	3.33	586.48	107.84	65.69
7	Total Liabilities	773.40	5.39	4.46	606.15	112.64	65.20
8	Investments	0.35	0.10	-	-	-	-
9	Turnover	71.12	6.36	6.72	-	-	-
10	Profit / (Loss) before taxation	(10.06)	0.18	(1.07)	(3.82)	(4.86)	-
11	Provision for taxation	36.44	(0.02)	-	-	-	-
12	Profit / (Loss) after taxation	26.38	0.16	(1.07)	(3.82)	(4.86)	-
13	Proposed Dividend	-	-	-	-	-	-
14	Extent of shareholding (in percentage)	100%	100%	100%	50%	40%	47%

Notes:

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL
3. Avarna Projects LLP, Birla Tisya LLP and Birla Arnaa LLP have been considered as the subsidiaries of Birla Estates Private Limited as per Ind AS.

Part B: Associates and Joint Ventures

(₹ in Crores. except share)

Sr. No.	Name of Associates or Joint Ventures	Industry House Limited	Birla Advanced Knits Private Limited
1	Latest audited Balance Sheet Date	31st March 2021	31st March 2022
2	Date on which the Associate or Joint Venture was associated or acquired	27th November 1952	14th July, 2021
3	Shares of Associate or Joint Ventures held by the company on the year end		
	a. Number of shares	5,625 Equity Shares	1,50,00,000 Equity Shares
	b. Amount of Investment in Associates or Joint Venture	0.04	15.00
	c. Extent of Holding (in percentage)	35.28%	50.00%
4	Description of how there is significant influence	No significant influence as per Ind AS 28	Joint Venture
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	Consolidated
6	Net worth attributable to shareholding as per latest audited Balance Sheet	3.56	14.87
7	Profit or Loss for the year attributable to shareholding as per latest audited Balance Sheet	0.39	(0.13)
	i. Considered in Consolidation	No	Yes
	ii. Not Considered in Consolidation	0.39	-

Notes:

1. Names of Associates and Joint Ventures which are yet to commence operations: NIL
2. Names of Associates and 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 : 25 April 2022

J.C.Laddha
Managing Director
DIN No: 03266469

R.K.Dalmia
Whole-time Director
DIN No: 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 believes that good corporate governance enshrines the goal of achieving the highest level of transparency, accountability and ethical behaviour in all spheres of its operations. Your Company continuously endeavors for excellence and at the same time focuses on enhancement of long - term stakeholder's value viz. shareholders, employees and customers through adoption of best governance, sound management and disclosure practices.

II. BOARD OF DIRECTORS:

(a) Composition of the Board:

As on 31st March, 2022, 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 their respective fields. The composition is as under:-

Name of the Director	Category of Director	Directorships in other Indian Public Limited Companies$	No. of Other Board Committee(s) of which he/she is a Chairman / Member@		No. of Shares held in the Company as on 31st March, 2022	List of Directorship held in other Listed Companies	Category of Directorship in other Listed Companies
			Member	Chairman			
Mr. Kumar Mangalam Birla - Chairman [DIN: 00012813]	Promoter -Non Executive	07	-	-	-	1. Grasim Industries Limited 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Aditya Birla Capital Limited 5. Aditya Birla Fashion and Retail Limited 6. Aditya Birla Sun Life AMC Limited	Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent
Smt. Rajashree Birla [DIN: 00022995]	Promoter-Non Executive	05	-	-	-	1. Grasim Industries Limited 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Pilani Investment and Industries Corporation Limited 5. Century Enka Limited	Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent

Name of the Director	Category of Director	Directorships in other Indian Public Limited Companies$	No. of Other Board Committee(s) of which he/she is a Chairman / Member@		No. of Shares held in the Company as on 31st March, 2022	List of Directorship held in other Listed Companies	Category of Directorship in other Listed Companies
			Member	Chairman			
Mr. Yazdi P. Dandiwala [DIN: 01055000]	Independent-Non Executive	03	04	-	-	1. Hindalco Industries Limited 2. Pilani Investment and Industries Corporation Limited	Non-Executive Independent Non-Executive Independent
Mr. Rajan A. Dalal [DIN: 00546264]	Independent-Non Executive	01	01	01	-	1. Sutlej Textiles and Industries Limited	Non-Executive Independent
Mr. Sohanlal K. Jain [DIN: 02843676]	Independent-Non Executive	01	02	02	-	1. Century Enka Limited	Non-Executive Independent
Ms. Preeti Vyas [DIN: 02352395]	Independent-Non Executive	01	-	-	-	1. Aditya Birla Fashion and Retail Limited	Non-Executive Independent
Mr. J. C. Laddha [DIN: 03266469]	Executive-Managing Director	-	-	-	1,000	-	-
Mr. R. K. Dalmia [DIN: 00040951]	Executive-Whole-time Director	04	-	-	7,150	-	-

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

$ Directorship is excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

Notes:

1. In terms of provisions of the Companies Act, 2013, Smt. Rajashree Birla is related to Mr. Kumar Mangalam Birla being her son, except this, no director is related to any other director on the Board.
2. Memberships of the Directors in various Committees are within the permissible limits of the Listing Regulations.

(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) Five meetings of the Board of Directors were held during the year ended 31st March, 2022.

(iii) The attendance recorded for each of the Directors at the Board Meetings during the year ended as on 31st March, 2022 and of the last Annual General Meeting is as under:-

Name of Directors	06th May, 2021	11th June, 2021	28th July, 2021	14th October, 2021	20th January, 2022	AGM i.e. 16th July, 2021
Mr. Kumar Mangalam Birla	√	-	-	√	√	√
Smt. Rajashree Birla	√	√	√	√	√	√
Mr. Yazdi P. Dandiwala	√	√	√	√	√	√
Mr. Rajan A. Dalal	√	-	√	-	√	√
Mr. Sohanlal K. Jain	√	√	√	√	√	√
Ms. Preeti Vyas	√	√	√	-	√	√
Mr. J. C. Laddha (Managing Director)	√	√	√	√	√	√
Mr. R. K. Dalmia (Whole-time Director)	√	√	√	√	√	√

(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 i.e. www.centurytextind.com. The declaration by Mr. J. C. 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 possess 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)
Mr. Kumar Mangalam Birla	Business Strategy, Planning and Corporate Management
Smt. Rajashree Birla	Corporate Management and Discharge of Corporate Social Responsibility
Mr. Yazdi P. Dandiwala	Legal Compliance and Risk Management
Mr. Rajan A. Dalal	Accounting and Financial Skills
Mr. Sohanlal K. Jain	Legal Compliance and Risk Management
Ms. Preeti Vyas	Designing and Communication, Advertising and Media
Mr. J. C. Laddha	Business Planning, Accounting and Financial Management
Mr. R. K. Dalmia	Production, Marketing, Accounting and Financial Skills

All directors of the Company have an expertise in the field of Corporate Governance.

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 fulfill the conditions specified in Listing regulations and are independent of the management.

f) Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his / her 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. COMMITTEES OF THE BOARD OF DIRECTORS:

The Board has constituted the following Committees of Directors to deal with matters and monitor the activities falling within the respective terms of reference:

a. Audit Committee:

The Audit Committee was constituted by the Board at its meeting held on 27th May, 2000 and was reconstituted on 05th May, 2014. The member directors of the Audit Committee presently are as under:-

Mr. Yazdi P. Dandiwala - Chairman

Mr. Rajan A. Dalal

Mr. Sohanlal K. Jain

Mr. J. C. Laddha

Three out of four members of the Audit Committee are Non-Executive Independent Directors and Mr. 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.

The date of Audit Committee meetings held and the attendance of each member on such dates is as under:-

Name of the Audit Committee members	06th May, 2021	28th July, 2021	14th October, 2021	20th January, 2022
Mr. Yazdi P. Dandiwala	√	√	√	√
Mr. Rajan A. Dalal	√	√	-	√
Mr. Sohanlal K. Jain	√	√	√	√
Mr. J. C. Laddha	√	√	√	√

At the invitation of the Company, representatives from various divisions of the Company, Internal Auditors, Cost Auditors, Statutory Auditors, Chief Financial Officer 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.

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.

b. Nomination and Remuneration Committee:

The brief description of the 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:-

Mr. Yazdi P. Dandiwala - Chairman

Mr. Kumar Mangalam Birla

Mr. Rajan A. Dalal

Mr. Sohanlal K. Jain

Mr. Yazdi P. Dandiwala is the Chairman of the Committee.

The date of Nomination and Remuneration Committee meetings held and attendance of each member is as under:

Name of the Nomination and Remuneration Committee members	06th May, 2021	14th October, 2021
Mr. Yazdi P. Dandiwala	√	√
Mr. Kumar Mangalam Birla	√	√
Mr. Rajan A. Dalal	√	-
Mr. Sohanlal K. Jain	√	√

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.

c. Stakeholders' Relationship Committee:

Stakeholders' Relationship Committee of the Board comprises of three Non-Executive Independent Directors viz. Mr. Rajan A. Dalal, Mr. Yazdi P. Dandiwala, Ms. Preeti Vyas, and one Executive Director viz. Mr. R. K. Dalmia. Mr. Rajan A. Dalal is the Chairman of the Committee.

During the year, one meeting of the Committee was held on 19th January, 2022, which was attended by all the members as aforesaid.

The Company Secretary viz. Mr. Atul K. Kedia has been designated as the Compliance Officer.

During the year ended 31st March, 2022, **5 investor complaints / queries** were received and have been resolved except 1 complaint received on 28th March, 2022 which has since been resolved. There were no share transfers pending for registration for more than 15 days as on the said date.

d. 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. Mr. Rajan A. Dalal and Mr. Sohanlal K. Jain and two Executive Directors viz. Mr. J. C. Laddha and Mr. R. K. Dalmia.

The date of Risk Management Committee meetings held and attendance of each member is as under:

Name of the Risk Management Committee members	12th October, 2021	29th March, 2022
Mr. Rajan A. Dalal	√	√
Mr. Sohanlal K. Jain	√	√
Mr. J. C. Laddha	√	√
Mr. R. K. Dalmia	-	√

The terms of reference of the Risk Management Committee cover the matters as specified under Part D of Schedule II of Listing Regulations for Risk Management Committee.

e. 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. Mr. Yazdi P. Dandiwala and Mr. Rajan A. Dalal and two Executive Directors viz. Mr. J. C. Laddha and Mr. R. K. Dalmia. Smt. Rajashree Birla is the Chairperson of the Committee.

The date of Corporate Social Responsibility Committee meetings held and attendance of each member is as under:

Name of the Corporate Social Responsibility Committee members	05th May, 2021	27th July, 2021	12th October, 2021	19th January, 2022	17th March, 2022
Smt. Rajashree Birla	√	√	√	√	√
Mr. Yazdi P. Dandiwala	√	√	√	√	√
Mr. Rajan A. Dalal	√	√	√	√	-
Mr. J. C. Laddha	√	√	√	√	√
Mr. R. K. Dalmia	√	-	-	√	√

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

During the year, one meeting of the Committee was held on 17th March, 2022, which was attended by all the members as aforesaid.

g. 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. Mr. Yazdi P. Dandiwala and Mr. Rajan A. Dalal and two Executive Directors viz. Mr. J. C. Laddha and Mr. R. K. Dalmia.

h. Prevention of Insider Trading Regulations Committee:

The Board of Directors of the Company has constituted a Committee of the Board at its meeting held on 20th January, 2022, presently comprising of two Non-Executive Independent Directors viz. Mr. Yazdi P. Dandiwala, Mr. Rajan A. Dalal and one Executive Director viz. Mr. J. C. Laddha.

IV. 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 09th 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. 01st April, 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 and remuneration paid / payable to Directors:

	Name of the Directors	Remuneration paid / payable for the year 2021-22 (All figures in Rupees)		
		Sitting fees paid*	Commission payable	Total
I	Mr. Kumar Mangalam Birla	80,000	33,33,333	34,13,333
	Smt. Rajashree Birla	1,50,000	33,33,333	34,83,333
	Mr. Yazdi P. Dandiwala	2,70,000	33,33,333	36,03,333
	Mr. Rajan A. Dalal	2,20,000	33,33,333	35,53,333
	Mr. Sohanlal K. Jain	1,90,000	33,33,334	35,23,334
	Ms. Preeti Vyas	1,00,000	33,33,334	34,33,334
II(i)	**Mr. J. C. Laddha (Managing Director)**			**Remuneration****
	Salary and allowances			2,27,94,867
	Contribution to Provident Fund			7,72,360
	Perquisites			-
	Total			**2,35,67,227**
(ii)	**Mr. R. K. Dalmia (Whole-time Director)**			
	Salary and allowances			4,72,19,208
	Contribution to Provident Fund			9,77,886
	Superannuation Fund			12,22,362
	Perquisites			3,69,600
	Total			**4,97,89,056**

*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 Managing Director and Whole-time Director are not considered.

Notes:

1. None of the Non-Executives Directors have 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.
2. There is no severance fee or stock option in the case of the aforesaid managerial personnel. The respective tenure of the aforesaid managerial personnel shall be governed by the resolutions passed by the Shareholders in General Meetings with a notice period of three months by either side.

3. Commission to Non-Executive Directors including Independent Directors for financial year 2021-22 will be paid after the accounts are approved by the Shareholders at the ensuing Annual General Meeting scheduled to be held on 18th July, 2022.
4. Directors' commission amount is exclusive of applicable Goods and Service Tax (GST) which shall be borne by the Company.

FOR SHAREHOLDERS' INFORMATION:

V. 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
122nd	Tuesday	30th July, 2019	02:30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
123rd	Tuesday	25th August, 2020	02:30 P.M.	Conducted through Video Conferencing from the Registered office of the Company at Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai 400 030.
124th	Friday	16th July, 2021	02:30 P.M.	Conducted through Video Conferencing from the Registered office of the Company at Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai 400 030.

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

No Extra- Ordinary General Meeting was held in the last three years.

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

Yes, details of which are given hereunder:

AGMs:

Date	Matter
30th July, 2019	• Re-appointment of Mr. Yazdi P. Dandiwala as an Independent Director. • Re-appointment of Mr. Rajan A. Dalal as an Independent Director. • Re-appointment of Mr. Sohanlal K. Jain as an Independent Director.
25th August, 2020	• Re-appointment of Smt. Rajashree Birla as a Non-Executive Director
16th July, 2021	• Approval of remuneration paid to Mr. J. C. Laddha, Managing Director for the year ended 31st March, 2021 • Approval of the remuneration paid to Mr. R. K. Dalmia, Whole-time Director for the year ended 31st March, 2021.

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

No Special Resolution was passed last year through Postal Ballot including at the last Annual General Meeting of the Company.

(d) Person who conducted the postal ballot exercise?

Not Applicable.

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

No Special Resolution is proposed to be passed at the ensuing Annual General Meeting of the Company. 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 as amended from time to time.

VI. MEANS OF COMMUNICATION:

(a) Quarterly results:	
(i) Which newspapers normally published in	Financial Express, All India editions. Loksatta, Mumbai edition.
(ii) Any website, where displayed	www.centurytextind.com
(iii) Whether it also displays official news releases and presentations made to Institutional investors / analysts	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

VII. GENERAL SHAREHOLDER INFORMATION:

(a) Annual General Meeting to be held:

Day : Monday

Date : 18th July, 2022

Time : 02:30 P.M

Venue : Through Video Conferencing or other Audio-Visual Means

(b) Financial Year	:	**2022-2023**
First Quarterly Results	:	On or before 14th August, 2022
Second Quarterly Results	:	On or before 14th November, 2022
Third Quarterly Results	:	On or before 14th February, 2023
Audited Yearly Results for the year ending 31st March, 2023	:	On or before 30th May, 2023

(c) Dates of Book Closure:

Friday, 08th July, 2022 to Monday, 18th July, 2022 (Both days inclusive).

(d) Dividend payment date:

Dividend on Equity Shares will be made payable on or after Thursday, 21st July, 2022 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 18th July, 2022. 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. National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

(ii) Stock Codes:

1.	Equity shares	BSE Limited	500040
		National Stock Exchange of India Limited	CENTURYTEX
2.	Secured Redeemable Non-Convertible Debentures (privately placed)	BSE (XVIII Series)	959259
		BSE (XIX Series)	973812

Notes:

i) Listing fees have been paid to the Stock Exchanges for the year 2022-2023.

ii) Depository connectivity:

National Securities Depository Limited

Central Depository Services (India) Limited

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

Equity Shares in Demat Form	INE055A01016
Secured Redeemable Non-Convertible Debentures (privately placed) (XVIII Series)	INE055A07096
Secured Redeemable Non-Convertible Debentures (privately placed) (XIX Series)	INE055A07104

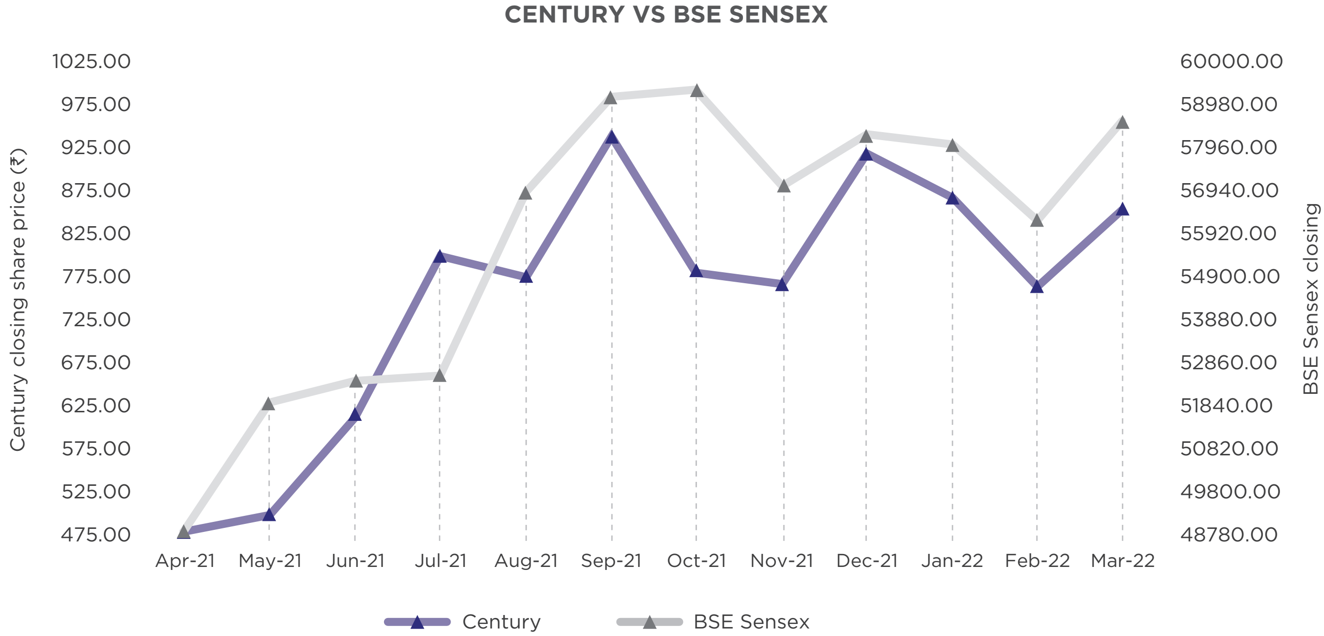
(g) Market price Data:

The details of monthly highest & lowest closing quotations of the equity shares of the Company during financial year 2021-2022 are as under :-

(In ₹ Per Share)

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
April, 2021	492.30	439.35	491.95	438.30
May, 2021	512.75	468.55	512.70	468.75
June, 2021	614.50	496.75	615.20	497.50
July, 2021	798.95	613.30	796.05	613.25
August, 2021	822.25	742.70	822.60	743.60
September, 2021	953.55	820.95	954.75	821.35
October, 2021	962.40	781.50	962.65	781.55
November, 2021	882.20	767.25	883.15	766.30
December, 2021	920.65	768.35	921.85	767.25
January, 2022	1008.90	855.30	1009.85	855.50
February, 2022	883.45	735.05	883.45	736.15
March, 2022	864.80	707.20	864.50	707.30

(h) Performance in comparison to broad based indices:



(i) Suspension from trading:

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

(j) Registrar and Transfer Agents:

The Company has appointed Link Intime India Private Limited as its Share Transfer Agent for both physical and demat segments of Equity Shares and Debentures.

Details of the Share Transfer Agent is:

Address:

Link Intime India Private Limited
C-101, 247 Park,
L.B.S. Marg,
Vikhroli (West),
Mumbai- 400 083. Maharashtra
Telephone No. 022 - 4918 6000, Fax No. 022 - 4918 6060.

For shareholders queries :

Telephone No. : 022 - 4918 6270

Email ID : rnt.helpdesk@linkintime.co.in; bonds.helpdesk@linkintime.co.in
Please quote on all the correspondence: **Unit - Century Textiles and Industries Limited.**

(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, 2022 is given below:-

Sr. No.	No. of Equity Shares held	No. of Folios	No. of Shares	Percentage of Shareholding
1.	1 to 100	58,561	19,78,870	1.77
2.	101 to 500	13,944	34,19,375	3.06
3.	501 to 1000	2,762	21,08,865	1.89
4.	1001 to 5000	2,403	52,13,058	4.67
5.	5001 to 10000	316	23,31,228	2.08
6.	10001 to 100000	251	62,28,698	5.58
7.	100001 to 500000	53	1,20,70,054	10.81
8.	500001 & above	22	7,83,45,532	70.14
	Total	**78,312**	**11,16,95,680**	**100.00**

(m) Shareholding pattern as on 31st March, 2022:

Sr. No.	Category	No. of Folios	% of Folios	No. of shares held	% of share holding
1.	Promoter and Promoter group	8	0.01	5,60,77,970	50.21
2.	Resident Individuals	75,759	96.74	1,99,63,832	17.87
3.	Private Corporate Bodies	940	1.20	1,05,58,249	9.45
4.	Nationalised Banks, Govt. Insurance Companies, Mutual Funds and AIF	73	0.09	1,58,79,531	14.22
5.	FIIs & Foreign Portfolio Investors (Corporate)	101	0.13	81,75,692	7.32
6.	NRIs and OCBs	1,431	1.83	10,40,406	0.93
	Total	**78,312**	**100.00**	**11,16,95,680**	**100.00**

(n) 38,617 equity shares of the face value of ₹ 10/- each for 232 folios in respect of which dividend was not encashed for seven consecutive years were transmitted to Investor Education and Protection Fund (IEPF) Authority on 18th September, 2021. 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.

During the year, dividend of ₹ 33,91,553/- declared by the Company for the financial year ended 31st March, 2014, which remained unclaimed / unpaid for seven consecutive years was transferred to IEPF on 13th September, 2021.

(o) Dematerialisation of equity shares:

About 98.81% of total equity share capital is held in dematerialised form with NSDL and CDSL.

(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 framework 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. Except for Foreign currency exposure, the Company does not have any exposure hedged during the financial year 2021-22.

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

Long-Term Rating	CRISIL AA / Stable (Reaffirmed)	16th February, 2022
Short-Term Rating	CRISIL A1+ (Reaffirmed)	16th February, 2022

(r) Plant Locations:

(i) BIRLA CENTURY
Plot No. 826, GIDC
Industrial Estate,
Jhagadia - 393 110,
Dist. Bharuch
(Gujarat).

(ii) CENTURY RAYON*
Rayon, Tyre Cord &
Chemical Plants,
Murbad Road,
Kalyan - 421 103,
(Maharashtra).

(iii) CENRAY MINERALS AND CHEMICALS
Nawa Nagna,
Jamnagar - 361 007,
(Gujarat).

(iv) CENTURY PULP & PAPER
Ghanshyamdham,
P.O. Lalkua - 262 402, Dist. Nainital
(Uttarakhand).

Other Unit (Real Estate Development)

CENTURY ESTATES
Birla Aurora, Level 8, Dr. Annie Besant Road,
Worli, Mumbai – 400 030

* With effect from 01st February, 2018 the Company has granted to Grasim Industries Limited (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 Limited
Century Bhavan,
Dr. Annie Besant Road,
Worli, Mumbai- 400 030.

VIII. 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 in terms to the provisions of Listing Regulations, no personnel has been denied access to the Chairperson of the Audit Committee.

(iv) Direct wholly owned subsidiary Companies incorporated under the Companies Act, 2013:

a. Birla Estates Private Limited

b. Birla Century Exports Private Limited

(v) Web-links:

Sr. No.	Particulars	Web-link
1	Familiarization programme for Independent Directors	https://www.centurytextind.com/assets/pdf/others/insidertrading.pdf
2	Related party Transaction Policy	https://www.centurytextind.com/assets/pdf/others/related_prty_transaction_policy.pdf
3	Material subsidiary	https://www.centurytextind.com/assets/pdf/corporate-policies/policy-for-determining-material-subsidiaries.pdf
4	Dividend Distribution Policy	https://www.centurytextind.com/assets/pdf/others/dividend-distribution-policy.pdf

(vi) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 - N.A.

(vii) Certificate from Practicing Company Secretary:

The Company has obtained a certificate from Mr. 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, 2022.

(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:

₹ in Crores

Particulars	Amount
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).	1.71
Other fees paid to SRBC & Co. LLP and other firms in the network entity of which SRBC & Co. LLP is a part of	0.62
Total	**2.33**

(x) Disclosure in relation of Sexual Harassment 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 IV of this report.

(b) The Company has a 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 approved by the shareholders of the Company in the Annual General Meeting held on 25th August, 2020.

The remuneration paid to Mr. J. C. Laddha, Managing Director of the Company is mentioned in item IV of this report.

(c) The Company has a Whole-time 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 approved by the shareholders of the Company in the Annual General Meeting held on 16th July, 2021.

The remuneration paid to Mr. R. K. Dalmia, Whole-time Director is mentioned in item IV 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.

(xvi) Details of Loans & Advances given by the Company & its subsidiaries in the nature of loans to firms / Companies in which Directors are interested: NIL

IX. NON-COMPLIANCE:

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

X. DISCRETIONARY REQUIREMENTS:

1. The Board:

An office for the use of the Chairman is made available whenever required.

2. Shareholders' Rights:

Half yearly financial results including summary of the significant events in last six months are presently, not being sent to shareholders of the Company.

3. Modified opinion(s) in audit report:

There are no qualifications in the Auditor's report on the financial statements to the Shareholders of the Company.

4. Separate posts of Chairperson and Chief Executive Officer:

The Company has a Managing Director in addition to the Non-Executive Chairman of the Board. The Chairman of the Board is Non-Executive Director and is not related to the Managing Director as per the definition of the term 'relative' defined under the Companies Act, 2013.

5. Reporting of Internal Auditor:

Internal Auditors are invited to the meetings of Audit Committee wherein they report directly to the Committee.

XI. 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

XII. COMPLIANCE CERTIFICATE:

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

XIII. 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, 2022.

XIV. 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.

XV. 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 2020-21 filed during the year in compliance of the aforesaid are tabled below :

Products	Name of the Cost Auditors	Date of Filing
Textiles: Birla Century	M/s. R. Nanabhoy and Co.	17th August, 2021
Paper: Century Pulp and Paper	M/s. R. Nanabhoy and Co.	17th August, 2021

XVI. 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	:	Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai – 400 020
Telephone No.	:	022-4302 5500/5566
Fax No.	:	022-22040465
E-mail	:	corporate@sbicaptrustee.com
Investor Grievance email	:	investor.cell@sbicaptrustee.com
Website	:	www.sbicaptrustee.com
Contact person	:	Mr. Jatin Bhat Group Head – DT & Compliance Tel. No. 022-4302 5503
SEBI Registration No.	:	IND000000536

The above report has been placed before the Board at its meeting held on 25th April, 2022 and the same was approved.

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, 2022.

J. C. Laddha
Managing Director
DIN: 03266469

Place: Mumbai
Date: 25th April, 2022

Annexure B

AUDITOR'S 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

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, 2022 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 ICAI.

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, 2022 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, 2021 to March 31, 2022:

        (a) Board of Directors;

        (b) Audit Committee;

(c) Annual General Meeting (AGM) / Extra Ordinary General Meeting (EGM);

(d) Nomination and Remuneration Committee;

(e) Stakeholders Relationship Committee;

(f) Independent Director's Committee;

(g) Risk Management Committee;

(h) Finance Committee;

(i) Corporate Social Responsibility (CSR) Committee

v. Obtained necessary declarations from the directors of the Company;

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;

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. 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

9. 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, 2022, referred to in paragraph 4 above.

OTHER MATTERS AND RESTRICTION ON USE

10. 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.

11. 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: 22112773AHSMDD5811
Place of Signature: Mumbai
Date: April 25, 2022

BUSINESS RESPONSIBILITY (BR) REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th></th><th colspan="4">Details</th></tr>
<tr><td>1</td><td>Corporate Identity Number (CIN) of the Company</td><td>:</td><td colspan="4">L17120MH1897PLC000163</td></tr>
<tr><td>2</td><td>Name of the Company</td><td>:</td><td colspan="4">Century Textiles and Industries Limited</td></tr>
<tr><td>3</td><td>Registered Address</td><td>:</td><td colspan="4">Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai-400 030</td></tr>
<tr><td>4</td><td>Website</td><td>:</td><td colspan="4">www.centurytextind.com</td></tr>
<tr><td>5</td><td>E-mail ID</td><td>:</td><td colspan="4">ctil.ho@birlacentury.com</td></tr>
<tr><td>6</td><td>Financial Year Reported</td><td>:</td><td colspan="4">01st April, 2021 to 31st March, 2022</td></tr>
<tr><td rowspan="4">7</td><td rowspan="4">Sector(s) that the Company is engaged in (industrial activity code-wise)</td><td rowspan="4">:</td><td>Sr. No.</td><td>Name of the Sector</td><td colspan="2">Code</td></tr>
<tr><td>1.</td><td>Paper:
i) Wood/Bagasse/Recycle Based Paper
ii) Multilayer Packaging Board</td><td colspan="2">
17013
17016</td></tr>
<tr><td>2.</td><td>Textiles:
Fabrics & Made ups</td><td colspan="2">
13121 / 13131</td></tr>
<tr><td>3.</td><td>Real Estate</td><td colspan="2">4100</td></tr>
<tr><td>8</td><td>List three key products / services that the Company manufactures / provides (as in the balance sheet)</td><td>:</td><td></td><td colspan="3">i) Wood / Bagasse / Recycle Paper
ii) Yarn / Fabrics / Made ups
iii) Real Estate (Development & Leasing)</td></tr>
<tr><td>9</td><td>Total number of locations where business activity is undertaken by the Company</td><td>:</td><td colspan="2">i. Number of International Locations (Provide details of major 5):
ii. Number of National Locations:</td><td colspan="2">NIL
Three National Locations have manufacturing units.</td></tr>
<tr><td rowspan="2">10</td><td rowspan="2">Markets served by the Company</td><td rowspan="2">:</td><td>Local</td><td>State</td><td>National</td><td>International</td></tr>
<tr><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr>
</table>

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars		Details
1	Paid-up Capital (INR)	:	₹ 111.69 Crores
2	Total Turnover (INR)	:	₹ 4067.48 Crores
3	Total Profit after taxes (INR)	:	₹ 207.33 Crores
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, 2022 was ₹ 6.65 Crores which is 3.21% of the profit after tax.
5	List of Activities in which expenditure in 4 above has been incurred	:	Please refer Annexure II to Board of Directors' Report for details on CSR initiatives undertaken by the Company.

SECTION C: OTHER DETAILS

Sr. No.	Particulars	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)	The Subsidiary Companies are separate legal entities and follow BR initiatives as per the laws applicable to them.
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%]	The Company has presently not mandated suppliers, distributors etc. to participate in the BR initiatives of the Company. However, all business associates are encouraged to adopt BR Initiatives and conduct their business ethically and in a transparent manner.

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:

Sr. No.	Particulars	Details
a)	DIN Number	00040951
b)	Name	Mr. R. K. Dalmia
c)	Designation	Whole-time Director

B. Details of the BR Head:

Sr. No.	Particulars	Details	
1	DIN Number (if applicable)	N.A.	00040951
2	Businesses	Pulp and Paper	Textiles
3	Name	Mr. Vijay Kaul	Mr. R. K. Dalmia
4	Designation	Chief Executive Officer	Senior President & Whole-time Director
5	Telephone number	05945- 268044 / 46	022 - 2495 7000
6	E-mail ID	vijay.kaul@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 wellbeing 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?	Y	Y	Y	Y	Y	Y	Y	Y	Y
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 of the Company. The communication is an ongoing process to cover all stakeholders.								
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 the 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 to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
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)									

3. Governance related to BR:

Sr. No.	Particulars	Details
1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year.	The Business Responsibilities performance is assessed on an ongoing basis by the management i.e. Senior President / CEO of the respective businesses.
2	Does the Company publish a BR? What is the hyperlink for viewing this report? How frequently it is published?	The Business Responsibility Report 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.

Sr. No.	Particulars	Details
1	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 organisation on various aspects of doing business, keeping in mind the core values of integrity, commitment, passion, speed and seamlessness. The Code of Conduct covers the Company and is applicable to all the employees of the Company.
2	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 thereof 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.

Sr. No.	Particulars	Details
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities	The Company is strategically focused on the development of products and services that help customers 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) The products are ECO-friendly and Forest Stewardship Council (FSC) certified, as and when required by the customer. This signifies the Unit's continuous efforts towards sustainable maintenance of forest reserves, re-utilisation of waste resources, savings of water and protection of environment. b) Reduced usage of LPG gas consumption, as replaced by self-generated Compressed Methane Gas (CMG) from wastewater of washed Bagasse. c) Installed sensors for 24 hours online monitoring of Effluent Treatment Plant outlet and Stacks of Power Boilers. **Textiles:** The Unit is committed to manufacture sustainable products covering all the aspects of sustainability like minimal impact to environment, safe workplace, saving resources and continually reducing the ecological footprint to save the planet and serve the customers confidently through the following initiatives: a) Extender Producer Responsibility (EPR) Compliance for plastic waste management. b) Collaboration with AltMat towards circularity in product designing. New products being developed with Agro-waste based items. It will add to get value from agricultural waste items. c) Developed sustainable product basket for Global Brands and Retailers using MSI (Material Sustainability Index) Score to select sustainable preferred raw materials, and different KPIs related to water consumption, CO2 Emission, Energy reduction etc.

Sr. No.	Particulars	Details
		d) Increased the use of sustainable fibers every year like BCI Cotton, Recycled Cotton, Recycled Lyocell, Recycled Viscose Fairtrade Cotton, Organic Cotton etc. and looking for other sustainable fibers like Hemp, Banana etc. **Real Estate:** The Company aims to combine technology, innovation and sustainability to deliver premium real estate projects across commercial and residential segments on the theme of LifeDesigned for sustainability. It aims to design projects with minimum IGBC - Gold Certification and USGBC - Platinum Certification. List of our current projects and certification status: a. Birla Niyaara- USGBC Platinum Pre-certified b. Birla Vanya - IGBC Gold Pre-certified
2	For each such product, provide following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	
	(i) Reduction during sourcing / production / distribution achieved since the previous year through the value chain?	**Pulp and Paper:** 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 production has reduced and it has been recognized by various Regulatory Authorities. During the year, the Unit won "Golden Peacock Award for Energy Efficiency - 2021" (GAPEE) from the Institute of Directors. b) Water: The Unit continues to take multiple initiatives to reduce water consumption during its first use, including re-usage of wastewater after tertiary treatment. As a result, water consumption per ton of paper production has reduced year over year. c) Raw Material: By substituting different forms of pulp (wood base, agro base, re-cycle base etc.), the Unit is formulating new recipes to help in reducing pulp usage per ton of paper production. **Textiles:** a) Energy: Installation of VFD in DM Transfer pump and cooling tower fan at power plant. Replacement of 90 KW circulation pump with 45 KW rating pump by estimating current thermal load, heat and mass balance calculation on Thermo pack. b) Raw Material: Raw Material Consumption Pattern is improved by sustainable means. Focusing on responsible sourcing which must be traceable and cleaner so that value chain be improved continuously. **Real Estate:** a) Reducing Environmental Footprint through Strategic interventions: i. Measures undertaken for energy conservation with a target of 10% reduction across all developing projects through maximum use of LED lights, energy efficient equipments and renewable energy. ii. Provision of 25% EV (Electrical charging) points at all premium projects. iii. Integration of passive architecture in the projects. iv. Higher use of sustainable construction materials like Ground Granulated Blast Furnace Slag (GGBS) and Fly Ash. b) Water Management: Multiple measures for water conservation being undertaken with a target of 45% water savings across all projects. The following are the few water conservation measures undertaken across different projects: i. STP recycled water being used for flushing, landscaping and road cleaning purposes. ii. Low flow fixtures with saving potential of around 45% water consumption. iii. Automated Irrigation Systems. iv. Rain water harvesting mechanism installed.
	(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 consumer base, hence it is not feasible to identify the reduction of resource usage by the consumers.

Sr. No.	Particulars	Details
3	Does the Company have procedures in place for sustainable sourcing (including transportation)? 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: The products i.e. Writing & Printing Paper, Board and Tissue of the Unit are FSC certified, which signifies that the products are as per customer requirements. Under this FSC certification of customer specified products, raw material sourcing is from responsible & sustainable source. b) Clones: The Unit develops & produces various spices of eucalyptus & poplar clones, and distributes among nearby farmers. This helps to ensure sustainable supply of the Unit's future raw material requirements. c) Local sourcing: The Unit encourages local sourcing of raw materials, except imported Pulp, Chemicals and Spares. **Textiles:** a) Raw Material: The Unit focuses on sustainable procurement of Raw Material like BCI Cotton, Organic Cotton, Fair Trade Cotton and Regenerated Fibre like Excel and from sources which are more reliable and transparent in supply chain. b) Renewable Power: The Unit has started procurement of 3MW Renewable (Wind) Power which has reduced power cost by 0.7 Rs/Kwh. c) Local Sourcing: Cotton farmers are motivated to increase their yield using minimum or nil pesticides in their farm. d) Chemical: Major Chemicals are being procured from supplier who are internationally certified for various sustainable practices, such as Eco Passport, ZDHC MRSL, REACH Compliant, Bluesign Certification etc. **Real Estate:** a) Most of the projects are green building certified (Gold / Platinum certification) for which the Unit is purchasing material as per the requirement from green certified suppliers. b) Most of the supplies are from local suppliers thereby eliminating transportation and fuel cost and consequently reducing the carbon footprint.
4	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:** The Unit 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 the Unit's major raw material (except Imported Pulp, Chemicals and Spares) are sourced locally within a vicinity of approx. 300 km. However, if availability from local suppliers have some constraints, in those cases only the Unit goes to suppliers at far end. This financially strengthens the local suppliers. **Textiles:** Local & MSME vendors are developed and always given priority in procurement of majority of materials and services. The Unit also ensures Cost and Quality optimization in such procurements. Regular Meeting with local vendors are arranged to develop desired skill set of textile operations and make them aware about recent technology. **Real Estate:** As per Green Building Certification requirement, most of our building material supplies are sourced within certain radius from the site location. The Company encourages local suppliers & give them preference for all the needs for material purchases like Steel, Cement, RMC etc.
5	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:** The Unit has taken various initiatives towards waste management and continued monitoring with a view to ensure reduction in waste generation. Some of those steps are as under: a) Unit already has one dedicated production line, which takes waste/recycle inputs (paper) as its raw material to manufacture fresh paper. During the year 2021-22, approx. 17.2% of the sales volume were 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 2021-22, this process contributed approx. 3.6% of the total steam generation. c) Plant sludge is being further re-utilised for manufacturing of second grade Multilayer Packaging Board (Grey back) by small manufacturers.

Sr. No.	Particulars	Details
		Textiles: The Unit 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) Agitated Thin Film Dryer (ATFD): Capacity enhancement of 100 KLD is done in ATFD which results in saving of steam & power cost by stopping of 200 KLD old MEE. b) Bricks Manufacturing Machine: Bricks Manufacturing Machine is installed to consume 85% of Fly Ash generated in Power Plant Boiler. **Real Estate:** Waste Management: a) Well established waste management plan in place at all projects for the collection and disposal of waste generated during construction. b) Construction waste is regularly collected and disposed from site at designated locations approved by the relevant statutory bodies. c) All projects are designed with comprehensive waste management system during operation phase.

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

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th colspan="4">Details</th></tr>
<tr><td>1</td><td>Please indicate the total number of permanent employees.</td><td colspan="4">4205</td></tr>
<tr><td>2</td><td>Please indicate the total number of employees hired on temporary/ contractual/ casual basis.</td><td colspan="4">5324</td></tr>
<tr><td>3</td><td>Please indicate the number of permanent women employees.</td><td colspan="4">81</td></tr>
<tr><td>4</td><td>Please indicate the number of permanent employees with disabilities.</td><td colspan="4">13</td></tr>
<tr><td>5</td><td>Do you have an employee association that is recognized by management?</td><td colspan="4">No</td></tr>
<tr><td>6</td><td>What percentage of your permanent employees are members of this recognized employee association?</td><td colspan="4">N.A.</td></tr>
<tr><td rowspan="5">7</td><td rowspan="5">Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as at end of the financial year.</td><td colspan="4">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.</td></tr>
<tr><td>Sr. No.</td><td>Category</td><td>No. of complaints filed during the financial year</td><td>No. of complaints pending as at end of the financial year</td></tr>
<tr><td>1.</td><td>Child labour / forced labour / involuntary labour</td><td>Nil</td><td>N.A.</td></tr>
<tr><td>2.</td><td>Sexual harassment</td><td>Nil</td><td>N.A.</td></tr>
<tr><td>3.</td><td>Discriminatory employment</td><td>Nil</td><td>N.A.</td></tr>
<tr><td rowspan="5">8</td><td rowspan="5">What percentage of your under mentioned employees were given Safety & Skill Upgradation training in the last year?</td><td>Sr. No.</td><td colspan="2">Particulars</td><td>Details</td></tr>
<tr><td>1.</td><td colspan="2">Permanent Employees</td><td rowspan="4">Almost all the employees join the Company's Safety and Skill Upgradation programmes and are conscious about its utility and benefits.</td></tr>
<tr><td>2.</td><td colspan="2">Permanent Women Employees</td></tr>
<tr><td>3.</td><td colspan="2">Casual/Temporary/Contractual Employees</td></tr>
<tr><td>4.</td><td colspan="2">Employees with Disabilities</td></tr>
</table>

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

Sr. No.	Particulars	Details
1	Has the Company mapped its internal and external stakeholders? Yes / No.	Yes.
2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?	Yes.
3	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.

Sr. No.	Particulars	Details
1	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 covers only the Company.
2	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.

Sr. No.	Particulars	Details
1	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 covers only the Company.
2	Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Yes / No. If yes, please give hyperlink for webpage etc.	No.
3	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 Textile Plant both continue to assess potential environmental risks, and to mitigate these they have in place an Environmental Management System (EMS). The Company's plants are adhering global standards and are having ISO 9001, ISO 14001, ISO 45001 and ISMS (IS0 27001) certified. Real Estate is having the Environment, Health & Safety (EHS) manual and site specific EHS plan in place in which potential environment risks are identified and assessed.
4	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 & Paper:** The Unit worked on 2 CDM projects and had MoEF & CC approval; a) Steam & Power generation by utilizing bagasse pith; and b) Steam & Power generation by utilizing Pre-hydrolysis Liquor of Rayon Grade Pulp.

Sr. No.	Particulars	Details
5	Has the Company undertaken any other initiatives on – Clean Technology, Energy Efficiency, Renewable Energy, etc? Yes / No. If yes, please give hyperlink for web page etc.	Yes. **Pulp and Paper:** The Unit 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 Compressed Methane Gas (CMG) from bio-mass waste. **Real Estate:** Renewable Energy: The solar photovoltaic is proposed to be used as clean and sustainable energy in few of the projects.
6	Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes. **Pulp and Paper:** The emissions / waste generated by the Plants are within the permissible limits given by CPCB/SPCB. During last 8 financial years, Pulp & Paper Unit has already spent approx. ₹ 100 crore on this aspect. **Real Estate:** The emissions generated during the operation / execution are under permissible limit of CPCB / SPCB. The Company undertake the ambient air monitoring, noise monitoring, and water test at project site level on quarterly basis to check the level of emissions. Apart from that several initiatives are being undertaken at every project site to mitigate / minimise environment risk due to operation.
7	Number of show cause/ legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as at the end of financial year.	No such case is pending as on date.

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

Sr. No.	Particulars	Details
1	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 major associations as mentioned below for its respective business activities: • Federation of Indian Exports Organisation. • The Cotton Textiles Export Promotion Council. • Indian Paper Manufacturers Association. • Confederation of Indian Industry. • Indian Pulp & Paper Technical Association. • National Safety Council. • Kumaun Gharwal Chamber of Commerce and Industry. • Coal Consumers' Association of India.
2	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.

Sr. No.	Particulars	Details
1	Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.	The Company has an Equitable Development Policy. It also encourages its Suppliers and Contractors to ensure inclusive growth and equitable development.
2	Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures/any other organization?	All units 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.
3	Have you done any impact assessment of your initiative?	The individual units 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.
4	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 ₹ 11.75 Crores (includes unspent CSR amount of ₹ 5.10 Crores of FY2020-21 which also comprises of ₹ 1.00 lac excess spent). The Company is 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.
5	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.

Sr. No.	Particulars	Details
1	What percentage of customer complaints / consumer cases are pending as at end of the financial year.	No cases of customer complaints were pending as at the end of FY2022.
2	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.
3	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 at end of the financial year? If so, provide details thereof, in about 50 words or so.	N.A.
4	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 standalone Ind AS financial statements of Century Textiles and Industries Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, 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, 2022, 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 standalone Ind AS 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.

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, 2022. 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 this matter. 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 matters	How our audit addressed the key audit matter
Recognition and Measurement of Deferred tax *(as described in Note 16 of the standalone Ind AS financial statements)*	
The Company has recognized Minimum Alternate Tax (MAT) credit receivable of INR 416.54 Crores as at March 31, 2022. The Company also has recognized deferred tax assets of INR 102.51 Crores on unabsorbed depreciation and indexation benefit on land. Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Company has measured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime.	Our procedures included, amongst others, the following: • Considered Company's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes". • Performed an understanding of the process and tested the internal 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:

Key audit matters	How our audit addressed the key audit matter
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 admissibility of tax positions adopted by the Company.	• 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 with the past trends, approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment, where applicable. • Assessed the deferred tax on temporary differences which are expected to reverse after the likely date of transition to the new tax regime and considered the impact thereof. • 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 standalone Ind AS 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 Statement

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 standalone Ind AS 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 standalone 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 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 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, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to 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, 2022 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 20 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

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared or paid during the year / subsequent to the year-end by the Company is in compliance with section 123 of the Act.

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

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 22112773AHSKZP4705

Mumbai
25 April 2022

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date of Century Textiles and Industries Limited

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.

(a)(B) The Company has maintained proper records showing full particulars of intangibles 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) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company, except the immovable properties as indicated in the table below:

Description of the property	Gross carrying value (INR Crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company*
Land	0.01	Municipal Corporation of Greater Mumbai (MCGM)	No	50+ years	Ongoing litigation with MCGM in Bombay High Court

(d) The Company has not revalued its property, plant and equipments (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate and no discrepancies of 10% or more in aggregate for each class of inventory were noticed. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(b) As disclosed in Note 14 to the standalone Ind AS financial statements, the Company has been sanctioned working capital limits in excess of INR five Crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns / statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

iii. (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, limited liability partnerships or any other parties as follows:

(figures in INR Crores)

Particulars	Guarantees	Loans
Aggregate amount granted / provided during the year		
- Subsidiaries	-	146.25
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	200.00	342.12

(b) During the year, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, limited liability partnerships or any other parties are not prejudicial to the Company's interest.

(c) The Company has granted loans during the year to a company-where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

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 the Company's 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) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of statue	Nature of dues	Amount* (INR 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
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
MVAT Act, 2002	VAT	5.16	2017-2018	Appellate Authorities
CST Act, 1995	CST	0.64	2017-2018	Appellate Authorities
Sales tax and Entry tax	Sales tax and Entry tax	2.76	1999-2018	High Court
		5.15	1987-2017	Departmental Authorities
Zilla Parishad and Panchayat Samities Act 1961	Water charges cess	117.37	1991 onwards	Departmental Authorities
Bombay Provincial Municipal Corporation Act 1949	Octroi duty	38.53	1992-1993	High Court
		1.03	1996 to 2007	Departmental Authorities
Maharashtra Land Revenue Code, 1966	Others	3.02	2001-2020	Departmental Authorities
Bombay Provincial Municipal Corporation Act, 1949	Property tax	9.18	1994 onwards	Bombay High Court and Civil Court of Kalyan

* Net of deposits

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone Ind AS financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud / material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the cost auditor or secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) The Group has one Core Investment Company as part of the Group.

xvii. The Company has not incurred cash losses in the current as well as the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in Note 46 to the standalone Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 29 to the standalone Ind AS financial statements.

(b) The Company has not transferred the amount remaining unspent in respect of ongoing projects, to a special account, till the date of the report. However, the period for such transfer i.e., thirty days from the end of the financial year as permitted under sub section (6) of section 135 of the Companies Act, has not elapsed till the date of our report.

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

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 22112773AHSKZP4705

Mumbai
25 April 2022

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Ind AS 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 with reference to standalone Ind AS financial statements of Century Textiles and Industries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS 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 standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS 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 with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

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

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 22112773AHSKZP4705

Mumbai
25 April 2022

Standalone Balance Sheet

as at 31 March 2022

	Particulars	Note No.	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
I	**ASSETS**			
	NON-CURRENT ASSETS			
(a)	Property, plant and equipments	3	3205.36	3263.51
(b)	Capital work-in-progress	3A	173.75	172.58
(c)	Investment property	4	838.73	860.77
(d)	Investment property under development	4A	36.22	36.76
(e)	Intangible assets	5	5.76	6.83
(f)	Intangible assets under development	5A	0.38	0.36
(g)	Financial assets			
	(i) Investments	6	478.69	360.27
	(ii) Loans	6A	342.12	-
	(iii) Other financial assets	7	9.50	7.73
(h)	Deferred tax assets (net)	16	5.50	55.49
(i)	Advance tax (net of provisions)		50.23	49.43
(j)	Other non-current assets	8	25.37	38.28
	SUB-TOTAL		**5171.61**	**4852.01**
	CURRENT ASSETS			
(a)	Inventories	9	1377.76	844.25
(b)	Financial assets			
	(i) Investments	6	131.00	45.00
	(ii) Trade receivables	10	221.22	163.57
	(iii) Cash and cash equivalents	11	17.88	5.90
	(iv) Other bank balances (other than (iii) above)	11	67.88	62.36
	(v) Loans	6A	-	291.97
	(vi) Other financial assets	7	15.11	24.92
(c)	Other current assets	8	163.19	101.02
	SUB-TOTAL		**1994.04**	**1538.99**
	Assets classified as held for sale	35	-	1.96
	TOTAL		**7165.65**	**6392.96**
II	**EQUITY AND LIABILITIES**			
	EQUITY			
(a)	Equity share capital	12	111.69	111.69
(b)	Other equity	13	3807.40	3552.13
	SUB-TOTAL		**3919.09**	**3663.82**
	LIABILITIES			
	NON-CURRENT LIABILITIES			
(a)	Financial liabilities			
	(i) Borrowings	14	306.88	829.27
	(ia) Lease liabilities	14A	18.46	20.62
	(ii) Other financial liabilities	15	98.19	97.13
(b)	Other non-current liabilities	17	560.66	596.92
	SUB-TOTAL		**984.19**	**1543.94**
	CURRENT LIABILITIES			
(a)	Financial liabilities			
	(i) Borrowings	18	887.38	151.73
	(ia) Lease liabilities	14A	2.30	2.69
	(ii) Trade payables	19		
	1) total outstanding dues of micro enterprises and small enterprises		10.71	14.93
	2) total outstanding dues of trade payables other than micro enterprises and small enterprises		806.17	553.72
	(iii) Other financial liabilities	15	148.39	135.83
(b)	Provisions	20	178.55	188.12
(c)	Other current liabilities	17	228.87	90.41
	SUB-TOTAL		**2262.37**	**1137.43**
	Liabilities directly associated with assets held for sale	35	-	47.77
	TOTAL		**7165.65**	**6392.96**
	Significant accounting policies	2A		
	The accompanying notes are an integral part of the standalone financial statements			

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 : 25 April 2022

Atul K.Kedia
Vice President (Legal)
& Company Secretary
Mumbai : 25 April 2022

Snehal Shah
Chief Financial Officer

J.C.Laddha
Managing Director
DIN No: 03266469

R.K.Dalmia
Whole-time Director
DIN No: 00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Standalone Statement of Profit and Loss

for the year ended 31 March 2022

	Particulars	Note No.	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
	Continuing Operations			
I	Revenue from operations	21	4129.37	2610.55
II	Other income	22	67.61	79.64
III	**Total Income (I + II)**		**4196.98**	**2690.19**
IV	**Expenses**			
	(a) Cost of materials consumed	23	2276.30	1317.51
	(b) Purchases of traded goods	24	223.53	79.47
	(c) Changes in inventories of finished goods, work-in-progress and traded goods	25	(56.71)	46.22
	(d) Employee benefits expense	26	262.59	232.35
	(e) Finance costs	27	75.03	88.55
	(f) Depreciation and amortisation expense	28	228.05	229.02
	(g) Other expenses	29	886.54	648.47
	Total Expenses		**3895.33**	**2641.59**
V	**Profit before tax from continuing operations (III - IV)**		301.65	48.60
VI	**Tax expense of continuing operations**			
	(a) Current tax	16	54.99	-
	(b) Adjustment of tax relating to earlier periods	16	-	(19.25)
	(c) MAT credit recognised	16	(54.99)	-
	(d) Deferred tax	16	101.38	17.81
	(e) Deferred tax relating to earlier period	16	0.48	-
	Total tax expense		**101.86**	**(1.44)**
VII	**Profit after tax from continuing operations (V - VI)**		199.79	50.04
VIII	**Discontinued Operations**			
	(a) Loss before tax from discontinued operations		(7.04)	(28.50)
	(b) Gain on sale of Century Yarn and Denim division (Refer note 35(b))		17.63	-
	(c) Tax (Expense) / Income of discontinued operations		(3.05)	9.96
	Profit / (Loss) after tax from discontinued operations		**7.54**	**(18.54)**
IX	**Profit for the year (VII + VIII)**		**207.33**	**31.50**
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		0.63	(0.03)
	(b) Income tax on (a)		(0.21)	0.01
	(ii) Items that will not be re-classified to profit or loss - continuing operations			
	(a) Re-measurement gain / (loss) on defined benefit plans		0.97	3.51
	(b) Net gain / (loss) on Fair value through Other Comprehensive Income (OCI) - Equity Instruments		58.06	86.56
	(c) Income tax on (a) & (b)		(0.34)	(1.23)
	Total other comprehensive income / (loss) for the year (net of tax)		**59.11**	**88.82**
XI	**Total comprehensive income for the year (IX + X)**		**266.44**	**120.32**
XII	**Earnings per equity share :**			
	(a) Basic & Diluted Earnings Per Share - Continuing operations	31	17.89	4.48
	(b) Basic & Diluted Earnings Per Share - Discontinued operations	31	0.68	(1.66)
	(c) Basic & Diluted Earnings Per Share - (Continuing & discontinued operations)	31	18.57	2.82
	Significant accounting policies	2A		
	The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date
For **S R B C & CO LLP**
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For and on behalf of Board of Directors of
Century Textiles and Industries Limited

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 25 April 2022

Atul K.Kedia
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Whole-time Director
DIN No: 00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Standalone Statement of Changes in Equity

for the year ended 31 March 2022

(₹ in Crores)

	Equity Share Capital	Reserves and Surplus					Other comprehensive income		Total Other Equity	Total Equity
		Securities Premium (See Note 13(a))	General Reserves (See Note 13 (d))	Capital Redemption Reserve (See Note 13(b)(i))	Debenture Redemption Reserve (See Note 13(b)(ii))	Retained earnings	Cash Flow Hedge Reserve	Equity Instruments through Other Comprehensive Income (See Note 13e(i))		
As at 1 April 2020	**111.69**	**643.22**	**1273.54**	**100.00**	**181.26**	**1255.51**	**(0.40)**	**12.19**	**3465.32**	**3577.01**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Balance as at 1 April 2020	111.69	643.22	1273.54	100.00	181.26	1255.51	(0.40)	12.19	3465.32	3577.01
Profit for the year	-	-	-	-	-	31.50	-	-	31.50	31.50
Other comprehensive income / (loss)	-	-	-	-	-	2.28	(0.02)	86.56	88.82	88.82
Total comprehensive income / (loss) for the year	-	-	-	-	-	33.78	(0.02)	86.56	120.32	120.32
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	-	(33.51)	-	-	(33.51)	(33.51)
Transfer to retained earnings	-	-	-	-	(181.26)	181.26	-	-	-	-
As at 31 March 2021	**111.69**	**643.22**	**1273.54**	**100.00**	**-**	**1437.04**	**(0.42)**	**98.75**	**3552.13**	**3663.82**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	111.69	643.22	1273.54	100.00	-	1437.04	(0.42)	98.75	3552.13	3663.82
Profit for the year	-	-	-	-	-	207.33	-	-	207.33	207.33
Other comprehensive income / (loss)	-	-	-	-	-	0.63	0.42	58.06	59.11	59.11
Total comprehensive income / (loss) for the year	-	-	-	-	-	207.96	0.42	58.06	266.44	266.44
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	-	(11.17)	-	-	(11.17)	(11.17)
As at 31 March 2022	**111.69**	**643.22**	**1273.54**	**100.00**	**-**	**1633.83**	**-**	**156.81**	**3807.40**	**3919.09**

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
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For and on behalf of Board of Directors of
Century Textiles and Industries Limited

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 25 April 2022

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DIN No: 03266469

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Whole-time Director
DIN No: 00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Standalone Cash Flow Statement

for the year ended 31 March 2022

	Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	NET PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	301.65	48.60
	NET PROFIT / (LOSS) BEFORE TAX FROM DISCONTINUED OPERATIONS	10.59	(28.50)
	Add / (Less) :		
	Depreciation expense on property plant and equipments	192.71	190.52
	Depreciation expense on investment property	33.54	36.67
	Amortisation expense on intangible assets	1.80	1.83
	Loss/(gain) on sale of property plant and equipments and investment properties	0.67	(0.16)
	Allowance for credit loss	1.60	3.31
	Unrealized exchange (gain) / loss	0.04	(0.84)
	Interest income	(34.53)	(54.75)
	Provision for interest written back	(11.37)	(8.00)
	Proceeds from sale of Century Yarn & Denim division (net of expenses on sale)	(49.22)	-
	Interest expense	75.03	88.55
	Liabilities written back	(12.41)	(9.66)
	Dividend on investments	(3.26)	(3.27)
		194.60	**244.20**
	Working capital adjustments		
	Decrease / (increase) in inventory	(501.64)	57.34
	Decrease / (increase) in trade receivables	(59.29)	15.67
	Decrease / (increase) in other financial assets	3.90	12.70
	Decrease / (increase) in other assets	(71.51)	8.44
	(Decrease) / increase in other financial liabilities	22.49	4.90
	(Decrease) / increase in trade payables	220.97	137.68
	(Decrease) / increase in provisions	(14.83)	11.76
	(Decrease) / increase in other liabilities	100.47	(20.03)
	Decrease / (increase) in other bank balance	(5.52)	(3.84)
		(304.96)	**224.62**
	Cash generated from operations	201.88	488.92
	Add / (Less) :		
	Direct taxes (paid) / refund received	(55.79)	163.39
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**146.09**	**652.31**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property plant and equipments, investment properties and intangible assets	(124.55)	(84.69)
	Proceeds from sale of property plant and equipments and investment properties	2.55	2.96
	Interest received (finance income)	39.93	50.98
	Purchase of investments (net)	(98.41)	(42.34)
	Investment in joint venture	(15.00)	-
	Investment in subsidiary	(32.95)	-
	Proceeds from sale of Century Yarn & Denim division (net of expenses on sale)	49.22	-
	Dividend on investments	3.26	3.27
	Loans given to subsidiary (net)	(50.15)	(111.49)
	NET CASH FLOWS USED IN INVESTING ACTIVITIES	**(226.10)**	**(181.31)**

Standalone Cash Flow Statement (Continued)
for the year ended 31 March 2022

Particulars		Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from borrowings	300.00	450.00
	Repayment of borrowings	(396.37)	(771.33)
	Net proceeds / (repayment) of short term borrowings	311.08	(13.30)
	Dividend paid	(11.48)	(33.68)
	Lease liability paid	(4.43)	(13.92)
	Interest paid	(106.52)	(128.59)
	NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	**92.28**	**(510.82)**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**12.27**	**(39.82)**
	Cash and cash equivalents at the beginning of the year	5.11	44.93
	Cash and cash equivalents at the year end - (Refer note below)	17.38	5.11

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ 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)	17.88	5.90
Cash credit facilities - (Refer note 18)	(0.50)	(0.79)
Balance as per cash flow statement	17.38	5.11

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
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per **Abhishek Agarwal**
Partner
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Director
DIN:01055000

Notes to Standalone Financial Statements

for the year ended 31 March 2022

1. CORPORATE INFORMATION

Century Textiles & 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, Pulp and Paper and Real estate.

The financial statements were approved for issue in accordance with a resolution of the board of directors on 25 April 2022.

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.

The normal operating cycle of the Company depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realisation of project into cash and cash equivalents and range from 3 to 7 years. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

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

Notes

to Standalone Financial Statements for the year ended 31 March 2022

- 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 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).

Sale of real estate units

Revenue is recognized upon transfer of control of residential units or service to customers, in an amount that reflects the consideration the Company expects to receive in exchange for those residential units. The Company determines the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon completion and delivery of possession of the residential units to the customers as per the agreement.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the

Notes

to Standalone Financial Statements for the year ended 31 March 2022

promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential unit.

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.

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 whereas grants related to royalty, power incentives and interest subsidies are netted of from the related expense.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

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.

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:

Notes

to Standalone Financial Statements for the year ended 31 March 2022

- 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 equipments

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 amortise 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 & equipments	3 years – 25 years
Electric installations	3 years – 10 years
Furniture & fixtures	3- 10 years
Office equipments	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

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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 company 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 company 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 company), its sale/distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/distribution of the asset or disposal company to be highly probable when:

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

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2.11 Leases

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 within the same line item as that within which the corresponding underlying assets would be presented if they were owned by the Company.

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.

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.

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

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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 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 company 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

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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.

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 employees of the Company, 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:

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- 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 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.

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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.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company 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

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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

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

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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 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 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.

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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.

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

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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

2C. AMENDMENTS NOTIFIED BUT NOT YET EFFECTIVE

Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April 2022 as below:

Ind AS 103 - Business Combination

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework), issued by the ICAI at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 - Property, Plant and Equipment (PPE)

The amendments clarify that excess of net sale proceeds of items produced over the cost of testing while preparing the asset for its intended use (if any), shall not be recognise in the profit or loss but deducted from the directly attributable cost considered as part of cost of an item PPE. The Company has evaluated the amendment and there is no impact in recognition of its property, plant and equipment on its consolidated financial statements.

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge

Notes
to Standalone Financial Statements for the year ended 31 March 2022

for an item of property, plant and equipment used in fulfilling the contract). The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability or to consider as modification of existing financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Exploration for and Evaluation of Mineral Resources

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor to avoid any ambiguity regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes
to Standalone Financial Statements for the year ended 31 March 2022

NOTE 3

A. PROPERTY, PLANT AND EQUIPMENTS

(₹ in Crores)

	Land - Freehold	Buildings	Plant and equipments	Office equipments	Furniture and fixtures	Vehicles	Electric installations	Total
I. Gross block								
Balance as at 1 April 2020	345.60	628.21	5324.44	11.51	37.98	8.42	129.07	6485.23
Additions	-	-	56.90	0.57	0.18	0.11	0.07	57.83
Disposals	-	-	(4.04)	(0.01)	(0.12)	(0.48)	(0.03)	(4.68)
Balance as at 31 March 2021	**345.60**	**628.21**	**5377.30**	**12.07**	**38.04**	**8.05**	**129.11**	**6538.38**
Additions	-	13.44	129.69	0.34	2.28	0.77	0.01	146.53
Disposals	(0.06)	(0.21)	(15.94)	(0.52)	(1.77)	(1.12)	(0.04)	(19.66)
Transfer to Investment properties	(8.77)	-	-	-	-	-	-	(8.77)
Balance as at 31 March 2022	**336.77**	**641.44**	**5491.05**	**11.89**	**38.55**	**7.70**	**129.08**	**6656.48**
II. Accumulated depreciation								
Balance as at 1 April 2021	0.71	268.07	2728.34	9.62	30.03	5.73	109.65	3152.15
Depreciation expense for the year	-	16.59	162.84	0.63	1.59	0.97	4.33	186.95
Disposal of assets	-	-	(1.44)	-	(0.10)	(0.32)	(0.01)	(1.87)
Balance as at 31 March 2021	**0.71**	**284.66**	**2889.74**	**10.25**	**31.52**	**6.38**	**113.97**	**3337.23**
Depreciation expense for the year	0.09	16.92	165.66	0.45	1.26	0.53	4.06	188.97
Disposal of assets	-	(0.20)	(13.01)	(0.45)	(1.71)	(1.05)	(0.04)	(16.46)
Balance as at 31 March 2022	**0.80**	**301.38**	**3042.39**	**10.25**	**31.07**	**5.86**	**117.99**	**3509.74**
Net block								
Balance as at 31 March 2021	344.89	343.55	2487.56	1.82	6.52	1.67	15.14	3201.15
Balance as at 31 March 2022	**335.97**	**340.06**	**2448.67**	**1.64**	**7.48**	**1.84**	**11.09**	**3146.74**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 3 (Continued)

B. Right of use assets

(₹ in Crores)

Description	Land	Building	Total
Cost			
Balance as on 1 April 2020	51.88	6.57	58.45
Additions	6.20	12.24	18.44
Disposals	-	(1.06)	(1.06)
Balance as at 31 March 2021	**58.08**	**17.75**	**75.83**
Additions	-	-	-
Disposals	-	-	-
Balance as at 31 March 2022	**58.08**	**17.75**	**75.83**
Accumulated depreciation			
Balance as on 1 April 2020	8.25	1.65	9.90
Depreciation expense for the year	1.17	2.40	3.57
Disposal of assets	-	-	-
Balance as at 31 March 2021	**9.42**	**4.05**	**13.47**
Depreciation expense for the year	1.07	2.67	3.74
Disposal of assets	-	-	-
Balance as at 31 March 2022	**10.49**	**6.72**	**17.21**
Net block			
Balance as at 31 March 2021	48.66	13.70	62.36
Balance as at 31 March 2022	**47.59**	**11.03**	**58.62**

C: Net book value

(₹ in Crores)

Particulars	As at 31 March 2022	As at 31 March 2021
Owned assets	3146.74	3201.15
Right-of-use assets	58.62	62.36
Total	**3205.36**	**3263.51**

Notes:

(i) During the year ended 31 March 2022 and 31 March 2021, no impairments indicator existed for any of its Cash Generating Unit (CGU) and accordingly no provision for impairment has been recognised.

(ii) Capitalised borrowing cost :

No borrowing costs are capitalised on property, plant and equipments under construction

(iii) Title deeds

(a) All title deeds of immovable properties included in property, plant and equipments are held in the name of the Company as at 31st March 2022.

(b) Refer note 14 and note 18 for details of pledge and securities.

Notes
to Standalone Financial Statements for the year ended 31 March 2022

NOTE 3A : CAPITAL WORK IN PROGRESS (CWIP)

(i) Ageing schedule

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022					
Projects in progress	129.09	30.90	3.00	10.76	173.75
Projects temporarily suspended	-	-	-	-	-
Total	**129.09**	**30.90**	**3.00**	**10.76**	**173.75**
As at 31 March 2021					
Projects in progress	79.50	84.39	0.09	8.60	172.58
Projects temporarily suspended	-	-	-	-	-
Total	**79.50**	**84.39**	**0.09**	**8.60**	**172.58**

(ii) CWIP completion schedule for projects overdue

Project	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
As at 31 March 2022				
Paper Machine 3 & 4	48.20	-	-	-
275 TPH Evaporator Plant	82.37	-	-	-
Paper Machine 6	5.75	-	-	-
100 KVA Transformer Project	8.57	-	-	-
As at 31 March 2021				
Paper Machine 3 & 4	11.26	-	-	-
275 TPH Evaporator Plant	10.33	-	-	-
Tissue Plant	127.21	-	-	-
100 KVA Transformer Project	-	8.60	-	-

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 4 : INVESTMENT PROPERTIES

(₹ in Crores)

Particulars	Land (Including TDRs)	Buildings	Total
I. Gross Block			
Balance as at 1 April 2020	7.67	1042.01	1049.68
Additions	-	0.01	0.01
Disposals	-	-	-
Balance as at 31 March 2021	**7.67**	**1042.02**	**1049.69**
Additions	2.46	0.27	2.73
Disposals	-	-	-
Transferred from property, plant and equipment	8.77	-	8.77
Balance as at 31 March 2022	**18.90**	**1042.29**	**1061.19**
II. Accumulated depreciation			
Balance as at 1 April 2020	-	152.25	152.25
Depreciation expense for the year	-	36.67	36.67
Disposal of assets	-	-	-
Balance as at 31 March 2021	**-**	**188.92**	**188.92**
Depreciation expense for the year	-	33.54	33.54
Disposal of assets	-	-	-
Balance as at 31 March 2022	**-**	**222.46**	**222.46**
Net Block			
Balance as at 31 March 2021	7.67	853.10	860.77
Balance as at 31 March 2022	**18.90**	**819.83**	**838.73**

Notes :

(i) Information regarding Income and expenditure of Investment properties

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Rental income derived from Investment properties (See Note 21)	126.45	128.57
Direct operating expenses (including repairs and maintenance)		
generating rental income	(22.99)	(20.02)
Profit arising from investment properties before depreciation		
and indirect expenses	103.46	108.55
Less: Depreciation	33.54	36.67
Profit arising from investment properties before indirect expenses	69.92	71.88

(ii) Investment properties consist of two commercial buildings and a land in India which are leased to third parties.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 4 : INVESTMENT PROPERTIES (Continued)

(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, refer details below

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment properties	Land - Freehold	0.01	Municipal Corporation of Greater Mumbai (MCGM)	NO	50+ years	Ongoing litigation with MCGM in Bombay High Court

(iv) Refer note 14 and note 18 for details of pledge and securities.

(v) Capitalised borrowing cost :

No borrowing costs is capitalised during the year (31 March 2021 ₹ Nil) in 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:

(₹ in Crores)

Particulars	Valuation technique (See Note below)	Fair value hierarchy (See Note below)	Fair Value 31 March 2022	Fair Value 31 March 2021
Land	Stamp duty reckoner rate	Level 2	681.84	681.84
Commercial Property *	Stamp duty reckoner rate	Level 2	2291.25	2288.30

* 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.

Notes
to Standalone Financial Statements for the year ended 31 March 2022

NOTE 4A : INVESTMENT PROPERTY UNDER DEVELOPMENT (IPUD)

(i) Ageing schedule

(₹ in Crores)

Particulars	Amount in IPUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022					
Projects in progress	0.42	0.01	-	35.79	36.22
Projects temporarily suspended	-	-	-	-	-
Total	**0.42**	**0.01**	**-**	**35.79**	**36.22**
As at 31 March 2021					
Projects in progress	0.21	-	-	36.55	36.76
Projects temporarily suspended	-	-	-	-	-
Total	**0.21**	**-**	**-**	**36.55**	**36.76**

NOTE 5 : INTANGIBLE ASSETS

(₹ in Crores)

Particulars		Computer softwares
I.	**Gross Block**	
	Balance as at 1 April 2020	23.10
	Additions	0.46
	Disposals	-
	Balance as at 31 March 2021	**23.56**
	Additions	0.74
	Disposals	(0.05)
	Balance as at 31 March 2022	**24.25**
II.	**Accumulated amortisation**	
	Balance as at 1 April 2020	14.90
	Amortisation expense for the year	1.83
	Disposal of assets	-
	Balance as at 31 March 2021	**16.73**
	Amortisation expense for the year	1.80
	Disposal of assets	(0.04)
	Balance as at 31 March 2022	**18.49**
	Net Block	
	Balance as at 31 March 2021	6.83
	Balance as at 31 March 2022	**5.76**

Notes
to Standalone Financial Statements for the year ended 31 March 2022

NOTE 5A INTANGIBLE ASSET UNDER DEVELOPMENT (IAUD)

(i) Ageing schedule

(₹ in Crores)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022					
Projects in progress	-	0.38	-	-	0.38
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**0.38**	**-**	**-**	**0.38**
As at 31 March 2021					
Projects in progress	0.36	-	-	-	0.36
Projects temporarily suspended	-	-	-	-	-
Total	**0.36**	**-**	**-**	**-**	**0.36**

NOTE 6 : FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
I. NON CURRENT INVESTMENTS		
A. Investment in Subsidiaries measured at cost less impairments, if any		
Unquoted investments :		
Equity Shares of ₹ 10 each, of Birla Estates Private Limited		
20,00,00,000 Shares (31 March 2021, 16,70,50,000 shares)	200.00	167.05
Equity Shares of ₹ 10 each , of Birla Century Exports Pvt. Ltd.		
5,00,000 Shares (31 March 2021, 5,00,000 shares)	0.50	0.50
Total	**200.50**	**167.55**
B. Investment in Joint Venture measured at cost less impairments, if any		
Unquoted investments :		
Equity Shares of ₹ 10 each, of Birla Advanced Kints Private Limited		
1,50,00,000 Shares (31 March 2021, Nil shares)	15.00	-
Total	**15.00**	**-**
C. Investments carried at fair value through OCI		
Quoted investments (Refer note (i) below)	216.68	148.85
Unquoted investments (Refer note (i) & (ii) below)	38.50	35.87
Total (Quoted & unquoted investments)	**255.18**	**184.71**
D. Investments carried at amortised Cost		
Quoted Government and trust securities	8.01	8.01
Total [A] + [B] + [C]+ [D]	**478.69**	**360.27**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 6 : FINANCIAL ASSETS - NON-CURRENT INVESTMENTS (Continued)

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 ₹ 27.38 Crore (31 March 2021 ₹ 25.64 Crore). 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.

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
II. CURRENT INVESTMENTS		
Investments carried at fair value through profit and loss		
Investment in mutual funds		
3,78,770 units (31 March 2021: 1,39,690 units) of SBI Overnight Fund Direct Growth	131.00	45.00
	131.00	**45.00**

NOTE 6A : LOANS

(At amortised cost)

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
At amortised cost				
a) Loan to Subsidiary (Refer note below)	342.12	-	-	291.97
Total	**342.12**	**-**	**-**	**291.97**

Note:

(i) Disclosure as per section 186(4) of the Act.

Name of the Company	Rate of Interest	Due date	Opening	Loan Given	Loan Repaid	Closing
Birla Estates Private Ltd						
For the year ended 31 March 2022	8.00%	Mar-2025	291.97	146.25	96.10	342.12
For the year ended 31 March 2021	8.00%	on demand	180.48	111.49	-	291.97

The loan has been utilised for meeting their working capital requirement.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 6A : LOANS (Continued)

(ii) 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 outstanding during the year (excluding interest accrued)	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
Birla Estates Private Ltd	Subsidiary	291.97	180.48	438.22	291.97

(iii) During the year, the Company has changed the repayment term of loan. As per revised term loan is repayable by the end of 31 March 2025.

(iv) Details of loan granted to related party that are repayable on demand are as under

Type of Borrower	As at March 31 2022		As at March 31 2021	
	Amount of loan or advance in the nature of loan outstanding	% of total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total loans and advances in the nature of loans
Loan to related parties (Subsidiary)	-	-	291.97	100.0%
Total	**-**	**-**	**291.97**	**100.0%**

NOTE 7 : OTHER FINANCIAL ASSETS

(At amortised cost)

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(i) Financial assets at amortised cost				
(Unsecured, considered good, unless otherwise specified)				
a) Interest subsidy	-	-	7.76	13.16
b) Security deposits	7.27	6.27	0.38	1.05
c) Unbilled lease rental	2.23	1.03	1.04	-
d) Others	-	-	5.45	8.60
- Doubtful	-	-	0.14	0.14
Less: Allowance for credit loss	-	-	(0.14)	(0.14)
	9.50	**7.30**	**14.63**	**22.81**
e) Finance lease receivables (Refer Note 45)	-	0.43	0.48	2.11
Less: Allowance for credit loss	-	-	-	-
	-	**0.43**	**0.48**	**2.11**
Total	**9.50**	**7.73**	**15.11**	**24.92**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 8 : OTHER ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Capital advances				
(i) For property, plant and equipments	2.88	25.77	-	-
	2.88	25.77	-	-
(b) Advances other than capital advances				
(i) Export incentives receivable	3.64	-	5.80	6.52
(ii) Balances with Government authorities (other than income taxes)	6.24	6.21	46.82	21.78
(iii) Amount paid against disputed demands	3.94	3.98	-	-
(iv) Advances to vendors / suppliers	-	-	53.17	41.38
(v) Prepaid expenses	7.50	1.15	33.71	20.85
(vi) Gratuity - plan asset (Refer Note 36)	-	-	-	1.41
(vii) Contract assets (brokerage on sale of real estates inventories)	-	-	17.77	-
(viii) Others	1.17	1.17	5.92	9.08
	22.49	**12.51**	**163.19**	**101.02**
Total	**25.37**	**38.28**	**163.19**	**101.02**

NOTE : 9 INVENTORIES

(At cost or net realisable value, whichever is lower)

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Raw materials	160.36	134.00
Goods in transit	12.28	19.71
(b) Work-in-progress	235.40	182.80
(c) Finished and semi-finished goods	91.88	77.41
(d) Stock-in-trade of goods acquired for trading	0.73	0.95
(e) Fuels, stores and spares	84.07	99.43
Goods in transit	0.52	1.16
(f) Other materials	3.12	4.32
(g) Real estate inventories	789.40	324.47
Total	**1377.76**	**844.25**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE : 9 INVENTORIES (Continued)

Note :

(i) Cost of inventories recognised as an expense includes ₹ 3.07 Crores (31 March 2021 ₹ 1.01 Crores) in respect of write-downs of inventory to net realisable value.

(ii) For charge created on inventories refer Note 14 and 18

(iii) Real estate inventory includes borrowing costs during the year of ₹ 31.87 Crores (31 March 2021 ₹ 18.62 Crores)

NOTE 10 : TRADE RECEIVABLES

(At amortised cost)

Particulars	Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Secured, considered good	32.04	24.42
Unsecured, considered good	189.18	139.15
Unsecured, considered doubtful	0.81	5.00
Less: Allowance for credit losses	(0.81)	(5.00)
Receivables - credit impaired	12.50	6.71
Less: Allowance for credit losses	(12.50)	(6.71)
Total	**221.22**	**163.57**
Of the above, trade receivables from:		
- Related Parties (Refer Note 40)	5.20	10.07
- Others	216.02	153.50
Total	**221.22**	**163.57**

Notes :

(i) 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 2022

NOTE 10 : TRADE RECEIVABLES (Continued)

(ii) Trade receivables ageing schedule

Particulars	Outstanding for following periods from invoice date					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022						
Undisputed trade receivables – considered good	206.89	10.68	0.44	0.03	0.24	218.28
Disputed trade receivables – considered good	-	-	-	1.88	1.06	2.94
Undisputed trade receivables – considered doubtful	0.81	-	-	-	-	0.81
Disputed trade receivables – credit impaired	-	-	0.14	1.86	10.50	12.50
Total	**207.70**	**10.68**	**0.58**	**3.77**	**11.80**	**234.53**
As at 31 March 2021						
Undisputed trade receivables – considered good	161.75	1.29	0.19	0.03	0.31	163.57
Undisputed trade receivables – considered doubtful	-	-	3.41	1.35	0.24	5.00
Disputed trade receivables – credit impaired	-	-	-	-	6.71	6.71
Total	**161.75**	**1.29**	**3.60**	**1.38**	**7.26**	**175.28**

NOTE 11 : CASH AND BANK BALANCES

(At amortised cost)

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Cash and cash equivalents		
(a) Balances with banks		
- Current accounts	13.01	1.45
- Debit balance in cash credit / overdraft accounts	3.41	4.38
(b) Cheques and drafts on hand	1.36	-
(c) Cash on hand	0.10	0.07
Total	**17.88**	**5.90**
Other bank balances		
(a) Earmarked balances with banks		
- Unclaimed dividend accounts	1.83	2.14
(b) Balances with banks:		
- Fixed deposits with maturity more than 3 months (including interest accrued)	7.33	7.82
- On margin accounts	58.72	52.40
Total	**67.88**	**62.36**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 11 : CASH AND BANK BALANCES (Continued)

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 4.40% to 6.00%

NOTE 12 : EQUITY SHARE CAPITAL

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Authorised :		
14,80,00,000 (31 March 2021 - 14,80,00,000) Equity Shares of ₹ 10 each.	148.00	148.00
1,00,00,000 (31 March 2021 - 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 2021 - 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 2021 - 11,16,95,680) Equity Shares of ₹ 10 each, fully paid up	111.69	111.69
(The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.)		
Total	**111.69**	**111.69**

(d) 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 2022			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69
Year ended 31 March 2021			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 12 : EQUITY SHARE CAPITAL (Continued)

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

Class of shares / Name of shareholders	As at 31 March 2022		As at 31 March 2021	
	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 Private Limited	75,60,900	6.77 %	75,60,900	6.77 %

(f) 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 2022.

(g) Details of shares held by promoters and promoters group

Equity share of ₹ 10 each fully paid up	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% in total shares	% change during the year
As at March 31 2022					
Pilani Investment And Industries Corporation Limited	3,69,78,570	-	3,69,78,570	33.11%	-
IGH Holdings Private Limited	1,11,50,000	-	1,11,50,000	9.98%	-
Aditya Marketing And Manufacturing Private Limited	75,60,900	-	75,60,900	6.77%	-
Estate of deceased Basant Kumar Birla	1,99,800	-	1,99,800	0.18%	-
Prakash Educational Society	1,28,000	-	1,28,000	0.11%	-
Birla Educational Institution	44,000	-	44,000	0.04%	-
Padmavati Investment Private Limited	16,700	-	16,700	0.01%	-
Total	**5,60,77,970**	**-**	**5,60,77,970**	**50.21%**	**-**
As at 31 March 2021					
Pilani Investment And Industries Corporation Limited	3,69,78,570	-	3,69,78,570	33.11%	-
IGH Holdings Private Limited	1,11,50,000	-	1,11,50,000	9.98%	-
Aditya Marketing And Manufacturing Private Limited	75,60,900	-	75,60,900	6.77%	-
Estate of deceased Basant Kumar Birla	1,99,800	-	1,99,800	0.18%	-
Prakash Educational Society	1,28,000	-	1,28,000	0.11%	-
Birla Educational Institution	44,000	-	44,000	0.04%	-
Padmavati Investment Private Limited	16,700	-	16,700	0.01%	-
Total	**5,60,77,970**	**-**	**5,60,77,970**	**50.21%**	**-**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 13 : OTHER EQUITY

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Securities Premium	643.22	643.22
	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.

(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
Less: Transferred to retained earnings (Refer note below)	-	(181.26)
	-	**-**

Note :

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 16 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 FY 2020 were transferred to retained earnings on redemption of debentures in the previous year.

(c) Dividend distribution made and proposed

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Cash dividends on equity shares paid during the year		
Dividend for the year ended on 31 March 2021: ₹ 1.00 per share (31 March 2020 ₹ 3.00 per share)	11.17	33.51
	11.17	**33.51**
Proposed dividend on equity shares		
Proposed dividend for the year ended on 31 March 2022 ₹ 4 per share (31 March 2021 ₹ 1.00 per share)	44.68	11.17
	44.68	**11.17**

Note :

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2022.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 13 : OTHER EQUITY (Continued)

(d) General Reserves

General Reserves is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(e) Other Comprehensive Income

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.

NOTE 14 : BORROWINGS

Particulars	Non-Current		Current Maturities	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Measured at amortised cost				
(A) Secured non convertible debentures				
1 2500 (31 March 2021 - Nil) Redeemable Non Convertible debentures (Repayment due on Feb' 2025 Interest rate as at 31 March 2022 - 6.32 % p.a)	249.78	-	-	-
2 4000 (31 March 2021 - 4000) Redeemable Non Convertible debentures (Repayment due on Feb' 2023 Interest rate as at 31 March 2022 - 7.95 % p.a)	-	399.54	399.77	-
(B) Term Loan from Bank - Secured				
3 Term loan from Axis Bank (Repayable in 16 instalments, last instalment falling due on Sep' 2023)	57.10	429.73	173.84	148.75
Amount disclosed under the head				
Borrowings - Current (Refer Note 18)	-	-	(573.61)	(148.75)
Total	**306.88**	**829.27**	**-**	**-**

Effective rate of Interest for term loan from bank is 6.32% to 7.00%

Details of Security:

1. **Loans covered in Sr. No. 1 & 2 :**

   First pari passu charge on present and future plant and machineries of Birla Century, Pulp and Paper divisions and excluding Furniture and Fixtures and vehicles of the said divisions.

2. **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 25,323.78 sq. meters and the Birla Centurion building thereon situated at Worli, Lower Parel Divisions, 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.

Notes
to Standalone Financial Statements for the year ended 31 March 2022

NOTE 14 : BORROWINGS (Continued)

3. **Loan covenants**

Bank loan and NCDs contain certain debt covenants relating to total term loan to tangible net worth, fixed asset coverage ratio, net debt to equity ratio and interest coverage ratio. The Company is compliant with the said covenants during the year ended 31 March 2022. The Company has also satisfied all other debt covenants prescribed in the terms of bank loan and NCDs.

The Company has not defaulted in repayment of borrowing and interest thereon.

NOTE 14A : LEASE LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Lease liability (Refer Note 45)	18.46	20.62	2.30	2.69
	18.46	**20.62**	**2.30**	**2.69**

NOTE 15 : OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Other Financial Liabilities measured at amortised cost				
(a) Deposits from dealers and agents	-	-	53.11	48.00
(b) Deposits against rental arrangements	97.70	96.64	66.09	48.08
(c) Interest accrued	-	-	9.02	18.75
(d) Unclaimed / Unpaid dividends (Refer Note below (i))	-	-	1.83	2.14
(e) Creditors for capital supplies / services	-	-	14.58	11.34
(f) Earnest money on booking of residential inventory	-	-	1.69	-
(g) Other liabilities	0.49	0.49	2.07	6.87
	98.19	**97.13**	**148.39**	**135.18**
Other Financial Liabilities Measured at Fair value				
a) Derivatives financial instruments carried at fair value through Other Comprehensive Income (FVTOCI) (Refer Note below (ii))	-	-	-	0.65
	-	**-**	**-**	**0.65**
Total	**98.19**	**97.13**	**148.39**	**135.83**

Note :-

(i) Unclaimed dividend amounting to ₹ 0.05 Crore (31 March 2021 ₹ 0.04 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.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 15 : OTHER FINANCIAL LIABILITIES (Continued)

(iii) Changes in liabilities arising from financing activities (excluding lease liabilities)

Particulars	As at 1 April 2021	Cash flow	As at 31 March 2022
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	982.90	(95.89)	887.01
Current borrowings			
Working capital loans / cash credit from banks	0.79	(0.29)	0.50
Pre-shipment, Post-shipment and Export Bills Discounting facilities	2.19	(2.19)	-
Commercial Papers	-	313.27	313.27
Total	**985.88**	**214.90**	**1200.78**

Particulars	As at 1 April 2020	Cash flow	As at 31 March 2021
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	1325.84	(342.94)	982.90
Current borrowings			
Working capital loans / cash credit from banks	0.13	0.66	0.79
Pre-shipment, Post-shipment and Export Bills Discounting facilities	0.71	1.48	2.19
Under a buyer's credit arrangement in foreign currency	14.78	(14.78)	-
Total	**1341.46**	**(355.58)**	**985.88**

NOTE 16 : INCOME TAX

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
(a) Tax expense recognised in the Statement of Profit and Loss on continuing operations		
Current tax		
In respect of current year	54.99	-
Adjustment of tax relating to earlier periods	-	(19.25)
	54.99	**(19.25)**
Minimum Alternate Tax (MAT) Credit entitlement	(54.99)	-
	-	**(19.25)**
Deferred tax		
In respect of current year	101.38	17.81
In respect of earlier years	0.48	-
	101.86	**17.81**
Total income tax expense on continuing operations	**101.86**	**(1.44)**

Notes
to Standalone Financial Statements for the year ended 31 March 2022

NOTE 16 : INCOME TAX (Continued)

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
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	3.05	(9.96)
Total income tax expense on discontinuing operations	**3.05**	**(9.96)**
Net tax expense reconginsed in the Statement Profit and Loss	**104.91**	**(11.40)**
(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	0.34	1.23
Cash flow hedge	0.21	(0.01)
	0.55	**1.22**
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	0.34	1.23
Income taxes related to items that will be reclassified to profit or loss	0.21	(0.01)
	0.55	**1.22**
(c) Amounts Recognised directly in Equity - Nil (31 March 2021 - Nil)		
(d) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
Profit/(loss) before tax from continuing operations	**301.65**	**48.60**
Income tax expense calculated at 34.944% (31 March 2021 - 34.944%)	105.41	16.98
Effect of income that is exempt from taxation	-	(1.10)
Effect of expenses that is non-deductible in determining taxable profit	2.58	5.68
Others	(6.61)	(2.63)
	101.38	**18.93**
Adjustments recognised in the current year in relation to the deferred tax of prior years	0.48	1.12
Adjustments of tax relating to prior years	-	(19.25)
Income tax expense recognised In profit or loss from continuing operations	**101.86**	**(1.44)**
Profit/(loss) before tax from discontinuing operations	**10.59**	**(28.50)**
Income tax expense calculated at 34.944%	3.70	(9.96)
Income taxable at different tax rates	(0.65)	-
Income tax expense recognised In profit or loss from discontinuing operations	**3.05**	**(9.96)**

Note :

(i) The tax rate used for above deferred tax reconciliation for 31 March 2022 and 31 March 2021 is 34.944% respectively.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 16 : INCOME TAX (Continued)

(e) The movement in deferred tax assets and liabilities during the year ended 31 March 2022 and 31 March 2021 :

(₹ in Crores)

Movement during the year ended 31 March 2022	As at 31 March 2021	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2022
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	612.67	(8.76)	-	603.91
	612.67	**(8.76)**	**-**	**603.91**
Tax effect of items constituting deferred tax assets				
(i) Employee benefits	7.61	1.05	(0.34)	8.32
(ii) Expenses allowable for tax purpose when paid	4.54	-	-	4.54
(iii) Tax losses	104.62	(96.11)	-	8.51
(iv) Interest Income on unwinding of financial assets	23.14	-	-	23.14
(v) Other temporary differences	26.82	(3.57)	-	23.25
(vi) Upfront royalty	140.14	(15.03)	-	125.11
(vii) Cash flow hedge	0.21	-	(0.21)	-
	306.61	**(113.66)**	**(0.55)**	**192.87**
Deferred Tax liability / (asset)	306.06	104.91	0.55	411.04
MAT credit	(361.55)	(54.99)	-	(416.54)
Net Deferred Tax liability / (asset)	**(55.49)**	**49.92**	**0.55**	**(5.50)**

(₹ in Crores)

Movement during the year ended 31 March 2021	As at 31 March 2020	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2021
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	613.56	(0.89)	-	612.67
	613.56	**(0.89)**	**-**	**612.67**
Tax effect of items constituting deferred tax assets				
(i) Employee benefits	8.80	0.04	(1.23)	7.61
(ii) Expenses allowable for tax purpose when paid	14.52	(9.98)	-	4.54
(iii) Tax losses	94.51	10.11	-	104.62
(iv) Interest Income on unwinding of financial assets	23.14	-	-	23.14
(v) Other temporary differences	21.75	5.07	-	26.82
(vi) Upfront royalty	154.12	(13.98)	-	140.14
(vii) Cash flow hedge	0.20	-	0.01	0.21
	316.57	**(8.74)**	**(1.22)**	**306.14**
Deferred Tax liability / (asset)	296.99	7.85	1.22	306.06
MAT credit	(361.55)	-	-	(361.55)
Net Deferred Tax liability / (asset)	**(64.56)**	**7.85**	**1.22**	**(55.49)**

Notes
to Standalone Financial Statements for the year ended 31 March 2022

NOTE 17 : OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Advances received from customers	-	-	126.28	12.64
(b) Deferred revenue - Government grant (Refer Note below)	27.63	29.09	-	-
(c) Deferred revenue (Refer Note 33)	533.03	567.83	52.22	51.82
(d) Statutory dues				
- Taxes Payable (other than income taxes)	-	-	48.24	23.43
- Employee recoveries and employer contributions	-	-	1.98	1.78
(e) Other liabilities	-	-	0.15	0.74
Total	**560.66**	**596.92**	**228.87**	**90.41**

Note : Government grants

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Opening	29.09	7.67
Received during the year	0.40	27.23
Released to the statement of profit and loss	1.86	5.81
Closing	**27.63**	**29.09**

Under the Export Promotion Capital Goods (EPCG) Scheme, the Company 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 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Secured borrowings measured at amortised cost		
(a) Loans repayable on demand from banks		
Cash credit from banks	0.50	0.79
Pre-shipment, post-shipment and export bills discounting facilities	-	2.19
Unsecured borrowings measured at amortised cost.		
(b) Current maturity of long-term loans:		
Current maturity of long-term loans (refer note 14)	573.61	148.75
(c) Commercial papers		
(Maximum balance outstanding during the year ₹ 375 Crores)	313.27	-
(31 March 2021 ₹ 250 Crores)		
Total	**887.38**	**151.73**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 18 : BORROWINGS - CURRENT (Continued)

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 collateral security 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.

NOTE 19 : TRADE PAYABLES

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Trade payable - Micro and small enterprises (Refer Note 34)	10.71	14.93
Trade payable - Other than micro and small enterprises	806.17	553.72
Total	**816.88**	**568.65**

Note :

(a) 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.

(b) 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.

(c) Trade payables Ageing Schedule

Particulars	Outstanding for following periods from invoice date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022					
Total outstanding dues of micro enterprises and small enterprises	10.71	-	-	-	10.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	774.25	12.37	10.15	8.96	805.73
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	0.01	0.43	0.44
Total	**784.96**	**12.37**	**10.16**	**9.39**	**816.88**
As at 31 March 2021					
Total outstanding dues of micro enterprises and small enterprises	14.93	-	-	-	14.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	519.18	21.57	3.16	9.37	553.28
Disputed dues of creditors other than micro enterprises and small enterprises	-	0.01	0.43	-	0.44
Total	**534.11**	**21.58**	**3.59**	**9.37**	**568.65**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 20 : PROVISIONS

Particulars	Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Provision for employee benefits		
(i) Leave entitlement	23.41	23.34
(ii) Gratuity (Refer Note 36)	0.40	-
	23.81	**23.34**
(b) Other Provisions		
(i) Disputed matters (Refer Note 37)	154.74	164.78
	154.74	**164.78**
Total	**178.55**	**188.12**

NOTE 21 : REVENUE FROM OPERATIONS

Particulars			Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
(a) Sale of products		3878.95		2371.71
(b) Rent from leased properties:				
Rent from Investment properties (Refer Note 4)	126.45			128.57
Rent from other assets (Refer Note 33)	49.98			49.98
		176.43		
(c) Service income		12.10		13.82
			4067.48	2564.08
(d) Other operating revenues :				
Export benefits		14.36		16.80
Sale of scrap		8.78		8.05
Insurance and other claims		0.40		0.53
Liabilities no longer required written back		12.05		9.66
Government grants		8.60		5.81
Renewable energy credits		1.09		-
Others		16.61		5.62
			61.89	46.47
Total			**4129.37**	**2610.55**

Notes
to Standalone Financial Statements for the year ended 31 March 2022

NOTE 21 A : DISAGGREGATED REVENUE INFORMATION:

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Segment		
Textile products	1036.37	579.01
Paper and Pulp products	2817.79	1773.81
Real Estates	12.10	13.82
Others (Salt and Chemicals)	24.79	18.89
Total revenue from contracts with customers	**3891.05**	**2385.53**
India	3233.97	2042.96
Outside India	657.08	342.57
Total revenue from contracts with customers	**3891.05**	**2385.53**
Timing of revenue recognition		
Goods transferred at a point in time	3878.95	2371.71
Services transferred over time	12.10	13.82
Total revenue from contracts with customers	**3891.05**	**2385.53**

NOTE 21 B:

Reconciliation with segment revenue	Textile	Pulp and Paper	Real Estates	Others	Total
Year ended 31 March 2022					
Revenue as per segment	1086.35	2817.79	138.55	24.79	4067.48
Less:					
Rent from Investment properties	-	-	(126.45)	-	(126.45)
Rent from other assets	(49.98)	-	-	-	(49.98)
Total revenue from contracts with customers	**1036.37**	**2817.79**	**12.10**	**24.79**	**3891.05**
Year ended 31 March 2021					
Revenue as per segment	628.99	1773.81	142.39	18.89	2564.08
Less:					
Rent from Investment properties	-	-	(128.57)	-	(128.57)
Rent from other assets	(49.98)	-	-	-	(49.98)
Total revenue from contracts with customers	**579.01**	**1773.81**	**13.82**	**18.89**	**2385.53**

NOTE 21 C : CONTRACT BALANCES

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Trade receivables	221.22	163.57
Contract liabilities (advance received from customers)	126.28	12.64
Contract assets (brokerage on sale of real estates inventories)	17.77	-

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 21 D : RECONCILING THE AMOUNT OF REVENUE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS WITH THE CONTRACTED PRICES

Revenue as per contract price	3958.59	2460.72
Adjustments		
Discount	67.54	75.19
Revenue from contract with customers	3891.05	2385.53

NOTE 21 E : REMAINING PERFORMANCE OBLIGATION

In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential units. Since the said performance obligation is not satisfied as at 31 March, 2022, no revenue has been recognised by the Company on sale of residential units. The Company expects to recognise revenue on sale of residential units in the following time band:

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Time band		
More than 3 years	1237.59	-
Less than 3 years	-	-

NOTE 22 : OTHER INCOME

Particulars		Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Dividend on FVTPL Investments	1.56		2.13
Dividend on FVTOCI Investments	1.70		1.14
		3.26	3.27
Interest Income :			
Non current investments at amortised cost	0.66		0.66
On Income tax refund	-		32.75
Other interest income	31.39		21.34
		32.05	54.75
Gain on foreign currency fluctuations and translations (net)		7.07	2.58
Provision for interest written back #		11.37	8.00
Surplus on sale of property plant and equipments (net)		1.54	0.16
Management consultancy fees		4.56	7.44
Miscellaneous Income		7.76	3.44
Total		**67.61**	**79.64**

Provision towards interest on expected unfulfillment of export obligation has been written back.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 23 : COST OF MATERIALS CONSUMED

Particulars		Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Raw material consumed			
Opening stock	134.00		127.61
Add: Purchases	1843.32		1012.95
	1977.32		1140.56
Less: Closing stock	(160.36)		(134.00)
		1816.96	1006.56
Dyes, colour and chemicals consumed			
Opening stock	14.42		16.71
Add: Purchases	353.45		233.25
	367.87		249.96
Less: Closing stock	(17.43)		(14.42)
		350.44	235.54
Packing materials consumed			
Opening stock	8.60		7.04
Add: Purchases	109.09		76.97
	117.69		84.01
Less: Closing stock	(8.79)		(8.60)
		108.90	75.41
Total		**2276.30**	**1317.51**

NOTE 24 : PURCHASE OF TRADED GOODS

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Purchase of traded goods	223.53	79.47

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 25 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars		Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Opening stock :-			
Finished goods	77.41		126.41
Work-in-progress	182.80		188.45
Stock-in-trade	0.95		0.66
		261.16	315.52
Closing stock :-			
Finished goods	91.88		77.41
Work-in-progress	235.40		182.80
Stock-in-trade	0.73		0.95
		328.01	261.16
		(66.85)	54.36
Less: Sale of raw materials		(10.14)	-
Less: Loss of Finished Goods Inventory on Fire		-	(8.14)
Total		**(56.71)**	**46.22**

NOTE 26 : EMPLOYEE BENEFITS EXPENSE

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Salaries, wages, bonus, etc.	231.73	206.37
Contributions to provident and other funds	14.01	12.98
Gratuity expenses (Refer Note 36)	3.93	4.10
Staff welfare expenses	12.92	8.90
Total	**262.59**	**232.35**

NOTE 27 : FINANCE COST

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Interest on debts and borrowings	95.86	95.36
Unwinding of discount and effect of change in discount rate on provisions	9.16	9.45
Interest on lease liabilities (Refer Note 45)	1.88	2.36
	106.90	107.17
Less: Borrowing costs inventorized (Refer Note below)	(31.87)	(18.62)
Total	**75.03**	**88.55**

Note :

The interest rate used to determine the amount of borrowing cost capitalised and inventorized is the weighted average interest rate applicable to the entity's general borrowings during the year i.e. 8.00% (31 March 2021 8.00%)

Notes
to Standalone Financial Statements for the year ended 31 March 2022

NOTE 28 : DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Depreciation of property plant and equipments (Refer Note 3)	192.71	190.52
Depreciation on Investment properties (Refer Note 4)	33.54	36.67
Amortization of Intangible assets (Refer Note 5)	1.80	1.83
Total	**228.05**	**229.02**

NOTE 29 : OTHER EXPENSES

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Consumption of stores and spares	91.44	54.69
Job work charges	19.28	11.21
Power, fuel and water	485.50	336.77
Buildings repairs	24.65	19.61
Machinery repairs	20.47	19.18
Rent	1.42	1.42
Rates and taxes	15.49	19.38
Insurance	20.75	18.84
Freight, forwarding, octroi, etc.	46.06	28.74
Advertisement and publicity	13.63	1.00
Commission	12.25	11.42
Brokerage, discounts, incentives etc.	2.97	1.29
Commission to non executive directors	2.00	-
Director’s fees and travelling expenses	0.10	0.10
Donations	-	0.14
Provision for doubtful debts and advances	1.67	3.31
Miscellaneous expenses (Refer below notes A & B)	128.86	121.37
Total	**886.54**	**648.47**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

NOTE 29 : OTHER EXPENSES (Continued)

NOTE A : AUDITORS' REMUNERATION:

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Statutory Auditors		
As auditors:		
Audit fees	1.11	1.09
Tax audit fees	0.10	0.10
Limited review	0.17	0.15
In other capacity:		
Certificates and other services	0.04	0.07
Reimbursement of expenses	0.02	0.02
	1.44	**1.43**

NOTE B : DETAILS OF CORPORATE SOCIAL RESPONSIBILITY AS PER SECTION 135 (5) OF ACT AND RULES MADE THEREUNDER:

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Amount required to be spent by the Company during the year	7.38	11.21
Amount of expenditure incurred [including ₹ 5.10 Crore (31 March 2021: ₹ 5.22 Crore) pertaining to shortfall of earlier years]	11.75	11.34
Shortfall / (excess spend) at the end of the year	(4.37)	(0.13)
Total of previous years shortfall [including excess spend of ₹ 0.01 Crore (31 March 2021: Nil)]	5.10	5.22
Cumulative shortfall as at year end	**0.73**	**5.09**
Reason for shortfall - The shortfall was due to time required for construction, procurement, training etc. and slowdown caused by CoVID 19		
Nature of CSR activities - Projects on health (incl. CoVID 19), education, livelihood and skill projects		
The movement in the provision during the year is as under:		
Opening liability [including excess spend of ₹ 0.01 Crore (31 March 2021: Nil)]	5.10	-
Provision recognised for the year	7.38	11.21
Amount spent during the year	(11.75)	(6.12)
Closing liability	**0.73**	**5.09**

The Company has not transferred the amount remaining unspent in respect of ongoing projects, to a special account, till the date of the report. However, the period for such transfer i.e., thirty days from the end of the financial year as permitted under sub section (6) of section 135 of the Companies Act, has not elapsed till date.

There are no unspent amount as at year end towards other than ongoing projects (31 March 2021: Nil)

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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 against forecast sales / purchases in US dollars. This forecast transactions are highly probable since purchase order already issued / projection of counter party available with the Company and hence expected to be utilised in near term. The foreign exchange contract balances vary with the level of expected foreign currency sales / purchases and changes in foreign exchange forward rate. The long term swap by way of foreign currency sales has been done on the basis of historical business with buyers and comprises 50% of projected sales.

31 EARNINGS PER SHARE (EPS):

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
a) For continuing operations		
Profit attributable to equity shareholders for basic & diluted EPS	199.79	50.04
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 2021 ₹ 10 each) (in Rupees)	17.89	4.48
b) For discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	7.54	(18.54)
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 2021 ₹ 10 each) (in Rupees)	0.68	(1.66)
c) For continuing & discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	207.33	31.50
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 2021 ₹ 10 each) (in Rupees)	18.57	2.82

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 ₹ 3.83 Crores (31 March 2021: ₹ 4.13 Crores).

Notes

to Standalone Financial Statements for the year ended 31 March 2022

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 ₹ 605.00 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 is recognizing 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 and GIL.

34 TRADE PAYABLES

(i) ₹ 10.71 Crore (31 March 2021 ₹ 14.93 Crore) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). There are no other amounts paid / payable towards interest / principal under the MSMED; 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 MSMED Act.

35. DISCONTINUED OPERATIONS

Yarn and Denim division

During the year ended 31 March 2022, the Company has sold all the assets of its Yarn and Denim division ('Y&D') to a third party for a consideration of ₹ 62.00 Crore and has recognised a gain of ₹ 17.63 Crore net of provision for termination benefits and other restructuring costs.

i) Gain on Sale of Yarn & Denim divisions

Particulars	31 March 2022 (₹ in Crores) Amount
Sale consideration	62.00
Less:	
Other expenses pertaining to above	12.78
Net asset / (liabilities) of demerged undertaking	2.45
Additional liabilities recognised for pertaining to demereged undertaking	34.04
Gain on sale of Yarn & Denim divisions	17.63

ii) The Results of Yarn & Denim Division upto 14 July 2021

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Revenue including other income	-	-
Expenses	(7.04)	(28.50)
Loss before income tax	(7.04)	(28.50)
Income tax (expense) / credit	(2.46)	(9.96)
Loss after income tax	(4.58)	(18.54)

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35. DISCONTINUED OPERATIONS (Continued)

iii) The impact of above restatement on statement of cash flows for the previous year figures is as follows:

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Net Cash Generated From Operating Activities	(38.11)	(16.73)
Net Cash Generated From Investment Activities	55.16	-
Net Cash Flows From / (Used In) Financing Activities	-	-

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS"

(a) Defined Contribution Plans:

The Company's contribution to Provident Fund and Superannuation Fund aggregating ₹ 5.06 Crores (31 March 2021: ₹ 4.96 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	
	31 March 2022	31 March 2021
Employee Attrition rate	2% to 5%	2% to 5%
Discount rate	6.80%	6.59%
Expected rate of salary increase	3% to 6%	3% to 6%

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36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS" (Continued)

Defined benefit plans – as per actuarial valuation on 31st March, 2022

Particulars	Funded Plan	
	Gratuity	
	31 March 2022	31 March 2021
I. 1 Expense recognised in the Statement of profit and loss		
Service cost		
Current service cost	4.03	4.12
Net interest expense	(0.10)	(0.02)
Components of defined benefit costs recognised in profit or loss	**3.93**	**4.10**
2 Included in Other Comprehensive Income		
Remeasurement (gain) / loss	(0.02)	(1.77)
Return on plan assets	(0.95)	(1.74)
Remeasurement (gain) / loss	**(0.97)**	**(3.51)**
II. Net asset / (liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation	54.04	52.98
2. Fair value of plan assets	53.64	54.39
Net asset / (liability)	**(0.40)**	**1.41**
III. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	52.98	51.23
2. Expenses recognised in profit and loss account:		
- Current service cost	4.03	4.12
- Interest expense / (income)	3.28	3.22
3. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses):		
i. Financial assumptions	(0.64)	(0.64)
ii. Experience adjustments	0.62	(1.13)
4. Benefit payments	(11.91)	(3.82)
5. Transfer in / (out)	5.68	-
Present value of defined benefit obligation at the end of the year	**54.04**	**52.98**
IV. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	54.39	48.93
2. Expenses recognised in profit and loss account		
- Expected return on plan assets	3.38	3.24
3. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actual return on plan assets in excess of the expected return	0.95	1.74
4. Contributions by employer (including benefit payments recoverable)	6.83	4.30
5. Benefit payments	(11.91)	(3.82)
Fair value of plan assets at the end of the year	**53.64**	**54.39**

Expected contribution during next annual reporting period ₹ 3.82 Crores (31 March 2021 ₹ 3.78 Crores)

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to Standalone Financial Statements for the year ended 31 March 2022

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS" (Continued)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ In Crores)

Principal assumption		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	31-Mar-22	1%	(2.86)	3.22
	31-Mar-21	1%	(2.82)	3.19
Salary growth rate	31-Mar-22	1%	3.19	(2.89)
	31-Mar-21	1%	3.15	(2.82)
Withdrawal rate	31-Mar-22	1%	(1.55)	1.01
	31-Mar-21	1%	(1.52)	0.98

Maturity profile of defined benefit obligation for the next 10 years (Undiscounted amount) :

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Within 1 year	7.42	7.41
1 - 2 year	7.32	5.70
2 - 3 year	5.54	6.72
3 - 4 year	6.32	5.07
4 - 5 year	5.73	6.20
Above 5 years	22.76	22.15
Total	**55.09**	**53.25**

The fair value of Company's plan asset by category are as follows:

Asset category	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Cash and cash equivalents	0.10	0.10
Debt instruments (quoted)	53.28	50.33
Equity instruments (quoted)	0.24	2.01
Deposits with Insurance companies	0.02	1.95
Total	**53.64**	**54.39**

The weighted average duration of the defined benefit obligation as at 31 March 2022 is 11.48 years (31 March 2021 9.97 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 2022.

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to Standalone Financial Statements for the year ended 31 March 2022

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS" (Continued)

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

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Guaranteed interest rate	8.10%	8.50%
Discount rate for the remaining term to maturity of interest portfolio	8.79%	6.59%
Contribution during the year	7.99	7.63

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:-

(₹ in Crores)

S No.	Nature of liability	As at 31 March 2021	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31 March 2022	
					Continuing	Discontinued
1	Water Charges	105.90	3.15	13.73	95.32	-
2	Octroi Duty	38.54	-	-	38.54	-
3	Towards Employee Benefit	25.49	-	25.49	-	-
4	Others	20.34	0.54	-	20.88	-
	Total	**190.27**	**3.69**	**39.22**	**154.74**	**-**

(₹ in Crores)

S No.	Nature of liability	1 April 2020	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31 March 2021	
					Continuing	Discontinued
1	Water Charges	98.14	8.01	0.25	105.90	-
2	Octroi Duty	38.54	-	-	38.54	-
3	Cess	0.48	-	0.48	-	-
4	Towards Employee Benefit	25.49	-	-	-	25.49
5	Others	17.93	4.59	2.18	20.34	-
	Total	**180.57**	**12.60**	**2.91**	**164.78**	**25.49**

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to Standalone Financial Statements for the year ended 31 March 2022

38 CONTINGENT LIABILITIES

(i) Contingent liabilities (to the extent not provided for)

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Contingent liabilities - Continuing Operations		
(a) (i) Claims against the Company not acknowledged as debts in respect of :		
- Custom Duty and Excise Duty	11.01	11.00
- Sales Tax and Entry Tax	10.27	5.73
- Others	6.05	6.16
(ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Company had an interest (proportionate)	24.86	24.86
(b) Disputed income tax matters under appeal	115.44	60.20
(c) Indirect exposure upon the Company		
- Guarantee given	200.00	200.00
(d) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.	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 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	35.82	103.98
(a) 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	165.78	235.49

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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

(c) Where Joint control exists :

Birla Advanced Knits Private Limited (Joint Venture) (w.e.f. 14/07/2021)

(d) Key Management Personnel (KMP) :

Managing Director :

Shri J. C. Laddha

Whole-time Director :

Shri R. K. Dalmia

Non Executive Directors

Shri Kumar Mangalam Birla

Smt. Rajashree Birla

Shri Rajan A Dalal

Shri Yazdi P Dandiwala

Shri Sohanlal Kundanmal Jain

Smt. Preeti Vyas

(e) 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

Notes

to Standalone Financial Statements for the year ended 31 March 2022

40 RELATED PARTY DISCLOSURE (Continued)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year are disclosed below:

(₹ in Crores)

Transactions With Related Parties	For the year ended	Where control exists (b)	Where Joint control exists (c)	KMP & Directors of the Company (d)	Company Managed Funds (e)
Nature of transactions with Related Parties					
Contribution to Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-22	-	-	-	7.99
	31-Mar-21				7.63
Contribution to Century Textiles & Industries Ltd. Employee Gratuity Fund	31-Mar-22	-	-	-	6.82
	31-Mar-21				4.30
Contribution to Century Textiles & Industries Ltd. (Textiles Division) Superannuation Scheme	31-Mar-22	-	-	-	0.42
	31-Mar-21	-	-	-	0.39
Remuneration to Managing Director	31-Mar-22	-	-	2.36	-
	31-Mar-21	-	-	2.46	-
Remuneration to Whole time Director	31-Mar-22	-	-	4.98	-
	31-Mar-21	-	-	4.60	-
Sitting fees to independent and non executive directors	31-Mar-22	-	-	0.10	-
	31-Mar-21	-	-	0.10	-
Commission to non whole time directors	31-Mar-22	-	-	2.00	-
	31-Mar-21	-	-	-	-
Other Transactions (Expenses)	31-Mar-22	3.57	-	-	-
	31-Mar-21	3.30	-	-	-
Revenue share under Joint Development Agreement	31-Mar-22	15.04	-	-	-
	31-Mar-21	10.80	-	-	-
Sale of Goods	31-Mar-22	5.80	-	-	-
	31-Mar-21	30.14	-	-	-
Reimbursement of Expenses	31-Mar-22	-	0.12	-	-
	31-Mar-21	-	-	-	-
Other Transactions (Income)	31-Mar-22	25.44	0.77	-	-
	31-Mar-21	18.34	-	-	-
Loan given / (repaid) (net)	31-Mar-22	50.15	-	-	-
	31-Mar-21	111.49	-	-	-
Investment	31-Mar-22	33.45	15.00	-	-
	31-Mar-21	-	-	-	-
Development Management Fees (Inventorised)	31-Mar-22	59.27	-	-	-
	31-Mar-21	-	-	-	-

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40 RELATED PARTY DISCLOSURE (Continued)

Balances Receivable / (Payable) with Related Parties	Balance as at	Where control exists (b)	Where Joint control exists (c)	KMP & Directors of the Company (d)	Company Managed Funds (e)
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-22	-	-	-	(0.66)
	31-Mar-21	-	-	-	(0.65)
Commission payable to non whole time directors	31-Mar-22	-	(2.00)	-	-
	31-Mar-21	-	-	-	-
Payable against Other Expenses	31-Mar-22	(5.47)	-	-	-
	31-Mar-21	-	-	-	-
Receivable against Sale of Goods / Other Income	31-Mar-22	5.20	-	-	-
	31-Mar-21	10.07	-	-	-
Loans / Advances / Deposits (Receivable)	31-Mar-22	342.12	-	-	-
	31-Mar-21	291.97	-	-	-
Investment	31-Mar-22	200.50	15.00	-	-
	31-Mar-21	167.55	-	-	-
Guarantees outstanding	31-Mar-22	200.00	-	-	-
	31-Mar-21	200.00	-	-	-

* 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.

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41 SEGMENT INFORMATION

A. Information about Business Segment - Primary

(₹ in Crore)

S. No.	Particulars	Textiles		Pulp and Paper		Real Estate		Others		Total	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	**Segment Revenue**										
	Sales of products	1086.35	628.99	2817.79	1773.81	139.21	142.96	24.79	18.89	4068.14	2564.65
	Less: Inter Segment Revenue	-	-	-	-	0.66	0.57	-	-	0.66	0.57
	Net Sales from Continuing Operations	1086.35	628.99	2817.79	1773.81	138.55	142.39	24.79	18.89	4067.48	2564.08
	Sales from Discontinued Operations:										
	Textiles									-	-
										4067.48	**2564.08**
2	**Result**										
	Segment Result of Continuing Operations	42.30	(32.07)	296.42	99.97	42.39	47.84	4.77	3.72	385.88	119.46
	Profit/(Loss) from Discontinued Operations:										
	Textiles									10.59	(28.50)
										396.47	**90.96**
3	**Other Information**										
	Segment Assets	1000.39	877.46	2979.22	2997.94	2008.04	1549.04	36.16	36.71	6023.81	5461.15
	Segment Assets Discontinued Operations:										
	Textiles									-	1.96
	Add: Unallocated common Assets									1141.84	929.85
	Total Assets									**7165.65**	**6392.96**
	Segment Liabilities	1101.83	971.19	540.03	534.84	321.09	132.30	12.81	13.55	1975.76	1651.88
	Segment Liabilities Discontinued Operations:										
	Textiles									-	47.77
	Add: Unallocated Common Liabilities									1270.80	1029.49
	Total Liabilities									**3246.56**	**2729.14**
4	**Capital Expenditure during the** year (excluding advances)	17.59	64.49	121.93	65.03	7.61	0.08	-	-	147.13	129.60
	Add: Unallocated Capital Expenditure									-	-
										147.13	**129.60**
5	**Depreciation and amortisation**	45.32	44.93	146.99	145.07	35.23	38.46	0.13	0.13	227.67	228.59
	Add: Unallocated Depreciation									0.38	0.43
										228.05	**229.02**

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41 SEGMENT INFORMATION (Continued)

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.

B. Reconciliation of profit

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Segment profit [A]	385.88	119.46
Unallocable income / (expense) [B]:		
Employee benefits expense	(15.09)	(15.07)
Depreciation & amortisation expense	(0.38)	(0.43)
Other expense	(35.12)	(33.20)
Other income	41.39	66.39
Total	**(9.20)**	**17.69**
Finance cost [C]	(75.03)	(88.55)
Inter-segment profit / (loss) (elimination) [D]	-	-
Profit before tax from continuing operations [A+B+C+D]	**301.65**	**48.60**
Add/(Less): Taxes		
Income Tax (charge) / credit	(101.86)	1.44
Profit after tax from continuing operations	**199.79**	**50.04**
Profit from discontinued operations	10.59	(28.50)
Add/(Less): Taxes		
Income Tax (charge) / credit	(3.05)	9.96
Profit after tax from discontinuing operations	**7.54**	**(18.54)**
Profit for the year	**207.33**	**31.50**

C. Reconciliation of assets & liabilities

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
I **(A) Segment operating assets**	6023.81	5463.11
Unallocated assets		
(B) Non-current assets		
Property, plant and equipments	35.73	39.73
Financial assets		
Non-current investments	478.69	360.27
Loans	342.12	-
Deferred tax assets	5.50	55.49
Non current tax	50.23	49.43
Other non current assets	1.08	1.44
Total non-current assets (B)	**913.35**	**506.36**

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to Standalone Financial Statements for the year ended 31 March 2022

41 SEGMENT INFORMATION (Continued)

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(C) Current assets		
Financial assets		
Cash and cash equivalents	17.88	5.90
Bank balances other than above cash & cash equivalents	67.88	62.36
Investments	131.00	45.00
Loans	-	291.97
Others	7.34	9.54
Other current assets	4.39	8.72
Total current assets (C)	**228.49**	**423.49**
Total unallocated assets (B+C)	**1141.84**	**929.85**
TOTAL ASSETS (A + B + C)	**7165.65**	**6392.96**
II (A) Segment Operating Liabilities	1975.76	1699.65
Unallocated liabilities		
(B) Non-current liabilities		
Financial liabilities		
Borrowings	306.88	829.27
Lease liabilities	18.46	20.62
	325.34	**849.89**
Deferred tax liability (Net)	-	-
Other non-current liabilities		
Total non-current liabilities (B)	**325.34**	**849.89**
(C) Current liabilities		
Financial liabilities		
Current borrowings	887.38	151.73
Lease liabilities	2.30	2.69
	889.68	154.42
Trade payables	39.48	6.88
Other financial liabilities	8.16	7.67
Other current liabilities	5.41	4.28
Provisions	2.73	6.35
Total current liabilities (C)	**945.46**	**179.60**
Total unallocated liabilities (B+C)	**1270.80**	**1029.49**
Total LIABILITIES (A+B+C)	**3246.56**	**2729.14**

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to Standalone Financial Statements for the year ended 31 March 2022

41 SEGMENT INFORMATION (Continued)

D. Secondary segment

I Geographic information

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Revenue from external customers		
India	3410.40	2221.51
Outside India	657.08	342.57
Total revenue from continuing operations	**4067.48**	**2564.08**

II Non-current operating assets:

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
India	4260.20	4340.81
Outside India	-	-
Total	**4260.20**	**4340.81**

Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible assets.

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 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Cotton Fabric & Yarn	1086.35	628.99
Pulp & Paper (including paper board / straw board)	2817.79	1773.81
Others	24.79	18.89
Rental income including common area maintenance charges	138.55	142.39
Total	**4067.48**	**2564.08**

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. Real Estate	Leased Properties & real estate development
d. Others	Salt works and Chemicals

F. The Board of Directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

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to Standalone Financial Statements for the year ended 31 March 2022

41 SEGMENT INFORMATION (Continued)

G. No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2022 and 31 March 2021

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 maximize 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.

Debt-to-equity ratio are as follows:

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Debt (including lease liability) (A)	1215.02	1004.31
Equity (B)	3919.09	3663.82
Debt to Equity Ratio (A / B)	**0.31**	**0.27**

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 assurance 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 is exposed to credit risk mainly from trade receivables and other financial assets. The Company only deals with parties which has good credit ratings / worthiness based on company's internal assessment.

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.

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to Standalone Financial Statements for the year ended 31 March 2022

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

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 ₹ 53.11 Crores (31 March 2021: ₹ 48.00 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 recognised loss allowance provision on trade receivables amounting to ₹ 1.60 Crs during the year (31 March 2021 ₹ 3.31 Crs) as there was no reasonable expectations of recovery and were outstanding for more than 360 days from becoming due.

(₹ In Crores)

As at 31 March 2022	Less Then 180 Days	More Then 180 Days
Expected loss rate	0.00%	49.61%
Gross carrying amount	207.70	26.83
Loss allowance provision	**-**	**13.31**

(₹ In Crores)

As at 31 March 2021	Less Then 180 Days	More Then 180 Days
Expected loss rate	0.00%	86.55%
Gross carrying amount	161.75	13.53
Loss allowance provision	**-**	**11.71**

Reconciliation of loss allowance provision for trade receivables

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Balance as at beginning of the year	11.71	8.45
On receivables originated in the year	1.60	6.00
Amounts written off during the year as uncollectible	-	(2.00)
Amounts recovered / written back during the year	-	(0.74)
Balance at end of the year (continuing operations)	13.31	11.71

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to Standalone Financial Statements for the year ended 31 March 2022

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(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 financials 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 2022 and 31 March 2021

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 2022.

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 2022 and 31 March 2021

(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 (Continued)

(₹ In Crores)

	Currency	Change in rate	Effect on profit before tax
31 March 2022	USD	+5%	(5.57)
	USD	-5%	5.57
	EUR	+5%	(0.61)
	EUR	-5%	0.61
31 March 2021	USD	+5%	(4.60)
	USD	-5%	4.60
	EUR	+5%	0.04
	EUR	-5%	(0.04)

Outstanding foreign currency exposures	As at 31 March 2022		As at 31 March 2021	
	Foreign Currency (in millions)	₹ In Crore	Foreign Currency (in millions)	₹ In Crore
Trade Receivables				
USD	0.39	2.71	1.88	13.74
Euro	-	-	0.20	1.72
Trade Payables				
USD	21.95	165.81	17.63	128.90
Euro	1.42	12.13	0.13	1.12
Others	0.02	0.15	1.34	0.20

The following table gives details in respect of outstanding foreign exchange forward contracts

Forward Contracts	Buy / Sell	31 March 2022		
		Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Sell	6.80	51.65	0.12

Forward Contracts	Buy / Sell	31 March 2021		
		Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Sell	3.12	23.22	0.21

(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.

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to Standalone Financial Statements for the year ended 31 March 2022

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

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:

(₹ In Crores)

	Currency	Increase / decrease in basis points	Effect on profit before tax
31 March 2022	INR	+50	(1.16)
	INR	-50	1.16
31 March 2021	INR	+50	(2.90)
	INR	-50	2.90

(₹ In Crores)

Particulars	Total Borrowings	Floating rate Borrowings	Fixed rate Borrowings
As at 31 March 2022	1194.26	231.44	962.82
As at 31 March 2021	981.00	581.46	399.54

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.

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

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.

(₹ in Crores)

As at 31 March 2022	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	635.29	337.34	-	-	972.63
Short term borrowings						
Cash credit facilities/ working capital loan	0.50	-	-	-	-	0.50
Commercial paper	-	315.00	-	-	-	315.00
Trade payables						
Trade payables - micro and small enterprises	-	10.71	-	-	-	10.71
Trade payables - other than micro and small enterprises	-	806.17	-	-	-	806.17
Other financial liabilities						
Deposits from dealers and agents	53.11	-	-	-	-	53.11
Deposits against rental arrangements	-	54.77	20.40	-	200.00	275.17
Other Interest accrued	-	9.02	-	-	-	9.02
Unclaimed / unpaid dividends	-	1.83	-	-	-	1.83
Creditors for capital supplies / services	-	14.58	-	-	-	14.58
Other current liabilities	-	3.76	0.49	-	-	4.25
Total	**53.61**	**1851.13**	**358.23**	**-**	**200.00**	**2462.97**

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(₹ in Crores)

As at 31 March 2021	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	167.05	951.37	-	-	1118.42
Short term borrowings						
Cash credit facilities/ working capital loan	0.79	-	-	-	-	0.79
Pre-shipment, post-shipment facilities	-	2.19	-	-	-	2.19
Trade payables						
Trade payables - micro and small enterprises	-	14.93	-	-	-	14.93
Trade payables - other than micro and small enterprises	-	553.72	-	-	-	553.72
Other financial liabilities						
Deposits from dealers and agents	48.00	-	-	-	-	48.00
Deposits against rental arrangements	-	48.08	26.78	-	200.00	274.86
Other Interest accrued	-	13.87	-	-	-	13.87
Unclaimed / unpaid dividends	-	2.14	-	-	-	2.14
Creditors for capital supplies / services	-	11.34	-	-	-	11.34
Other current liabilities	-	6.87	0.49	-	-	7.36
Derivative financial instruments						
Derivatives not designated as hedging instruments	-	0.65	-	-	-	0.65
Total	**48.79**	**820.84**	**978.64**	**-**	**200.00**	**2048.27**

(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.

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(₹ in Crores)

As at 31 March 2022	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
Non derivative financial instruments						
Trade receivables	-	221.22	-	-	-	221.22
Other bank balances	1.83	66.05	-	-	-	67.88
Loans	-	27.37	396.86	-	-	424.23
Other financial assets						
Security deposits	0.38	-	-	7.27	-	7.65
Interest subsidy	-	7.76	-	-	-	7.76
Unbilled revenue	-	1.04	2.23	-	-	3.27
Others	-	5.45	-	-	-	5.45
Finance lease receivables	-	0.48	-	-	-	0.48
Total	**2.21**	**329.37**	**399.09**	**7.27**	**-**	**737.94**

(₹ in Crores)

As at 31 March 2021	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
Non derivative financial instruments						
Trade receivables	-	163.57	-	-	-	163.57
Other bank balances	2.14	60.22	-	-	-	62.36
Loans	291.97	-	-	-	-	291.97
Other financial assets						
Security deposits	1.05	-	-	6.27	-	7.32
Interest subsidy	-	13.16	-	-	-	13.16
Unbilled revenue	-	-	1.03	-	-	1.03
Claims and other receivable	-	0.29	-	-	-	0.29
Others	-	8.31	-	-	-	8.31
Finance lease receivables	-	2.11	0.43	-	-	2.54
Total	**295.16**	**247.66**	**1.46**	**6.27**	**-**	**550.55**

Notes
to Standalone Financial Statements for the year ended 31 March 2022

44. FAIR VALUE MEASUREMENT

Fair value of financial assets and financial liabilities

Particulars	31 March 2022 (₹ in Crores)		31 March 2021 (₹ in Crores)	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Financial assets measured at fair value through OCI:				
Investments				
Quoted equity shares	216.68	216.68	148.85	148.85
Unquoted equity shares	38.50	38.50	35.87	35.87
Financial assets at amortised cost for which fair value are disclosed				
Government and trust securities	8.01	8.01	8.01	8.01
Loans	342.12	342.12	291.97	291.97
Other financial assets				
Security deposit	7.65	7.65	7.32	7.32
Interest subsidy and Interest receivable	7.76	7.76	13.16	13.16
Unbilled revenue	3.27	3.27	1.03	1.03
Finance lease	0.48	0.48	2.54	2.52
Others	5.45	5.45	8.60	8.60
Trade receivables	221.22	221.22	163.57	163.57
Cash and cash equivalents	17.88	17.88	5.90	5.90
Other bank balances	67.88	67.88	62.36	62.36
Total	**936.90**	**936.90**	**749.18**	**749.16**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

44. FAIR VALUE MEASUREMENT (Continued)

Particulars	31 March 2022 (₹ in Crores)		31 March 2021 (₹ in Crores)	
	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)	231.44	231.44	583.36	583.36
Fixed rate borrowings (including current maturities and Interest accrued)	969.34	980.11	403.97	408.46
Lease liabilities (current & non current)	20.76	20.76	23.31	23.31
Trade payables	816.88	816.88	568.65	568.65
Other financial liabilities				
Deposits from dealers and agents	53.11	53.11	48.00	48.00
Deposits against rental arrangements	163.79	164.04	144.72	145.01
Other interest accrued	2.50	2.50	13.87	13.87
Unclaimed / unpaid dividends	1.83	1.83	2.14	2.14
Creditors for capital supplies/services	14.58	14.58	11.34	11.34
Other liabilities	4.25	4.25	7.36	7.36
Total	**2278.48**	**2289.50**	**1806.72**	**1811.50**

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 2022 was assessed to be insignificant.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

44. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at fair value through OCI:				
Investments				
Quoted equity shares	216.68	-	-	216.68
Unquoted equity shares	-	-	38.50	38.50
Financial assets at amortised cost for which fair value are disclosed				
Government and trust securities	-	8.01	-	8.01
Loans	-	342.12	-	342.12
Other financial assets				
Security deposit	-	7.65	-	7.65
Interest subsidy and Interest receivable	-	7.76	-	7.76
Unbilled revenue	-	3.27	-	3.27
Finance lease	-	0.48	-	0.48
Others	-	5.45	-	5.45
Trade receivables	-	221.22	-	221.22
Cash and cash equivalents	-	17.88	-	17.88
Other bank balances	-	67.88	-	67.88
Total	**216.68**	**681.72**	**38.50**	**936.90**

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2022			
	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)	-	231.44	-	231.44
Fixed rate borrowings (including current maturities and Interest accrued)	-	980.11	-	980.11
Lease liabilities (current & non current)	-	20.76	-	20.76
Trade payables	-	816.88	-	816.88
Other financial liabilities				
Deposits from dealers and agents	-	53.11	-	53.11
Deposits against rental arrangements	-	164.04	-	164.04
Other interest accrued	-	2.50	-	2.50
Unclaimed / unpaid dividends	-	1.83	-	1.83
Creditors for capital supplies/services	-	14.58	-	14.58
Other liabilities	-	4.25	-	4.25
Total	**-**	**2289.50**	**-**	**2289.50**

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to Standalone Financial Statements for the year ended 31 March 2022

44. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at fair value through OCI:				
Investments				
Quoted equity shares	148.85	-	-	148.85
Unquoted equity shares	-	-	35.87	35.87
Financial assets at amortised cost for which fair value are disclosed				
Government and trust securities	-	8.01	-	8.01
Loans	-	291.97	-	291.97
Other financial assets				
Security deposit	-	7.32	-	7.32
Interest subsidy and Interest receivable	-	13.16	-	13.16
Claims and other receivable	-	0.29	-	0.29
Finance lease	-	2.52	-	2.52
Unbilled revenue	-	1.03	-	1.03
Others	-	8.31	-	8.31
Trade receivables	-	163.57	-	163.57
Cash and cash equivalents	-	5.90	-	5.90
Other bank balances	-	62.36	-	62.36
Total	**148.85**	**564.44**	**35.87**	**749.16**

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2021			
	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)	-	583.36	-	583.36
Fixed rate borrowings (including current maturities and Interest accrued)	-	408.46	-	408.46
Lease liabilities (current & non current)	-	23.31	-	23.31
Trade payables	-	568.65	-	568.65
Other financial liabilities				
Deposits from dealers and agents	-	48.00	-	48.00
Deposits against rental arrangements	-	145.01	-	145.01
Other interest accrued	-	13.87	-	13.87
Unclaimed / unpaid dividends	-	2.14	-	2.14
Creditors for capital supplies/services	-	11.34	-	11.34
Other liabilities	-	7.36	-	7.36
Total	**-**	**1811.50**	**-**	**1811.50**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

44. FAIR VALUE MEASUREMENT (Continued)

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 2022	31 March 2021				
Financial assets Investments						
Unquoted equity investments	38.50	35.87	Level 3	Replacement Cost Method	Investment property held by investee companies	5% (31 March 2021: 5%) increase (decrease) in the fair value of investment property would result in increase (decrease) in fair value of unquoted equity investment by ₹ 1.37 Crore (31 March 2021 ₹ 1.34 Crore)
Total financial assets	**38.50**	**35.87**				

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 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Opening	35.87	35.14
Re-measurement recognised in OCI	2.63	0.73
Closing	**38.50**	**35.87**

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 31 March 2022 (₹ in Crores)	For the year ended 31 March 2021 (₹ in Crores)
Depreciation of right-of-use assets	3.74	3.57
Interest on lease liabilities (including interest on reclassified prepayments)	1.88	2.36
Expenses related to short term leases	1.42	1.42
Total	**7.04**	**7.35**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

45. DISCLOSURE UNDER IND AS 116 "LEASES": (Continued)

The following table sets out the maturity analysis of lease liability to be paid after the reporting date:

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Less than 1 year	3.18	4.86
1-3 years	3.99	6.00
3-5 years	3.79	3.81
5 years and above	**52.74**	**54.63**
Total as at 31 March	**63.70**	**69.30**

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
As at 1 April	23.31	17.39
Additions	-	17.48
Accretion of interest	1.88	2.36
Payments	4.43	13.92
As at 31 March	20.76	23.31
Current	2.30	2.69
Non-current	18.46	20.62

Amount recognized in statement of cash flows	For the year ended 31 March 2022 (₹ in Crores)	For the year ended 31 March 2021 (₹ in Crores)
Total cash outflow of leases	4.43	13.92

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 ₹ 126.45 Crore (31 March 2021 ₹ 128.57 Crore) as rental income for operating lease during the year ended 31 March 2022.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

45. DISCLOSURE UNDER IND AS 116 "LEASES": (Continued)

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Less than a year	54.45	31.58
One to two years	33.70	18.34
Two to three years	7.23	10.69
Three to four years	2.17	3.85
Four to five years	-	0.93
Total (A)	**97.55**	**65.39**
More than five years (B)	-	-
Total (A +B)	**97.55**	**65.39**

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

Amount receivable under Finance Lease:

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Less than a year	0.49	2.19
One to two years	-	0.48
Two to three years	-	-
Total	**0.49**	**2.67**
Unearned Finance Income	(0.01)	(0.13)
Present value of minimum lease payment receivable	**0.48**	**2.54**

Notes

to Standalone Financial Statements for the year ended 31 March 2022

46. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	31-Mar-22	31-Mar-21	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.88	1.35	-34.81%	Refer Note (a)
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.31	0.27	14.81%	
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	2.45	0.27	807.4%	Refer Note (b)
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.05	0.01	400%	Refer Note (b)
Inventory Turnover ratio	Cost of goods sold	Average Inventory	4.41	2.57	71.60%	Refer Note (b)
Trade Receivable Turnover Ratio	Net sales = Gross sales - sales return	Average Trade Receivable	21.14	14.82	42.65%	Refer Note (b)
Trade Payable Turnover Ratio	Net purchases = Gross purchases + other expenses - purchase return	Average Trade Payables	5.34	3.82	39.79%	Refer Note (b)
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities (Excluding current borrowings)	13.26	4.66	184.55%	Refer Note (b)
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	5.02%	1.21%	314.88%	Refer Note (b)
Return on Capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred Tax Liability	0.08	0.01	700.00%	Refer Note (b)
Return on Investment	Interest (Finance Income)	Investment	4.28%	4.36%	-1.83%	

Notes :

(a) Mainly on account of classification of long term NCD as current borrowings

(b) During the previous year, on account of covid outbreak and various government restrictions, operations of the Company were impacted significantly. During the year, the situation has improved and accordingly, cashflows and profitability of company has also improved as compared to previous year and almost reached to pre covid level. Accordingly, all ratios related to cash flows, revenue and profitability of the Company has been improved as compared to previous year.

Notes

to Standalone Financial Statements for the year ended 31 March 2022

47. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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**	**Atul K.Kedia**	**Snehal Shah**	**J.C.Laddha**	**R.K.Dalmia**	**Yazdi P. Dandiwala**
Partner	Vice President (Legal)	Chief Financial Officer	Managing Director	Whole-time Director	Director
Membership No: 112773	& Company Secretary		DIN No: 03266469	DIN No: 00040951	DIN:01055000
Mumbai : 25 April 2022	Mumbai : 25 April 2022				

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"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture comprising of the consolidated Balance sheet as at March 31, 2022, 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 and joint venture as at March 31, 2022, 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 and joint venture 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 consolidated Ind AS 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.

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, 2022. 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 this matter. 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 audit procedures performed by us, including those procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Recognition and Measurement of Deferred Tax *(as described in Note 16 of the consolidated Ind AS financial statements)*	
The Group has recognized Minimum Alternate Tax (MAT) credit receivable of INR 416.54 crore as at March 31, 2022. The Group also has recognized deferred tax assets of INR 137.86 crore on tax losses unabsorbed depreciation and indexation benefit on land.	Our procedures included, amongst others, the following: • Considered Group's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes". • Performed and understanding of the process and tested the internal controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls.

Key audit matters	How our audit addressed the key audit matter
Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Group has measured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime. 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 admissibility of tax positions adopted by the Group. Our procedures included, amongst others, the following:	• Performed the tests of details including the following key procedures: • Involved tax specialists who evaluated the Group'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 with the past trends, approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment, where applicable. • Assessed the deferred tax on temporary differences which are expected to reverse after the likely date of transition to the new tax regime and considered the impact thereof. • 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 Ind AS 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 including its joint venture 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 and of its joint venture 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 of its joint venture 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 and of its joint venture are responsible for assessing the ability of the Group and of its joint venture 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 and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

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 consolidated Ind AS 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 and its joint venture 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 and its joint venture 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 and its joint venture of which we are the independent auditors, 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 Ind AS financial statements of such entities included in the consolidated Ind AS 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, 2022 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. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, its subsidiaries and joint venture included in the consolidated Ind AS financial statements of the Company, to which reporting under CARO is applicable, we report as under:

   Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements are:

Sl No	Name	CIN	Holding company / subsidiary / associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Century Textiles and Industries Limited	L17120MH1897PLC000163	Holding Company	3(i)(c)
2	Birla Estates Private Limited	U70100MH2017PTC303291	Subsidiary	3(xvii)
3	Birla Century Exports Pvt Ltd	U51909MH2018PTC317024	Subsidiary	3(xvii)
4	Birla Advanced Knits Private Limited	U17299GJ2021PTC124095	Joint venture	3(xvii)

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Ind AS 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 (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, 2022 taken on record by the Board of Directors of the Holding Company, its subsidiary companies and joint venture, incorporated in India, none of the directors of the Group's companies and its joint venture, incorporated in India, are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, its subsidiary companies and joint venture, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries and joint venture 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 and joint venture 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 20 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group and joint venture;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint venture, incorporated in India during the year ended March 31, 2022.

iv. a) The respective managements of the Company and its subsidiaries which are companies incorporated in India whose Ind AS financial statements have been audited under the Act have represented to us, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Company and its subsidiaries which are companies incorporated in India whose Ind AS financial statements have been audited under the Act have represented to us, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The dividend declared or paid during the year by the Holding company and subsidiary companies incorporated in India, is in compliance with section 123 of the Act.

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

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 22112773AHSLQL1823

Mumbai
25 April 2022

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Ind AS 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 Ind AS financial statements of Century Textiles and Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and joint venture, 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS 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 with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS 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 Group and joint venture, which is a company incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

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

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 22112773AHSLQL1823

Mumbai
25 April 2022

Consolidated Balance Sheet

as at 31 March 2022

	Particulars	Note No.	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
I	**ASSETS**			
	NON-CURRENT ASSETS			
(a)	Property, plant and equipments	3	3212.77	3270.60
(b)	Capital work-in-progress	3A	173.90	172.64
(c)	Investment property	4	838.73	860.77
(d)	Investment property under development	4A	36.22	36.76
(e)	Intangible assets	5	7.11	7.84
(f)	Intangible assets under development	5A	0.69	0.89
(g)	Investment accounted for using equity method	6	14.87	-
(h)	Financial assets			
	(i) Investments	6	263.19	192.72
	(ii) Other financial assets	7	9.67	7.73
(i)	Deferred tax assets (net)	16	56.94	55.49
(j)	Advance tax (net of provisions)		61.22	51.06
(k)	Other non-current assets	8	25.65	38.59
	SUB-TOTAL		**4700.96**	**4695.09**
	CURRENT ASSETS			
(a)	Inventories	9	2330.86	1508.29
(b)	Financial assets			
	(i) Investments	6	131.00	45.00
	(ii) Trade receivables	10	216.80	157.85
	(iii) Cash and cash equivalents	11	34.82	50.54
	(iv) Other bank balances (other than (iii) above)	11	79.48	74.39
	(v) Other financial assets	7	13.18	21.06
(c)	Other current assets	8	231.74	139.29
	SUB-TOTAL		**3037.88**	**1996.42**
	Assets classified as held for sale	35	-	1.96
	TOTAL		**7738.84**	**6693.47**
II	**EQUITY AND LIABILITIES**			
	EQUITY			
(a)	Equity share capital	12	111.69	111.69
(b)	Other equity	13	3607.13	3392.67
(c)	Non controlling interest		158.03	143.03
	SUB-TOTAL		**3876.85**	**3647.39**
	LIABILITIES			
	NON-CURRENT LIABILITIES			
(a)	Financial liabilities			
	(i) Borrowings	14	381.82	864.97
	(ia) Lease liabilities	14A	18.46	20.62
	(ii) Other financial liabilities	15	98.19	97.13
(b)	Provisions	20	1.50	0.75
(c)	Other non-current liabilities	17	520.21	571.51
	SUB-TOTAL		**1020.18**	**1554.98**
	CURRENT LIABILITIES			
(a)	Financial liabilities			
	(i) Borrowings	18	933.74	160.23
	(ia) Lease liabilities	14A	2.30	2.69
	(ii) Trade payables	19		
	1) total outstanding dues of micro enterprises and small enterprises		11.88	15.01
	2) total outstanding dues of trade payables other than micro enterprises and small enterprises		846.08	605.51
	(iii) Other financial liabilities	15	149.08	136.52
(b)	Provisions	20	181.87	189.68
(c)	Other current liabilities	17	716.86	333.69
	SUB-TOTAL		**2841.81**	**1443.33**
	Liabilities directly associated with assets held for sale	35	-	47.77
	TOTAL		**7738.84**	**6693.47**
	Significant accounting policies	2A		
	The accompanying notes are an integral part of the consolidated financial statements			

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 : 25 April 2022

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

Snehal Shah
Chief Financial Officer

Mumbai : 25 April 2022

J.C.Laddha
Managing Director
DIN No: 03266469

R.K.Dalmia
Whole-time Director
DIN No: 00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

	Particulars	Note No.	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
	Continuing Operations			
I	Revenue from operations	21	4130.95	2616.57
II	Other income	22	43.06	61.62
III	**Total Income (I + II)**		**4174.01**	**2678.19**
IV	Expenses			
	(a) Cost of materials consumed	23	2276.31	1317.51
	(b) Purchases of traded goods	24	223.58	79.47
	(c) Changes in inventories of finished goods, work-in-progress and traded goods	25	(58.10)	46.17
	(d) Employee benefits expense	26	323.64	281.24
	(e) Finance costs	27	52.18	70.70
	(f) Depreciation and amortisation expense	28	230.66	231.13
	(g) Other expenses	29	921.01	668.48
	Total Expenses		**3969.28**	**2694.70**
V	**Profit / (Loss) before tax and Share of profit of Joint Venture (III - IV)**		204.73	(16.51)
	Share of Profit / (Loss) of Joint Venture		(0.13)	-
VI	**Profit / (Loss) before tax from continuing operations**		204.60	(16.51)
VII	**Tax expense of continuing operations**			
	(a) Current tax	16	55.01	-
	(b) Adjustment of tax relating to earlier periods	16	-	(19.25)
	(c) MAT credit recognised	16	(54.99)	-
	(d) Deferred tax	16	84.01	17.81
	(e) Deferred tax relating to earlier period	16	(33.59)	-
	Total tax expense		**50.44**	**(1.44)**
VIII	**Profit / (Loss) after tax from continuing operations (VI - VII)**		154.16	(15.07)
IX	**Discontinued Operations**			
	(a) Loss before tax from discontinued operations		(7.04)	(28.50)
	(b) Gain on sale of Century Yarn and Denim division (Refer note 35(b))		17.63	-
	(c) Tax (Expense) / Income of discontinued operations		(3.05)	9.96
	Profit / (Loss) after tax from discontinued operations		**7.54**	**(18.54)**
X	**Profit / (Loss) for the year (VIII + IX)**		**161.70**	**(33.61)**
XI	**Other comprehensive income**			
	(i) Items that will be re-classified to profit or loss - continuing operations			
	(a) Net movement in cash flow hedge reserve		0.63	(0.03)
	(b) Income tax on (a)		(0.21)	0.01
	(ii) Items that will not be re-classified to profit or loss - continuing operations			
	(a) Re-measurement gain on defined benefit plans		0.97	3.51
	(b) Net gain / (loss) on Fair value through Other Comprehensive Income (OCI) - Equity Instruments		58.06	86.56
	(c) Income tax on (a) & (b)		(0.34)	(1.23)
	Total other comprehensive income / (loss) for the year (net of tax)		**59.11**	**88.82**
XII	**Total comprehensive income for the year (X + XI)**		**220.81**	**55.21**
	Profit / (Loss) for the period attributable to:			
	Owners of the Company		166.53	(30.44)
	Non-controlling Interest		(4.83)	(3.17)
	Other comprehensive income / (loss) attributable to:			
	Owners of the Company		59.11	88.82
	Non-controlling Interest		-	-
	Total comprehensive income / (loss) attributable to:			
	Owners of the Company		225.64	58.38
	Non-controlling Interest		(4.83)	(3.17)
XIII	**Earnings per equity share :**			
	(a) Basic & Diluted Earnings Per Share - Continuing operations	31	14.23	(1.07)
	(b) Basic & Diluted Earnings Per Share - Discontinued operations	31	0.68	(1.66)
	(c) Basic & Diluted Earnings Per Share - (Continuing & discontinued operations)	31	14.91	(2.73)
	Significant accounting policies	2A		
	The accompanying notes are an integral part of the consolidated financial statements			

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 : 25 April 2022

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

Snehal Shah
Chief Financial Officer

Mumbai : 25 April 2022

J.C.Laddha
Managing Director
DIN No: 03266469

R.K.Dalmia
Whole-time Director
DIN No: 00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

(₹ in Crores)

	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
		Securities Premium (See Note 13(a))	General Reserves (See Note 13 (d))	Capital Redemption Reserve (See Note 13(b)(i))	Debenture Redemption Reserve (See Note 13(b)(ii))	Retained earnings	Cash Flow Hedge Reserve	Equity Instruments through Other Comprehensive Income (See Note 13e(i))			
As at 1 April 2020	**111.69**	**643.22**	**1273.54**	**100.00**	**181.26**	**1157.99**	**(0.40)**	**12.19**	**3367.80**	**132.09**	**3611.58**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Balance as at 1 April 2020	111.69	643.22	1273.54	100.00	181.26	1157.99	(0.40)	12.19	3367.80	132.09	3611.58
Profit / (Loss) for the year	-	-	-	-	-	(30.44)	-	-	(30.44)	(3.17)	(33.61)
Other comprehensive income / (loss)	-	-	-	-	-	2.28	(0.02)	86.56	88.82	-	88.82
Total comprehensive income / (loss) for the year	-	-	-	-	-	(28.16)	(0.02)	86.56	58.38	(3.17)	55.21
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	-	(33.51)	-	-	(33.51)	-	(33.51)
Transfer to retained earnings	-	-	-	-	(181.26)	181.26	-	-	-	-	-
Contribution from non-controlling interest	-	-	-	-	-	-	-	-	-	14.11	14.11
As at 31 March 2021	**111.69**	**643.22**	**1273.54**	**100.00**	**-**	**1277.58**	**(0.42)**	**98.75**	**3392.67**	**143.03**	**3647.39**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	111.69	643.22	1273.54	100.00	-	1277.58	(0.42)	98.75	3392.67	143.03	3647.39
Profit / (Loss) for the year	-	-	-	-	-	166.53	-	-	166.53	(4.83)	161.70
Other comprehensive income / (loss)	-	-	-	-	-	0.63	0.42	58.06	59.11	-	59.11
Total comprehensive income / (loss) for the year	-	-	-	-	-	167.16	0.42	58.06	225.64	(4.83)	220.80
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	-	(11.17)	-	-	(11.17)	-	(11.17)
Contribution from non-controlling interest	-	-	-	-	-	-	-	-	-	19.83	19.83
As at 31 March 2022	**111.69**	**643.22**	**1273.54**	**100.00**	**-**	**1433.57**	**-**	**156.81**	**3607.13**	**158.03**	**3876.86**

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 : 25 April 2022

Atul K.Kedia
Vice President (Legal)
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Chief Financial Officer

Mumbai : 25 April 2022

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DIN No: 03266469

R.K.Dalmia
Whole-time Director
DIN No: 00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Consolidated Cash Flow Statement

for the year ended 31 March 2022

	Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	NET PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	204.73	(16.51)
	NET PROFIT / (LOSS) BEFORE TAX FROM DISCONTINUED OPERATIONS	10.59	(28.50)
	Add / (Less) :		
	Depreciation expense on property plant and equipments	195.10	192.49
	Depreciation expense on investment property	33.54	36.67
	Amortisation expense on intangible assets	2.02	1.97
	Loss/(gain) on sale of property plant and equipments and investment properties	0.67	(0.16)
	Allowance for credit loss	1.60	3.31
	Unrealized exchange (gain) / loss	0.04	(0.84)
	Interest income	(6.67)	(36.50)
	Provision for interest written back	(11.37)	(8.00)
	Gain on sale of Century Yarn & Denim division	(49.22)	-
	Share of loss of Joint Venture	0.13	-
	Interest expense	52.18	70.70
	Liabilities written back	(12.41)	(9.66)
	Dividend on investments	(3.26)	(3.27)
		202.35	**246.71**
	Working capital adjustments		
	Decrease / (increase) in inventory	(790.70)	(93.72)
	Decrease / (increase) in trade receivables	(60.59)	20.11
	Decrease / (increase) in other financial assets	3.53	14.05
	Decrease / (increase) in other assets	(101.76)	(1.67)
	(Decrease) / increase in other financial liabilities	22.98	5.89
	(Decrease) / increase in trade payables	210.18	137.09
	(Decrease) / increase in provisions	(12.32)	11.98
	(Decrease) / increase in other liabilities	330.14	123.66
	Decrease / (increase) in other bank balance	(5.09)	(15.87)
		(403.63)	**201.52**
	Cash generated from operations	14.04	403.22
	Add / (Less) :		
	Direct taxes (paid) / refund received	(65.17)	163.17
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**(51.13)**	**566.39**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property plant and equipments and intangible assets	(128.45)	(88.25)
	Proceeds from sale of property plant and equipments and investment properties	2.70	2.96
	Interest received (finance income)	10.34	32.73
	Purchase of investments (net)	(98.28)	(42.34)
	Proceeds from sale of Century Yarn & Denim division (net of disposal cost)	49.22	-
	Investment in joint venture	(15.00)	-
	Dividend on investments	3.26	3.27
	NET CASH FLOWS USED IN INVESTING ACTIVITIES	**(176.21)**	**(91.63)**

Consolidated Cash Flow Statement (Continued)

for the year ended 31 March 2022

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Contribution from Non-Controlling Interest	19.83	14.11
Proceeds from borrowings	376.50	466.20
Repayment of borrowings	(400.92)	(771.33)
Net proceeds / (repayment) of short term borrowings	311.08	(13.30)
Dividend paid	(11.48)	(33.68)
Lease liability paid	(4.43)	(13.92)
Interest paid	(83.83)	(118.94)
NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	**206.75**	**(470.86)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(20.59)**	**3.90**
Cash and cash equivalents at the beginning of the year	44.25	40.35
Cash and cash equivalents at the year end - (Refer note below)	23.66	44.25

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ 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)	34.82	50.54
Cash credit facilities - (Refer note 18)	(11.16)	(6.29)
Balance as per cash flow statement	23.66	44.25

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 : 25 April 2022

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

Snehal Shah
Chief Financial Officer

Mumbai : 25 April 2022

J.C.Laddha
Managing Director
DIN No: 03266469

R.K.Dalmia
Whole-time Director
DIN No: 00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Notes to Consolidated Financial Statements

for the year ended 31 March 2022

1. CORPORATE INFORMATION

Century Textiles & 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 25 April 2022.

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 Group.

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to consolidated Financial Statements for the year ended 31 March 2022

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-22	31-Mar-21
Birla Estates Pvt. Ltd.	Real Estate	India	100	100
Avarna Projects LLP	Real Estate	India	50	50
Birla Tisya LLP	Real Estate	India	40	40
Birla Arnaa LLP	Real Estate	India	47	n.a.
Birla Century Exports Pvt. Ltd.	Trading in Textiles	India	100	100
Birla Century LLC	Trading in Textiles	United States	100	100

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 enitity 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. Except for the under construction real estate business, the Group has identified twelve months as its operating cycle.

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realisation of project into cash and cash equivalents and range from 3 to 7 years. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

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:

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to consolidated Financial Statements for the year ended 31 March 2022

- 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
- 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.

Goods and Service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

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).

Sale of real estate units

Revenue is recognized upon transfer of control of residential units or service to customers, in an amount that reflects the consideration the Group expects to receive in exchange for those residential units. The Group determines the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of residential units, the Group satisfies the performance obligation and recognises revenue at a point in time i.e., upon completion and delivery of possession of the residential units to the customers as per the agreement.

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to consolidated Financial Statements for the year ended 31 March 2022

To estimate the transaction price in a contract, the Group adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Group when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential unit.

Sale of services

The Group recognises revenue from facility management services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group.

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

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.

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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 whereas grants related to royalty, power incentives and interest subsidies are netted of 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 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

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to consolidated Financial Statements for the year ended 31 March 2022

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 equipments

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 amortise 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 & equipments	3 years – 25 years
Electric installations	3 years – 10 years
Furniture & fixtures	3- 10 years
Office equipments	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 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. 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

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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.

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

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

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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 within the same line item as that within which the corresponding underlying assets would be presented if they were owned by the Group.

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.

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:

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to consolidated Financial Statements for the year ended 31 March 2022

- 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.

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

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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 employees of the Group, 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.

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

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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.

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

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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.

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:

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- 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.
- 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 of 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.

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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 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 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

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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 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.

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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. AMENDMENTS NOTIFIED BUT NOT YET EFFECTIVE

Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022 as below:

Ind AS 103 - Business Combination

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework), issued by the ICAI at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 - Property, Plant and Equipment (PPE)

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing while preparing the asset for its intended use (if any), shall not be recognise in the profit or loss but deducted from the directly attributable cost considered as part of cost of an item PPE. The Group has evaluated the amendment and there is no impact in recognition of its property, plant and equipment on its consolidated financial statements.

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability or to consider as modification of existing financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Exploration for and Evaluation of Mineral Resources

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor to avoid any ambiguity regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

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NOTE 3

A. PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

	Land - Freehold	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Vehicles	Electric Installations	Total
I. Gross block								
Balance as at 1 April 2020	345.60	631.85	5324.75	12.13	38.69	9.17	129.13	6491.32
Additions	-	2.19	57.14	0.71	0.76	0.67	0.10	61.57
Disposals	-	-	(4.04)	(0.01)	(0.12)	(0.48)	(0.03)	(4.68)
Balance as at 31 March 2021	**345.60**	**634.04**	**5377.85**	**12.83**	**39.33**	**9.36**	**129.20**	**6548.21**
Additions	-	13.52	130.42	0.62	2.82	2.10	0.01	149.49
Disposals	(0.06)	(0.21)	(15.95)	(0.52)	(1.87)	(1.36)	(0.04)	(20.01)
Transfer to investment properties	(8.77)	-	-	-	-	-	-	(8.77)
Balance as at 31 March 2022	**336.77**	**647.35**	**5492.32**	**12.93**	**40.28**	**10.10**	**129.17**	**6668.92**
II. Accumulated depreciation								
Balance as at 1 April 2020	0.71	268.59	2728.36	9.70	30.12	5.79	109.66	3152.93
Depreciation expense for the year	-	17.92	163.06	0.71	1.74	1.15	4.34	188.92
Disposal of assets	-	-	(1.44)	-	(0.10)	(0.33)	(0.01)	(1.88)
Balance as at 31 March 2021	**0.71**	**286.51**	**2889.98**	**10.41**	**31.76**	**6.61**	**113.99**	**3339.97**
Depreciation expense for the year	0.09	18.24	166.06	0.57	1.46	0.86	4.08	191.36
Disposal of assets	-	(0.20)	(13.01)	(0.45)	(1.71)	(1.14)	(0.04)	(16.55)
Balance as at 31 March 2022	**0.80**	**304.55**	**3043.03**	**10.53**	**31.51**	**6.33**	**118.03**	**3514.78**
Net block								
Balance as at 31 March 2021	344.89	347.53	2487.87	2.42	7.57	2.75	15.21	3208.24
Balance as at 31 March 2022	**335.97**	**342.80**	**2449.30**	**2.40**	**8.77**	**3.77**	**11.14**	**3154.15**

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NOTE 3 (Continued)

B. Right of use assets

(₹ in Crores)

Description	Land	Building	Total
Cost			
Balance as on 1 April 2020 due to adoption of Ind AS 116	51.88	6.57	58.45
Additions	6.20	12.24	18.44
Disposals	-	(1.06)	(1.06)
Balance as at 31 March 2021	**58.08**	**17.75**	**75.83**
Additions	-	-	-
Disposals	-	-	-
Balance as at 31 March 2022	**58.08**	**17.75**	**75.83**
Accumulated depreciation			
Balance as on 1 April 2020 due to adoption of Ind AS 116	8.25	1.65	9.90
Depreciation expense for the year	1.17	2.40	3.57
Disposal of assets	-	-	-
Balance as at 31 March 2021	**9.42**	**4.05**	**13.47**
Depreciation expense for the year	1.07	2.67	3.74
Disposal of assets	-	-	-
Balance as at 31 March 2022	**10.49**	**6.72**	**17.21**
Net block			
Balance as at 31 March 2021	48.66	13.70	62.36
Balance as at 31 March 2022	**47.59**	**11.03**	**58.62**

C: Net book value

(₹ in Crores)

Particulars	As at 31 March 2022	As at 31 March 2021
Owned assets	3154.15	3208.24
Right-of-use assets	58.62	62.36
Total	**3212.77**	**3270.60**

Notes:

i. During the year ended 31 March 2022 and 31 March 2021, no impairment indicators existed for any of its Cash Generating Unit (CGU) and accordingly no provision for impairment has been recognised.

ii. Capitalised borrowing cost :

No borrowing costs are capitalised on property, plant and equipment under construction

iii. Title deeds

(a) All title deeds of immovable properties included in property, plant and equipments are held in the name of the Company as at 31st March 2022.

(b) Refer note 14 and note 18 for details of pledge and securities.

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NOTE 3A : CAPITAL WORK IN PROGRESS (CWIP)

(i) Ageing schedule

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022					
Projects in progress	129.24	30.90	3.00	10.76	173.90
Projects temporarily suspended	-	-	-	-	-
Total	**129.24**	**30.90**	**3.00**	**10.76**	**173.90**
As at 31 March 2021					
Projects in progress	79.56	84.39	0.09	8.60	172.64
Projects temporarily suspended	-	-	-	-	-
Total	**79.56**	**84.39**	**0.09**	**8.60**	**172.64**

(ii) CWIP completion schedule for projects overdue

Project	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
As at 31 March 2022				
Paper Machine 3 & 4	48.20	-	-	-
275 TPH Evaporator Plant	82.37	-	-	-
Paper Machine 6	5.75	-	-	-
100 KVA Transformer Project	8.57	-	-	-
As at 31 March 2021				
Paper Machine 3 & 4	11.26	-	-	-
275 TPH Evaporator Plant	10.33	-	-	-
Tissue plant	127.21	-	-	-
100 KVA Transformer Project	-	8.60	-	-

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NOTE 4 : INVESTMENT PROPERTIES

(₹ in Crores)

Particulars	Land (Including TDRs)	Buildings	Total
I. Gross Block			
Balance as at 1 April 2020	7.67	1042.01	1049.68
Additions	-	0.01	0.01
Disposals	-	-	-
Balance as at 31 March 2021	**7.67**	**1042.02**	**1049.68**
Additions	2.46	0.27	2.73
Disposals	-	-	-
Transferred from property, plant and equipment	8.77	-	8.77
Balance as at 31 March 2022	**18.90**	**1042.29**	**1061.18**
II. Accumulated depreciation			
Balance as at 1 April 2020	-	152.25	152.25
Depreciation expense for the year	-	36.67	36.67
Disposal of assets	-	-	-
Balance as at 31 March 2021	**-**	**188.92**	**188.92**
Depreciation expense for the year	-	33.54	33.54
Disposal of assets	-	-	-
Balance as at 31 March 2022	**-**	**222.46**	**222.46**
Net Block			
Balance as at 31 March 2021	7.67	853.10	860.77
Balance as at 31 March 2022	**18.90**	**819.83**	**838.73**

Notes :

(i) Information regarding Income and expenditure of Investment properties

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Rental income derived from Investment properties (See Note 21)	126.45	128.57
Direct operating expenses (including repairs and maintenance) generating rental income	(22.99)	(20.02)
Profit arising from investment properties before depreciation and indirect expenses	103.46	108.55
Less: Depreciation	33.54	36.67
Profit arising from investment properties before indirect expenses	69.92	71.88

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NOTE 4 : INVESTMENT PROPERTIES (Continued)

(ii) Investment properties consist of two commercial buildings and a land 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, refer below details

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment properties	Land - Freehold	0.01	Municipal Corporation of Greater Mumbai (MCGM)	NO	50+ years	Ongoing litigation with MCGM in Bombay High Court

(iv) Refer note 14 and note 18 for details of pledge and securities.

(v) Capitalised borrowing cost :

No borrowing costs is capitalised during the year (31 March 2021 ₹ Nil) in 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:

(₹ in Crores)

Particulars	Valuation technique	Fair value hierarchy	Fair Value	
	(See Note below)	(See Note below)	31 March 2022	31 March 2021
Land	Stamp Duty Reckoner rate	Level 2	681.84	681.84
Commercial Property *	Stamp Duty Reckoner rate	Level 2	2291.25	2288.30

* Includes Investment property under development

viii. 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.

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 4A : INVESTMENT PROPERTY UNDER DEVELOPMENT (IPUD)

(i) Ageing schedule

(₹ in Crores)

Particulars	Amount in IPUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022					
Projects in progress	0.42	0.01	-	35.79	36.22
Projects temporarily suspended	-	-	-	-	-
Total	**0.42**	**0.01**	**-**	**35.79**	**36.22**
As at 31 March 2021					
Projects in progress	0.21	-	-	36.55	36.76
Projects temporarily suspended	-	-	-	-	-
Total	**0.21**	**-**	**-**	**36.55**	**36.76**

NOTE 5 : INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Computer softwares
I. Gross Block	
Balance as at 1 April 2020	23.86
Additions	0.89
Disposals	-
Balance as at 31 March 2021	**24.75**
Additions	1.30
Disposals	(0.05)
Balance as at 31 March 2022	**26.00**
II. Accumulated depreciation	
Balance as at 1 April 2020	14.94
Amortisation expense for the year	1.97
Disposal of assets	-
Balance as at 31 March 2021	**16.91**
Amortisation expense for the year	2.02
Disposal of assets	(0.04)
Balance as at 31 March 2022	**18.89**
Net Block	
Balance as at 31 March 2021	7.84
Balance as at 31 March 2022	**7.11**

Notes
to consolidated Financial Statements for the year ended 31 March 2022

NOTE 5A : INTANGIBLE ASSET UNDER DEVELOPMENT (IAUD)

(i) Ageing schedule

(₹ in Crores)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022					
Projects in progress	0.25	0.44	-	-	0.69
Projects temporarily suspended	-	-	-	-	-
Total	**0.25**	**0.44**	**-**	**-**	**0.69**
As at 31 March 2021					
Projects in progress	0.89	-	-	-	0.89
Projects temporarily suspended	-	-	-	-	-
Total	**0.89**	**-**	**-**	**-**	**0.89**

NOTE 6 : FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
I. NON CURRENT INVESTMENTS		
A. Investments carried at fair value through OCI		
Quoted investments (Refer note (i) below)	216.68	148.85
Unquoted investments (Refer note (i) & (ii) below)	38.50	35.86
Total (Quoted & unquoted investments)	**255.18**	**184.71**
B. Investments carried at amortised cost		
Quoted Government and trust securities	8.01	8.01
Total [A] + [B]	**263.19**	**192.72**
C. Investment accounted for using equity method		
Unquoted investments :		
Investment in joint venture (Refer Note 47)		
Equity Shares of ₹ 10 each, of Birla Advanced Kints Private Limited		
1,50,00,000 Shares (31 March 2021, Nil shares)	14.87	-
Total	**14.87**	**-**
Total [A] + [B] + [C]	**278.06**	**192.72**

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 6 : FINANCIAL ASSETS - NON-CURRENT INVESTMENTS (Continued)

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 ₹ 27.38 Crore (31 March 2021 ₹ 25.64 Crore). 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 not significant.

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
II. CURRENT INVESTMENTS		
Investments carried at fair value through profit and loss		
Investment in mutual funds		
3,78,770 units (31 March 2021: 1,39,690 units) of SBI Overnight Fund Direct Growth	131.00	45.00
	131.00	**45.00**

NOTE 7 : OTHER FINANCIAL ASSETS

(At amortised cost)

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(i) Financial assets at amortised cost				
(Unsecured, considered good, unless otherwise specified)				
a) Interest subsidy	-	-	5.42	9.09
b) Security deposits	7.27	6.27	0.67	1.26
c) Unbilled lease rentals	2.23	1.03	1.04	-
d) Others	0.17	-	5.57	8.60
- Doubtful	-	-	0.14	0.14
Less: Allowance for credit loss	-	-	(0.14)	(0.14)
	9.67	**7.30**	**12.70**	**18.95**
e) Finance lease receivables (Refer Note 45)	-	0.43	0.48	2.11
Less: Allowance for credit loss	-	-	-	-
	-	**0.43**	**0.48**	**2.11**
Total	**9.67**	**7.73**	**13.18**	**21.06**

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 8 : OTHER ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Capital advances				
(i) For property, plant and equipment	2.88	25.77	-	-
	2.88	25.77	-	-
(b) Advances other than capital advances				
(i) Export incentives receivable	3.64	-	6.14	8.11
(ii) Balances with Government authorities (other than income taxes)	6.52	6.49	48.13	22.38
(iii) Amount paid against disputed demands	3.94	3.98	-	-
(iv) Advances to vendors / suppliers	-	-	64.08	52.10
(v) Prepaid expenses	7.50	1.18	34.53	21.27
(vi) Gratuity - plan asset (Refer Note 36)	-	-	-	1.41
(vii) Contract assets (brokerage on sale of real estates inventories)	-	-	72.89	25.00
(viii) Others	1.17	1.17	5.97	9.02
	22.77	**12.82**	**231.74**	**139.29**
Total	**25.65**	**38.59**	**231.74**	**139.29**

NOTE 9 : INVENTORIES

(At cost or net realisable value, whichever is lower)

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Raw materials	160.36	134.00
Goods in transit	12.28	19.71
(b) Work-in-progress	235.40	182.80
(c) Finished and semi-finished goods	94.67	78.81
(d) Stock-in-trade of goods acquired for trading	0.73	0.95
(e) Fuels, stores and spares	84.07	99.43
Goods in transit	0.52	1.16
(f) Other materials	3.12	4.60
(g) Real estate inventory	1739.71	986.84
Total	**2330.86**	**1508.29**

Note :

(a) Cost of inventories recognised as an expense includes ₹ 3.07 Crores (31 March 2021 ₹ 1.01 Crores) in respect of write-downs of inventory to net realisable value.

(b) For charge created on inventories refer note 14 and 18

(c) Real estate inventory includes borrowing costs of ₹ 60.78 crores (31 March 2021 ₹ 21.00 crores)

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 10 : TRADE RECEIVABLES

(At amortised cost)

Particulars	Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Secured, considered good	32.04	24.42
Unsecured, considered good	184.76	133.43
Unsecured, considered doubtful	0.81	5.00
Less: Allowance for credit losses	(0.81)	(5.00)
Receivables - credit impaired	12.50	6.71
Less: Allowance for credit losses	(12.50)	(6.71)
Total	**216.80**	**157.85**
Of the above, trade receivables from:		
- Related Parties (Refer Note 40)	-	-
- Others	216.80	157.85
Total	**216.80**	**157.85**

Notes :

(i) 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.

(ii) Trade receivables ageing schedule

Particulars	Outstanding for following periods from invoice date					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022						
Undisputed trade receivables – considered good	202.47	10.68	0.44	0.03	0.24	213.86
Disputed trade receivables – considered good	-	-	-	1.88	1.06	2.94
Undisputed trade receivables – considered doubtful	0.81	-	-	-	-	0.81
Disputed trade receivables – credit impaired	-	-	0.14	1.86	10.50	12.50
Total	**203.28**	**10.68**	**0.58**	**3.77**	**11.80**	**230.11**
As at 31 March 2021						
Undisputed trade receivables – considered good	156.03	1.29	0.19	0.03	0.31	157.85
Undisputed trade receivables – considered doubtful	-	-	3.41	1.35	0.24	5.00
Disputed trade receivables – credit impaired	-	-	-	-	6.71	6.71
Total	**156.03**	**1.29**	**3.60**	**1.38**	**7.26**	**169.56**

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 11 : CASH AND BANK BALANCES

(At amortised cost)

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Cash and cash equivalents		
(a) Balances with banks		
- Current Accounts	19.71	28.81
- Debit balance in cash credit / overdraft accounts	5.36	4.38
(b) Cheques and drafts on hand	1.73	0.01
(c) Cash on hand	0.11	0.07
(d) Fixed deposits with original maturity less than 3 months (including interest accrued)	7.91	17.27
Total	**34.82**	**50.54**
Other Bank Balances		
(a) Earmarked balances with banks		
- Unclaimed dividend accounts	1.83	2.14
(b) Balances with banks:		
- Fixed deposits with maturity more than 3 months (including interest accrued)	18.93	19.84
- On margin accounts	58.72	52.41
Total	**79.48**	**74.39**

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 4.40% to 6.00%

Notes
to consolidated Financial Statements for the year ended 31 March 2022

NOTE 12 : EQUITY SHARE CAPITAL

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Authorised :		
14,80,00,000 (31 March 2021 - 14,80,00,000) Equity Shares of ₹ 10 each.	148.00	148.00
1,00,00,000 (31 March 2021 - 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 2021 - 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 2021 - 11,16,95,680) Equity Shares of ₹ 10 each, fully paid up	111.69	111.69
(The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.)		
Total	**111.69**	**111.69**

(d) 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 2022			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69
Year ended 31 March 2021			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 12 : EQUITY SHARE CAPITAL (Continued)

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

Class of shares / Name of shareholders	As at March 31 2022		As at March 31 2021	
	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 Private Limited	75,60,900	6.77 %	75,60,900	6.77 %

(f) 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 2022.

(g) Details of shares held by promoters and promoters group

Equity share of ₹ 10 each fully paid up	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% in total shares	% change during the year
As at March 31 2022					
Pilani Investment And Industries Corporation Limited	3,69,78,570	-	3,69,78,570	33.11%	-
IGH Holdings Private Limited	1,11,50,000	-	1,11,50,000	9.98%	-
Aditya Marketing And Manufacturing Private Limited	75,60,900	-	75,60,900	6.77%	-
Estate of deceased Basant Kumar Birla	1,99,800	-	1,99,800	0.18%	-
Prakash Educational Society	1,28,000	-	1,28,000	0.11%	-
Birla Educational Institution	44,000	-	44,000	0.04%	-
Padmavati Investment Private Limited	16,700	-	16,700	0.01%	-
Total	**5,60,77,970**	**-**	**5,60,77,970**	**50.21%**	**-**
As at March 31 2021					
Pilani Investment And Industries Corporation Limited	3,69,78,570	-	3,69,78,570	33.11%	-
IGH Holdings Private Limited	1,11,50,000	-	1,11,50,000	9.98%	-
Aditya Marketing And Manufacturing Private Limited	75,60,900	-	75,60,900	6.77%	-
Estate of deceased Basant Kumar Birla	1,99,800	-	1,99,800	0.18%	-
Prakash Educational Society	1,28,000	-	1,28,000	0.11%	-
Birla Educational Institution	44,000	-	44,000	0.04%	-
Padmavati Investment Private Limited	16,700	-	16,700	0.01%	-
Total	**5,60,77,970**	**-**	**5,60,77,970**	**50.21%**	**-**

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 13 : OTHER EQUITY

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ 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.

(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
Less: Transferred to retained earnings (Refer note below)	-	(181.26)
	-	**-**

Note :

The Group 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 16 August, 2019, the Group is not required to create Debenture Redemption Reserve (DRR). Accordingly, the Group has not created DRR during the year and DRR created till FY 2020 were transferred to retained earnings on redemption of debentures in the previous year.

(c) Dividend distribution made and proposed

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Cash dividends on equity shares paid during the year		
Dividend for the year ended on 31 March 2021: ₹ 1.00 per share (31 March 2020 ₹ 3.00 per share)	11.17	33.51
	11.17	**33.51**
Proposed dividend on equity shares		
Proposed dividend for the year ended on 31 March 2022 ₹ 4.00 per share (31 March 2021 ₹ 1.00 per share)	44.68	11.17
	44.68	**11.17**

Note :

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2022.

(d) General Reserves

General Reserves is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 13 : OTHER EQUITY (Continued)

(e) Other Comprehensive Income

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.

NOTE 14 : BORROWINGS

Particulars	Non-Current		Current Maturities	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Measured at Amortised Cost				
(A) Secured Non Convertible Debentures				
1. 2500 (31 March 2021 - Nil) Redeemable Non Convertible debentures (Repayment due on Feb' 2025 Interest rate as at 31 March 2022 - 6.32 % p.a)	249.78	-	-	-
2. 4000 (31 March 2021 - 4000) Redeemable Non Convertible debentures (Repayment due on Feb' 2023 Interest rate as at 31 March 2022 - 7.95 % p.a)	-	399.54	399.77	-
(B) Term Loan from Bank - Secured				
3. Term loan from Axis Bank (Repayable in 16 instalments, last instalment falling due on Sep' 2023)	57.10	429.73	173.84	148.75
4. Term Loan from HDFC Bank (Repayable in 18 monthly instalments, last instalment falling due on May' 2023)	65.94	35.70	35.70	3.00
5. Term Loan from Kotak Mahindra Bank (Repayable in 30 monthly instalments, last instalment falling due on Feb' 2027)	9.00	-	-	-
Amount disclosed under the head				
Borrowings - Current (Refer Note 18)	-	-	(609.31)	(151.75)
Total	**381.82**	**864.97**	**-**	**-**

Effective rate of Interest : All the term loans are carried at the Interest rate from 6.32% to 8.00%

Details of Security:

1. **Loans covered in Sr. No. 1 & 2 :**

   First pari passu charge on present and future plant and machineries of Birla Century, Pulp and Paper divisions and excluding Furniture and Fixtures and vehicles of the said divisions.

2. **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 25,323.78 sq. meters and the Birla Centurion building thereon situated at Worli, Lower Parel Divisions, 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.

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 14 : BORROWINGS (Continued)

3. **Loan covered in Sr. No. 4 above :**

   Primary security : First and exclusive charge on land and building and current assets of Birla Estates Private Limited project situated at Shahad, Kalyan.

4. **Loans covered in Sr. No. 5 above :**

   First and exclusive charge through registration of equitable mortgage of the land admeasuring 2,06,551 sqft (excluding land & FSI for 20,000 sqft of BUA for commercial building to be developed by Subhadra Textiles Pvt Ltd) along with the structure / buildings constructed / to be constructed on the said land parcel, including all the existing & future FSI potential loaded / to be loaded onto the structure constructed / to be constructed there on, along with the development rights for the project, having a minimum carpet area are of 4.12 sq ft, located at Magadi road, Bangalore, land is owned by STPL which shall be mortgager.

5. **Loan covenants**

   Bank loan and NCDs contain certain debt covenants relating to total term loan to tangible net worth, fixed asset coverage ratio, net debt to equity ratio and interest coverage ratio. The Group is compliant with the said covenants during the year ended 31 March 2022. The Group has also satisfied all other debt covenants prescribed in the terms of bank loan and NCDs.

   The Group has not defaulted in repayment of borrowing and interest thereon.

NOTE 14A : LEASE LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Lease liability (Refer Note 45)	18.46	20.62	2.30	2.69
	18.46	**20.62**	**2.30**	**2.69**

NOTE 15 : OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Other Financial Liabilities measured at amortised cost				
(a) Deposits from dealers and agents	-	-	53.11	48.00
(b) Deposits against rental arrangements	97.70	96.64	66.16	48.44
(c) Interest accrued	-	-	9.63	18.96
(d) Unclaimed / unpaid dividends (Refer Note below (i))	-	-	1.83	2.14
(e) Creditors for capital supplies / services	-	-	14.58	11.34
(f) Earnest money on booking of residential inventory	-	-	1.69	-
(g) Other liabilities	0.49	0.49	2.08	6.99
	98.19	**97.13**	**149.08**	**135.87**
Other financial liabilities measured at fair value				
a) Derivatives financial instruments carried at fair value through Other Comprehensive Income (FVTOCI) (Refer Note below (ii))	-	-	-	0.65
	-	**-**	**-**	**0.65**
Total	**98.19**	**97.13**	**149.08**	**136.52**

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 15 : OTHER FINANCIAL LIABILITIES (Continued)

Note :-

(i) Unclaimed dividend amounting to ₹ 0.05 crore (31 March 2021 ₹ 0.04 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.

(iii) Changes in liabilities arising from financing activities (excluding lease liabilities)

Particulars	As at 1 April 2021	Cash flow	As at 31 March 2022
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	1021.81	(24.15)	997.66
Current borrowings			
Working capital loans / cash credit from banks	6.29	4.87	11.16
Pre-shipment, Post-shipment and Export Bills Discounting facilities	2.19	(2.19)	-
Commercial Papers	-	313.27	313.27
Total	**1030.29**	**291.80**	**1322.09**

Particulars	As at 1 April 2020	Cash flow	As at 31 March 2021
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	1348.48	(326.67)	1021.81
Current borrowings			
Working capital loans / cash credit from banks	18.35	(12.06)	6.29
Pre-shipment, Post-shipment and Export Bills Discounting facilities	0.71	1.48	2.19
Under a buyer's credit arrangement in foreign currency	14.78	(14.78)	-
Total	**1382.32**	**(352.03)**	**1030.29**

NOTE 16 : INCOME TAX

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
(a) Tax expense recognised in the Statement of Profit and Loss on continuing operations		
Current tax		
In respect of current year	55.01	-
Adjustment of tax relating to earlier periods	-	(19.25)
	55.01	**(19.25)**
Minimum Alternate Tax (MAT) Credit entitlement	(54.99)	-
	0.02	**(19.25)**

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 16 : INCOME TAX (Continued)

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Deferred tax		
In respect of current year	84.01	17.81
In respect of earlier years	(33.59)	-
	50.42	17.81
Total income tax expense on continuing operations	**50.44**	**(1.44)**
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	3.05	(9.96)
Total income tax expense on discontinuing operations	**3.05**	**(9.96)**
Net tax expense recognised in the Statement Profit and Loss	**53.49**	**(11.40)**
(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	0.34	1.23
Cash flow hedge	0.21	(0.01)
	0.55	**1.22**
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	0.34	1.23
Income taxes related to items that will be reclassified to profit or loss	0.21	(0.01)
	0.55	**1.22**
(c) Amounts Recognised directly in Equity - Nil (31 March 2021 - Nil)		
(d) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
Profit/(loss) before tax from continuing operations	**204.60**	**48.60**
Income tax expense calculated at 34.944% (31 March 2021 - 34.944%)	71.50	16.98
Effect of income that is exempt from taxation	-	(1.10)
Effect of expenses that is non-deductible in determining taxable profit	2.58	5.68
Profit taxable at different tax rates for subsidiaries and measurement of deferred tax @ 25.17% for deferred tax expected to be reversed in new tax regime	1.00	-
Others	8.95	(2.63)
	84.03	**18.93**
Adjustments recognised in the current year in relation to the deferred tax of prior years (Refer Note ii)	(33.59)	(1.12)
Adjustment of tax relating to prior periods	-	(19.25)
Income tax expense recognised In profit or loss from continuing operations	50.44	(1.44)
Profit/(loss) before tax from discontinuing operations	**10.59**	**(28.50)**
Income tax expense calculated at 34.944%	3.70	(9.96)
Income taxable at different tax rates	(0.65)	-
Income tax expense recognised In profit or loss from discontinuing operations	3.05	(9.96)

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 16 : INCOME TAX (Continued)

Note :

(i) The tax rate used for above deferred tax reconciliation for 31 March 2022 and 31 March 2021 is 34.944% respectively.

(ii) During the year, Birla Estates Private Limited ('BEPL'), a wholly owned subsidiary of the Company, has assessed the recoverability of unutilized tax losses as at March 31, 2022 and recognized deferred tax asset amounting to ₹ 34.07 crores pertaining to earlier years.

(e) The movement in deferred tax assets and liabilities during the year ended 31 March 2022 and 31 March 2021 :

(₹ in Crores)

Movement during the year ended 31 March 2022	As at 31 March 2021	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2022
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	612.67	(8.89)	-	603.78
	612.67	**(8.89)**	**-**	**603.78**
Tax effect of items constituting deferred tax assets				
(i) Employee benefits	7.61	2.22	(0.34)	9.49
(ii) Expenses allowable for tax purpose when paid	4.54	0.12	-	4.66
(iii) Tax losses	104.62	(46.10)	-	58.52
(iv) Interest Income on unwinding of financial assets	23.14	-	-	23.14
(v) Other temporary differences	26.82	(3.57)	-	23.25
(vi) Upfront royalty	140.14	(15.03)	-	125.11
(vii) Cash flow hedge	0.21	-	(0.21)	-
	306.61	**(62.36)**	**(0.55)**	**244.17**
Deferred Tax liability / (asset)	306.06	53.47	0.55	359.60
MAT credit	(361.55)	(54.99)	-	(416.54)
Net Deferred Tax liability / (asset)	**(55.49)**	**(1.52)**	**0.55**	**(56.94)**

Notes
to consolidated Financial Statements for the year ended 31 March 2022

NOTE 16 : INCOME TAX (Continued)

(₹ in Crores)

Movement during the year ended 31 March 2021	As at 31 March 2020	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2021
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	613.56	(0.89)	-	612.67
	613.56	**(0.89)**	**-**	**612.67**
Tax effect of items constituting deferred tax assets				
(i) Employee benefits	8.80	0.04	(1.23)	7.61
(ii) Expenses allowable for tax purpose when paid	14.52	(9.98)	-	4.54
(iii) Tax losses	94.51	10.11	-	104.62
(iv) Interest Income on unwinding of financial assets	23.14	-	-	23.14
(v) Other temporary differences	21.75	5.07	-	26.82
(vi) Upfront royalty	154.12	(13.98)	-	140.14
(vii) Cash flow hedge	0.20	-	0.01	0.21
	316.57	**(8.74)**	**(1.22)**	**306.61**
Deferred Tax liability / (asset)	296.99	7.85	1.22	306.06
MAT credit	(361.55)	-	-	(361.55)
Net Deferred Tax liability / (asset)	**(64.56)**	**7.85**	**1.22**	**(55.49)**

NOTE 17 : OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Advances received from customers	-	-	607.28	250.89
(b) Deferred revenue - Government grant (Refer Note below)	27.63	29.09	-	-
(c) Deferred revenue (Refer Note 33)	492.58	542.42	52.22	51.82
(d) Statutory dues				
- Taxes payable (other than income taxes)	-	-	54.84	28.13
- Employee recoveries and employer contributions	-	-	2.36	2.11
(e) Other liabilities	-	-	0.16	0.74
Total	**520.21**	**571.51**	**716.86**	**333.69**

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 17 : OTHER LIABILITIES (Continued)

Note : Government grants

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Opening	29.09	7.67
Received during the year	0.40	27.23
Released to the statement of profit and loss	1.86	5.81
Closing	**27.63**	**29.09**

Under the Export Promotion Capital Goods (EPCG) Scheme, the Company 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 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Secured borrowings measured at amortised cost.		
(a) Loans repayable on demand from banks		
Cash credit from banks / Overdraft facility form Banks	11.16	6.29
Pre-shipment, post-shipment and export bills discounting facilities	-	2.19
Unsecured borrowings measured at amortised cost.		
(b) Current maturity of long-term loans:		
Current maturity of long-term loans	609.31	151.75
(c) Commercial papers		
(Maximum balance outstanding during the year ₹ 375 Crores)	313.27	-
(31 March 2021 ₹ 250 Crores)		
Total	**933.74**	**160.23**

Note:

Nature of security

(i) Working capital loans of ₹ 0.50 crores (31 March 2021 ₹ 2.98 crores) 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 collateral security 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.

Working capital loans of ₹ 10.66 crores (31 March 2021 ₹ 5.50 crores) from banks are secured against first pari passu charge on current assets of the Birla Estates Private Limited, both present and future, exclusive mortgage of land and building situated at Sahad, opposite chemical land, Kalyan and first & exclusive charge on current assets of the company's Birla Vanya project at Kalyan.

Notes
to consolidated Financial Statements for the year ended 31 March 2022

NOTE 19 : TRADE PAYABLES

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Trade payable - Micro and small enterprises (Refer Note 34)	11.88	15.01
Trade payable - Other than micro and small enterprises	846.08	605.51
Total	**857.96**	**620.52**

Note :

(a) 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.

(b) 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.

(c) Trade payables ageing schedule

Particulars	Outstanding for following periods from invoice date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022					
Total outstanding dues of micro enterprises and small enterprises	11.88	-	-	-	11.88
Total outstanding dues of creditors other than micro enterprises and small enterprises	812.19	13.53	10.93	8.99	845.64
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	0.01	0.43	0.44
Total	**824.07**	**13.53**	**10.94**	**9.42**	**857.96**
As at 31 March 2021					
Total outstanding dues of micro enterprises and small enterprises	15.01	-	-	-	15.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	548.58	43.81	3.31	9.37	605.07
Disputed dues of creditors other than micro enterprises and small enterprises	-	0.01	0.43	-	0.44
Total	**563.59**	**43.82**	**3.74**	**9.37**	**620.52**

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to consolidated Financial Statements for the year ended 31 March 2022

NOTE 20 : PROVISIONS

Particulars	Non-Current		Current	
	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
(a) Provision for employee benefits				
(i) Leave entitlement	1.50	0.75	24.76	24.22
(ii) Gratuity (Refer Note 36)	-	-	2.37	0.68
	1.50	**0.75**	**27.13**	**24.90**
(b) Other Provisions				
(i) Disputed matters (Refer Note 37)	-	-	154.74	164.78
	-	**-**	**154.74**	**164.78**
Total	**1.50**	**0.75**	**181.87**	**189.68**

NOTE 21 : REVENUE FROM OPERATIONS

Particulars			Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
(a) Sale of products		3879.83		2374.99
(b) Rent from leased properties:				
Rent from Investment properties (Refer Note 4)	126.45			128.57
Rent from other assets (Refer Note 33)	49.98			49.98
		176.43		
(c) Service income		12.10		13.82
			4068.36	2567.36
(d) Other operating revenues :				
Export benefits		14.70		19.53
Sale of scrap		8.78		8.05
Insurance and other claims		0.40		0.53
Liabilities no longer required		12.41		9.66
Government grants		8.60		5.81
Renewable energy credits		1.09		-
Others		16.61		5.63
			62.59	49.21
Total			**4130.95**	**2616.57**

Notes
to consolidated Financial Statements for the year ended 31 March 2022

NOTE 21 A : DISAGGREGATED REVENUE INFORMATION:

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Segment		
Textile products	1037.25	582.30
Paper and Pulp products	2817.79	1773.81
Real Estates	12.10	13.82
Others (Salt and Chemicals)	24.79	18.88
Total revenue from contracts with customers	**3891.93**	**2388.81**
India	3234.03	2042.96
Outside India	657.90	345.85
Total revenue from contracts with customers	**3891.93**	**2388.81**
Timing of revenue recognition		
Goods transferred at a point in time	3879.83	2374.99
Services transferred over time	12.10	13.82
Total revenue from contracts with customers	**3891.93**	**2388.81**

NOTE 21 B

Reconciliation with segment revenue	Textile	Pulp and Paper	Real Estates	Others	Total
Year Ended 31 March 2022					
Revenue as per Segment	1087.23	2817.79	138.55	24.79	4068.36
Less:					
Rent from Investment properties	-	-	(126.45)	-	(126.45)
Rent from Other assets	(49.98)	-	-	-	(49.98)
Total Revenue from contracts with customers	**1037.25**	**2817.79**	**12.10**	**24.79**	**3891.93**
Year ended 31 March 2021					
Revenue as per Segment	632.28	1773.81	142.39	18.88	2567.36
Less:					
Rent from Investment properties	-	-	(128.57)	-	(128.57)
Rent from Other assets	(49.98)	-	-	-	(49.98)
Total Revenue from contracts with customers	**582.30**	**1773.81**	**13.82**	**18.88**	**2388.81**

NOTE 21 C : CONTRACT BALANCES

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Trade Receivables	216.80	157.85
Contract Liabilities (advance received from customers)	607.28	250.89
Contract assets (brokerage on sale of real estates inventories)	72.89	25.00

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to consolidated Financial Statements for the year ended 31 March 2022

NOTE 21 D : RECONCILING THE AMOUNT OF REVENUE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS WITH THE CONTRACTED PRICES

Revenue as per contract price	3959.47	2464.00
Adjustments		
Discount	67.54	75.19
Revenue from contract with customers	3891.93	2388.81

NOTE 21 E : REMAINING PERFORMANCE OBLIGATION

In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential units. Since the said performance obligation is not satisfied as at March 31, 2022, no revenue has been recognised by the Company on sale of residential units. The Company expects to recognise revenue on sale of residential units in the following time band:

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Time band		
More than 3 years	1378.69	872.72
Less than 3 years	1617.95	215.00

NOTE 22 : OTHER INCOME

Particulars		Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Dividend on FVTPL Investments	1.56		2.13
Dividend on FVTOCI Investments	1.70		1.14
		3.26	3.27
Interest Income :			
Non current investments at amortised cost	0.66		0.66
On Income tax refund	0.02		32.75
Other interest income	5.99		3.09
		6.67	36.50
Gain on foreign currency fluctuations and translations (net)		7.09	2.58
Provision for interest written back #		11.37	8.00
Surplus on sale of property plant and equipments (net)		1.61	0.16
Management consultancy fees		4.56	7.44
Miscellaneous Income		8.50	3.67
Total		**43.06**	**61.62**

Provision towards interest on expected unfulfillment of export obligation has been written back.

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 23 : COST OF MATERIALS CONSUMED

Particulars		Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Raw material consumed			
Opening stock	134.00		127.61
Add: Purchases	1843.33		1012.95
	1977.33		1140.56
Less: Closing stock	(160.36)		(134.00)
		1816.97	1006.56
Dyes, colour and chemicals consumed			
Opening stock	14.42		16.71
Add: Purchases	353.45		233.26
	367.87		249.97
Less: Closing stock	(17.43)		(14.42)
		350.44	235.55
Packing materials consumed			
Opening stock	8.60		7.04
Add: Purchases	109.09		76.96
	117.69		84.00
Less: Closing stock	(8.79)		(8.60)
		108.90	75.40
Total		**2276.31**	**1317.51**

NOTE 24 : PURCHASE OF TRADED GOODS

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Purchase of traded goods	223.58	79.47

Notes

to consolidated Financial Statements for the year ended 31 March 2022

NOTE 25 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars		Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Opening stock :-			
Finished goods	78.81		127.76
Work-in-progress	182.80		188.45
Stock-in-trade	0.95		0.66
		262.56	316.87
Closing stock :-			
Finished goods	94.67		78.81
Work-in-progress	235.40		182.80
Stock-in-trade	0.73		0.95
		330.80	262.56
		(68.24)	54.30
Less: Sale of raw materials		(10.14)	-
Less: loss of finished goods inventory on fire		-	(8.14)
Total		**(58.10)**	**46.17**

NOTE 26 : EMPLOYEE BENEFITS EXPENSES

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Salaries, wages, bonus, etc.	289.84	253.23
Contributions to provident and other funds	16.03	14.60
Gratuity expenses (Refer Note 36)	4.50	4.33
Staff welfare expenses	13.27	9.08
Total	**323.64**	**281.24**

NOTE 27 : FINANCE COST

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Interest on debts and borrowings	101.92	79.89
Interest on lease liabilities (Refer Note 45)	1.88	2.36
Unwinding of discount and effect of change in discount rate on provisions	9.16	9.45
	112.96	91.70
Less: Borrowing costs inventorized (Refer Note below)	(60.78)	(21.00)
Total	**52.18**	**70.70**

Note :

The capitalisation rate used to determine the amount of borrowing cost to be capitalised and inventorized is the weighted average interest rate applicable to the entity's general borrowings during the year i.e. 8.00% (31 March 2021 8.00%)

Notes
to consolidated Financial Statements for the year ended 31 March 2022

NOTE 28 : DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Depreciation of property plant and equipments (Refer Note 3)	195.10	192.49
Depreciation on Investment properties (Refer Note 4)	33.54	36.67
Amortization of Intangible assets (Refer Note 5)	2.02	1.97
Total	**230.66**	**231.13**

NOTE 29 : OTHER EXPENSES

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Consumption of stores and spares	91.44	54.69
Job work charges	19.28	11.21
Power, fuel and water	485.50	336.77
Buildings repairs	25.15	20.34
Machinery repairs	20.47	19.18
Rent	2.27	2.22
Rates and taxes	15.52	19.48
Insurance	21.08	19.19
Freight, forwarding, octroi, etc.	47.91	32.69
Advertisement and publicity	28.36	8.58
Commission	12.62	12.04
Brokerage, discounts, incentives etc.	3.86	1.30
Commission to Non Executive Directors	2.00	-
Director’s fees and travelling expenses	0.10	0.10
Donations	2.00	0.14
Provision for doubtful debts and advances	1.67	3.31
Miscellaneous expenses	141.78	127.24
Total	**921.01**	**668.48**

Notes

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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 against forecast sales / purchases in US dollars. This forecast transactions are highly probable since purchase order already issued / projection of counter party available with the Company and hence expected to be utilised in near term. The foreign exchange contract balances vary with the level of expected foreign currency sales / purchases and changes in foreign exchange forward rate. The long term swap by way of foreign currency sales has been done on the basis of historical business with buyers and comprises 50% of projected sales.

31 EARNINGS PER SHARE (EPS):

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
a) For Continuing Operations		
Profit / (Loss) after tax from continuing operations	154.16	(15.07)
Add: Loss attributable to Non-Controlling Interest	4.83	3.17
Profit attributable to equity shareholders for basic & diluted EPS	158.99	(11.90)
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 2021 ₹ 10 each) (in Rupees)	14.23	(1.07)
b) For Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	7.54	(18.54)
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 2021 ₹ 10 each) (in Rupees)	0.68	(1.66)
c) For Continuing & Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	166.53	(30.44)
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 2021 ₹ 10 each) (in Rupees)	14.91	(2.73)

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 ₹ 3.83 crores (31 March 2021: ₹ 4.13 crores).

Notes

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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 ₹ 605.00 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 is recognizing 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, 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 and GIL.

34 TRADE PAYABLES

(i) ₹ 11.88 Crore (31 March 2021 ₹ 15.01 Crore) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) There are no other amounts paid / payable towards interest / principal under the MSMED; 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 MSMED Act

35. DISCONTINUED OPERATIONS

Yarn and Denim division

During the year ended 31 March 2022, the Group has sold all the assets of its Yarn and Denim division ('Y&D') to a third party for a consideration of ₹ 62.00 crore and has recognised a gain of ₹ 17.63 crore net of provision for termination benefits and other restructuring costs.

i) Gain on Sale of Yarn & Denim divisions

Particulars	31 March 2022 (₹ in Crores) Amount
Sale consideration	62.00
Less:	
Other expenses pertaining to above	12.78
Net asset / (liabilities) of demerged undertaking	2.45
Additional liabilities recognised pertaining to demerged undertaking	34.04
Gain on sale of Yarn & Denim divisions	17.63

ii) The Results of Yarn & Denim Division upto 14 July 2021

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Revenue including other income	-	-
Expenses	(7.04)	(28.50)
Loss before income tax	(7.04)	(28.50)
Income tax (expense) / credit	(2.46)	(9.96)
Loss after income tax	(4.58)	(18.54)

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35. DISCONTINUED OPERATIONS (Continued)

iii) The impact of above restatement on statement of cash flows for the previous year figures is as follows:

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Net Cash Generated From Operating Activities	(38.11)	(16.73)
Net Cash Generated From Investment Activities	55.16	-
Net Cash Flows From / (Used In) Financing Activities	-	-

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS"

(a) Defined Contribution Plans:

The Group's contribution to Provident Fund and Superannuation Fund aggregating ₹ 7.62 Crores (31 March 2021: ₹ 6.58 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 2022	31 March 2021
Employee Attrition rate	2% to 5%	2% to 5%
Discount rate	6.80%	6.59%
Expected rate(s) of salary increase	3% to 6%	3% to 6%

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36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS" (Continued)

Defined benefit plans – as per actuarial valuation on 31st March, 2022

Particulars	Funded Plan Gratuity 31 March 2022	Funded Plan Gratuity 31 March 2021
I. 1 Expense recognised in the Statement of Profit and Loss		
Service Cost:		
Current Service Cost	4.50	4.27
Net interest expense	-	0.06
Components of defined benefit costs recognised in profit or loss	4.50	4.33
2 Included in Other Comprehensive Income		
Remeasurement (gain)/loss	(0.02)	(1.99)
Return on plan assets (income)	(0.95)	(1.52)
Remeasurement (gain)/loss	**(0.97)**	**(3.51)**
II. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation	56.02	54.52
2. Fair value of plan assets	53.65	55.25
Net Asset/(Liability)	**(2.37)**	**0.73**
Reflected in balance sheet as under		
Other Current Assets - Gratuity - plan asset	-	1.41
Current Provisions - Gratuity	-	(0.68)
	-	**0.73**
III. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	54.52	52.70
2. Liability to be Transferred in	-	0.09
3. Expenses Recognised in Profit and Loss Account:		
- Current Service Cost	4.50	4.27
- Interest Expense / (Income)	3.46	3.30
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses):		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	(0.64)	(0.64)
iii. Experience Adjustments	0.62	(1.35)
5. Benefit payments	(12.12)	(3.85)
5. Transfer in / (out)	5.68	-
Present value of defined benefit obligation at the end of the year	**56.02**	**54.52**
IV. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	55.25	49.95
2. Fair Value of plan assets to be transferred	-	0.09
3. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	3.46	3.24
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	0.95	1.52
- Others (specify)	-	-
5. Contributions by employer (including benefit payments recoverable)	6.83	4.30
6. Benefit payments	(12.84)	(3.85)
Fair value of plan assets at the end of the year	53.65	55.25

Expected Contribution during next Annual reporting period ₹ 4.50 crores (31 March 2021 ₹ 4.24 Crores)

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36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS" (Continued)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ In Crores)

Principal assumption		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	31-Mar-22	1%	(3.01)	3.40
	31-Mar-21	1%	(2.94)	3.19
Salary growth rate	31-Mar-22	1%	3.34	(3.03)
	31-Mar-21	1%	3.27	(2.82)
Withdrawal rate	31-Mar-22	1%	(1.55)	1.01
	31-Mar-21	1%	(1.52)	0.98

Maturity profile of defined benefit obligation for the next 10 years (Undiscounted amount) :

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Within 1 year	7.42	7.63
1 - 2 year	7.32	5.77
2 - 3 year	5.54	6.80
3 - 4 year	6.32	5.16
4 - 5 year	5.73	6.34
Above 5 years	22.76	22.97
	55.09	**54.67**

The fair value of Group's plan asset by category are as follows:

Asset category	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Cash and cash equivalents	0.10	0.10
Debt instruments (quoted)	53.29	51.19
Equity instruments (quoted)	0.24	2.01
Deposits with Insurance companies	0.02	1.95
Total	**53.65**	**55.25**

The weighted average duration of the defined benefit obligation as at 31 March 2022 is 11.48 years (31 March 2021 9.97 years)

(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 2022.

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to consolidated Financial Statements for the year ended 31 March 2022

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS" (Continued)

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

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Guaranteed interest rate	8.10%	8.50%
Discount rate for the remaining term to maturity of interest portfolio	8.79%	6.59%
Contribution during the year	7.99	7.63

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:-

(₹ in Crores)

S No.	Nature of liability	As at 31 March 2021	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31 March 2022	
					Continuing	Discontinued
1	Water Charges	105.90	3.15	13.73	95.32	-
2	Octroi Duty	38.54	-	-	38.54	-
3	Towards Employee Benefit	25.49	-	25.49	-	-
4	Others	20.34	0.54	-	20.88	-
	Total	**190.27**	**3.69**	**39.22**	**154.74**	**-**

(₹ in Crores)

S No.	Nature of liability	1 April 2020	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31 March 2021	
					Continuing	Discontinued
1	Water Charges	98.14	8.01	0.25	105.90	-
2	Octroi Duty	38.54	-	-	38.54	-
3	Cess	0.48	-	0.48	-	-
4	Towards Employee Benefit	25.49	-	-	-	25.49
5	Others	17.93	4.59	2.18	20.34	-
	Total	**180.57**	**12.60**	**2.91**	**164.78**	**25.49**

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38 CONTINGENT LIABILITIES

(i) Contingent liabilities (to the extent not provided for)

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Contingent liabilities - Continuing Operations		
(a) (i) Claims against the Group not acknowledged as debts in respect of :		
- Custom Duty and Excise Duty	11.01	11.00
- Sales Tax and Entry Tax	10.27	5.73
- Others	6.05	6.16
(ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Group had an interest (proportionate)	24.86	24.86
(b) Disputed income tax matters under appeal	115.44	60.20
(c) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.	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.

39 COMMITMENTS

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	102.20	103.98
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	165.78	235.49

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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 Joint control exists :

Birla Advanced Knits Private Limited (Joint Venture) (w.e.f. 14/07/2021)

(c) Key Management Personnel (KMP) :

Managing Director :

Shri J. C. Laddha

Whole-time Director :

Shri R. K. Dalmia

Non Executive Directors

Shri Kumar Mangalam Birla

Smt. Rajashree Birla

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

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40 RELATED PARTY DISCLOSURE (Continued)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial years are disclosed below:

(₹ in Crores)

Transactions With Related Parties	For the year ended	Where Joint control exists (b)	KMP & Directors of the Company (c)	Company Managed Funds (d)
Nature of transactions with Related Parties				
Contribution to Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-22	-	-	7.99
	31-Mar-21	-	-	7.63
Contribution to Century Textiles & Industries Ltd. Employee Gratuity Fund	31-Mar-22	-	-	6.82
	31-Mar-21	-	-	4.30
Contribution to Century Textiles & Industries Ltd. (Textiles Division) Superannuation Scheme	31-Mar-22	-	-	0.42
	31-Mar-21	-	-	0.39
Remuneration to Managing Director	31-Mar-22	-	2.36	-
	31-Mar-21	-	2.46	-
Remuneration to Whole time Director	31-Mar-22	-	4.98	-
	31-Mar-21	-	4.60	-
Sitting fees to independent and non executive directors	31-Mar-22	-	0.10	-
	31-Mar-21	-	0.10	-
Commission to non whole time directors	31-Mar-22	-	2.00	-
	31-Mar-21	-	-	-
Reimbursement of Expenses (Income)	31-Mar-22	0.12	-	-
	31-Mar-21	-	-	-
Other Transactions (Income)	31-Mar-22	0.77	-	-
	31-Mar-21	-	-	-
Investment	31-Mar-22	15.00	-	-
	31-Mar-21	-	-	-

Balances Receivable / (Payable) with Related Parties	Balance as at	Where Joint control exists (b)	KMP & Directors of the Company (c)	Company Managed Funds (d)
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-22	-	-	(0.66)
	31-Mar-21	-	-	(0.65)
Commission payable to non whole time directors	31-Mar-22	-	(2.00)	-
	31-Mar-21	-	-	-
Investment	31-Mar-22	15.00	-	-
	31-Mar-21	-	-	-

* 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.

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41 SEGMENT INFORMATION

A. Information about Business Segment - Primary

(₹ in Crore)

S. No.	Particulars	Textiles 2021-22	Textiles 2020-21	Pulp and Paper 2021-22	Pulp and Paper 2020-21	Real Estate 2021-22	Real Estate 2020-21	Others 2021-22	Others 2020-21	Total 2021-22	Total 2020-21
1	**Segment Revenue**										
	Sales of products	1087.23	632.28	2817.79	1773.81	139.21	142.96	24.79	18.88	4069.02	2567.93
	Less: Inter Segment Revenue	-	-	-	-	0.66	0.57	-	-	0.66	0.57
	Net Sales from Continuing Operations	1087.23	632.28	2817.79	1773.81	138.55	142.39	24.79	18.88	4068.36	2567.36
	Sales from Discontinued Operations:										
	Textiles									-	-
										4068.36	**2567.36**
2	**Result**										
	Segment Result of Continuing Operations	41.41	(31.68)	296.42	99.97	(51.04)	(17.20)	4.77	3.72	291.56	54.81
	Profit/(Loss) from Discontinued Operations:										
	Textiles									10.59	(28.50)
										302.15	**26.31**
3	**Other Information**										
	Segment Assets	999.79	875.66	2979.22	2997.94	3034.26	2252.70	36.16	36.71	7049.43	6163.01
	Segment Assets Discontinued Operations:										
	Textiles									-	1.96
	Add: Unallocated common Assets									689.41	528.50
	Total Assets									**7738.84**	**6693.47**
	Segment Liabilities	1102.11	971.89	540.03	534.84	814.32	404.16	12.81	13.55	2469.27	1924.44
	Segment Liabilities Discontinued Operations:										
	Textiles									-	47.77
	Add: Unallocated Common Liabilities									1392.72	1073.87
	Total Liabilities									**3861.99**	**3046.08**
4	**Capital Expenditure during the** year (excluding advances)	17.59	64.49	121.93	65.03	10.56	4.32	-	-	150.08	133.84
	Add: Unallocated Capital Expenditure									-	-
										150.08	**133.84**
5	**Depreciation and amortisation**	45.32	44.93	146.99	145.07	37.84	40.57	0.13	0.13	230.28	230.70
	Add: Unallocated Depreciation	0.38	0.43								
										230.66	**231.13**

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41 SEGMENT INFORMATION (Continued)

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.

B. Reconciliation of profit

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Segment profit [A]	291.56	54.81
Unallocable Income/(Expense)[B]:		
Employee Benefit Expense	(15.09)	(15.07)
Depreciation & Amortisation Expense	(0.38)	(0.43)
Other Expense	(35.12)	(51.51)
Other Income	15.94	66.39
Total	**(34.65)**	**(0.62)**
Finance Cost [C]	(52.18)	(70.70)
Share of Profit / (Loss) of Joint Venture [D]	(0.13)	-
Profit before tax from Continuing Operations [A+B+C+D]	**204.60**	**(16.51)**
Add/(Less): Taxes		
Income Tax (Charge) / Credit	(50.44)	1.44
Profit after tax from continuing operations	**154.16**	**(15.07)**
Profit / (Loss) from Discontinued Operations	10.59	(28.50)
Add/(Less): Taxes		
Income Tax (Charge) / Credit	(3.05)	9.96
Profit after tax from discontinuing Operations	**7.54**	**(18.54)**
Profit / (Loss) for the year	**161.70**	**(33.61)**

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41 SEGMENT INFORMATION (Continued)

C. Reconciliation of Assets & Liabilities

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
I **(A) Segment Operating Assets**	7049.43	6164.97
Unallocated Assets		
(B) Non-current Assets		
Property, Plant and Equipments	35.73	39.73
Financial Assets		
Non-Current Investments	263.19	192.72
Deferred Tax Assets	56.94	55.49
Non Current Tax	48.69	51.06
Other Non Current Assets	1.08	1.44
Total Non-Current Assets (B)	**405.63**	**340.44**
(C) Current Assets		
Financial Assets		
Cash and Cash Equivalents	34.82	50.54
Bank balances other than above cash & cash equivalents	79.48	74.39
Investments	131.00	45.00
Others	8.25	9.40
Other Current Assets	30.23	8.73
Total Current Assets (C)	**283.78**	**188.06**
Total Unallocated Assets (B+C)	**689.41**	**528.50**
TOTAL ASSETS (A + B + C)	**7738.84**	**6693.47**

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41 SEGMENT INFORMATION (Continued)

II (A) Segment Operating Liabilities	2469.27	1972.21
Unallocated Liabilities		
(B) Non-Current Liabilities		
Financial Liabilities		
Borrowings	381.82	864.97
Lease Liabilities	18.46	20.62
Total Non-Current Liabilities (B)	**400.28**	**885.59**
(C) Current Liabilities		
Financial Liabilities		
Current Borrowings	926.09	153.94
Lease Liabilities	2.30	2.69
Cash Credit Facilities	7.65	6.29
	936.04	**162.92**
Trade Payables	39.48	6.88
Other Financial Liabilities	8.37	7.85
Other Current Liabilities	5.41	4.28
Provisions	3.14	6.35
Total Current Liabilities (C)	**992.44**	**188.28**
Total Unallocated Liabilities (B+C)	**1392.72**	**1073.87**
Total LIABILITIES (A+B+C)	**3861.99**	**3046.08**

D. Secondary Segment

I Geographic information

Particulars	Year Ended 31 March 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Revenue from external customers		
India	3410.36	2221.51
Outside India	658.00	345.85
Total revenue from continuing operations	**4068.36**	**2567.36**

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41 SEGMENT INFORMATION (Continued)

II Non-current operating assets:

Particulars	As at 31 March 2022 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)
India	4269.42	4349.50
Outside India	-	-
Total	**4269.42**	**4349.50**

Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible assets.

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 2022 (₹ in Crores)	Year Ended 31 March 2021 (₹ in Crores)
Cotton Fabric & Yarn	1087.23	632.28
Pulp & Paper (including Paper Board / Straw Board)	2817.79	1773.81
Others	24.79	18.88
Rental income including common area maintenance charges	138.55	142.39
Total	**4068.36**	**2567.36**

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. Real Estate	Leased Properties and real estate development
d. Others	Salt works and Chemicals

F. The Board of Directors 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 group's revenue for the year ended 31 March 2022 and 31 March 2021

H. The accounting policies of the reportable segments are the same as the Group'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.

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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 maximize 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.

Debt-to-equity ratio are as follows:

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Debt (including lease liability) (A)	1336.33	1048.51
Equity (B)	3718.81	3504.36
Debt to Equity Ratio (A / B)	**0.36**	**0.30**

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 it obligation under a financial instrument or customer contract leading to a financial loss. The Group is exposed 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.

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

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 ₹ 53.11 crores (31 March 2021: ₹ 48.00 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 recognised loss allowance provision on trade receivables amounting to ₹ 1.60 Crs during the year (31 March 2021 ₹ 3.31 Crs) as there was no reasonable expectations of recovery and were outstanding for more than 360 days from becoming due.

(₹ In Crores)

As at 31 March 2022	Less Then 180 Days	More Then 180 Days
Expected loss rate	0.00%	59.18%
Gross carrying amount	207.62	22.49
Loss allowance provision	**-**	**13.31**

(₹ In Crores)

As at 31 March 2021	Less Then 180 Days	More Then 180 Days
Expected loss rate	0.00%	69.29%
Gross carrying amount	152.66	16.90
Loss allowance provision	**-**	**11.71**

Reconciliation of loss allowance provision for Trade Receivables

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Balance as at beginning of the year	11.71	8.45
On receivables originated in the year	1.60	6.00
Amounts written off during the year as uncollectible	-	(2.00)
Amounts recovered / written back during the year	-	(0.74)
Balance at end of the year (Continuing Operations)	13.31	11.71

(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.

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

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 financials 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 analyses in the following sections relates to the outstanding balance as at 31 March 2022 and 31 March 2021.

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 2022.

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 2022 and 31 March 2021

(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.

(₹ In crores)

	Currency	Change in rate	Effect on profit before tax
31 March 2022	USD	+5%	(5.57)
	USD	-5%	5.57
	EUR	+5%	(0.61)
	EUR	-5%	0.61
31 March 2021	USD	+5%	(4.60)
	USD	-5%	4.60
	EUR	+5%	0.04
	EUR	-5%	(0.04)

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

Outstanding foreign currency exposures	As at 31 March 2022		As at 31 March 2021	
	Foreign Currency (in millions)	₹ In crore	Foreign Currency (in millions)	₹ In crore
Trade Receivables				
USD	0.39	2.71	1.88	13.74
Euro	-	-	0.20	1.72
Trade Payables				
USD	21.95	165.81	17.63	128.90
Euro	1.42	12.13	0.13	1.12
Others	0.02	0.15	1.34	0.20

The following table gives details in respect of outstanding foreign exchange forward contracts

Forward Contracts	Buy / Sell	31 March 2022		
		Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Buy	6.80	51.65	0.12

Forward Contracts	Buy / Sell	31 March 2021		
		Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Buy	3.12	23.22	0.21

(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:

(₹ In crores)

	Currency	Increase / decrease in basis points	Effect on profit before tax
31 March 2022	INR	+50	(1.76)
	INR	-50	1.76
31 March 2021	INR	+50	(3.13)
	INR	-50	3.13

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(₹ In crores)

Particulars	Total Borrowings	Floating rate Borrowings	Fixed rate Borrowings
INR	1315.56	352.74	962.82
Total as at 31 March 2022	**1315.56**	**352.74**	**962.82**
INR	1025.20	625.66	399.54
Total as at 31 March 2021	1025.20	625.66	399.54

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 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.

(₹ in Crores)

As at 31 March 2022	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	679.81	407.61	7.43	-	1094.85
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	11.16	-	-	-	-	11.16
Commercial Paper	-	315.00	-	-	-	315.00
Trade payables						
Trade payables - Micro and small enterprises	-	11.88	-	-	-	11.88

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(₹ in Crores)

As at 31 March 2022	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
Trade payables - other than micro and small enterprises	-	846.08	-	-	-	846.08
Other financial liabilities						
Deposits from dealers and agents	53.11	-	-	-	-	53.11
Deposits against rental arrangements	-	54.77	20.40	-	200.00	275.17
Other Interest Accrued	-	9.63	-	-	-	9.63
Unclaimed / Unpaid dividends	-	1.83	-	-	-	1.83
Creditors for Capital Supplies / Services	-	14.58	-	-	-	14.58
Other current liabilities	-	3.77	0.49	-	-	4.26
Total	**64.27**	**1937.35**	**428.50**	**7.43**	**200.00**	**2637.55**

(₹ in Crores)

As at 31 March 2021	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
Non Derivative financial instruments						
Long term borrowings	-	172.82	988.96	-	-	1161.78
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	6.29	-	-	-	-	6.29
Pre-shipment, Post-shipment facilities	-	2.19	-	-	-	2.19
Trade payables						
Trade payables - Micro and small enterprises	-	15.01	-	-	-	15.01
Trade payables - other than micro and small enterprises	-	605.51	-	-	-	605.51
Other financial liabilities						
Deposits from dealers and agents	48.00	-	-	-	-	48.00
Deposits against rental arrangements	-	48.08	26.78	-	200.00	274.86
Other Interest accrued	-	13.87	-	-	-	13.87
Unclaimed / Unpaid dividends	-	2.14	-	-	-	2.14
Creditors for Capital Supplies / Services	-	10.29	-	-	-	10.29
Other current liabilities	-	8.04	0.49	-	-	8.53
Derivative financial instruments						
Derivatives not designated as a hedging instruments	-	0.65	-	-	-	0.65
Total	**54.29**	**878.60**	**1016.23**	**-**	**200.00**	**2149.12**

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43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(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.

(₹ in Crores)

As at 31 March 2022	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
Non Derivative financial instruments						
Trade Receivables	-	216.80	-	-	-	216.80
Other Bank Balances	1.83	77.65	-	-	-	79.48
Other financial Assets						
Security Deposits	-	0.67	-	7.27	-	7.94
Interest subsidy	-	5.42	-	-	-	5.42
Unbilled Revenue	-	1.04	2.23	-	-	3.27
Others	-	5.57	0.17	-	-	5.74
Finance Lease Receivables	-	0.48	-	-	-	0.48
Total	**1.83**	**307.63**	**2.40**	**7.27**	**-**	**319.13**

(₹ in Crores)

As at 31 March 2021	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
Non Derivative financial instruments						
Trade Receivables	-	157.85	-	-	-	157.85
Other Bank Balances	2.14	72.25	-	-	-	74.39
Other financial Assets						
Security Deposits	-	1.26	-	6.27	-	7.53
Interest subsidy	-	9.09	-	-	-	9.09
Finance Lease Receivables	-	2.11	0.43	-	-	2.54
Unbilled Revenue	-	-	1.03	-	-	1.03
Others	-	8.60	-	-	-	8.60
Total	**2.14**	**251.16**	**1.46**	**6.27**	**-**	**261.03**

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44. FAIR VALUE MEASUREMENT
Fair value of financial assets and financial liabilities

Particulars	31 March 2022 (₹ in Crores)		31 March 2021 (₹ in Crores)	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Financial assets measured at Fair value through OCI:				
Investments				
Quoted equity shares	216.68	216.68	148.85	148.85
Unquoted equity shares	38.50	38.50	35.86	35.86
Financial assets at amortised cost for which Fair value are disclosed				
Government and Trust Securities	8.01	7.85	8.01	7.85
Other financial Assets				
Security Deposit	7.94	7.94	7.53	7.53
Interest subsidy and Interest receivable	5.42	5.42	9.09	9.09
Unbilled Revenue	3.27	3.27	1.03	1.03
Finance Lease	0.48	0.48	2.54	2.52
Others	5.74	5.74	8.60	8.31
Trade Receivables	216.80	216.80	157.85	157.85
Cash and Cash Equivalents	34.82	34.82	50.54	50.54
Other Bank Balances	79.48	79.48	74.39	74.39
Total	**617.14**	**616.98**	**504.29**	**503.82**

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44. FAIR VALUE MEASUREMENT (Continued)

Particulars	31 March 2022 (₹ in Crores)		31 March 2021 (₹ in Crores)	
	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)	352.74	352.74	625.66	630.75
Fixed rate borrowings (including current maturities and Interest accrued)	962.82	984.32	399.54	408.46
Lease liabilities (current and non current)	20.76	20.76	23.31	23.31
Trade payables	857.96	857.96	620.52	620.52
Other financial liabilities				
Deposits from dealers and agents	53.11	53.11	48.00	48.00
Deposits against rental arrangements	163.86	164.15	145.08	145.37
Other interest accrued	9.63	9.63	13.87	13.87
Unclaimed / Unpaid dividends	1.83	1.83	2.14	2.14
Creditors for capital supplies/services	14.58	14.58	10.29	10.29
Other liabilities	3.77	3.77	8.53	8.53
Total	**2441.06**	**2462.85**	**1896.94**	**1911.24**

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 2022 was assessed to be insignificant.

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44. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at Fair value through OCI:				
Investments				
Quoted equity shares	216.68	-	-	216.68
Unquoted equity shares	-		38.50	38.50
Financial assets at amortised cost for which Fair value are disclosed				
Government and Trust Securities	-	7.85	-	7.85
Other financial Assets				
Security Deposit	-	7.94	-	7.94
Interest subsidy and Interest receivable	-	5.42	-	5.42
Unbilled Revenue	-	3.27	-	3.27
Finance Lease	-	0.48	-	0.48
Others	-	5.74	-	5.74
Trade Receivables	-	216.80	-	216.80
Cash and Cash Equivalents	-	34.82	-	34.82
Other Bank Balances	-	79.48	-	79.48
Total	**216.68**	**361.80**	**38.50**	**616.98**

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2022			
	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)	-	352.74	-	352.74
Fixed rate borrowings (including current maturities and Interest accrued)	-	984.32	-	984.32
Lease liabilities (current and non current)	-	20.76	-	20.76
Trade payables	-	857.96	-	857.96
Other financial liabilities				
Deposits from dealers and agents	-	53.11	-	53.11
Deposits against rental arrangements	-	164.15	-	164.15
Other interest accrued	-	9.63	-	9.63
Unclaimed / Unpaid dividends	-	1.83	-	1.83
Creditors for capital supplies/services	-	14.58	-	14.58
Other liabilities	-	3.77	-	3.77
Total	**-**	**2462.85**	**-**	**2462.85**

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44. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at Fair value through OCI:				
Investments				
Quoted equity shares	148.85	-	-	148.85
Unquoted equity shares	-	-	35.86	35.86
Financial assets at amortised cost for which Fair value are disclosed				
Government and Trust Securities	-	7.85	-	7.85
Other financial Assets				
Security Deposit	-	7.53	-	7.53
Interest subsidy and Interest receivable	-	9.09	-	9.09
Unbilled Revenue	-	1.03	-	1.03
Finance Lease	-	2.52	-	2.52
Others	-	8.31	-	8.31
Trade Receivables	-	157.85	-	157.85
Cash and Cash Equivalents	-	50.54	-	50.54
Other Bank Balances	-	74.39	-	74.39
Total	**148.85**	**319.11**	**35.86**	**503.82**

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2021			
	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)	-	630.75	-	630.75
Fixed rate borrowings (including current maturities and Interest accrued)	-	408.46	-	408.46
Lease liabilities (current and non current)	-	23.31	-	23.31
Trade payables	-	620.52	-	620.52
Other financial liabilities				
Deposits from dealers and agents	-	48.00	-	48.00
Deposits against rental arrangements	-	145.37	-	145.37
Other interest accrued	-	13.87	-	13.87
Unclaimed / Unpaid dividends	-	2.14	-	2.14
Creditors for capital supplies/services	-	10.29	-	10.29
Other liabilities	-	8.53	-	8.53
Total	**-**	**1911.24**	**-**	**1911.24**

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44. FAIR VALUE MEASUREMENT (Continued)

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 2022	31 March 2021				
Financial assets Investments						
Unquoted equity investments	38.50	35.87	Level 3	Replacement Cost Method	Investment property held by investee companies	5% (31 March 2021: 5%) increase (decrease) in the fair value of investment property would result in increase (decrease) in fair value of unquoted equity investment by ₹ 1.37 Crore (31 March 2021 ₹ 1.34 Crore)
Total financial assets	**38.50**	**35.87**				

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 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Opening	35.87	35.14
Re-measurement recognised in OCI	2.63	0.73
Closing	**38.50**	**35.87**

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 2022 (₹ in Crores)	For the year ended 31 March 2021 (₹ in Crores)
Depreciation of right-of-use assets	3.74	3.57
Interest on lease liabilities (including interest on reclassified prepayments)	1.88	2.36
Expenses related to short term leases	1.42	1.42
Total	**7.04**	**7.35**

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45. DISCLOSURE UNDER IND AS 116 “LEASES”: (Continued)

The following table sets out the maturity analysis of lease liability to be paid after the reporting date:

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Less than 1 year	3.18	4.86
1-3 years	3.99	6.00
3-5 years	3.79	3.81
5 years and above	**52.74**	**54.63**
Total as at 31 March	**63.70**	**69.30**

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
As at 1 April	23.31	17.39
Additions	-	17.48
Accretion of interest	1.88	2.36
Payments	4.43	13.92
As at 31 March	20.76	23.31
Current	2.30	2.69
Non-current	18.46	20.62

Amount recognized in statement of cash flows	For the year ended 31 March 2022 (₹ in Crores)	For the year ended 31 March 2021 (₹ in Crores)
Total cash outflow of leases	4.43	13.92

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 ₹ 126.45 Crore (31 March 2021 ₹ 128.57 Crore) as rental income for operating lease during the year ended 31 March 2022.

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45. DISCLOSURE UNDER IND AS 116 "LEASES": (Continued)

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Less than a year	54.45	31.58
One to two years	33.70	18.34
Two to three years	7.23	10.69
Three to four years	2.17	3.85
Four to five years	-	0.93
Total (A)	**97.55**	**65.39**
More than five years (B)	-	-
Total (A +B)	**97.55**	**65.39**

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	31 March 2022 (₹ in Crores)	31 March 2021 (₹ in Crores)
Less than a year	0.49	2.19
One to two years	-	0.48
Two to three years	-	-
Total	**0.49**	**2.67**
Unearned Finance Income	(0.01)	(0.13)
Present value of minimum lease payment receivable	**0.48**	**2.54**

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46A. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	31-Mar-22	31-Mar-21	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.07	1.38	-22.46%	Refer Note (a)
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.34	0.29	17.24%	
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	2.25	0.21	971.43%	Refer Note (b)
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.04	-0.01	500.00%	Refer Note (b)
Inventory Turnover ratio	Cost of goods sold	Average Inventory	4.35	2.57	69.26%	Refer Note (b)
Trade Receivable Turnover Ratio	Net sales = Gross sales - sales return	Average Trade Receivable	21.66	15.14	43.06%	Refer Note (b)
Trade Payable Turnover Ratio	Net purchases = Gross purchases + other expenses - purchase return	Average Trade Payables	5.42	3.87	39.88%	Refer Note (b)
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities (Excluding current borrowings)	5.03	3.64	38.19%	Refer Note (b)
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	3.91%	-1.28%	405.47%	Refer Note (b)
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred Tax Liability	0.06	-0.01	700.00%	Refer Note (b)
Return on Investment	Interest (Finance Income)	Investment	3.07%	4.03%	-23.82%	

Notes :

(a) Mainly on account of classification of long term NCD as current borrowings

(b) During the previous year, on account of covid outbreak and various government restrictions, operations of the Group were impacted significantly. During the year, the situation has improved and accordingly, cashflows and profitability of group has also improved as compared to previous year and almost reached to pre covid level. Accordingly, all ratios related to cash flows, revenue and profitability of the Group has been improved as compared to previous year.

Notes
to consolidated Financial Statements for the year ended 31 March 2022

46B. OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

47. INTEREST IN JOINT VENTURE

Birla Advanced Knits Private Limited (BAKPL) incorporated on 14 July 2021. The Group has a 50% interest in BAKPL, a joint venture involved in the manufacturing, marketing, supplying, selling & distribution of the MMCF knit product. The Group's interest in BAKPL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Particulars	31 March 2022 (₹ in Crores)
Summarised balance sheet as at 31 March 2022:	
Current assets, including cash and cash equivalents ₹ 0.28 Crore	0.69
Non-current assets	29.16
Current liabilities	(0.11)
Equity	29.74
Group's share in equity- 50%	14.87
Goodwill	-
Group's carrying amount of the investment	14.87

Notes

to consolidated Financial Statements for the year ended 31 March 2022

47. INTEREST IN JOINT VENTURE (Continued)

Particulars	For the period ended 31 March 2022 (₹ in Crores)
Summarised statement of profit and loss	
Revenue from contracts with customers	-
Other Income	0.26
Employee benefits expense	(0.06)
Other expense	(0.47)
Loss before tax	**(0.27)**
Income tax expense	-
Loss for the year	**(0.27)**
Total comprehensive loss for the year	**(0.27)**
Group's share of loss for the year	**(0.13)**

The joint venture had no other contingent liabilities or capital commitments as at 31 March 2022.

Notes

to consolidated Financial Statements for the year ended 31 March 2022

48. SUMMARY OF NET ASSETS, SHARE IN CONSOLIDATED PROFIT AND SHARE IN OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Crores)

Name of Entity	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	98.31%	3919.09	92.51%	207.33	100%	59.11	94.07%	266.44
Subsidiaries								
Birla Estates Private Limited	2.30%	91.80	11.77%	26.38	0%	-	9.31%	26.38
Birla Century Exports Private Limited	0.01%	0.56	0.07%	0.16	0%	-	0.06%	0.16
Avarna Projects LLP (Subsidiary of Birla Estates Private Limited)	-0.49%	(19.66)	-1.70%	(3.82)	0%	-	-1.35%	(3.82)
Birla Tisya LLP (Subsidiary of Birla Estates Private Limited)	-0.12%	(4.80)	-2.17%	(4.86)	0%	-	-1.72%	(4.86)
Birla Aarna LLP (Subsidiary of Birla Estates Private Limited)	0.01%	0.49	0.00%	-	0%	-	0.00%	-
Birla Century International LLC (Subsidiary of Birla Century Exports Private Limited)	-0.03%	(1.13)	-0.48%	(1.07)	0%	-	-0.38%	(1.07)
	100.00%	**3986.35**	**100.00%**	**224.12**	**100.00%**	**59.11**	**100.00%**	**283.23**
a) Adjustments arising out of consolidation	-	109.50	-	67.25	-	-	-	67.25
b) Non controlling interest	-	158.03	-	(4.83)	-	-	-	(4.83)
Total	**-**	**3718.82**	**-**	**161.70**	**-**	**59.11**	**-**	**220.81**

49. 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 : 25 April 2022

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

Snehal Shah
Chief Financial Officer

Mumbai : 25 April 2022

J.C.Laddha
Managing Director
DIN No: 03266469

R.K.Dalmia
Whole-time Director
DIN No: 00040951

Yazdi P. Dandiwala
Director
DIN:01055000

Five Year Highlights

(₹ In Crores)

PARTICULARS	CONSOLIDATED				
	2021-22	2020-21	2019-20	2018-19 (Restated)	2017-18
INCOME					
Sales (Net of Rebates & Returns) & rent from leased properties	4068.36	2567.36	3331.40	3633.26	3785.99
Less : Excise Duty	-	-	-	-	49.13
	4068.36	**2567.36**	**3331.40**	**3633.26**	**3736.86**
Other Income (Including Operating Income)	105.65	110.83	127.23	420.08	206.63
	4174.01	**2678.19**	**3458.63**	**4053.34**	**3943.49**
EXPENDITURE					
Material & Overheads (+ /- Stock Adj.)	3686.44	2392.87	2858.57	2992.41	3092.31
EARNING BEFORE TAX, DEPRECIATION AND AMORTIZATION FROM CONTINUING OPERATIONS (EBITDA)	487.57	285.32	600.06	1060.93	851.18
Less : Finance Cost	52.18	70.70	87.09	101.55	211.81
PROFIT BEFORE DEPRECIATION AND TAX	435.39	214.62	512.97	959.38	639.37
Less : Depreciation	230.66	231.13	228.58	193.00	199.31
PROFIT/(LOSS) BEFORE TAX FROM CONTINUED OPERATIONS	204.73	(16.51)	284.39	766.38	440.06
Share of Profit / (Loss) of Joint Venture	(0.13)	-	-	-	-
Less : Tax (Net) - including deferred tax from continuing	50.44	(1.44)	(93.69)	266.91	160.56
NET PROFIT / (LOSS)	154.16	(15.07)	378.08	499.47	279.50
PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS	10.59	(28.50)	(27.13)	5546.90	149.60
Less : Tax (Net) - including deferred tax from discontinued operations	(3.05)	9.96	9.48	16.79	-57.44
PROFIT/(LOSS) BEFORE TAX FROM DISCONTINUING OPERATIONS	7.54	(18.54)	(17.65)	5563.69	92.16
Net Profit	161.70	(33.61)	360.43	6063.16	371.66
DIVIDEND (%)	40.00	10.00	30.00	75.00	65.00
CASH PROFIT AFTER TAX	450.07	266.37	383.84	734.82	720.97
BOOK VALUE PER SHARE	347.08	326.53	323.33	294.91	246.02

Statement of Assets and Liabilities for Five Years

(₹ in Crores)

PARTICULARS	Consolidated				
	2021-22	2020-21	2019-20	2018-19 (Restated)	2017-18
ASSETS					
Non-Current Assets					
(a) Property, plant & equipment (including Investment Property & CWIP)	4284.29	4349.50	4469.40	4704.97	7290.56
(b) Financial Assets	391.02	307.00	422.80	318.16	479.70
(c) Other Non current assets	25.65	38.59	51.29	40.83	202.56
Sub-Total - Non Current Assets	**4700.96**	**4695.09**	**4943.49**	**5063.96**	**7972.82**
Current assets					
(a) Inventories	2330.86	1508.29	1337.68	699.00	1178.55
(b) Financial Assets					
(i) Investments	131.00	45.00	-	-	-
(ii) Trade Receivables	216.80	157.85	181.24	203.86	421.47
(iii) Cash & Cash Equivalent	114.30	126.19	120.23	61.89	249.75
(iv) Other Financial Assets	13.18	19.80	28.13	26.04	205.82
(c) Other Current assets	231.74	139.29	135.39	117.83	302.92
Sub-Total - Current Assets	**3037.88**	**1996.42**	**1802.67**	**1108.62**	**2358.51**
Assets classified as held for Sale	-	1.96	1.33	2.23	-
TOTAL ASSETS	**7738.84**	**6693.47**	**6747.49**	**6174.81**	**10331.33**
EQUITY & LIABILITIES					
Equity					
(a) Equity Share Capital	111.69	111.69	111.69	111.69	111.69
(b) Other Equity	3607.13	3392.67	3367.80	3182.40	2636.20
(c) Non Controlling Interest	158.03	143.03	132.09	-	-
Sub-Total - Equity	**3876.85**	**3647.39**	**3611.58**	**3294.09**	**2747.89**
Liabilities					
Non-Current Liabilities					
(a) Financial Liability					
(i) Borrowings	381.82	864.97	549.92	701.58	2392.42
(ii) Lease Liabilities	18.46	20.62	15.44	12.20	-
(ii) Other Financial Liabilities	98.19	97.13	87.15	91.83	97.52
(b) Provisions	1.50	0.75	0.74	0.35	6.73
(c) Deferred Tax Liabilities	-	-	-	93.99	217.32
(d) Other Non-current Liabilities	520.21	571.51	601.18	686.72	813.58
Sub-Total - Non-Current Liabilities	**1020.18**	**1554.98**	**1254.43**	**1586.67**	**3527.57**
Current Liabilities					
(a) Financial Liability					
(i) Borrowings	933.74	160.23	33.84	200.44	1462.57
(ii) Lease Liabilities	2.30	2.69	1.95	-	-
(iii) Trade Payables	857.96	620.52	492.61	519.35	681.80
(iii) Other Financial Liabilities	149.08	136.52	944.16	260.17	1182.09
(b) Provisions	181.87	189.68	181.94	175.81	418.24
(c) Other Current Liabilities	716.86	333.69	181.65	95.33	311.17
Sub-Total - Current Liabilities	**2841.81**	**1443.33**	**1836.15**	**1251.10**	**4055.87**
Liabilities directly associated with assets held for sale	-	47.77	45.33	42.95	-
TOTAL - EQUITY & LIABILITIES	**7738.84**	**6693.47**	**6747.49**	**6174.81**	**10331.33**

NOTES

NOTES

Carrying a century-old legacy into a new decade

From a single unit plant in 1897, today, Century Textiles and 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 Pulp & Paper and Real Estate.

BIRLA CENTURY
A Division of Century Textiles and Industries Limited

Birla Century is the textile division of CTIL 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.

BIRLA ESTATES
LIFEDESIGNED®

With two fully leased commercial projects and five residential projects in Kalyan-Mumbai, Worli-Mumbai, Bengaluru and Gurugram, Birla Estates aims to deliver exceptional and premium LIFE**DESIGNED**® 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 manufacturing facility in the industry present in all paper segments - Paper, board and tissue as well as Rayon Grade Pulp products.

For more information, visit **www.centurytextind.com**

CENTURY TEXTILES AND
INDUSTRIES LIMITED

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