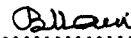
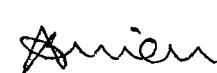
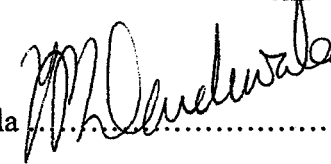


CENTURY TEXTILES AND INDUSTRIES LIMITED

FORM 'A'

Under clause 31(a) of the Listing Agreement with Stock Exchanges regarding covering letter of the annual audit report to be filed with Stock Exchanges

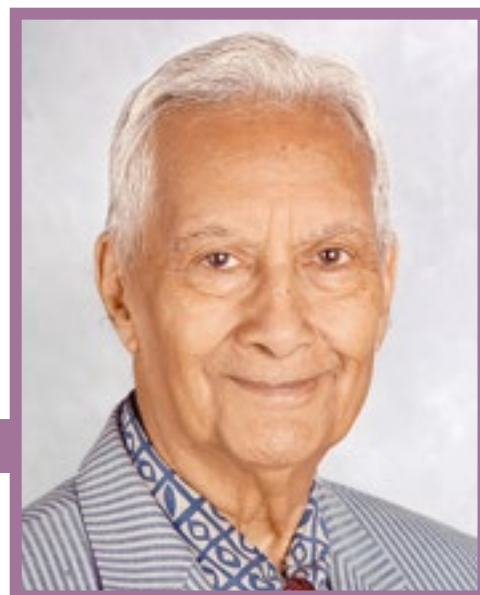
1.	Name of the Company	Century Textiles and Industries Limited
2.	Annual financial statements for the year ended	31st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by	
	CEO	Shri B.L. Jain 
	CFO	Shri R.K. Dalmia 
	Auditor of the Company	Dalal & Shah  
	Audit Committee Chairman	Shri Yazdi P. Dandiwala 



CENTURY TEXTILES AND INDUSTRIES LIMITED

118th Annual Report & Accounts
2014-2015

CHAIRMAN'S STATEMENT



Dear Shareholders,

Global economy is not growing as expected. However, Indian economy is signaling some signs of recovery which is a positive factor. Due to substantial reduction in crude oil prices, there has been some relief from continuing high inflation which has led to adoption of easy monetary policy by Reserve Bank of India by reducing interest rates. It is expected that interest cost will decline in the near future leading to revival of investment in industry and infrastructure. With the new stable government at the centre which is committed to several reforms, our economy in the coming years should grow at a rapid pace.

During 2014-15, our Company had to face several challenges in terms of higher input costs and pressure on selling prices of almost all the products manufactured by the Company which are reflected in the results given in the Annual Report. The expected demand push

did not happen and un-seasonal monsoon in many parts of the country has placed adverse pressure on consumer demand in general. With the new Government committed to the revival of business sentiments in the country, the outlook of the Company may remain stable. However, the announcement by the Indian Meteorological Department that the monsoon is likely to be below normal is, to some extent, a worrying factor for the current year.

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

B. K. Birla
Chairman

Shri B. K. Birla, Chairman
Smt. Rajashree Birla
Shri Kumar Mangalam Birla
Shri Pradip Kumar Daga
Shri Yazdi P. Dandiwala
Shri Rajan A. Dalal
Shri Sohanlal K. Jain
Shri B. L. Jain, (Whole-time Director)

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

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

TEAM OF EXECUTIVES

AS ON 05/05/2015

TEXTILES

Century Textiles, H.O. & Corporate

Shri R.K. Dalmia	Senior President & C.F.O.
Shri D.K. Agrawal	President (Corporate Affairs) & Secretary
Shri U.C. Garg	Executive President (Purchase & Projects)
Shri Abhay K. Nahar	Vice President (Finance)
Shri Nilay Rathi	Vice President (Commercial)
Shri Atul K. Kedia	Vice President (Legal & Secretarial)

Birla Century, Century Yarn and Denim

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

RAYON

Century Rayon, Tyrecord and Chemicals

Shri O.R. Chitlange	Senior President
Shri R. Lalwani	President (Commercial)
Shri S.M. Sanklecha	Executive President (Purchase)
Shri S.K. Mital	Executive President (Engineering, Auxiliary & Instrument)
Shri Subodh Dave	Joint President (Personnel & Administration)
Shri Apurva Gupta	Joint President (Rayon)
Shri V.K. Jhington	Joint President (Tyrecord, CSY & TQM)
Shri Sudhir Luthra	Joint President (Chemicals & Safety)
Shri B. Manmohan	Senior Vice President (Finance)
Shri Arun Jhwar	Senior Vice President (Marketing)

CEMENT

Century, Maihar, Manikgarh and Sonar Bangla Cements

Shri B.L. Jain	Senior President
-----------------------	------------------

Century Cement & Sonar Bangla Cement

Shri Alok Patni	President (Works)
Shri Vijay Kumar	Executive President (Plant)
Shri A.K. Panja	Executive President (Plant) - Sonar Bangla Cement
Shri Arun Gaur	Executive President (Finance)
Shri M.K. Jain	Senior Joint President (Plant)
Shri Satish Gurtoo	Joint President (Electrical & Instrumentation)
Shri C.S. Vithalkar	Senior Vice President (Mechanical)
Shri A.K. Bajpai	Senior Vice President (Marketing)
Shri B.P. Mishra	Vice President (Mines)

AUDITORS

Dalal & Shah, Mumbai

Maihar Cement Units I & II

Unit I

Shri R.K. Vaishnavi	President (Works)
Shri P.M. Intodia	Senior Executive President (Commercial)
Shri Arvind Kumar Jain	Executive President (Mechanical)
Shri Manoj Gupta	Executive President (Finance)
Shri R. Deshpande	Senior Vice President (Purchase)
Shri Ajai Kumar Jain	Senior Vice President (Production)
Shri Govind Mahajan	Senior Vice President (Electrical & Instrumentation)

Unit II

Shri R.S. Doshi	Senior Executive President (Commercial)
Shri Ashok Maheshwari	Executive President (Marketing)
Shri P.K. Agarwal	Executive President (Purchase)
Shri A.S. Thakur	Senior Vice President (Systems & Materials)
Shri J.P. Pandey	Senior Vice President (Mechanical)
Shri S.K. Singh	Senior Vice President (Personnel)

Manikgarh Cement Units I & II

Unit I

Shri P.S. Bakshi	President (Works)
Shri A.D. Karwa	Senior Executive President (Finance & Marketing)
Shri R.K. Udge	Executive President (Mines)
Shri A.K. Jain	Executive President (Mechanical)
Shri M.P. Joshi	Executive President (Electrical & Instrumentation)
Shri H.P. Tiwari	Senior Vice President (Personnel & Administration)
Shri Deepak Jaisinghani	Senior Vice President (Mechanical)
Shri P.K. Bajaj	Vice President (Commercial)
Shri Piyush Kumar Choudhary	Vice President (Power Plant)

Unit II

Shri J.L. Tiwari	Senior Executive President (Plant)
Shri N.D. Hemke	Joint President (Mechanical)
Shri E.V. Ravikumar	Senior Vice President (Finance)
Shri V.K. Sharma	Senior Vice President (Mechanical)
Shri G.V. Suryanarayan	Vice President (Instrumentation)
Shri Govind Maheshwari	Vice President (Marketing)

PAPER

Century Pulp & Paper

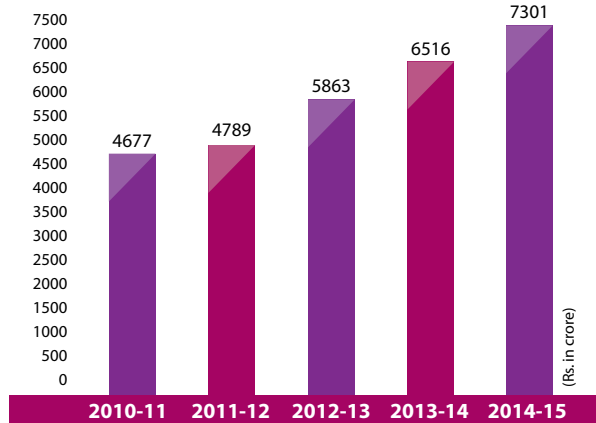
Shri J. P. Narain	Chief Operating Officer (Works)
Shri Ashutosh Bhalerao	Chief Information Technology Officer
Shri Bijay Dhimaan	Head - Finance & Accounts
Dr. Alok Prakash	Chief Sales Officer

REGISTERED OFFICE

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

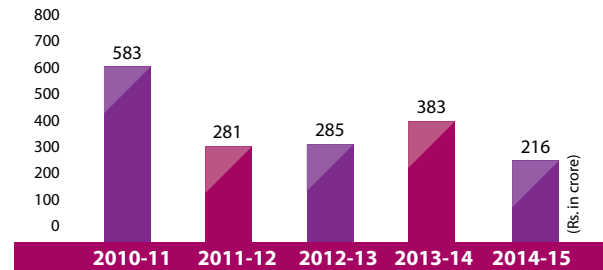
PERFORMANCE HIGHLIGHTS

NET SALES* & RENT FROM LEASED PROPERTIES



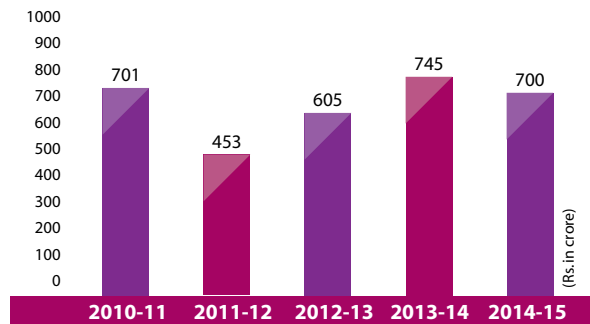
*Net Sales are net of excise duty

GROSS PROFIT AFTER INTEREST



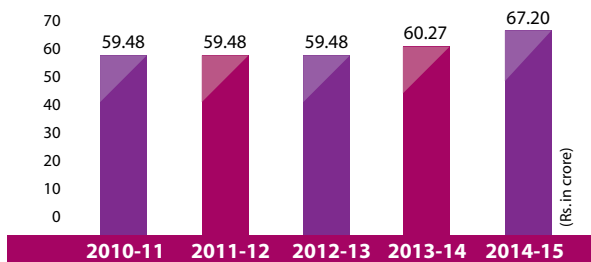
EBITDA

(Earning before Interest, Tax, Depreciation and Amortisation)

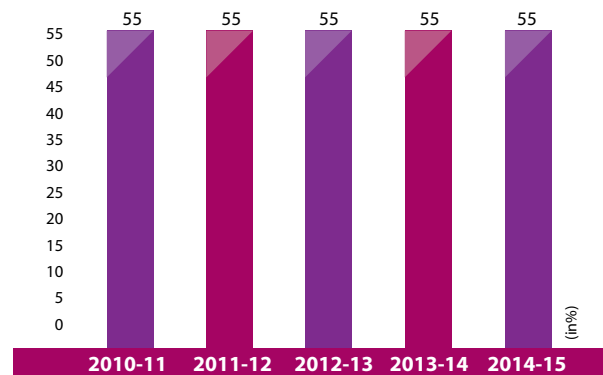


AMOUNT OF DIVIDEND

(including tax on it)



RATE OF DIVIDEND



BIRLA CENTURY

Spreading System, Automatic Drawing-in and Microsand Sueding Machines

Spreading System : At Birla Century Made-up unit the fabric Spreading System, which consists of Spreader and Table, has been installed.

This Morgan Fusion Spreader is designed with the latest generation technology and electronic components to provide the highest efficiency in spreading all types of fabric, with ease of operation and best utilization of fabric. Further, it accurately aligns fabric edges at both ends and it is energy efficient.

The Table is with modern design perforated surface



Spreading Machine with cutting Facility for Bedlinen

and equipped with blowing fans to shift the layered mass quantity of fabric from one end to other end in an efficient manner.

Productivity : This Morgan Spreader is suitable to spread 30000 meters fabric on table in a day.

Automatic Drawing-in Machine : SAFIR S80 Automatic Drawing-in machine is most modern with simple in operation and with technical properties to deliver faultless quality of drawn-in warps.

Thanks to its unique camera system, even coloured warps are recognized, and pattern can be programmed via download from a textile CAD system. This results in high production with good quality of warp.

Microsand Sueding Machine : The state of art peaching / sueding Microsand machine from LAFER (Italy) consists of Diamond emery enabling us to cater the latest market demand of special finishes of soft surface touch, peach skin / sueding / carbon peach effect, etc. on yarn dyed, piece dyed shirting and bottom weight of cotton / cotton-Lycra fabric. Additionally this machine can produce surface raising, velvety effect and flannel effect on fabric surface. The production capacity is 3.5 lakh meters per month.

CENTURY DENIM

Caustic Recovery Plant, Pilot Sampling Plant at Research & Development Centre and Xorella Yarn Conditioning

Caustic Recovery Plant : Century Denim is the first Indian Denim plant which has Caustic Recovery Plant (CRP) from KORTING, Germany. The CRP plant is fully automatic at three stages. It recovers almost 90% caustic from effluent wash liquor of mercerize process. It works on evaporation principle, and not only reduces the pollution load and cost of effluent treatment plant, but generates fresh water which we reuse for further process.

Pilot Sampling Plant at Research & Development Centre : In today's scenario, to cater overseas and domestic leading brands and to showcase the strength of R&D by offering more and more innovative designs and products at faster rate, pilot sampling plant is a

necessity. Century Denim has set up a new pilot sampling plant at R&D centre. This facility is not only helpful for creating an up-market collection range to offer to niche segment but also for developing innovative fabrics samples with designs / blends in shortest time and for quality improvement and customer services.

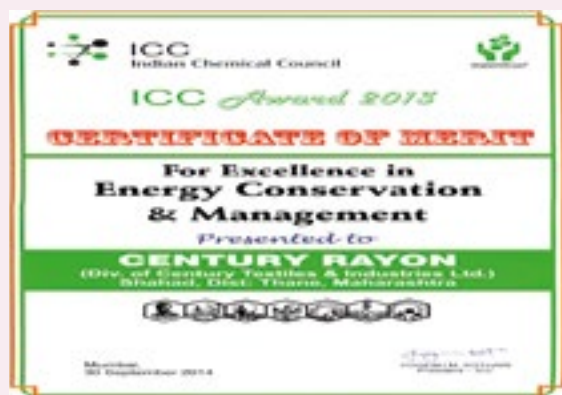
Xorella Yarn Conditioning : Xorella yarn Conditioning machine has been installed. This improves the quality of value added yarn such as Elastane, Slub, Multi-count etc. and fabric made of these yarn. Also this enhances the working of yarn in further processes such as warping & weaving and improves the efficiency of looms. The machine capacity is 24 MT/day.

VFY Doubling & Twisting unit



A Doubling & Twisting unit of 90 tonnes per month capacity was commissioned in the month of December' 14 to cater to Embroidery yarn segment. The unit houses 20 state-of-art TFO machines and complete hank facility with heat setting. Plans are underway to increase the unit capacity to 150 Tonnes Per Month by October' 15.

ICC Award for Excellence in Energy Conservation & Management



The company has a successful track record towards energy conservation & management. In recognition of this, Indian Chemical Council conferred the ICC Certificate Of Merit For Excellence in Energy Conservation & Management for the year 2013, in the month of September' 14.

NCQC Awards



Four Quality Circles participated in National Convention on Quality Concepts-2014 held in Pune in December' 14. Two of them won Par Excellence (the highest award) & two won Excellence award. Also four Quality Circles won Gold award and four won Silver in the Annual Chapter Convention held in September' 14 in Mumbai.

Newly Commissioned Manikgarh Cement Unit II



2.8 Million TPA cement plant at Gadchandur, Dist. Chandrapur, Maharashtra

Manikgarh cement unit II of 2.8 million tonnes per annum capacity cement plant along with single length pipe conveyor longest in the country (7.5 km.) has been commissioned during the year 2014-15.

It is a matter of great pleasure and pride that all the main assets like Kiln, Raw Mill, Coal Mill and Cement Mills including 60 MW captive thermal power plant are performing at optimum level in conformity to the technology and expectations envisaged at the design stage.

All the nuisance Dust Collectors and Process Bag Houses are performing exceptionally well to maintain emission level less than 25 mg/nm³.

We have developed water reservoir in our limestone open mining watering pit. Total capacity is 1100 million litres. Water in the reservoir is stored through rain harvesting, which is used as a industrial process water in summer season.



Lime Stone Mines and Water Reservoir at Manikgarh Cement



Century Cement has been awarded **"Silver Award"** in Cement sector for outstanding achievement in **"Environment Management"**.

We are strictly adhering to the cement industry environment norms in all our cement plants which is eco-friendly as well as conserving energy.

- Use of advance pyro-jet burners to control SOX, NOX and CO
- Use of RABH and Hybrid Filters with PTFE membrane for high efficiency filtration process
- Continuous SOX and NOX monitoring system



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

*Hydraulically operated
wagon tippler of unloading
capacity 20 wagons per hour
for Clinker & Gypsum rakes
unloading at Sonar Bangla
Cement (Grinding Unit)*



Manikgarh Cement has won first prize in the



"Overall performance" & "Noise Vibration Control and Aesthetic Beauty"
for its limestone mines from the Indian Bureau of Mines, Nagpur, Madhya Pradesh & Maharashtra Region.

New Product Launch – PE Coated Board



PE coated boards, which find applications in the F&B segment for cup manufacturing have benefited significantly from the changing Indian lifestyle.

Growth has also been aided by the expansion of global and regional fast food chains and take-away eateries. The potential of PE coated board makes it a lucrative market to be in.

The current Indian PE coated cup market is about 6,500 tonnes per month. The market in India is nascent with only one manufacturer supplying PE coated board pan India and hence makes it a good opportunity for Century Pulp & Paper. The other players in the market are smaller, regional convertors. Currently, Century Pulp & Paper caters to approximately 15% of the market.

In lieu of increasing demand for PE coated products, Century Pulp & Paper has started working with convertors to supply PE coated board in the Western region and expects to replicate this business model in other regions across the country.

Primary Sludge Handling System in ETP

In line with Century Pulp & Paper's commitment towards generating wealth from waste, a new Primary Sludge Handling System was commissioned in 2014-15. Century Pulp & Paper is currently the only paper manufacturer in India to have this system for sludge treatment.

The sludge handling system from Bellmer, Germany gives Century Pulp & Paper 100% recovery of solid waste from effluents. This allows Century Pulp & Paper to reuse fiber recovered from effluents as input raw material in the manufacturing of multi-layer packaging board.



Dear Shareholders,

We are pleased to present the 118th Annual Report of the Company and the audited statement of accounts for the year ended 31st March, 2015. A summary of the financial results is given below. The performance of the Company during the year has been adversely affected due to higher input costs on the one hand and pressure on selling prices on the other, because of demand recession. Labour relations at all the plants are cordial and an atmosphere of mutual trust and confidence prevails.

1. SUMMARISED FINANCIAL RESULTS:

	(₹ in crore)	
	2014-15	2013-14
Earnings before finance cost, tax, depreciation and amortisation (EBITDA)	700.14	745.42
<u>Less:</u>		
Finance Cost	484.62	362.80
Profit after Finance Cost	215.52	382.62
<u>Less:</u>		
Depreciation	249.21	354.62
Profit before tax	-33.69	28.00
<u>Less:</u>		
(Excess) / Short Provision for tax adjustments in respect of earlier years (Net)	1.41	1.41
Deferred Tax Debit / (Credit)	(50.59)	23.87
Net Profit	15.49	2.72
<u>Add:</u>		
Balance brought forward	137.31	197.58
Available Profit dealt with as under	152.80	200.30
Transfers & Appropriations:		
Proposed Equity Dividend	55.83	51.18
Tax on proposed equity dividend	11.37	9.09
Transitional effects on revision of depreciation on useful life of assets in accordance with Schedule II of the Companies Act, 2013	22.34	—
Debenture Redemption Reserve	15.49	2.40
General Reserve	—	0.32
Balance carried forward	47.77	137.31
	152.80	200.30

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

2. DIVIDEND:

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

3. SHARE CAPITAL:

During the year, the Company has allotted warrants to promoters on preferential basis aggregating to 1,86,50,000 warrants at the rate of ₹ 354.89 per warrant. Out of 1,86,50,000 warrants allotted, the allottees have exercised their right for conversion in respect of 84,70,000 warrants into the equal number of equity shares of the face value of ₹ 10/- each fully paid up of the Company. Accordingly, paid up equity share capital of the Company as on 31.03.2015 stands increased from ₹ 93.04 crore to ₹ 101.51 crore. For balance 1,01,80,000 warrants, rights of conversion can be exercised on or before 18th December, 2015.

4. EXPORTS:

The total exports of the Company amounted to ₹ 589 crore (Previous year ₹ 529 crore) representing about 8 percent of the net sales.

5. EXPANSION & MODERNISATION:

a) Rayon, Tyre Cord & Chemicals

Out of twelve new CSY machines, order for which was placed earlier, four machines have been commissioned in March 2015 and remaining eight machines will be commissioned in the second half of this financial year.

A doubling and twisting unit of 90 Tons per month capacity was commissioned in December 2014 which will be enhanced to 150 Tons per month by September 2015.

Additional capacity for production of Zero twist Rayon Tyre Yarn is likely to be commissioned by September 2015.

b) Cement

Manikgarh Cement Expansion – 2.8 Million tpa + 60 MW Captive Thermal Power Plant – Gadchandur, Maharashtra

Manikgarh Cement unit II has been commissioned during the month of September, 2014 and the plant is now running at optimum level.

Company's total cement manufacturing capacity now stands increased from 10 million tonnes per annum to 12.8 million tonnes per annum.

c) General

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

6. LAND DEVELOPMENT AT WORLI, MUMBAI:

Construction of an office building (Birla Aurora) adjacent to Century Bhavan, the Registered Office of the Company, has been completed and occupation certificate has been received. Further, construction of another office building and retail food plaza on Century Mill land at Worli is nearing completion and occupation certificate has to be obtained. Office building Birla Aurora has been partially leased and in view of adverse leasing market, it is expected to be leased fully gradually. Negotiations with potential tenants for leasing of buildings at Century Mill land are in progress.

7. GLOBAL DEPOSITORY RECEIPT (GDR):

In view of very thin trading volume in respect of Global Depository Receipts (GDRs) issued by the Company in the year 1994 and very few GDRs remaining outstanding, it was decided to terminate the GDRs and consequently the listing at Luxembourg Stock Exchange. Accordingly, the GDRs have been terminated and in respect of outstanding GDRs, the underlying shares have been dealt with in accordance with Deposit Agreement with the Depository viz. Citibank N.A., New York and there are no GDRs outstanding as on today as far as the Company is concerned.

8. DIRECTORS:

- (a) The Directors express their profound sorrow at the sad demise of Smt. Saraladevi Birla, on 28th March, 2015, their erstwhile colleague and wife of Chairman, Shri B.K. Birla, who was an educationist apart from being an ardent philanthropist, and place on record their deep sense of appreciation for the valuable services rendered by her during her association as a Director of the Company prior to her demise.
- (b) Smt. Rajashree Birla has been appointed as an Additional Director of the Company pursuant to the provisions of Article 110 of the Articles of Association of the Company. Smt. Birla has been associated for a long period with the industrial family of Birlas and already on the Board of many large companies and thus has vast experience in the industrial field which will be beneficial to the Company. This will also fulfil the requirement of having a woman Director on the Board of Directors under the Companies Act, 2013. She will hold office upto the date of the forthcoming Annual General Meeting and being eligible, offers herself for being appointed as a Director of the Company, liable to retire by rotation.
- (c) Shri Amal Ganguli resigned from the Board of Directors of the Company with effect from 4th November, 2014. The Directors place on record their deep sense of appreciation for the valuable services rendered by Shri Amal Ganguli during his long tenure of about 10 years as a Director of the Company.
- (d) Under Article 130 of Articles of Association of the Company, Shri B.K. Birla retires by rotation and being eligible, offers himself for re-election.
- (e) Shri Sohanlal K. Jain, an eminent Advocate, has been appointed as an Independent Director on the Board of the Company pursuant to provisions of Article 110 of the Articles of Association of the Company and section 161 of the Companies Act, 2013. The advantage of his vast experience is available for the benefit of the Company. The requisite resolution for approving the appointment of Shri S. K. Jain as an independent director of the Company is being placed before the members at the 118th annual general meeting of the Company.

(f) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Committees. At the meeting of the Board all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various committees were discussed in detail. A structured questionnaire each for evaluation of the Board, its various Committees and individual Directors was prepared and recommended to the Board by Nomination & Remuneration Committee for doing the required evaluation after taking into consideration the input received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance etc.

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

(g) Meetings

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

9. AWARDS:

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

(a) Rayon, Tyre Cord & Chemicals:

- Century Rayon won the 15th Annual Greentech Environment Award, Gold Category in Textile Sector at the 15th Annual Greentech Environment & CSR Award 2014, held at Kolkata for achievement in Corporate Environment Protection Responsibility.
- ICC Award for Excellence in Energy Conservation & Management for 2013.
- Quality Circles participated in National Convention on Quality Concepts-2015 held in Pune and won Par Excellence & Excellence award.

(b) Century Cement:

- First prize for "Electrical Installation" for the limestone mines from the Directorate General of Mines Safety, Bilaspur & Raigarh Region.

(c) Maihar Cement:

- Unit's UTKARSH quality circle and PARIVARTAN quality circle both have won PAR excellence quality circle award in the "National convention on Quality concepts" held at Pune in December, 2014.
- First Prize in the "Afforestation", "Top Soil Management", "Publicity & Propaganda" and "Water Quality" for its mines from the Indian Bureau of Mines, Jabalpur Region.

(d) Manikgarh Cement:

- First prize in the "House Keeping, Provision of Welfare, Vocational Training & Publicity and Propaganda Facilities" for its limestone mines from the Directorate General of Mines Safety, Western Zone, Nagpur Region.
- First prize in the "Overall Performance", "Noise Vibration Control and Aesthetic Beauty", "Waste Dump Management" and "Top Soil Management" for its limestone mines from the Indian Bureau of Mines, Nagpur, Madhya Pradesh & Maharashtra Region.

(e) Century Pulp & Paper:

- Century Pulp & Paper participated in 96th and 97th Agro-Industrial Exhibition organised and held at G B Pant University of Agriculture and Technology and has been adjudged First. This was consecutively seventh time to remain adjudged First.

10. AUDITORS:

M/s. Dalal & Shah, Chartered Accountants (Firm Registration Number: 102021W), who are Statutory Auditors of the Company hold office up to the forthcoming Annual General Meeting and are recommended for re-appointment to audit the accounts of the Company for the Financial Year 2015-16. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s Dalal & Shah that their appointment, if made, would be in conformity with the limits specified in the said Section.

11. AUDITORS' REPORT:

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

12. COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of various activities are required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s. R. Nanabhoy & Co., Cost Accountants, to audit the cost accounts of Cement, Paper and Textile products of the Company on a remuneration of ₹ 2.95 lacs and appointed Shri M.R. Dudani, Cost Accountants, to audit the cost accounts of Rayon & Chemicals products on a remuneration of ₹ 2.08 lacs for the year 2015-16. The cost audit report for the financial year 2013-14 was filed with the Ministry of Corporate Affairs on 6th September, 2014. M/s R. Nanabhoy & Co., Cost Accountants, were nominated as the Company's Lead Cost Auditor.

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 member's ratification for remuneration payable to M/s. R. Nanabhoy & Co. and Shri M.R. Dudani, Cost Auditors, is included in the Notice convening the Annual General Meeting of the Company.

13. 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, a firm of Company Secretaries in practice (C.P. No. 1388) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed herewith as '**Annexure –I**' to this Report. The Secretarial Audit Report does not contain any qualification, reservation and adverse remark.

14. FIXED DEPOSITS:

During the year, the Company has not accepted any deposits from the public and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014. Prior to 1st April, 2015 the Company has repaid all the deposits accepted by it from employees of the Company upto 31st March, 2014.

15. LOANS, GUARANTEES AND INVESTMENTS:

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

16. 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 annual accounts for the year ended on 31st March, 2015 and state that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. KEY MANAGERIAL PERSONNEL:

During the year, Shri R.K. Dalmia who is already Senior President of the Textile Division of the Company was appointed Chief Financial Officer (CFO) of the Company. Shri D.K. Agrawal and Shri B.L. Jain, Secretary and Whole-time Director respectively were appointed as such before the Companies Act, 2013 came into force and they are also Key Managerial Personnel of the Company.

18. 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 Corporate Governance norms stipulated under Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

19. AUDIT COMMITTEE & RISK MANAGEMENT:

The Audit Committee was constituted by the Board at its meeting held on 27th May, 2000. The Committee now comprises of Shri Yazdi P. Dandiwalla as Chairman and Shri Pradip Kumar Daga, Shri Rajan Dalal and Shri Sohanlal K. Jain as Members. The Company Secretary is the Secretary of the Committee. All transactions with related parties are on an arm's length basis. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee. The Company has in place a vigil mechanism for Directors and Employees to report genuine concerns about any wrongful conduct with respect to the Company or its business or affairs. This policy covers malpractices, misuse or abuse of authority, fraud, violation of company's policies or rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected or likely to be affected and formally reported by whistle blowers. The Policy provides that all Protected Disclosures can be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee / Wholetime Director / Chairman in exceptional cases. All protected disclosures under this policy will be recorded and thoroughly investigated. If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. The details of the vigil mechanism are also available on the Company's website www.centurytextind.com

RISK MANAGEMENT

The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to. The Board also reviews the risk management assessment and minimization procedures. Further, in accordance with Clause 49 of the Listing Agreement, a risk management Committee has also been formed which also oversees the risk management of the Company.

20. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

A Corporate Social Responsibility Committee was constituted consisting of Shri Pradip Kumar Daga, Shri B. L. Jain, Shri Yazdi P. Dandiwalla and Shri Rajan Dalal as members of the Committee.

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

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

The Company recognizes that its operations impact a wide community of stakeholders, including investors, employees, customers, business associates and local communities and that appropriate attention to the fulfillment of its corporate responsibilities can enhance overall performance. In structuring its approach to the various aspects of Corporate Social Responsibility, the Company takes into account guidelines and statements issued by stakeholder representatives and other regulatory bodies.

21. NOMINATION AND REMUNERATION COMMITTEE:

A Nomination and Remuneration Committee was constituted in place of earlier Remuneration Committee and presently the members of the Committee are Shri Pradip Kumar Daga as Chairman, Shri B. K. Birla, Shri Yazdi P. Dandiwalla, Shri Rajan Dalal and Shri Sohanlal K. Jain as Members.

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

22. RELATED PARTY TRANSACTIONS:

All transactions entered into with related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) 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 quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee for their approval on a quarterly basis.

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

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

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

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

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. However, pursuant to a complaint filed before the Competition Commission of India (CCI) by the Builders Association of India against some of the cement manufacturers including the Company, the CCI had in June 2012 held that the cement manufacturers had contravened the provisions of Section 3(3)(a) and 3(3)(b) read with Section 3(1) of the Competition Act, 2002. The CCI had accordingly imposed a penalty on the cement manufacturers aggregating ₹ 6300 crore. The penalty imposed on the Company is ₹ 274.02 crore. The cement manufacturers, including the Company has filed an Appeal before the Competition Appellate Tribunal (COMPAT) and the matter is sub-judice. COMPAT has directed the cement manufacturers including the Company to deposit 10% of the penalty amount. Accordingly, the Company has deposited ₹ 27.40 crore in the form of a bank fixed deposit with a lien in favour of COMPAT. Based on expert legal advice, the Company believes that it has a good case and expects a favourable decision in the appellate proceedings.

24. DECLARATION BY INDEPENDENT DIRECTORS:

Necessary declarations have been obtained from all the Independent Directors under sub-section (7) of Section 149 of the Companies Act, 2013.

25. INTERNAL FINANCIAL CONTROL:

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

26. SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

During the year, no company has become or ceased to be a subsidiary, joint venture or associate of the Company.

27. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014, is annexed herewith as '**Annexure-IV**'.

28. ENVIRONMENT AND POLLUTION CONTROL:

Top priority continues to be given to preservation of the environment by all the units of the Company. To combat pollution and strengthen the area ecology, considerable emphasis is placed on plantation of fragrant and shady trees. We are cautious of preserving water through recycling and rainwater harvesting to the extent possible. All manufacturing facilities possess the required environmental clearance from the respective Pollution Control Boards and do comply with the relevant legislation.

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

29. PARTICULARS OF EMPLOYEES:

- a) The prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as '**Annexure-V**' and forms a part of this Report of the Directors.
- b) 26 persons employed throughout the year, were in receipt of remuneration of ₹ 60 lac per annum or more amounting to ₹ 28.77 crore and 27 employees employed for the part of the financial year 2015 were in receipt of remuneration of ₹ 5 lac per month or more amounting to ₹ 11.88 crore.

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, 2015 is given in the separate Annexure of this Report.

The above Annexure is not being sent along with this Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before the 118th Annual General Meeting and upto the date of the ensuing Annual General Meeting during the business hours on working days.

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

30. EXTRACT OF ANNUAL RETURN:

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

31. CASH FLOW ANALYSIS:

In conformity with the provisions of clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended 31.03.2015 is annexed hereto.

32. ACKNOWLEDGEMENTS:

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

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

Dated: 5th May, 2015

On behalf of the Board,

B. K. BIRLA
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report covers the operations and financial performance of the Company for the year ended 31st March, 2015 and forms part of the Directors' Report.

1. Overall Review:

Working and operational parameters at all the plants of the Company were satisfactory during the year under review but profitability was adversely affected due to higher input costs on the one hand and severe pressure on selling prices on the other, for almost all the products manufactured by the Company. Our new Cement expansion unit at Manikgarh in Maharashtra State which commenced production in September, 2014 is financed mainly out of loans, due to which interest thereon had to be charged to the revenue account resulting in an increase in the overall interest burden. Further, unseasonal rains in many parts of the country had an adverse impact on the marketing scenario and consumer demand, and selling prices of almost all our products declined. However, on account of the thrust on infrastructure development and participation through foreign direct investment in certain important sectors, it is expected that the demand for our products and their prices should improve in the near future. In view of the subdued economy, the Company has to face many challenges in the coming year for which all efforts are being made to surmount the challenges and improve the situation.

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

Cotton Textiles, Yarn and Denim:

a) Industry structure & Development:

For the Textiles industry, the global focus is shifting from China to India due to cost and stability factors. The government's positive steps are expected to help this shift and if foreign investments in textiles retail materialises, the consumption of the textile products in the domestic market should increase in the years to come.

Recently, Government has withdrawn the requirement of export contract registration for cotton and cotton yarn and now these are in the free list, without any requirement of registration, which should boost export of cotton yarn and simultaneously, the domestic market is expected to improve.

Further, Egypt has removed anti dumping duty of 5% against import of cotton yarn from India with effect from 31/12/2014 which will boost the exports of Indian Cotton Yarn to Egypt. The Government has recently announced the much awaited Foreign Trade Policy 2015- 2020 in which the export obligation for domestic procurement of capital goods under EPCG has been reduced from 90% to 75% and the said Policy has also introduced a single Merchandise Exports from India Scheme (MEIS) as against 5 different schemes for rewarding merchandise exports with different kinds of scripts with varying conditions. This has simplified the procedure/documentation to get the export benefits quickly, which will promote textile exports from India.

Power and labour costs are increasing, due to which, cost of production has been going up. The expected fall in the value of rupee should act positively for promotion of exports.

b) Opportunities & Threats:

There is scope for growth in the textile industry as India's share in the global trade in textiles is weak, compared to other countries, based on the availability of raw material and skills. The free trade environment is a good opportunity for Indian textile industry to increase its share in the global market.

Recently Turkey has allowed duty free imports of textile fabrics from Pakistan and hence, India will have to face tough competition in this market for textile products.

Increase in the power costs, higher transaction costs, high cost of labour and general increase in input costs, are all hindering progress, for which the industry has to concentrate on cost reduction exercises and improvement in efficiency.

c) Segmental Review and Analysis:

Our textile unit in Gujarat, known as 'Birla Century' is utilising its capacities to its optimum but the marketing scenario has not been satisfactory due to lack of demand and higher input costs. In the major retail stores in the domestic and export markets, there has been a shift in consumer demand, from high value to low value fabrics, by keeping the

volume the same, and thereby reducing the overall product value, which results in pressure on turnover and margins. Further, the cotton yarn market remained depressed for a major part of the year under review, which adversely impacted our yarn unit near Indore in M.P. Similarly, the denim market also remained dull and domestic sales and exports from India were facing a severe price crunch. With offering of lycra denim in dobby, knitted weaves, etc. we hope that the challenges facing the yarn and denim divisions could be adequately dealt with, with an expectation for better results in the coming year.

During the major part of the year under review, the cotton yarn market remained depressed, but we expect it to improve in due course.

d) Risks and Concerns:

The fluctuations in foreign exchange adversely impacted exports and long term export orders cannot be booked in view of the uncertainty in exchange rates. Depreciation of the Euro against the Indian Rupee has adversely affected textile business, apart from the 9.6% tariff disadvantage Indian textile products suffer from the European Union. India has already started losing its markets and export orders, and countries like Pakistan, Bangladesh, Sri Lanka and Vietnam which have duty-free access, are now grabbing the market share.

Input costs, including power and labour, are extraneous factors which make it difficult for the Company to face competition from China, Pakistan and Bangladesh.

e) Outlook:

Our textile unit has increased sales to direct brands and major retail chain stores in India and abroad, which should further improve our quality, design and demand where the Company should get better realization. We are hopeful of a better year ahead.

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

a) Industry Structure and Development:

Global production capacity of Viscose Filament Yarn over the last 5 years has largely remained constant at about 2.85 lakh Tons/Year. While some additional capacities have been commissioned in China, non viable plants were shut down in Europe & C.I.S. countries due to shift of manufacturing operations away from the western to emerging markets.

The present industry structure indicates no competition from imported yarn in coarser deniers, and visible growth towards consumption of super fine deniers. To meet this demand, we too have increased our capacity of Continuous Spun Yarn which is our main focus.

Declining trend in demand of Viscose Filament Yarn (both PSY & CSY) witnessed in the second part of the previous financial year continued throughout the year under review, which led to a rise in inventory across the industry.

After a prolonged period, increased demand and consumption of Rayon Tyre Yarn in Europe and Japan have led to full capacity utilization of our Rayon Tyre Yarn production capacity.

Imports of Caustic Soda Lye and Carbon-di-Sulphide (CS₂) coupled with addition of new capacities of Carbon-di-Sulphide (CS₂) has created an imbalance in the demand supply scenario, resulting in a downward price adjustment.

b) Opportunities and Threats:

It is observed that imports from China of doubled and twisted yarn are steadily increasing. The presence of the organized sector for the production of this yarn is marginal. To tap this potential, the company has introduced its doubled and twisted yarn for which a capacity of 90 Tons/Month has already been commissioned and the same is scheduled to increase to 150 Tons/Month from September 2015.

The expanding middle class and rising disposable incomes are expected to create greater demand for fashionable and "better feel" fabrics leading to a rise in demand for VFY.

Fashion designers have observed that trends in ethnic and occasion wear (weddings, festivals, etc) also indicate that VFY demand (especially in embroidery and superfine fabrics) is likely to remain strong.

While substitution of VFY by polyester yarn, continues to pose a problem, mainly due to lower prices, it is expected to remain confined only to coarser deniers.

Being a labour and power intensive industry, continuous rise in these input costs will pose a major threat on operating margins. Ever increasing cost on handling of waste will also lead to erosion of margins.

c) Segmental Review and Analysis:

Rise in inventory, coupled with downward adjustment in prices by Chinese exporters, have led to decline in the prices, which has adversely impacted operating margins across this segment. Non availability of labour in our main market i.e. Surat, also led to a further reduction in consumption.

Changes in Rupee-Euro parity has adversely affected the operating margins of Rayon Tyre yarn, which pose a major threat on the viability of Rayon Tyre Yarn operations.

The Company has also concluded a long term wage agreement with the Rayon workers union for a period of 3 years 3 months, which has further enhanced the overall cost of labour.

Efforts of the Company in controlling cost of major raw materials and other input costs would help in containing to some extent, the adverse impact caused due to lower prices of our products, prevailing in the markets.

d) Risks & Concerns:

Rapid urbanization around the location of our unit, leading to high rise buildings coming up in close proximity to the Company's plant poses various risks. Being an old unit, cost of automation for reducing manpower is not viable and hence is un-economical.

New Environmental Standards for the Manmade Fibre Industry, being proposed by the Central Pollution Control Board will also add to the overall concern and the industry has already made its representation to the requisite authorities for reconsideration.

Reduction in water levels across all rivers has forced the State Government to reduce the water supply for industrial use. Any such move, if it continues, will greatly impact operations of the plant and may disturb production.

e) Outlook:

Full capacity utilization of the Rayon Tyre Yarn manufacturing facilities coupled with expansion in manufacture of Continuous Spun Yarn and introduction of doubled & twisted yarn should help the Company to face the challenges ahead and overcome the present difficult situation.

Focus on continued optimization of labour cost has yielded positive results enabling the unit to partly contain the ever rising labour cost. The outlook for the VFY industry, being a fashion fibre industry, is expected to remain satisfactory.

2.2 Business Segment – Cement (Cement & Clinker)

a) Industry Structure and Development:

India's cement industry is a vital part of its economy, providing employment, directly or indirectly, to more than a million people. Ever since it was deregulated in 1982, the Indian cement industry has attracted huge investments, from both, Indian and foreign investors, making it the second largest in the world. Indian cement plants are energy efficient and environment friendly and are comparable with the best in the world.

The installed capacity of the Indian cement industry is currently about 390 million tonnes. In the last three years, the Indian cement industry enhanced its capacity by about 65 million tonnes and is expected to add another about 40 million tonnes in the next three years. Cement industry's capacity utilization during the year 2014-15 was about 69%. Capacity utilization is gradually coming down on account of the mismatch in capacity addition and demand.

During the year 2014-15, cement production in India is expected to be 270 million tonnes as against 256 million tonnes in the year 2013-14 witnessing a growth of about 5.61% as against 3.06% in the previous year.

In India, the housing sector is the biggest demand driver for cement, accounting for about 2/3rd of the total consumption, others being infrastructure, commercial and industrial construction.

Based on the developments in the country aided by suitable government policies, the cement market in India is expected to grow at a compounded annual growth rate (CAGR) of 8.96 percent during the period 2014-19.

The industry is facing a number of bottlenecks like increased lead time for procurement of land, non availability of linkage coal, in-adequate logistics and infrastructure.

b) Opportunities and Threats:

Construction material is critical for meeting the society's need for housing and infrastructure. India has a lot of potential for development in the infrastructure & construction sector. The bold policy initiatives of the Govt. particularly in respect of affordable housing, infrastructure development, creation of 100 smart cities and ports connectivity, will bring back the Indian economy on the revival trajectory.

The GDP growth is expected at about 8% during the F.Y. 2015-16 (based on new series of GDP) as against the estimated growth of 7.4% in the F.Y. 2014-15.

Gradual reduction in fiscal deficits, consumer price index and inflation index has facilitated the central bank to lower lending rates. This will stimulate overall economic growth and in turn, cement demand. In the 12th five year plan (2012-2017), Government has planned to increase investment in infrastructure to the tune of US \$ 1 trillion which will result in higher cement consumption.

c) Segmental Review and Analysis:

During the year 2014-15, the company produced 96.30 lac tonnes of cement as compared to 81.67 lac tonnes in the previous year, witnessing a growth of 17.91%. Capacity utilization of Cement Division during the year 2014-15 was 87%. Keeping in line with the company's philosophy to protect the environment, focus on the production of blended cement was maintained. Continuous efforts are being made to increase productivity, control costs and improve quality. Shortfall in availability of linkage coal has forced the Company to procure coal from the open market/import at substantially higher prices. The average cost of power has gone up due to increase in power rate by Maharashtra State Electricity Board and cost of captive power because of high coal prices.

d) Risks and Concerns:

Coal is one of the major raw materials needed by the industry, both in the manufacture of cement and also for generating captive power. The Government's emphasis to supply coal to the power sector on a priority basis has reduced the availability of linkage coal, in turn increasing the cost of coal to cement companies. Increase in railway freight would also affect costs.

The increase in the royalty rates from ₹ 63 to ₹ 80 per tonne, along with the proposed central cess of 2% and District cess for Mineral foundation trusts of 1/3rd of royalty would lead to higher cost of limestone, the basic raw material required for cement production.

Heavy taxation is another major concern of the industry. Inadequate logistics and infrastructure is a major hindrance to smooth and efficient operations.

e) Outlook:

With the beginning of an economic turnaround and riding on the back of moderating inflation amidst a gradually improving consumer sentiment, the industry showed some recovery in cement consumption. The Government's thrust for speedy implementation of reforms will lead the economy in high trajectory growth and in turn boost cement demand.

In the short term, on account of the imbalance between capacity and consumption, cement prices are likely to remain under pressure in 2015-16. It is expected that capacity utilization will improve gradually. The long term outlook for the cement industry appears to be quite positive and encouraging.

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

a) Industry Structure & Development:

The paper industry in India has traditionally been cyclical in nature, with growth following the GDP's trajectory. Per capita consumption in India continues to remain one of the lowest in the world at 10kg as against 75 kg in China and 57 kg globally. This represents a significant opportunity for paper manufacturers in India.

2014-2015 was a challenging year for the paper industry in India. Reduction of import duties to zero level under various Free Trade Agreements (FTAs) with ASEAN and surplus capacities in countries like China, led to cheaper imports. This impacted the profitability of the Indian paper industry, as well as economic viability of 'B' grade paper mills. Large Indian paper companies will have to compete with new technologies coming into India to sustain their position.

With the Indian economy expected to post a strong growth, it is estimated that the paper industry will rebound in 2015-2016 and grow by approximately 6%.

b) Opportunities and Threats:

We operate in value added paper products. With changing lifestyles in the country, growth in these products is strongly visible. This is advantageous, as we are the only Indian paper manufacturer which produce all ranges of paper products i.e. Writing & Printing Paper, Copier Paper, Tissue and Board. Hence, demand-supply mismatch in any paper product gives a business opportunity to the Company. Our pan-India dealer network has strengthened over the years and gives the company a competitive advantage through nation-wide reach.

The biggest threat for the Indian paper industry is from imports of paper products from China and duty free paper products from the ASEAN region. Products from these regions have priced out many domestic manufacturers and this has resulted in a price war in the Indian market across all grades. In addition to this, government initiatives to reduce the use of paper in government offices and institutions are expected to have an adverse impact on the industry.

c) Segmental Review and Analysis:

First half of the year was considerably better in comparison with second half of the year 2014-15. With new installed capacities coming online in the second half of the year, the demand supply equilibrium in the Indian market shifted towards excess supply. This led to players dropping prices to remain competitive, which ultimately depressed price realizations and consequently, our financial performance was adversely affected.

Performance in the Writing and Printing Paper (WPP) segment continued to remain stable though price realizations were lower as a result of excess supply in the Indian market. We operate in the premium segment of the tissue product market and has used this positioning to increase focus on export markets. Demand for Company's board products remained strong and volume sales increased by 33% over 2013-2014. This was further supplemented by an increase in average realization by 5% during 2014-2015. However, increase in import costs of soft and hardwood pulp had an adverse impact on the profitability of the unit.

d) Risks and Concerns:

Domestic supply of wood is and continues to remain the biggest source of concern for Indian paper manufacturers. Bagasse supply has also become unpredictable with competition from other industries and sugar mills which use Bagasse for co-gen purposes. We have been able to develop new sources for supply of wood and Bagasse and do not foresee a drastic shortfall in raw material availability.

The uncertain availability of coal for power generation and its high price are further risks that the industry has to cope with.

e) Outlook:

The long-term outlook for paper, board and tissue paper appears to be good. We will continue to focus on launching more value added products, adopting a more customer centric approach and strengthening product quality to navigate uncertainties in the market.

3. Internal control systems and their adequacy:

The Company has a well established framework of internal controls in all areas of its operations, including suitable monitoring procedures and competent personnel. In addition to statutory audit, the financial controls of the Company at various locations are reviewed by the Internal Auditors, who report their findings to the Audit Committee of the Board. The Audit Committee is headed by an Independent Director and this ensures independence of functions and transparency of the process of supervision. The Committee meets to review the progress of the internal audit initiatives, significant audit observations and planning and implementation of follow-up action required. The Company conducts its business with integrity and high standard of ethical behaviour and in compliance with the laws and regulations that govern its business.

4. Highlights of the Company's Financial Performance:

(₹ in crore)

Particulars	2014-2015	2013-2014
1. Net Sales	7280.40	6506.78
2. Earnings before finance cost, tax, depreciation and Amortization (EBITDA)	700.14	745.42
3. Less: Finance Cost	484.62	362.80
4. Profit before depreciation, amortisation and taxation.	215.52	382.62
5. Less: Depreciation and amortisation	249.21	354.62
6. Profit / (Loss) before taxation	(33.69)	28.00
7. (Excess) / Short Provision for tax adjustments in respect of earlier year (Net)	1.41	1.41
8. Deferred Tax Debit / (Credit)	(50.59)	23.87
9. Net Profit	15.49	2.72

5. Human Resource Development / Industrial Relations:

Your Company firmly believes that Human Resource Development strategies and practices will continue to provide a sustained competitive advantage and will continuously work towards nurturing and enhancing a competitively superior position in terms of human capital, people processes and employees behaviour. Your company believes that it is the quality and dynamism of its human resources that will enable it make a significant contribution to creating enhanced values. The Directors of your Company deeply appreciate the spirit and commitment of its dedicated team of 12,949 employees as on 31.03.2015 (12,950 as on 31.03.2014).

6. Health and Safety Measures:

The Company has health and workplace safety programmes in place and has established policies and procedures aimed at ensuring compliance with applicable legislative requirements. The manufacturing operations are conducted to ensure sensitivity towards environment and to help minimize waste by encouraging "Green" practices. Efficient management and use of renewable resources is encouraged. Reduction, reuse and recycling of waste are facilitated. The Company believes that the health and safety of workers and persons residing in the vicinity of its plants is fundamental to the business. The Company considers its commitment for the identification of and elimination or control of the workplace hazards for protection of all, is of utmost importance.

7. Cautionary Statement:

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

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Century Textiles and Industries Limited. 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 Century Textiles and Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, **we hereby report that** in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 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, 2015 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;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable for the period under review).
- (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 having regard to the compliance systems prevailing in the Company and on examination of the relevant documents, reports and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

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

We further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

- (i) Allotted on 19th June, 2014, 1,86,50,000 warrants under preferential issue to promoter group companies to be convertible into equal number of equity shares in one or more tranches within 18 months, out of this 84,70,000 warrants have been converted into 84,70,000 equity shares on 30th March, 2015.
- (ii) No Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
 - (a) Sec. 180(1)(c) – power to Directors to borrow over and above paid up capital and free reserves.
 - (b) Sec. 180(1)(a) – power to Directors to create charge on the assets of the Company to secure borrowings.
- (iv) No Merger / amalgamation / reconstruction etc.
- (v) No Foreign technical collaborations.
- (vi) Termination of outstanding GDRs issued by the Company in 1994, due to very thin volume.

For Gagrani & Gagan
Company Secretaries

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

Place : Mumbai
Dated: May 5, 2015

ANNEXURE 'II'

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

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

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

CSR Policy can be persued on the following website -

Web-link: http://www.centurytextind.com/investor-centre/pdf/others/csr_policy_2014.pdf

2. The Composition of the CSR Committee.

1. Shri Yazdi P. Dandiwala - Independent Director
2. Shri Pradip Kumar Daga - Independent Director
3. Shri Rajan A. Dalal - Independent Director
4. Shri B. L. Jain - Whole-time Director

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

The Company has incurred average net loss of ₹ 6.74 crore during the last three financial years as under:

Year	Profit/Loss (-)
	Amount (₹ in crore)
2011-12	21.73
2012-13	(-) 70.26
2013-14	28.32
Total	(-) 20.21

Average net profit of previous 3 years ₹ (-) 6.74 Crore.

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

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

5. Details of CSR spent during the financial year:

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

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

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: **---- N.A. ----**
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company: **N.A.**

B.L. Jain
Whole-time Director

Yazdi P. Dandiwala
Chairman
CSR Committee

Extract From Nomination and Remuneration Policy:

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

General:

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

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

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

Remuneration to Non- Executive / Independent Director:

- a. Remuneration / Commission:

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

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

- b. Sitting Fees:

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

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

a. CONSERVATION OF ENERGY:

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

Textile Division

- Installation of EFIMAX System to reduce blow down, thereby reducing fuel consumption in boiler.
- Use of flash steam of process to heat water in boiler, thereby reducing of steam consumption and better utilization.
- Utilising heat of ETP condensate to reduce the steam consumption.

Rayon, Tyre Cord & Chemicals Divisions

- Power reduction in transport system of alkali cellulose from ageing drum by energy efficient blowers.
- Installation of Energy efficient FRP fans in place of aluminum fans.
- Installation of VFD for de-dusting blower for energy conservation in Boiler House.
- Utilization of Energy Efficient Twin Lobe in Transport system of Alkali Cellulose from ageing drum to hoppers thereby reduction in power.

Cement Divisions

- Replacement of old coal crusher with high efficiency new crusher for better availability of coal and improving system reliability at Century Cement.
- Installation of high efficiency blowers in place of root blowers in kiln at Century Cement, Maihar Cement and Maihar Cement Unit No.2.
- Modification of dust collector bag house for coal mill no.4 to obtain increased output at Century Cement.
- Modification of pyro coal firing system at Maihar Cement Unit No.2
- Installation of MV Drive in pyro fan at Maihar Cement Unit No.2

Pulp & Paper Division

- Maximisation of steam loading on Boiler no 7 & 8.
- Maintained maximized Pith and Agro based fuel burning to reduce usage of coal.
- Optimisation of cooling tower fans to reduce power consumption, according to water temperature.
- Successfully implemented generation of Renewal Energy Certifications.

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

- Recycle and reuse of ETP water.
- Generation of Comprehensive Methane Gas (CMG).

(iii) the capital investment on energy conservation equipments : ₹ 49 lacs.

b. TECHNOLOGY ABSORPTION:

(i) the efforts made towards technology absorption

- Installed automatic drawing-in machine with conveyer at Birla Century to improve the productivity.
- Installation of the state of art peaching / sueding Microsand machine from Lafer (Italy) consist of Diamond emery.

- Spreading System, which consist of Spreader and Table, has been installed.
- Installed EFIMAX system to reduce blow down of boiler thereby saving of fuel consumption.
- Installation of Doubling Twisting facility.
- Conversion of coal mill ESP to Bag House for effective pollution control at Maihar Cement Unit No.2.
- Installation of online monitoring system for SOX & NOX emission in kiln circuit & power house circuit at all our cement plants.
- Vinear chip washing system installed in Fibre Line.
- Reuse of garbage (generated during wood storage and handling process) as fuel in power house boilers.
- Energy saving by providing VFD and avoiding valve throttling in Pumps.

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

- Development of new market segment
- Quality and productivity improvement.
- Improved safety measures and pollution control.
- Cost reduction.
- Energy conservation.

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

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

(iv) the expenditure incurred on Research and Development

	(₹ in crore)
(a) Capital	1.23
(b) Recurring (including contribution)	10.22
(c) Total	11.45
(d) Total R&D expenditure as a percentage of total turnover	0.14%

c. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

	(₹ in crore)
Foreign Exchange earned (inflow)	547.78
Foreign Exchange used (outflow)	486.15

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 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2014-15. (₹ in lacs)	% increase in Remuneration in the Financial year 2014-15	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Shri B. K. Birla, Chairman	0.80	(-) 20	0.25	
2	Smt. Saraladevi Birla	0.60	*	*	
3	Shri Kumar Mangalam Birla	1.00	150	0.31	
4	Shri Pradip Kumar Daga	2.30	28	0.72	
5	Shri Amal Ganguli	1.40	*	*	
6	Shri Yazdi P. Dandiwalla	2.20	*	*	
7	Shri Rajan A. Dalal	2.50	*	*	
8	Shri Sohanlal K. Jain	0.70	*	*	
9	Shri B.L. Jain (Whole-time Director)	374.71	41	116.52	} Profit after Tax increased by 469% for the financial year 2014-15
10	Shri R. K. Dalmia	301.54	38	N.A.	
11	Shri D. K. Agrawal	132.27	21	N.A.	

* Details not given as these directors were on the Board only for the part of the financial year 2014-15.

- (ii) The median remuneration of employees of the Company during the financial year was ₹ 3.20 Lac.
- (iii) In the financial year, there was an increase of 9.90% in the median remuneration of employees.
- (iv) There were 12,949 permanent employees on the rolls of Company as on March 31, 2015.
- (v) Relationship between average increase in remuneration and company performance:- The Profit after Tax for the financial year ended March 31, 2015 increased by 469% whereas the increase in median remuneration was 9.90%. The average increase in median remuneration was in line with the increase of salary in the industry.
- (vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
The total remuneration of Key Managerial Personnel increased by 36% from ₹ 5.93 crore in 2013-14 to ₹ 8.09 crore in 2014-15 whereas the Profit after Tax increased by 469% to ₹ 15.49 crore in 2014-15 (₹ 2.72 crore in 2013-14).
- (vii) a) Variations in the market capitalization of the Company: The market capitalization as on March 31, 2015 was ₹ 6469 crore (₹ 3374 crore as on March 31, 2014).
- b) Price Earnings ratio of the Company as at March 31, 2015 and as at March 31, 2014 – Not Applicable – As profits are negligible.

- c) Percent increase over / decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year. The company has not made any public issue or rights issue of securities in the recent past, so comparison have not been made of current share price with public offer price. The Company's shares are listed on Bombay and National Stock Exchanges.
 - (viii) Average percentage increase made in the salaries of employees other than the key managerial personnel in the last financial year i.e. 2014-15 was 9.90% whereas the increase in the key managerial remuneration for the same financial year was 36%.
 - (ix) There are no variable component of remuneration availed by the directors except the Whole-time director which is based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
 - (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
 - (xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
-

Form No. MGT - 9 Extract of Annual Return

as on the financial year ended on 31st March, 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i) CIN : L17120MH1897PLC000163
- ii) Registration Date : 20th October, 1897
- iii) Name of the Company : Century Textiles and Industries Limited
- iv) Category / Sub-Category of the Company : Public Limited Company / Limited by Shares.
- v) Address of the Registered Office and contact details : "Century Bhavan",
Dr. Annie Besant Road, Worli, Mumbai – 400 030
Phone : +91-22-2495 7000, Fax : +91-22-2430 9491/24361980
Email : centextho@centurytext.com
Website : www.centurytextind.com
- vi) Whether Listed Company : Yes., BSE Limited and National Stock Exchange of India Limited.
- vii) Name, Address and contact details of Registrar and Transfer Agent : M/s. Link Intime India Pvt. Limited
Unit – Century Textiles and Industries Ltd.
C-13, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup (West), Mumbai – 400 078
Phone : +91-22-2596 3838, Fax : +91-22-2594 6969
Email :rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product / service *	% to total turnover of the company #
1	Fabrics	13121 & 13131	5.40
2	Denim Cloth (Cloth Dyed)	13111	2.90
3	Viscose Filament Yarn & Viscose Tyre Yarn	20303	10.18
4	Cement	23942	54.73
5	Wood / Bagasse / Recycle based paper	17013	11.93
6	Multilayer packaging board	17016	7.21

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

On the basis of Gross Turnover.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES.

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	Vasavadatta Services Limited 9/1, R. N. Mukherjee Road, Birla Building, 8 th Floor, Kolkata - 700001	U65923WB1989PLC047566	Associate	41.40	Section 2 (6)
2.	Bander Coal Co. Pvt. Ltd. Century Bhavan, Worli, Mumbai - 400030	U10200MH2009PTC193985	Associate	37.50	Section 2 (6)
3.	Industry House Limited Industry house, 159, Churchgate reclamation, Mumbai – 400020	U99999MH1952PLC008941	Associate	35.28	Section 2 (6)
4.	Kesoram Insurance Broking Services Limited 9/1, R. N. Mukherjee Road, Kolkata - 700001	U17232WB1989PLC046594	Associate	30.00	Section 2 (6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

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

A. Promoters

(1) Indian

a)	Individual/HUF	2,07,970	-	2,07,970	0.22	2,07,970	-	2,07,970	0.20	- 0.02
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	3,72,28,170	-	3,72,28,170	40.01	4,56,98,170	-	4,56,98,170	45.02	+ 5.01
e)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f)	Any other	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1):	3,74,36,140	-	3,74,36,140	40.23	4,59,06,140	-	4,59,06,140	45.22	+ 4.99

(2) Foreign

a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
b)	Other – Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e)	Any other	-	-	-	-	-	-	-	-	-
	Sub- total(A)(2):	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	3,74,36,140	-	3,74,36,140	40.23	4,59,06,140	-	4,59,06,140	45.22	+4.99

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

B. Public Shareholding

(1) Institutions

a)	Mutual Funds	73,61,574	14,290	73,75,864	7.93	52,48,056	14,240	52,62,296	5.19	- 2.74
b)	Banks / Financial Institutions	37,31,817	58,164	37,89,981	4.07	35,34,339	60,664	35,95,003	3.54	- 0.53
c)	Central Government(s)	-	2,580	2,580	0.00	11	2,580	2,591	0.00	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	24,08,042	-	24,08,042	2.59	14,52,981	-	14,52,981	1.43	- 1.16
g)	Foreign Institutional Investors (FIIs)	93,12,256	1,050	93,13,306	10.01	88,20,567	1,050	88,21,617	8.69	- 1.32
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	Others (Specify)									
i)	Foreign port folio investors-Corporate	-	-	-	-	20,52,569	-	20,52,569	2.02	+ 2.02
	Sub-total (B) (1) :	2,28,13,689	76,084	2,28,89,773	24.60	2,11,08,523	78,534	2,11,87,057	20.87	- 3.73

(2) Non-Institutions

a)	Bodies Corporate									
i)	Indian	1,18,10,194	54,320	1,18,64,514	12.75	1,14,31,423	54,250	1,14,85,673	11.31	- 1.44
ii)	Overseas Bodies Corporate	3,65,820	-	3,65,820	0.39	3,65,820	-	3,65,820	0.36	- 0.03
b)	Individuals									
i)	Individual Shareholders holding nominal share capital upto ₹ 1 lakh	1,36,15,214	16,27,208	1,52,42,422	16.38	1,19,18,219	15,10,679	1,34,28,898	13.23	- 3.15
ii)	Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	31,56,162	7,05,880	38,62,042	4.15	73,22,086	6,89,080	80,11,166	7.89	+ 3.74

(2) Non-Institutions (Contd.)

c)	Others (Specify)									
1.	NRIs	5,02,568	26,810	5,29,378	0.57	4,32,108	23,150	4,55,258	0.45	- 0.12
2.	Foreign Nationals	388	-	388	0.00	450	-	450	0.00	0.00
3.	Clearing Member	4,25,464	-	4,25,464	0.46	5,64,482	-	5,64,482	0.56	+ 0.10
4.	Trust	1,32,259	-	1,32,259	0.15	1,10,456	-	1,10,456	0.11	- 0.04
5.	Directors/ Relatives	280	-	280	0.00	280	-	280	0.00	0.00
	Sub-total (B) (2) :	3,00,08,349	24,14,218	3,24,22,567	34.85	3,21,45,324	22,77,159	3,44,22,483	33.91	- 0.94
	Total Public Shareholding (B) = (B)(1) + (B)(2)	5,28,22,038	24,90,302	5,53,12,340	59.45	5,32,53,847	23,55,693	5,56,09,540	54.78	- 4.67

C. Shares held by Custodian for GDRs & ADRs

1	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
2	Public	2,94,700	2,500	2,97,200	0.32	-	-	-	-	-0.32
	GRAND TOTAL (A+B+C)	9,05,52,878	24,92,802	9,30,45,680	100.00	9,91,59,987	23,55,693	10,15,15,680	100.00	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged/ encumbered to total shares	
1	Pilani Investment And Industries Corporation Ltd.	3,42,20,520	36.78	0.00	3,42,20,520	33.71	0.00	- 3.07
2	Kesoram Industries Ltd.	27,46,100	2.95	100.00	27,46,100	2.71	100.00	- 0.24
3	Aditya Marketing & Manufacturing Ltd.	60,900	0.07	0.00	34,60,900	3.41	0.00	+ 3.34
4	Prakash Educational Society	1,28,000	0.14	0.00	1,28,000	0.13	0.00	- 0.01
5	Birla Educational Institution	44,000	0.05	0.00	44,000	0.04	0.00	- 0.01
6	IGH Holdings Pvt. Ltd.	-	0.00	0.00	50,70,000	4.99	0.00	+ 4.99
7	Manav Investment & Trading Co. Ltd.	11,950	0.01	0.00	11,950	0.01	0.00	0.00
8	Padmavati Investment Ltd.	16,700	0.02	0.00	16,700	0.02	0.00	0.00
9	Shri Basant Kumar Birla	1,31,900	0.14	0.00	1,31,900	0.13	0.00	- 0.01
10	Smt. Saraladevi Birla	67,900	0.07	0.00	67,900	0.07	0.00	0.00
11	Shri Ramavatar Makharia	1,110	0.00	26.13	1,110	0.00	26.13	0.00
12	Shri Ravi Makharia	3,620	0.00	33.43	3,620	0.00	33.43	0.00
13	Smt. Laxmi Devi Makharia	3,440	0.00	100.00	3,440	0.00	100.00	0.00
	TOTAL	3,74,36,140	40.23	7.35	4,59,06,140	45.22	6.00	+ 4.99

(iii) Change in Promoter's Shareholding (please specify if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	3,74,36,140	40.23	-	-
	Date wise increase/decrease in Promoters shareholding during the year specifying reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc):	84,70,000*	8.34	4,59,06,140	45.22
	At the end of the year	4,59,06,140	45.22	4,59,06,140	45.22

*On 30.03.2015 the company has allotted equity shares pursuant to conversion of warrants.

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Life Insurance Corpn. of India & Others	32,76,238	3.52	01.04.2014	0	Nil movement during the year		
		32,76,238	3.23	31.03.2015			32,76,238	3.23
2	Shivanand Shankar Mankekar *	0	0.00	01.04.2014		Transfer		
				09.05.2014	+9,00,000		9,00,000	0.89
				16.05.2014	+10,99,850		19,99,850	1.97
				23.05.2014	+150		20,00,000	1.97
		20,00,000	1.97	31.03.2015			20,00,000	1.97
3	Birla Corporation Ltd.	18,07,660	1.94	01.04.2014	0	Nil movement during the year		
		18,07,660	1.78	31.03.2015			18,07,660	1.78
4	Orient Paper & Industries Ltd.	15,45,140	1.66	01.04.2014	0	Nil movement during the year		
		15,45,140	1.52	31.03.2015			15,45,140	1.52

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
5	SBI Magnum Tax Gain Scheme & Others.	18,35,000	1.97	01.04.2014				
				23.05.2014	-1,01,000	Transfer	17,34,000	1.71
				12.09.2014	-50,000	Transfer	16,84,000	1.66
				19.09.2014	-30,000	Transfer	16,54,000	1.63
				28.11.2014	-1,20,000	Transfer	15,34,000	1.51
				05.12.2014	-1,30,000	Transfer	14,04,000	1.38
				20.03.2015	-81,000	Transfer	13,23,000	1.30
				31.03.2015			13,23,000	1.30
6	Radhakishan S. Damani *	741	0.00	01.04.2014				
				23.05.2014	+45,000	Transfer	45,741	0.05
				30.05.2014	+33,054	Transfer	78,795	0.08
				06.06.2014	+2,35,961	Transfer	3,14,756	0.31
				13.06.2014	-88,015	Transfer	2,26,741	0.22
				20.06.2014	+86,000	Transfer	3,12,741	0.31
				30.06.2014	+9,88,761	Transfer	13,01,502	1.28
				04.07.2014	+239	Transfer	13,01,741	1.28
				25.07.2014	-1,37,000	Transfer	11,64,741	1.15
				12.09.2014	+1,00,000	Transfer	12,64,741	1.25
				17.10.2014	+1,92,000	Transfer	14,56,741	1.43
				31.10.2014	-7,000	Transfer	14,49,741	1.43
				07.11.2014	-1,43,000	Transfer	13,06,741	1.29
				06.03.2015	+8,000	Transfer	13,14,741	1.30
				13.03.2015	-8,000	Transfer	13,06,741	1.29
				31.03.2015			13,06,741	1.29
7	Bajaj Alliance Life Insurance Company Ltd.	25,87,637	2.78	01.04.2014				
				04.04.2014	+4,00,000	Transfer	29,87,637	2.94
				09.05.2014	-1,00,000	Transfer	28,87,637	2.84
				16.05.2014	-1,00,000	Transfer	27,87,637	2.75
				30.05.2014	-3,00,000	Transfer	24,87,637	2.45
				30.06.2014	-2,00,000	Transfer	22,87,637	2.25
				25.07.2014	-2,00,000	Transfer	20,87,637	2.06
				01.08.2014	-4,08,258	Transfer	16,79,379	1.65
				30.01.2015	-1,10,000	Transfer	15,69,379	1.55
				27.02.2015	-1,50,000	Transfer	14,19,379	1.40
				13.03.2015	-1,85,701	Transfer	12,33,678	1.22
				31.03.2015			12,33,678	1.22

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
8	Birla Sunlife Trustee Co. Pvt. Ltd. A/c. Birla Sunlife Tax Relief 1996 & Others.	10,17,324	1.09	01.04.2014				
				04.04.2014	+14,000	Transfer	10,31,324	1.02
				11.04.2014	-23,345	Transfer	10,07,979	0.99
				02.05.2014	-4,040	Transfer	10,03,939	0.99
				23.05.2014	-1,08,000	Transfer	8,95,939	0.88
				30.05.2014	-3,036	Transfer	8,92,903	0.88
				06.06.2014	+97,200	Transfer	9,90,103	0.98
				13.06.2014	+2,17,522	Transfer	12,07,625	1.19
				20.06.2014	+75,000	Transfer	12,82,625	1.26
				18.07.2014	-20,000	Transfer	12,62,625	1.24
				25.07.2014	-1,00,000	Transfer	11,62,625	1.15
				01.08.2014	+15,307	Transfer	11,77,932	1.16
				29.08.2014	-20,298	Transfer	11,57,634	1.14
				05.09.2014	+877	Transfer	11,58,511	1.14
				19.09.2014	-84,067	Transfer	10,74,444	1.06
				10.10.2014	-25,000	Transfer	10,49,444	1.03
				17.10.2014	+17,285	Transfer	10,66,729	1.05
				24.10.2014	+5,715	Transfer	10,72,444	1.06
				31.10.2014	+15,600	Transfer	10,88,044	1.07
				07.11.2014	+26,600	Transfer	11,14,644	1.10
				14.11.2014	-7,500	Transfer	11,07,144	1.09
				05.12.2014	-55,100	Transfer	10,52,044	1.04
				12.12.2014	-22,500	Transfer	10,29,544	1.01
				31.12.2014	+7,200	Transfer	10,36,744	1.02
				23.01.2015	+1,85,813	Transfer	12,22,557	1.20
				30.01.2015	+32,700	Transfer	12,55,257	1.24
				06.02.2015	+1,60,000	Transfer	14,15,257	1.39
				13.02.2015	+99,788	Transfer	15,15,045	1.49
				06.03.2015	+98,800	Transfer	16,13,845	1.59
				13.03.2015	-1,48,502	Transfer	14,65,343	1.44
				20.03.2015	-10,141	Transfer	14,55,202	1.43
				27.03.2015	-48,000	Transfer	14,07,202	1.39
		11,47,202	1.13	31.03.2015	-2,60,000	Transfer	11,47,202	1.13

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
9	Macquarie Emerging Markets Asian Trading Pte. Ltd. *	39,000	0.04	01.04.2014				
				04.04.2014	-7,000	Transfer	32,000	0.03
				11.04.2014	+6,000	Transfer	38,000	0.04
				18.04.2014	+16,000	Transfer	54,000	0.05
				25.04.2014	+19,000	Transfer	73,000	0.07
				02.05.2014	+8,000	Transfer	81,000	0.08
				09.05.2014	+39,000	Transfer	1,20,000	0.12
				16.05.2014	-1,18,000	Transfer	2,000	0.00
				23.05.2014	+5,000	Transfer	7,000	0.00
				30.05.2014	+2,05,000	Transfer	2,12,000	0.21
				06.06.2014	+99,000	Transfer	3,11,000	0.31
				13.06.2014	-78,000	Transfer	2,33,000	0.23
				20.06.2014	+8,000	Transfer	2,41,000	0.24
				30.06.2014	-99,000	Transfer	1,42,000	0.14
				04.07.2014	+73,000	Transfer	2,15,000	0.21
				11.07.2014	+1,46,000	Transfer	3,61,000	0.36
				18.07.2014	-33,000	Transfer	3,28,000	0.32
				25.07.2014	+8,000	Transfer	3,36,000	0.33
				01.08.2014	+15,000	Transfer	3,51,000	0.35
				08.08.2014	+15,000	Transfer	3,66,000	0.36
				15.08.2014	+85,000	Transfer	4,51,000	0.44
				22.08.2014	+16,000	Transfer	4,67,000	0.46
				05.09.2014	+84,000	Transfer	5,51,000	0.54
				12.09.2014	+73,000	Transfer	6,24,000	0.61
				19.09.2014	+1,59,000	Transfer	7,83,000	0.77
				30.09.2014	-21,000	Transfer	7,62,000	0.75
				03.10.2014	+4,000	Transfer	7,66,000	0.75
				10.10.2014	+7,000	Transfer	7,73,000	0.76
				17.10.2014	+50,000	Transfer	8,23,000	0.81
				31.10.2014	+11,000	Transfer	8,34,000	0.82
				07.11.2014	+11,000	Transfer	8,45,000	0.83

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				14.11.2014	+2,000	Transfer	8,47,000	0.83
				21.11.2014	-1,08,000	Transfer	7,39,000	0.73
				28.11.2014	-41,000	Transfer	6,98,000	0.69
				05.12.2014	+76,000	Transfer	7,74,000	0.76
				12.12.2014	-81,500	Transfer	6,92,500	0.68
				19.12.2014	-1,67,500	Transfer	5,25,000	0.52
				31.12.2014	-21,000	Transfer	5,04,000	0.50
				02.01.2015	+5,500	Transfer	5,09,500	0.50
				09.01.2015	-26,500	Transfer	4,83,000	0.48
				16.01.2015	+14,500	Transfer	4,97,500	0.49
				23.01.2015	+1,63,000	Transfer	6,60,500	0.65
				30.01.2015	+27,500	Transfer	6,88,000	0.68
				06.02.2015	+93,500	Transfer	7,81,500	0.77
				13.02.2015	-26,500	Transfer	7,55,000	0.74
				20.02.2015	-49,500	Transfer	7,05,500	0.69
				27.02.2015	-18,500	Transfer	6,87,000	0.68
				06.03.2015	+29,500	Transfer	7,16,500	0.71
				13.03.2015	+21,500	Transfer	7,38,000	0.73
				20.03.2015	-31,500	Transfer	7,06,500	0.70
				27.03.2015	+57,500	Transfer	7,64,000	0.75
		9,61,000	0.95	31.03.2015	+1,97,000	Transfer	9,61,000	0.95
10	Reliance Capital Trustee Co. Ltd. A/c. Reliance Mid & Small Cap Funds *	0	0.00	01.04.2014				
				23.01.2015	+2,64,000	Transfer	2,64,000	0.26
				30.01.2015	+2,05,780	Transfer	4,69,780	0.46
				06.02.2015	+3,39,220	Transfer	8,09,000	0.80
				20.02.2015	+38,400	Transfer	8,47,400	0.83
				06.03.2015	+89,500	Transfer	9,36,900	0.92
				27.03.2015	-8,500	Transfer	9,28,400	0.91
		9,28,400	0.91	31.03.2015			9,28,400	0.91

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
11	HDFC Trustee Co. Ltd. – HDFC Top 200 Funds & Others. #	26,92,000	2.89	01.04.2014				
				04.04.2014	-8,000	Transfer	26,84,000	2.64
				18.04.2014	-95,000	Transfer	25,89,000	2.55
				25.04.2014	-5,08,136	Transfer	20,80,864	2.05
				02.05.2014	-1,00,000	Transfer	19,80,864	1.95
				23.05.2014	+2,76,200	Transfer	22,57,064	2.22
				30.05.2014	+3,46,000	Transfer	26,03,064	2.56
				13.06.2014	+2,00,000	Transfer	28,03,064	2.76
				04.07.2014	+1,00,000	Transfer	29,03,064	2.86
				25.07.2014	+1,00,000	Transfer	30,03,064	2.96
				08.08.2014	-89,084	Transfer	29,13,980	2.87
				05.09.2014	-2,19,000	Transfer	26,94,980	2.65
				12.09.2014	-6,39,000	Transfer	20,55,980	2.03
				19.09.2014	-5,21,116	Transfer	15,34,864	1.51
				30.09.2014	-5,16,039	Transfer	10,18,825	1.00
				07.11.2014	+29,500	Transfer	10,48,325	1.03
				14.11.2014	+500	Transfer	10,48,825	1.03
				19.12.2014	-66,000	Transfer	9,82,825	0.97
				06.02.2015	-5,08,825	Transfer	4,74,000	0.47
				13.02.2015	-60,000	Transfer	4,14,000	0.41
				27.02.2015	-2,78,000	Transfer	1,36,000	0.13
				13.03.2015	-30,000	Transfer	1,06,000	0.10
				20.03.2015	-62,000	Transfer	44,000	0.04
		44,000	0.04	31.03.2015			44,000	0.04
12	HDFC Standard Life Insurance Company Ltd. #	16,80,038	1.81	01.04.2014				
				25.04.2014	-9,500	Transfer	16,70,538	1.65
				09.05.2014	-7,76,813	Transfer	8,93,725	0.88
				16.05.2014	-1,07,000	Transfer	7,86,725	0.77
				23.05.2014	-1,00,000	Transfer	6,86,725	0.68
				30.05.2014	-50,000	Transfer	6,36,725	0.63
				20.06.2014	-4,524	Transfer	6,32,201	0.62
				25.07.2014	-33,000	Transfer	5,99,201	0.59
				13.02.2015	-4,000	Transfer	5,95,201	0.59
				27.02.2015	-55,180	Transfer	5,40,021	0.53
				06.03.2015	-1,04,313	Transfer	4,35,708	0.43
				13.03.2015	-34,708	Transfer	4,01,000	0.40

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				20.03.2015	-25,000	Transfer	3,76,000	0.37
				27.03.2015	-14,000	Transfer	3,62,000	0.36
		3,62,000	0.36	31.03.2015			3,62,000	0.36
13	Derive Trading Pvt. Ltd. #	9,88,000	1.06	01.04.2014				
				30.05.2014	-2,00,000	Transfer	7,88,000	0.78
				30.09.2014	+2,00,000	Transfer	9,88,000	0.97
				10.10.2014	-2,00,000	Transfer	7,88,000	0.78
				24.10.2014	-3,50,000	Transfer	4,38,000	0.43
				19.12.2014	+66,523	Transfer	5,04,523	0.50
				31.12.2014	+4,83,477	Transfer	9,88,000	0.97
				02.01.2015	-4,30,000	Transfer	5,58,000	0.55
		5,58,000	0.55	31.03.2015			5,58,000	0.55
14	Dimensional Emerging Markets Value Fund. #	9,79,133	1.05	01.04.2014				
				04.04.2014	-12,494	Transfer	9,66,639	0.95
				20.06.2014	-37,473	Transfer	9,29,166	0.92
				30.06.2014	-41,591	Transfer	8,87,575	0.87
				04.07.2014	-8,670	Transfer	8,78,905	0.87
				18.07.2014	-17,795	Transfer	8,61,110	0.85
				25.07.2014	-27,171	Transfer	8,33,939	0.82
				01.08.2014	-26,264	Transfer	8,07,675	0.80
				08.08.2014	-49,996	Transfer	7,57,679	0.75
				15.08.2014	-24,139	Transfer	7,33,540	0.72
				22.08.2014	-51,314	Transfer	6,82,226	0.67
				29.08.2014	-62,158	Transfer	6,20,068	0.61
				05.09.2014	-21,378	Transfer	5,98,690	0.59
				13.02.2015	+9,021	Transfer	6,07,711	0.60
				27.02.2015	+98,742	Transfer	7,06,453	0.70
		7,06,453	0.70	31.03.2015			7,06,453	0.70

* Not in the list of Top 10 shareholders as on 01.04.2014. The same has been reflected above since shareholders were among the Top 10 shareholders as on 31.03.2015.

Ceased to be in the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since shareholders were among the Top 10 shareholders as on 01.04.2014.

Notes:

- In the cases where there is no change in shareholding, decrease in % is due to allotment of equity shares on 30.03.2015 pursuant to conversion of warrants.
- Percentages for cumulative shareholding during the year have been calculated by taking total shares of the Company at the end of the year.
- Share holders having shares in different folios/DPIDs, Client IDs, but having the same PAN are clubbed together.

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
A. Directors								
1	Shri B. K. Birla	1,31,900	0.14	01.04.2014	0	Nil movement during the year		
		1,31,900	0.13	31.03.2015			1,31,900	0.13
2	Smt. Saraladevi Birla *	67,900	0.07	01.04.2014	0	Nil movement during the year		
		67,900	0.07	31.03.2015			67,900	0.07
3	Shri Pradip Kumar Daga	80	0.00	01.04.2014	0	Nil movement during the year		
		80	0.00	31.03.2015			80	0.00
B. KMPs								
4	Shri R. K. Dalmia	6,670	0.01	01.04.2014	0	Nil movement during the year		
		6,670	0.01	31.03.2015			6,670	0.01
5	Shri D. K. Agrawal	80	0.00	01.04.2014	0	Nil movement during the year		
		80	0.00	31.03.2015			80	0.00

* deceased on 28.03.2015

Note:

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

V. INDEBTEDNESS

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

(₹ in crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4600.70	1035.28	41.87	5677.85
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	21.50	0.86	-	22.36
Total (i + ii + iii)	4622.20	1036.14	41.87	5700.21

V. INDEBTEDNESS (Contd.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
Addition	2062.01	213.43	-	2275.44
Reduction	(-)1771.90	-	(-) 41.87	(-) 1813.77
Net Change	290.11	213.43	(-) 41.87	461.67
Indebtedness at the end of the financial year				
i) Principal Amount	4889.89	1248.68	-	6138.57
ii) Interest due not paid	-	-	-	-
iii) Interest accrued but not due	22.42	0.89	-	23.31
Total (i + ii + iii)	4912.31	1249.57	-	6161.88

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in crore)

Sl. No.	Particulars of Remuneration	Name of the Managing Director / Wholetime Director/Manager	Total Amount
		Wholetime Director	
		Shri B. L. Jain	
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	3.57	
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	0.10	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961.	-	3.67
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	- As a % of Profit		-
	- Others, specify		-
5	Others, please specify		
	Co's Contribution to Provident Fund (exempted), Superannuation (exempted portion)		0.08
	TOTAL (A)		3.75
	Ceiling as per the Act		N.A. *

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

B. REMUNERATION TO OTHER DIRECTORS:

(₹ in crore)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
1	Independent Directors	Shri Pradip Kumar Daga	Shri Arvind. C. Dalal	Shri Amal Ganguli	Shri Yazdi P. Dandiwal	Shri Rajan A. Dalal	Shri Sohanlal K. Jain	
	Fee for attending board / committee meetings.	0.02	-	0.01	0.02	0.03	0.01	0.09
	Commission	-	-	-	-	-	-	-
	Others, please specify.	-	-	-	-	-	-	-
	Total (1)	0.02	-	0.01	0.02	0.03	0.01	0.09
2	Other Non-Executive Directors.	Shri B. K. Birla	Smt. Saraladevi Birla	Shri Kumar Mangalam Birla	-	-	-	
	Fee for attending board / committee meetings.	0.01	0.01	0.01	-	-	-	0.03
	Commission	-	-	-	-	-	-	-
	Others, please specify.	-	-	-	-	-	-	-
	Total (2)	0.01	0.01	0.01	-	-	-	0.03
	Total (B) = (1+2)	-	-	-	-	-	-	0.12
	Total Managerial Remuneration							3.87 #
	Overall Ceiling as per the Act.							N.A.*

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

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

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

(₹ in crore)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			Shri D. K. Agrawal	Shri R. K. Dalmia*	
1.	Gross salary:				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		1.09	2.84	3.93
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961		0.17	0.10	0.27
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Not Applicable	--	--	--
2.	Stock Option		--	--	--

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT.D. (Contd.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			Shri D. K. Agrawal	Shri R. K. Dalmia*	
3.	Sweat Equity		--	--	--
4.	Commission		--	--	--
	- As % of profit		--	--	--
	- Others, specify		--	--	--
5.	Others, please specify				
	Co's Contribution to Provident Fund (exempted), Superannuation (exempted portion)		0.06	0.07	0.13
	Total		1.32	3.01	4.33

* Designated as CFO w.e.f. 24th July, 2014, remuneration is for whole year.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

CORPORATE GOVERNANCE REPORT

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

I. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Company believes that Corporate Governance is a tool to generate long term wealth and create value for all its stakeholders be it shareholders, customers, creditors, employees etc.

II. BOARD OF DIRECTORS

(a) Composition of the Board:

As on 31st March, 2015, the Board of Directors comprises seven members consisting of six Non-executive Directors who account for more than eighty five percent of the Board's strength as against the minimum requirement of fifty percent as per the Listing Agreement. The Non-executive Directors are eminent professionals, having considerable professional experience in respective fields. The composition is as under:-

Name of the Directors	Category of Directors	Directorships in other Indian Public Limited Companies	No. of other Board Committee(s) of which he is a member @	No. of Other Board Committee(s) of which he is a Chairman @	No. of Shares held in the Company as at 31.03.2015
Shri B.K. Birla – Chairman	Promoter – Non Executive	4	-	-	1,31,900
Shri Kumar Mangalam Birla	Promoter – Non Executive	8	-	-	Nil
Shri Pradip Kumar Daga	Independent – Non Executive	4	2	-	80
Shri Yazdi P. Dandiwal	Independent – Non Executive	2	2	1	Nil
Shri Rajan A. Dalal	Independent – Non Executive	1	1	1	Nil
Shri Sohanlal K. Jain	Independent – Non Executive	1	2	2	Nil
Shri B.L. Jain	Executive – Whole-time Director	-	-	-	Nil

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

Notes:

- During the year Smt. Saraladevi Birla a Non-Executive Director under the category of promoter ceased to be a director with effect from 28th March, 2015 on account of her sad demise on the said date.
- Shri Arvind C. Dalal and Shri Amal Ganguli Non-Executive Directors under the category of Independent ceased to be directors with effect from 2nd May, 2014 and 4th November, 2014 respectively on account of their resignation from the Board.
- No Director is related to any other Director on the Board in terms of the provisions of the Companies Act, 2013.
- Memberships of the Directors in various Committees are within the permissible limits of the Listing Agreement.

(b) Board Meetings and attendance of Directors:

- The members of the Board have been provided with the requisite information mentioned in the Listing Agreement well before the Board Meetings.
- Five Meetings of the Board of Directors were held during the year ended 31st March, 2015. These were held on:-
 - 5th May, 2014
 - 5th May, 2014
 - 24th July, 2014
 - 31st October, 2014
 - 4th February, 2015

- (iii) The attendance recorded for each of the Directors at the Board Meetings during the year ended on 31st March, 2015 and of the last Annual General Meeting is as under:-

Directors	No. of Board Meetings attended	Attendance at the Last AGM
Shri B.K. Birla	3	Yes
Smt. Saraladevi Birla (appointed w.e.f. 5.5.2014, expired on 28.03.2015)	3	Yes
Shri Kumar Mangalam Birla	5	Yes
Shri Pradip Kumar Daga	5	Yes
Shri Arvind C. Dalal (resigned w.e.f. 2.5.2014)	-	-
Shri Amal Ganguli (resigned w.e.f. 4.11.2014)	4	No
Shri Yazdi P. Dandiwala (appointed w.e.f. 5.5.2014)	4	Yes
Shri Rajan A. Dalal (appointed w.e.f. 5.5.2014)	4	Yes
Shri Sohanlal K. Jain (appointed w.e.f. 31.10.2014)	2	-
Shri B.L. Jain (Whole-time Director)	5	Yes

(c) Code of Conduct:

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

III. AUDIT COMMITTEE

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

- | | |
|-----------------------------|---|
| (1) Shri Yazdi P. Dandiwala | (2) Shri Pradip Kumar Daga |
| (3) Shri Rajan A. Dalal | (4) Shri Sohanlal K. Jain (w.e.f. 4.2.2015) |

All the members of the Audit Committee are Non-Executive Independent Directors and Shri Yazdi P. Dandiwala is the Chairman of the Committee. During the year Shri Arvind C. Dalal and Shri Amal Ganguli Non-executive directors under the category of independent ceased to be members of the Committee due to their resignation as directors from the Board of the Company w.e.f 2.5.2014 and 4.11.2014 respectively. All the members of Audit Committee are financially literate and one member has accounting and related financial management expertise.

- (ii) The Audit Committee meetings were held on 5th May, 2014, 24th July, 2014, 24th July, 2014, 31st October, 2014, 4th February, 2015 and 4th February, 2015. The attendance of each Audit Committee member is as under:-

Name of the Audit Committee Members	No. of meetings attended
Shri Yazdi P. Dandiwala	5
Shri Pradip Kumar Daga	6
Shri Amal Ganguli (ceased w.e.f. 4.11.2014)	4
Shri Rajan A. Dalal	5
Shri Sohanlal K. Jain	1

- (iii) At the invitation of the Company, representatives from various Divisions of the Company, internal auditors, cost auditors, statutory auditors and President (Corporate Affairs) & Secretary, who is acting as Secretary to the Audit Committee, also attended the Audit Committee meetings to respond to queries raised at the Committee meetings.
- (iv) The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 177 of the Companies Act, 2013.

IV. NOMINATION AND REMUNERATION COMMITTEE

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

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

The Company had already constituted a Remuneration Committee comprising of three Non Executive Independent Directors as required under the provisions of the earlier Companies Act, 1956. In order of align itself with the provisions of the Companies Act, 2013 and the listing agreement, the Board on 5th May, 2014 changed the nomenclature of the Remuneration Committee to "Nomination and Remuneration Committee" and re-constituted the Committee with four Non Executive Directors comprising of three Independent Directors and one Promoter Director (i.e. Chairperson of the Company) as members of the Committee. Shri Amal Ganguli ceased to be a member of the Committee w.e.f. 4th November, 2014 on account of his resignation as a director from the Board of the Company. Further, at its meeting held on 4th February, 2015 the Board further inducted two more Independent Directors as members of the Committee. Presently the following are the members of Nomination and Remuneration Committee :

- | | | |
|---------------------------|---|--|
| 1. Shri Pradip Kumar Daga | 2. Shri B.K. Birla | 3. Shri Yazdi P. Dandiwalwa
(w.e.f. 4.2.2015) |
| 4. Shri Rajan A. Dalal | 5. Shri Sohanlal K. Jain
(w.e.f. 4.2.2015) | |

Shri Pradip Kumar Daga is the Chairman of the Committee.

The Nomination and Remuneration Committee meetings were held on 5th May, 2014, 31st October, 2014 and 4th February, 2015. The attendance of each Nomination and Remuneration Committee member is as under:-

Name of the Nomination and Remuneration Committee Members	No. of meetings attended
Shri Pradip Kumar Daga	3
Shri B.K. Birla	2
Shri Amal Ganguli (ceased w.e.f. 4.11.2014)	2
Shri Rajan A. Dalal	2
Shri Yazdi P. Dandiwalwa (w.e.f. 4.2.2015)	-
Shri Sohanlal K. Jain (w.e.f. 4.2.2015)	-

Remuneration to Non-Executive Directors is decided by the Board of Directors as authorized by the Articles of Association of the Company and within the limits set out in Section 197 of the Companies Act, 2013. The members of the Company have in their meeting held on 24th July, 2013 authorised the Board of Directors of the Company to pay commission to Non Executive Directors within the limits as set out in section 309(4) of the Companies Act, 1956 for a period of 5 years w.e.f. 1.4.2013. The Board of Directors of the Company each year determine the quantum of commission payable to Non-Executive Directors considering the performance of the Company for the said year. The Non-Executive Directors are paid sitting fee at the rate of ₹ 20,000/- for attending each meeting of the Board and ₹ 10,000/- for attending each meeting of various Committees of the Board.

Details of sitting fees and remuneration paid to Directors:

	Name of the Directors	Remuneration paid for the year 2014-2015 (All figures in Rupees)
(i)		Sitting fees paid during the year*
	Shri B.K. Birla	80,000
	Smt. Saraladevi Birla	60,000
	Shri Kumar Mangalam Birla	1,00,000
	Shri Pradip Kumar Daga	2,30,000
	Shri Amal Ganguli	1,40,000
	Shri Yazdi P. Dandiwalwa	2,20,000
	Shri Rajan A. Dalal	2,50,000
	Shri Sohanlal K. Jain	70,000
(ii)	Shri B.L. Jain (Whole-time Director)	Remuneration**
	Salary and allowances	3,56,53,333
	Contributions to :	
	Provident Fund	7,20,000
	Superannuation Fund	9,00,000
	Perquisites	1,97,751
	Total	3,74,71,084

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

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

None of the Non-Executive Directors has any material financial interest in the Company apart from the remuneration by way of fees received by them during the year. In view of the adverse performance of the Company, the Board of Directors of the Company has resolved not to make payment of commission to Non-Executive Directors for the year ended 31st March, 2015.

V. RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company at its meeting held on 24th July, 2014 constituted a Risk Management Committee of the Board comprising of two Non-Executive Independent Directors viz. Shri Pradip Kumar Daga, Shri Rajan A. Dalal and one executive director viz. Shri B.L. Jain. On 4th February, 2015 Shri Sohanlal K. Jain an independent non-executive director was inducted as a member of the Committee.

VI. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board of Directors of the Company at its meeting held on 5th May, 2014 constituted a Corporate Social Responsibility (CSR) Committee of the Board comprising of three Non-Executive Independent Directors viz. Shri Pradip Kumar Daga, Shri Yazdi P. Dandiwalwa, Shri Rajan A. Dalal and one executive director viz. Shri B.L. Jain.

VII. SUBSIDIARY COMPANIES

The Company does not have any subsidiary company.

VIII. DISCLOSURES

- (i) All related party transactions have been entered into in the ordinary course of business and were placed periodically before the audit committee in summary form including transactions for which omnibus approval of the Audit Committee was taken. There were no material individual transactions with related parties which were not in the normal course of business, required to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis. Transactions with related parties as per requirements of Accounting Standard (AS) 18 – 'Related Party Information' are disclosed in Note 38 to the Financial Statements.
- (ii) All Accounting Standards mandatorily required have been followed without exception in preparation of the financial statements.
- (iii) 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.
- (iv) No money was raised by the Company through public issue, rights issue etc. in the last financial year except a preferential issue of warrants as per SEBI guidelines made in the month of June, 2014 to Promoters/ Promoter Group/ Persons Acting in Concert vide which 1,86,50,000 warrants were allotted @ ₹ 354.89 per warrant convertible into equal number of equity shares within 18 months from the date of allotment of such warrants i.e. 19th June, 2014.
- (v) (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 one Whole-time Director on the Board whose appointment and remuneration has been fixed by the Board in terms of a resolution passed by the members and has been further reviewed/approved by the Nomination and Remuneration Committee of the Board. The remuneration paid is mentioned in item IV of this report.
(c) The number of shares held by each director is mentioned in item II(a) of this report.
- (vi) (a) Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of clause 49 of the Listing Agreement with Stock Exchanges.
(b) There were no material financial & commercial transactions by Senior Management as defined in Clause 49 of the Listing Agreement 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.
- (vii) 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.
- (viii) The Company has established a vigil mechanism/whistle blower policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud etc. and the same has been disclosed on the website of the Company.

IX. SHAREHOLDERS

In place of earlier Share Transfer & Shareholders'/Investors' Grievance Committee the Board of Directors of the Company at its meeting held on 5th May, 2014 constituted a Stakeholders Relationship Committee of the Board comprising of three Non-Executive Independent Directors viz. Shri Rajan A. Dalal , Shri Pradip Kumar Daga, Shri Yazdi P. Dandiwalwa and one Executive Director viz. Shri B.L. Jain. Shri Rajan A. Dalal is the Chairman of the Committee.

The Company Secretary has been designated as the Compliance Officer. During the year ended 31st March, 2015, 30 investor complaints/queries were received and have been resolved. There were no share transfers pending for registration for more than 15 days as on the said date.

X. COMPLIANCE CERTIFICATE

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

XI. 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
115 th	Thursday	02.08.2012	3.30 P.M.	Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Mumbai - 400 025
116 th	Wednesday	24.07.2013	3.30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai - 400 018
117 th	Friday	25.07.2014	2.30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai - 400 018

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

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

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

Yes, details of which are given hereunder:-

AGMs

Date	Matter
02.08.2012	Ratification/confirmation of remuneration paid/payable to Whole-time Director.
24.07.2013	Re-appointment of Whole-time Director Authorising payment of commission to non - whole-time Directors of the Company.
25.07.2014	Authority to borrow money in excess of aggregate of paid-up share capital and free reserves of the Company. Authority to create charge and/or mortgages and hypothecations to secure the repayment of loans/ borrowings. Authority for making offer(s) and/or invitation(s) to subscribe to non-convertible debentures ("NCDs") on a private placement basis for a period of one year within the overall borrowing limits of the Company.

EGM

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

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

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

(d) Person who conducted the postal ballot exercise?

Not applicable.

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

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

(f) Procedure for postal ballot ?

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

XII. MEANS OF COMMUNICATION

(a) Quarterly results:

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

(b) Shareholders' grievances/complaints:

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

XIII. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting to be held:

Day, Date, time and venue:

Day : Tuesday

Date : 28th July, 2015

Time : 2.30 P.M.

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

(b) Financial Year : 2015-2016

First Quarterly Results : On or before 14th August, 2015

Second Quarterly Results : On or before 14th November, 2015

Third Quarterly Results : On or before 14th February, 2016

Audited Yearly Results for the : On or before 30th May, 2016
Year ended 31st March, 2016

(c) Dates of Book Closure:

17th July, 2015 to 28th July, 2015 (Both days inclusive).

(d) Dividend payment date:

Dividend on Equity Shares when approved will be made payable from Friday, the 31st July, 2015 to those Shareholders whose names stand on the Company's Register of Members on 28th July, 2015 in physical form to whom dividend warrants will be posted. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as per the data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

(e) Listing on Stock Exchanges:

The Equity Shares of the Company are listed at the following Stock Exchanges:-

- | | |
|---|---|
| (i) BSE Limited.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001. | (ii) National Stock Exchange of India Ltd.
"Exchange Plaza", Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051. |
|---|---|

Notes :-

1. Listing fees have been paid to the Stock Exchanges for the year 2015-2016.
2. The GDRs of the Company have been delisted from the Luxembourg Stock Exchange w.e.f. 15th January, 2015 pursuant to termination of GDRs.

(f) Stock/Company/Security/Common Code:

Equity Shares

- | | | |
|---------------------------------------|---|------------|
| BSE Limited. | – | 500040 |
| National Stock Exchange of India Ltd. | – | CENTURYTEX |

(g) Market price Data:

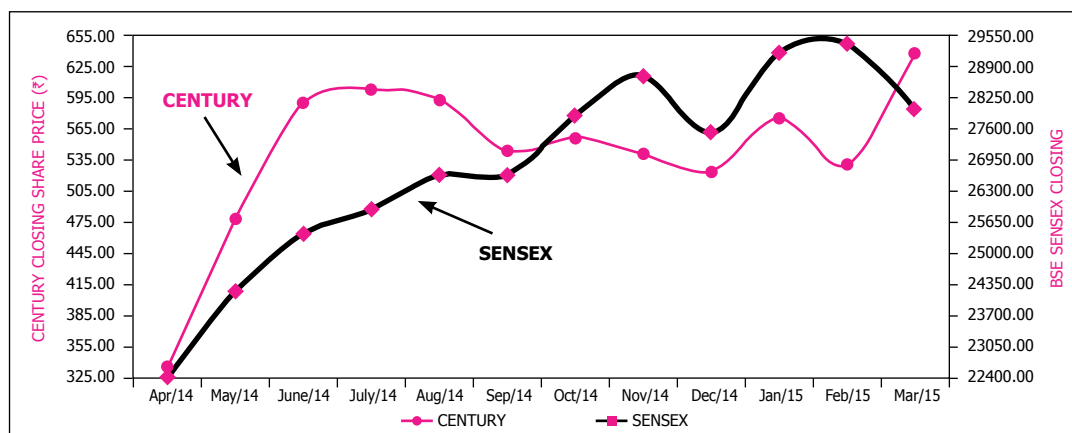
The details of monthly highest and lowest closing quotations of the equity shares of the Company during financial year 2014-2015 are as under :-

(In ₹ Per Share)

Month	BSE Limited		National Stock Exchange of India Ltd	
	High	Low	High	Low
April, 2014	385.40	335.10	385.35	335.00
May, 2014	510.75	355.55	512.15	354.15
June, 2014	589.60	498.95	589.40	499.15
July, 2014	641.15	543.35	640.50	543.65
August, 2014	607.55	574.10	607.90	574.50
September, 2014	639.05	534.95	637.70	534.00
October, 2014	558.90	501.00	559.50	502.75
November, 2014	596.10	534.15	596.20	534.05
December, 2014	562.35	484.35	562.50	486.40
January, 2015	575.15	512.90	575.85	512.85
February, 2015	577.35	482.15	577.00	481.90
March, 2015	639.00	529.65	638.90	530.05

(h) Performance in comparison to broad based indices :

CENTURY VS BSE SENSEX



(i) Registrar and Transfer Agents:

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

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

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

(j) 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.

(k) Distribution of shareholding :

The shareholding distribution of equity shares of face value of ₹ 10/- each as at 31st March, 2015 is given below:-

Sr. No.	No. of Equity Shares held	No. of Folios	No. of Shares	Percentage of Shareholding
1.	1 to 100	43,082	18,37,296	1.81
2.	101 to 500	14,253	36,22,342	3.57
3.	501 to 1000	2,904	22,55,018	2.22
4.	1001 to 5000	2,470	53,89,736	5.31
5.	5001 to 10000	337	24,19,436	2.38
6.	10001 to 100000	276	77,58,197	7.64
7.	100001 to 500000	55	1,35,74,457	13.37
8.	500001 & above	23	6,46,59,198	63.70
9.	Total	63,400	10,15,15,680	100.00

(l) Shareholding pattern as at 31st March, 2015:

Sr.No.	Category	No. of Folios	% of Folios	No. of shares held	% of share Holding
1.	Promoters	20	0.03	4,59,06,140	45.22
2.	Resident Individuals	60,614	95.60	2,14,40,344	21.12
3.	Private Corporate Bodies	1,743	2.75	1,23,30,857	12.15
4.	Financial Institutions	4	0.01	32,76,268	3.23
5.	Nationalised Banks, Govt. Insurance Companies and Mutual Funds	87	0.14	68,66,357	6.76
6.	FII's & Foreign Portfolio Investors (Corporate)	90	0.14	1,08,74,186	10.71
7.	NRIs and OCBs	842	1.33	8,21,528	0.81
8.	Total	63,400	100.00	10,15,15,680	100.00

(m) Dematerialisation of equity shares:

About 97.68% of total equity share capital is held in dematerialised form with NSDL and CDSL.

(n) Plant (Manufacturing Units):

BIRLA CENTURY

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

CENTURY RAYON

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

CENRAY MINERALS AND CHEMICALS

Nawa Nagna, Jamnagar - 361 007, (Gujarat).

CENTURY CEMENT

P.O. Baikunth - 493 116, Dist. Raipur, (Chhattisgarh).

MAIHAR CEMENT UNITS I & II

P.O. Sarlanagar - 485 772
Maihar, Dist. Satna, (Madhya Pradesh).

MANIKGARH CEMENT UNITS I & II

P.O. Gadchandur - 442 908
Dist. Chandrapur, (Maharashtra).

SONAR BANGLA CEMENT

Village : Dhalo, P.O. Gankar,
P.S. Raghunathganj, Dist. Murshidabad,
West Bengal – 742 227.

CENTURY PULP & PAPER

Ghanshyamdham, P.O. Lalkua - 262 402,
Dist. Nainital (Uttarakhand).

CENTURY PULP & PAPER

Plot no. 3, Vilayat Industrial Estate,
Dist – Bharuch – 392001, (Gujarat).

CENTURY YARN

CENTURY DENIM

Satrati - 451 660, Dist. Khargone, (Madhya Pradesh).

(o) Address for correspondence:

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

(p) Non-Mandatory 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. Audit Qualifications

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

4. Separate post of Chairman and CEO
The Company has a Whole-time Director in addition to the Non-Executive Chairman of the Board.
5. Reporting of Internal Auditor
Internal Auditors are invited to the meetings of Audit Committee wherein they report directly to the Committee.

(q) CEO/CFO Certification

As required by sub clause V of Clause 49 of the Listing Agreement with the Stock Exchanges, the whole-time Director and CFO have certified to the Board about compliance by the Company with the requirements of the said sub clause for the financial year ended 31st March, 2015.

(r) Web-links

1. Familiarisation programme for Independent Directors
<http://www.centurytextind.com/investor-centre/pdf/others/insidertrading.pdf>
2. Related party Transaction Policy
http://www.centurytextind.com/investor-centre/pdf/others/related_prty_transaction_policy.pdf

The above report has been placed before the Board at its meeting held on 05.05.2015 and the same was approved.

FOR SHAREHOLDERS' INFORMATION

1. The Cost Audit Reports for the financial year 2013-14 were required to be filed within 180 days from the close of the Company's financial year as per Rule 4 & 5 of the Companies (Cost Audit Report) Rules, 2011 and Section 233B(4) of the Companies Act, 1956.

Details of the Cost audit reports filed during the year in compliance with the requirements under General Circular 15/2011 dated 11th April, 2011 of Ministry of Corporate Affairs are tabled below :-

Products	Name of the Cost Auditors	Date of Filing
<u>Textiles</u> Textiles including Birla Century (Bharuch Unit), Yarn and Denim	M/s. R. Nanabhoy and Co.	06.09.2014
<u>Rayon and Chemicals</u> Century Rayon, Tyrecord and Chemicals	Mr. Mangat Rijhumal Dudani	06.09.2014
<u>Cement</u> a) Century Cement b) Maihar Cement Unit I & II c) Manikgarh Cement	M/s. R. Nanabhoy and Co.	06.09.2014
<u>Paper</u> Century Pulp and Paper	M/s. R. Nanabhoy and Co.	06.09.2014

2. Details about Debenture Trustee for Non-Convertible Debentures issued by the Company as per Clause IV of Securities Exchange Board of India circular bearing no. CIR/IMD/DF/18/2013 dated 29th October, 2013.

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

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 framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchanges 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, 2015.

Mumbai
5th May, 2015

B. L. Jain
Whole-time Director

ANNEXURE 'B'

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of
Century Textiles and Industries Limited

We have examined the compliance of conditions of Corporate Governance by Century Textiles and Industries Limited, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

Mumbai
5th May, 2015

For Dalal & Shah
Chartered Accountants
Firm Registration Number:102021W

Anish P. Amin
Partner
Membership Number: 040451

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTURY TEXTILES AND INDUSTRIES LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Century Textiles and Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2015 on its financial position in its financial statements.
 - ii. The Company has made provision as at March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

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

Place: Mumbai
Date: May 5, 2015

Anish P. Amin
Partner
Membership Number: 040451

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of **Century Textiles and Industries Limited** on the financial statements as of and for the year ended March 31, 2015.

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory excluding stocks with third parties has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 and 74 of the Act and the rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax, which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Crores)*	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	21.22	1996 to 2015	High Court
		6.73	2012 to 2016	Departmental Authorities
The Customs Act, 1962	Custom Duty	0.11	2000-2001	High Court
		12.92	1996 to 2015	Tribunal (CESTAT)
		6.67	1987 to 2013	Departmental Authorities
The Central Excise Act, 1944	Excise Duty	6.16	1997 to 2007	Supreme Court
		26.01	1994 to 2011	High Court
		98.85	1994 to 2012	Tribunal (CESTAT)
		1.35	1987 to 2015	Departmental Authorities
Sales Tax & Entry Tax Acts of respective states	Sales Tax and Entry Tax	165.89	2002 to 2015	Supreme Court
		9.58	1999 to 2015	High Court
		0.12	1994 to 2006	Tribunal
		83.10	1986 to 2015	Departmental Authorities
The Finance Act 1994	Service Tax	0.95	2005 to 2010	High Court
		0.12	2005 to 2015	Tribunal (CESTAT)
		0.37	2005 to 2011	Departmental Authorities

*Net of amounts deposited

- (c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

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

Place: Mumbai
Date: May 5, 2015

Anish P. Amin
Partner
Membership Number: 040451

BALANCE SHEET AS AT 31st MARCH, 2015

Particulars	Note No.	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share Capital	1	101.51	93.04
(b) Reserves and Surplus	2	1872.43	1654.36
(c) Money received against share warrants	1(e)	90.32	-
		2064.26	1747.40
Non-Current Liabilities			
(a) Long Term Borrowings	3	3567.27	2810.42
(b) Deferred Tax Liability (Net)	4	204.64	266.79
(c) Other Long Term Liabilities	5	239.82	235.56
(d) Long Term Provisions	6	434.46	406.02
		4446.19	3718.79
Current Liabilities			
(a) Short Term Borrowings	7	1268.64	1659.28
(b) Trade Payables	25	450.74	503.53
(c) Other Current Liabilities	8	1731.35	1570.29
(d) Short Term Provisions	6	116.42	92.27
		3567.15	3825.37
TOTAL		10077.60	9291.56
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		5934.63	4373.37
(ii) Intangible Assets		3.20	3.58
(iii) Capital work-in-progress		709.89	2228.66
(iv) Intangible assets under development		1.58	-
		6649.30	6605.61
(b) Non Current Investments	10	495.04	96.33
(c) Long Term Loans and Advances	11	253.30	262.26
(d) Other Non Current Assets	12	174.52	65.97
		922.86	424.56
Current Assets			
(a) Current Investments	13	-	0.56
(b) Inventories	14	1423.94	1300.44
(c) Trade Receivables	15	658.99	525.79
(d) Cash and Bank Balances	16	94.62	72.88
(e) Short Term Loans and Advances	11	272.75	319.36
(f) Other Current Assets	12	55.14	42.36
		2505.44	2261.39
TOTAL		10077.60	9291.56
Other Explanatory Notes & Disclosures	25 - 48		
The accompanying notes are an integral part of these financial statements			

As per our report of even date
For **DALAL AND SHAH**
Chartered Accountants
Firm Registration Number 102021W

ANISH P. AMIN
Partner
Membership No: 040451
Mumbai : 5th May, 2015

D. K. AGRAWAL
President (Corporate Affairs)
& Secretary

R. K. DALMIA
Chief Financial Officer

B. L. JAIN
Whole-time Director

Mumbai : 5th May, 2015

B. K. BIRLA, Chairman

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

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	Note No.	For the year ended on	
		31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
I. Revenue from Operations (Gross)	17	8292.96	7315.19
Less: Excise Duty		733.69	640.06
		7559.27	6675.13
II. Other Income	18	20.04	19.05
III. Total Revenue (I + II)		7579.31	6694.18
IV. Expenses:			
Cost of Materials Consumed	19	2758.36	2394.50
Purchases of Stock-in-trade	20	13.92	4.96
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	21	(137.49)	10.42
Employee Benefits Expense	22	616.30	501.48
Finance Cost	23	484.62	362.80
Depreciation and Amortisation Expense	9(d)	249.21	354.62
Other Expenses	24	3630.85	3045.55
Total Expenses		7615.77	6674.33
Less : Expenditure transferred to Capital Account		2.77	8.15
V. Profit / (Loss) before Tax (III - IV)		(33.69)	28.00
VI. Tax Expense:			
Current Tax		-	13.00
Less : Minimum Alternate Tax Entitlement Credit		-	(13.00)
		-	-
Deferred Tax		(50.59)	23.87
Short / (Excess) Provision for tax adjustments in respect of earlier years (Net)		1.41	1.41
		(49.18)	25.28
VII. Profit / (Loss) for the year (V - VI)		15.49	2.72
VIII. Earnings per equity share of ₹ 10 each (in Rupees) :			
Basic earning per share (See Note 44)		1.66	0.29
Diluted earning per share (See Note 44)		1.60	0.29
Other Explanatory Notes & Disclosures	25-48		
The accompanying notes are an integral part of these financial statements			

As per our report of even date
For **DALAL AND SHAH**
Chartered Accountants
Firm Registration Number 102021W

ANISH P. AMIN
Partner
Membership No: 040451
Mumbai : 5th May, 2015

D. K. AGRAWAL
President (Corporate Affairs)
& Secretary

R. K. DALMIA
Chief Financial Officer

B. L. JAIN
Whole-time Director

Mumbai : 5th May, 2015

B. K. BIRLA, Chairman

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	(33.69)	28.00
Add / (Less) :		
Depreciation and Amortisation	252.34	356.92
(Surplus) / Loss on sale / discardment of Fixed Assets (Net)	(1.06)	0.32
Loss on sale of investment	0.06	-
Mark to Market Margin foreign exchange gain	(8.57)	-
Finance costs	484.62	362.80
Interest received	(10.42)	(8.71)
Dividend on Investments	(3.49)	(5.28)
	<u>713.48</u>	<u>706.05</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	679.79	734.05
Adjustments for :		
Trade and other receivables	(207.49)	(261.02)
Inventories	(123.50)	(96.66)
Trade and other payables	65.14	227.22
	<u>(265.85)</u>	<u>(130.46)</u>
CASH GENERATED FROM OPERATIONS	413.94	603.59
Add / (Less) :		
Direct Taxes Paid	(33.87)	(12.43)
	<u>(33.87)</u>	<u>(12.43)</u>
NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES	380.07	591.16
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(526.60)	(755.95)
Sale of Fixed Assets	4.47	4.17
Interest Received	9.06	8.71
Dividend on Investments	3.49	5.28
Long Term Investment Acquired / sold	0.31	(20.40)
Current Investment Acquired	(2171.91)	(2699.48)
Current Investment Sold	2171.91	2699.48
NET CASH OUTFLOW IN INVESTING ACTIVITIES	<u>(509.27)</u>	<u>(758.19)</u>

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Short term Borrowings	(390.64)	446.78
Long term Borrowings	2061.26	1798.21
Repayment of Borrowings	(1209.90)	(1417.24)
Issue of share capital	300.59	-
Money received against share warrants	90.32	-
Interest and Finance Charges paid	(644.34)	(583.03)
Dividend Paid	(51.14)	(50.54)
Taxes on Dividend	(8.70)	(8.69)
NET CASH INFLOW FROM FINANCING ACTIVITIES	147.45	185.49
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	18.25	18.46
Cash and Cash Equivalents - Opening Balance	70.33	51.87
Cash and Cash Equivalents - Closing Balance (See Note 16)	88.58	70.33

As per our report of even date
For **DALAL AND SHAH**
Chartered Accountants
Firm Registration Number 102021W

ANISH P. AMIN
Partner
Membership No: 040451
Mumbai : 5th May, 2015

D. K. AGRAWAL
President (Corporate Affairs)
& Secretary

R. K. DALMIA
Chief Financial Officer

Mumbai : 5th May, 2015

B. L. JAIN
Whole-time Director

B. K. BIRLA, Chairman

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

1. SHARE CAPITAL	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
(a) Authorised :		
14,80,00,000 (31.03.2014 - 14,80,00,000) Equity Shares of ₹ 10 each.	148.00	148.00
1,00,00,000 (31.03.2014 - 1,00,00,000) Redeemable Cumulative Non-convertible Preference Shares of ₹ 100 each.	100.00	100.00
	248.00	248.00
(b) Issued :		
10,15,31,090 (31 March 2014 - 9,30,61,090) Equity Shares of ₹ 10 each.	101.53	93.06
	101.53	93.06
(c) Subscribed and Paid up :		
10,15,15,680 (31 March 2014 - 9,30,45,680) Equity Shares of ₹ 10 each, fully paid up	101.51	93.04
(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	101.51	93.04

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

S. No.	Description	As at 31 March 2015	As at 31 March 2014
	EQUITY SHARES :	No. of shares	No. of shares
1.	Shares Outstanding at the beginning of the period of ₹ 10 each	93,045,680	93,045,680
2.	Add:- Conversion of warrants into equity shares by the promoter group (See Note 1(e) below)	8,470,000	-
3.	Shares Outstanding at the end of the period of ₹ 10 each	101,515,680	93,045,680

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

	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Percentage	No. of shares	Percentage
Pilani Investment and Industries Corporation Limited	3,42,20,520	33.71%	3,42,20,520	36.78%
IGH Holdings Private Limited	5,070,000	4.99%	-	-

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

In terms of the shareholder approval obtained at the extra ordinary general meeting held on 4th June, 2014, the company on 19th June, 2014 issued and allotted 1,86,50,000 preferential warrant to the promoter group companies at a price of ₹ 354.89 per warrant, entitling the holder of such warrant to apply for and obtain one equity share of face value of ₹ 10/- each fully paid up against each warrant on or before the expiry of 18 months from the date of allotment i.e. 18th December, 2015. 25% of the said price of warrant was paid up on subscription and balance 75% is to be paid upon exercise of entitlement to convert into equity shares as stated above.

On 30th March, 2015, the promoter group companies partially exercised their entitlement to convert 84,70,000 warrant into equivalent number of equity shares as per the terms of issue and paid the balance 75% of the price thereon.

The balance 1,01,80,000 warrant remain outstanding to be exercised on or before 18th December, 2015.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

2. RESERVES AND SURPLUS		As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
(a) Capital Redemption Reserve		100.00	100.00
(b) Securities Premium Account			
On conversion of Preferential Warrants during the year (See Note 1(e))	292.12		-
		292.12	-
(c) General Reserve			
As per last Balance Sheet	1414.65		1414.33
Add : Transferred from Statement of Profit and Loss	-		0.32
		1414.65	1414.65
(d) Debenture Redemption Reserve			
As per last Balance Sheet	2.40		-
Add : Transferred from Current year's Surplus	15.49		2.40
		17.89	2.40
(e) Surplus - Balance in Statement of Profit and Loss			
As per last Balance Sheet	137.31		197.58
Less: Transitional effects on revision of Depreciation on useful life of assets in accordance with Schedule II (Net of Deferred Tax aggregating ₹ 11.56 Crore) (See Note 42 (i)).	22.34		-
Add : Profit for the year	15.49		2.72
Less: Transferred to Debenture Redemption Reserve	15.49		2.40
Less: Transfer to General Reserve	-		0.32
Less: Proposed Equity Dividend	55.83		51.18
Less: Tax on Proposed Equity Dividend	11.37		9.09
		47.77	137.31
Total		1872.43	1654.36

3. LONG TERM BORROWINGS		Non-Current		Current Maturities	
		As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
Secured Non Convertible Debentures					
1. 5,000 (31.03.2014 - 5,000) Redeemable non-convertible debentures (Repayment due on Oct'2015, put / call option from 30 Apr'2015 with one month notice. Interest rate as at 31.03.2015 - 10.07 % p.a)		-	500.00	500.00	-
2. 4,000 (31.03.2014 - 4,000) Redeemable Non Convertible debentures (Repayment due on Dec'2016. Interest rate as at 31.03.2015 - 10.45 % p.a)		400.00	400.00	-	-
Unsecured Non Convertible Debentures					
3. 1,000 (31.03.2014 - 1,000) Redeemable Non Convertible debentures (Repayment due on June'2015. Interest rate as at 31.03.2015 - 10.80 % p.a)		-	100.00	100.00	-
Carried Over		400.00	1000.00	600.00	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

3. LONG TERM BORROWINGS		Non-Current		Current Maturities	
		As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
Brought Over		400.00	1000.00	600.00	-
Term loans from Banks - Secured					
4.	Term Loan from State Bank of India (Repayable in 24 equal quarterly instalments, last instalment falling due on June'2016. Interest rate as at 31.03.2015 - 11.50 % p.a)	33.26	99.94	66.68	66.68
5.	Term Loan from Bank of Baroda (Last instalment was paid on June'2014.)	-	-	-	6.96
6.	Term Loan from State Bank of Hyderabad (Last instalment was paid on June'2014.)	-	-	-	5.98
7.	Term Loan from Allahabad Bank (Repayable in 24 quarterly instalments, last instalment falling due on June'2017. Interest rate as at 31.03.2015 - 11.50 % p.a)	27.90	48.18	20.28	17.80
8.	Term Loan from Union Bank of India (Repayable in 24 quarterly instalments, last instalment falling due on June'2017. Interest rate as at 31.03.2015 - 11.50 % p.a)	-	13.96	13.96	41.56
9.	Term Loan from IDBI Bank (Last instalment was paid on June'2014.)	-	-	-	6.96
10.	Term Loan from Dena Bank (Repayable in 22 equal quarterly instalments, last instalment falling due on Mar'2019. Interest rate as at 31.03.2015 - 11 % p.a)	77.97	103.17	25.20	22.40
11.	Term Loan from Syndicate Bank (Repayable in 22 equal quarterly instalments, last instalment falling due on Mar'2019. Interest rate as at 31.03.2015 - 11 % p.a)	75.93	100.59	24.30	21.60
12.	Term Loan from State Bank of Travancore (Repayable in 22 equal quarterly instalments, last instalment falling due on Mar'2019. Interest rate as at 31.03.2015 - 11 % p.a)	64.05	84.75	20.70	18.40
13.	Term Loan from State Bank of India (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2018. Interest rate as at 31.03.2015 - 11.50 % p.a)	207.00	307.00	100.00	90.00
14.	Term Loan from Bank of Baroda (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2018. Interest rate as at 31.03.2015 - 11.50 % p.a)	21.60	49.60	28.00	25.20
Carried Over		907.71	1807.19	899.12	323.54

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

3. LONG TERM BORROWINGS		Non-Current		Current Maturities	
		As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
	Brought Over	907.71	1807.19	899.12	323.54
15.	Term Loan from State Bank of Hyderabad (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2018. Interest rate as at 31.03.2015 - 11.50 % p.a)	8.40	30.40	22.00	19.80
16.	Term Loan from Allahabad Bank (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2018. Interest rate as at 31.03.2015 - 11.50 % p.a)	38.40	60.40	22.00	19.80
17.	Term Loan from Union Bank of India (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2018. Interest rate as at 31.03.2015 - 11.50 % p.a)	39.04	74.24	35.20	31.68
18.	Term Loan from State Bank of Mysore (Repayable in 20 quarterly instalments, last instalment falling due on Sep'2018. Interest rate as at 31.03.2015 - 11.50 % p.a)	28.40	50.40	22.00	19.80
19.	Term Loan from IndusInd Bank (Repayable in 12 equal quarterly instalments, last instalment falling due on Sep'2016. Interest rate as at 31.03.2015 - 11 % p.a)	19.17	57.50	38.33	38.33
20.	Term Loan from ICICI Bank (Repayable in 16 equal quarterly instalments, last instalment falling due on Jan'2017. Interest rate as at 31.03.2015 - 11.50 % p.a)	75.00	175.00	100.00	100.00
21.	Term Loan from Development Credit Bank (Repayable in 12 equal quarterly instalments, last instalment falling due on Dec'2016. Interest rate as at 31.03.2015 - 11 % p.a)	11.67	35.00	23.33	23.33
22.	Term Loan from Syndicate Bank (Repayable in 12 equal quarterly instalments, last instalment falling due on Dec'2016. Interest rate as at 31.03.2015 - 11 % p.a)	19.17	57.50	38.33	38.33
23.	Term Loan from State Bank of India (Total loan was paid on Dec'2014.)	-	-	-	300.00
24.	Term Loan from State Bank of Travancore (Total loan was paid on Dec'2014.)	-	-	-	200.00
25.	Term Loan from State Bank of India (Repayable in 3 annual installment, last repayment falling due on Oct'2018. Interest rate as at 31.03.2015 - 11 % p.a)	300.00	300.00	-	-
	Carried Over	1446.96	2647.63	1200.31	1114.61

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

3. LONG TERM BORROWINGS		Non-Current		Current Maturities	
		As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
	Brought Over	1446.96	2647.63	1200.31	1114.61
26.	Term Loan from Kotak Mahindra Bank (Bullet repayable at the end of 36 months, repayment falling due on July'2017. Interest rate as at 31.03.2015 - 10.60 % p.a)	100.00	-	-	-
27.	Term Loan from Axis Bank Limited (Repayable in 12 quarterly instalments, last instalment falling due on Dec'2019. Interest rate as at 31.03.2015 - 10.40 % p.a)	300.00	-	-	-
28.	Term Loan from Export Import Bank of India (Bullet repayable at the end of 24 months, repayment falling due on Oct'2017. Interest rate as at 31.03.2015 - 10.60 % p.a)	75.00	-	-	-
29.	Term Loan from South India Bank Limited (Bullet repayable at the end of 24 months, repayment falling due on Oct'2017. Interest rate as at 31.03.2015 - 10.60 % p.a)	50.00	-	-	-
30.	Term Loan from Aditya Birla Finance Limited (Bullet repayable at the end of 24 months, repayment falling due on Oct'2017. Interest rate as at 31.03.2015 - 10.60 % p.a)	75.00	-	-	-
31.	Term Loan from Axis Bank Limited (Repayable in 2 tranches, last instalment falling due on July'2017. Interest rate as at 31.03.2015 - 10.40 % p.a)	300.00	-	-	-
32.	Term Loan from ICICI Bank Limited (Bullet repayable at the end of 36 months, repayment falling due on Dec'2017. Interest rate as at 31.03.2015 - 10.80 % p.a)	150.00	-	-	-
33.	Term Loan from HDFC Bank Limited (Repayable in 15 quarterly instalments, last instalment falling due on Dec'2020. Interest rate as at 31.03.2015 - 10.75 % p.a)	150.00	-	-	-
34.	Term Loan from South India Bank Limited (Repayable in 8 equal quarterly instalments, last instalment falling due on Mar'2020. Interest rate as at 31.03.2015 - 10.70 % p.a)	50.00	-	-	-
35.	Term Loan from Export Import Bank of India (Repayable in 8 equal quarterly instalments, last instalment falling due on Mar'2020. Interest rate as at 31.03.2015 - 10.70 % p.a)	70.00	-	-	-
36.	Term Loan from State Bank of Travancore (Repayable in 3 equal annual instalments, last instalment falling due on Mar'2020. Interest rate as at 31.03.2015 - 10.50 % p.a)	200.00	-	-	-
	Carried Over	2966.96	2647.63	1200.31	1114.61

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

3. LONG TERM BORROWINGS		Non-Current		Current Maturities	
		As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
	Brought Over	2966.96	2647.63	1200.31	1114.61
37.	Foreign Currency Term Loan from IndusInd Bank Amounting to 39.28 Million US Dollar (Repayable in 3 equal quarterly instalments, last instalment falling due on June'2018. Interest rate as at 31.03.2015 - 9.18 % p.a)	245.50	-	-	-
38.	TUF Loan from State Bank of Patiala (Repayable in 26 equal quarterly instalments, last instalment falling due on June'2015. Interest rate as at 31.03.2015 - 6.25 % p.a) @	-	1.19	1.19	4.73
39.	TUF Loan from State Bank of India (Last instalment was paid on Sep'2014.)	-	-	-	0.32
40.	TUF Loan from State Bank of India (Repayable in 36 equal quarterly instalments, last instalment falling due on Sep'2020. Interest rate as at 31.03.2015 - 7.25 % p.a) @	2.81	3.51	0.70	0.70
41.	TUF Loan from State Bank of India (Repayable in 28 equal quarterly instalments, last instalment falling due on Mar'2016. Interest rate as at 31.03.2015 - 6.25 % p.a) @	-	46.86	46.86	46.86
42.	TUF Loan from State Bank of India (Last instalment was paid on Mar'2015.)	-	-	-	0.76
43.	TUF Loan from State Bank of India (Repayable in 26 equal quarterly instalments, last instalment falling due on Mar'2016. Interest rate as at 31.03.2015 - 6.25 % p.a) @	-	11.64	11.64	11.52
44.	TUF Loan from State Bank of India (Repayable in 28 equal quarterly instalments, last instalment falling due on Mar'2016. Interest rate as at 31.03.2015 - 6.25 % p.a) @	-	5.00	5.00	5.00
45.	TUF Loan from State Bank of Mysore (Repayable in 28 equal quarterly instalments, last instalment falling due on Mar'2016. Interest rate as at 31.03.2015 - 6.25 % p.a) @	-	10.71	10.71	10.71
46.	TUF Loan from State Bank of Hyderabad (Repayable in 28 equal quarterly instalments, last instalment falling due on Mar'2016. Interest rate as at 31.03.2015 - 6.25 % p.a) @	-	7.14	7.14	7.14
47.	TUF Loan from State Bank of Bikaner & Jaipur (Repayable in 28 equal quarterly instalments, last instalment falling due on Mar'2016. Interest rate as at 31.03.2015 - 6.25 % p.a) @	-	5.00	5.00	5.00
	Carried Over	3215.27	2738.68	1288.55	1207.35

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

3. LONG TERM BORROWINGS

	Non-Current		Current Maturities	
	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
Brought Over	3215.27	2738.68	1288.55	1207.35
48. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on Jan'2020. Interest rate as at 31.03.2015 - 6.50 % p.a) @	5.06	15.21	8.76	0.80
49. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on May'2020. Interest rate as at 31.03.2015 - 6.25 % p.a) @	21.41	23.32	5.35	-
50. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on Dec'2020. Interest rate as at 31.03.2015 - 5.80 % p.a) @	25.11	20.21	-	-
51. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on Dec'2020. Interest rate as at 31.03.2015 - 5.80 % p.a) @	13.00	13.00	-	-
52. TUF Loan from State Bank of India (Repayable in 20 equal quarterly instalments, last instalment falling due on Sep'2022. Interest rate as at 31.03.2015 - 6.25 % p.a) @	12.42	-	-	-
Term loans from Others - Secured				
53. Term Loan from Aditya Birla Finance Limited (Repayable in 8 equal quarterly instalments, last instalment falling due on Jan'2020. Interest rate as at 31.03.2015 - 10.65 % p.a)	75.00	-	-	-
54. Term Loan from IDFC (Repayable in 8 equal quarterly instalments, last instalment falling due on Mar'2019. Interest rate as at 31.03.2015 - 10.50 % p.a)	200.00	-	-	-
Amount disclosed under the head "Other Current Liabilities" (See Note 8)			(1302.66)	(1208.15)
Total	3567.27	2810.42	-	-

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

Details of Security :

1. Loans covered in Sr. No. 1 and 2 above :

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

2. Loans covered in Sr. No.4 to 9 above :

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

3. Loans covered in Sr. No. 10 to 18 above :

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

4. Loans covered in Sr. No. 19, 21 and 22 above :

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

5. Loans covered in Sr. No. 20 above :

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

6. Loans covered in Sr. No. 25 above :

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

7. Loans covered in Sr. No.26 to 31 and 33 to 37 & 52 to 54 above :

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

8. Loans covered in Sr. No. 32 above :

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

9. Loans covered in Sr. No. 38 to 47 above :

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

10. Loans covered in Sr. No. 48 and 49 above :

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

11. Loans covered in Sr. No. 50 and 51 above :

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

4. DEFERRED TAX LIABILITY (NET)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
Deferred Tax Liability on account of:		
(i) Depreciation and amortisation	796.05	583.03
	796.05	583.03
Deferred Tax Asset on account of :		
(i) Unabsorbed depreciation	467.38	206.85
(ii) Payments under voluntary retirement scheme	0.47	1.25
(iii) Expenses allowable for tax purpose when paid	97.94	86.62
(iv) Earned leave	21.33	17.30
(v) Provision for doubtful debts and advances	4.29	4.22
	591.41	316.24
Net Deferred Tax Liability / (Asset) :	204.64	266.79

5. OTHER LONG TERM LIABILITIES

Deposits from dealers and agents	228.95	196.22
Retention money payable	0.33	26.95
Deposits	-	2.82
Others	10.54	9.57
Total	239.82	235.56

6. PROVISIONS

	Long term		Short term	
	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
(a) Provision for Employee Benefits				
- Leave entitlement	34.73	28.21	28.06	22.71
- Workers termination benefits	47.07	41.68	6.40	5.90
- Wage Board	-	-	13.79	-
	81.80	69.89	48.25	28.61
(b) Provisions - Others				
- Proposed equity dividend	-	-	55.83	51.18
- Tax on proposed equity dividend	-	-	11.37	8.70
- Income Tax (Net of Advance Tax)	-	-	-	2.84
- Disputed matters (See Note 26)	352.66	336.13	0.97	0.94
	352.66	336.13	68.17	63.66
Total	434.46	406.02	116.42	92.27

The Board has recommended a dividend @ ₹ 5.50 (Rupees five and paise fifty only) per equity share of ₹ 10 each on 10,15,15,680 equity shares for the year ended 31st March, 2015 (Previous year ₹ 5.50 per equity share of ₹ 10 each on 9,30,45,680 equity shares.) However dividend on equity shares issued and allotted on conversions, if any, of preferential warrants after the date of these financial statements but before the ensuing annual general meeting will be accounted for in the subsequent financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

7. SHORT TERM BORROWINGS

	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
Secured		
Loans repayable on demand from banks		
Working capital loans from banks	68.54	596.14
Pre-shipment, Post-shipment and Export Bills Discounting facilities	51.42	85.99
Nature of Security		
(i) Working capital loans from banks are secured against a first and pari passu charge over the Current Assets (including documents of title to goods/related receivables), Second pari passu charge over the entire fixed assets, present and future, of the Company's Birla Century, Rayon, Century Cement, Maihar Cement I & II, Manikgarh Cement, Pulp and Paper divisions and Phase I of Real Estate Development (excluding leasehold land and building of Birla Century and Pulp and Paper divisions, Sonar Bangla Cement and land and buildings of Maihar Unit I & II, 1.35 acres out of the 544 acres situated at Cement Plant at Raipur and furniture and fixtures vehicle and other miscellaneous assets of all the above divisions are excluded)		
(ii) The charge created as per para (i) also extends to the guarantees given by the banks on behalf of the Company, aggregating ₹ 203.77 Crore (31 March 2014 ₹ 240.97 Crore).		
Unsecured		
(a) Fixed Deposits	-	41.87
(b) Short Term Borrowings from Banks:		
Under a buyer's credit arrangement in foreign currency	248.68	210.28
Rupee Loans	50.00	50.00
	298.68	260.28
(c) Commercial Paper	850.00	675.00
(Maximum balance outstanding during the year ₹ 1550.00 Crore; Previous year ₹ 1300.00 Crore)		
Total	1268.64	1659.28

8. OTHER CURRENT LIABILITIES

(a) Current maturities of long-term borrowings (See Note 3)	1302.66	1208.15
(b) Interest accrued but not due on borrowings	23.31	22.36
(c) Unclaimed dividends	2.02	1.98
(d) Others :		
Retention money payable	26.11	18.02
Overdrawn bank balances as per books	0.29	0.88
Tax deducted at source and other statutory dues	65.95	56.57
Advance received from customers	71.61	50.23
Employee related liabilities	68.82	61.91
Premium payable on outstanding forward contracts	5.71	6.99
Liability on account of capital goods	65.60	34.66
Other current liabilities	99.27	108.54
	403.36	337.80
Total	1731.35	1570.29

Note:-

- (i) Unclaimed dividend amounting to ₹ 0.05 Crore (31.3.2014 ₹ 0.04 Crore) is pending on account of litigation among claimants / notices from the tax recovery officer.
- (ii) Unclaimed fixed deposits amounting to ₹ 22,500 [31.3.2014 (₹ 22,500)] and ₹ 3150 [31.3.2014 (₹ 3,150)] being interest accrued and due thereon remain unpaid in view of the internal disputes between the claimants which has been referred to the Court whose decision is awaited.
- (iii) There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at the balance sheet date other than cases under litigation among claimants regarding beneficial ownership.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

(₹ in Crore)											
DESCRIPTION OF ASSETS		GROSS BLOCK AT COST			DEPRECIATION / AMORTISATION			NET BLOCK			
		As at 31.03.2014	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2015	Upto 31.03.2014	For the year	Deductions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
(i)	TANGIBLE ASSETS										
	Land at worli :	0.07	-	-	0.07	-	-	-	-	0.07	0.07
	Freehold and Leasehold (b)										
	Land Others :-										
	Freehold Land	52.90	2.61	0.05	55.46	-	-	-	-	55.46	52.90
	Leasehold Land	47.45	14.99	-	62.44	10.52	1.64	-	12.16	50.28	36.93
	Buildings	784.61	154.83	0.98	938.46	158.15	27.50	(6.59)	192.24	746.22	626.46
	Plant and Equipment	6243.14	1462.25	22.26	7683.13	2862.57	163.18	3.27	3022.48	4660.65	3380.57
	Furniture and Fixtures	43.71	3.49	0.40	46.80	23.95	4.09	(0.95)	28.99	17.81	19.76
	Vehicles	14.65	2.78	1.17	16.26	5.31	1.78	0.70	6.39	9.87	9.34
	Office equipment	25.87	1.79	1.13	26.53	12.60	4.33	(2.78)	19.71	6.82	13.27
	Water Pipe Lines and Tanks	53.61	3.18	-	56.79	19.84	3.69	(0.10)	23.63	33.16	33.77
	Railway Sidings and Locomotives	79.81	12.58	-	92.39	23.17	4.95	(0.67)	28.79	63.60	56.64
	Ropeway	4.06	-	-	4.06	3.85	-	-	3.85	0.21	0.21
	Reservoir and Pans, etc.	0.23	-	-	0.23	0.23	-	-	0.23	-	-
	Electric Installations	222.63	181.07	0.80	402.90	89.81	29.35	(3.31)	122.47	280.43	132.82
	Air-conditioning Plant	0.68	-	-	0.68	0.65	-	-	0.65	0.03	0.03
	Improvement to Leased Premises	2.50	-	1.59	0.91	2.40	0.10	1.59	0.91	-	0.10
	Floral Plantation - Roses	2.03	-	-	2.03	2.03	-	-	2.03	-	-
	Sub Total :	7577.95	1839.57	28.38	9389.14	3215.08	240.61	(8.84)	3464.53	5924.61	4362.87
	Assets acquired under lease										
	Plant and Equipment	8.97	0.14	-	9.11	1.59	0.62	-	2.21	6.90	7.38
	Railway Wagons (a)	62.05	-	-	62.05	58.93	-	-	58.93	3.12	3.12
	Total Tangible Asset :	7648.97	1839.71	28.38	9460.30	3275.60	241.23	(8.84)	3525.67	5934.63	4373.37
(ii)	INTANGIBLE ASSETS										
	Computer software	10.47	2.28	-	12.75	6.89	2.57	(0.09)	9.55	3.20	3.58
	Total Intangible Asset :	10.47	2.28	-	12.75	6.89	2.57	(0.09)	9.55	3.20	3.58
	Grand Total :	7659.44	1841.99	28.38	9473.05	3282.49	243.80	(8.93)	3535.22	5937.83	4376.95
	Previous Year's Total :	7177.06	508.68	26.30	7659.44	2947.38	356.92	21.81	3282.49	4376.95	
(iii)	CAPITAL WORK IN PROGRESS										
	Less:- Impairment in book Value									782.47	2301.24
										72.58	72.58
										709.89	2228.66
										1.58	-
(iv)	INTANGIBLE ASSETS UNDER DEVELOPMENT										

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

FIXED ASSETS NOTES

- (a) Wagons acquired under "Own Your Wagon" scheme have been given on lease to railways.
- (b) Land Development at Worli, Mumbai - Construction of two commercial buildings with car parking spaces etc. has commenced on the Company's freehold land at Worli, Mumbai as permitted by the relevant regulators. The buildings will cover a constructed area of about 8.20 lac square feet and are expected to be completed by late 2015-16.
- (c) i) 44 hectares of land were acquired at Manikgarh Cement Division and were subsequently surrendered to the Forest Department, Government of India, pursuant to the provisions of the Forest Conservation Act, 1980. The cost of land by way of compensation payable will be accounted for when determined by the Collector.
- ii) In respect of Manikgarh Cement Division, land measuring 41.20 hectares occupied by the Forest Department and disputed by the Company was adjudicated by the Collector and the Divisional Commissioner (Appeals) in favour of the Company. The Government of Maharashtra on a reference made by the Forest Department directed the Collector for a fresh demarcation of the site boundaries and has also directed the Forest Department to refund the compensation paid by the Company along with interest for the land falling within their boundary. The Revisional Authority has since observed that approx. 17 hectares of land fall within the boundaries of the reserved forest. The Company has filed a writ petition before the Bombay High Court, Nagpur bench against the said order. The Bombay high court Nagpur Bench on 3 April, 2014 upheld the order passed by the Government of Maharashtra and directed collector Chandrapur to complete the documentation of land within six months with a right to Manikgarh Cement division to challenge the forest notification issued in the year 1953, if such occasion arises. Adjustments, if any, will be made, in the year in which the matter is finally settled.
- (d) Break-up of depreciation / amortisation for the year:-

		For the year ended on	
		31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
Depreciation / Amortisation for the year			
– On Fixed Assets	243.80		356.92
– On Investment Property	8.54		-
		252.34	356.92
Less : Amount included under Cost of raising and transporting Limestone, Shale and Laterite [See Note 29]		3.13	2.30
		249.21	354.62

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

10. NON-CURRENT INVESTMENTS (AT COST)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
(i) INVESTMENT PROPERTY (*)		
(At Cost, less accumulated depreciation)		
BUILDING		
Gross Block at Cost as at 31st March, 2015		
As per Last Balance Sheet	3.75	3.75
Additions during the year (See Note 41)	407.06	-
	410.81	3.75
Depreciation		
As per Last Balance Sheet	1.04	1.04
Additions during the year	8.54	-
	9.58	1.04
Net Block as at 31st March, 2015	401.23	2.71
* Represents Immovable Property including Infrastructure attached thereto, intended to be leased to third parties.		
TRADE :		
(ii) Unquoted :		
Fully Paid :		
2 Equity Shares of ₹ 5,000 each, of Maharashtra Co-operative Floriculture Development Society Ltd. (₹ 10,000) [31 March 2014 (₹ 10,000)].		
OTHER THAN TRADE		
Shares and Other Investments :		
(iii) Quoted :		
Fully paid :		
22,690 Equity Shares of ₹ 2 each, of the Tata Motors Ltd.	0.01	0.01
3,00,000 Equity Shares of ₹ 5 each, of Jayshree Tea and Industries Ltd.	0.19	0.19
22,20,500 Equity Shares of ₹ 10 each, of Mangalam Cement Ltd.	7.21	7.21
27,62,154 Equity Shares of ₹ 10 each, of Mangalam Timber Products Ltd.	4.26	4.07
(25,60,000)		
12,66,887 Equity Shares of ₹ 10 each, of Century Enka Ltd.	21.52	21.52
51,16,800 Equity Shares of ₹ 10 each, of Kesoram Industries Ltd.	51.00	51.00
1,25,000 Equity Shares of ₹ 2 each, of Kesoram Textile Mills Ltd.		
(Allotted without any consideration in terms of the Scheme of Arrangement against the holding of 1,25,000 Shares of ₹ 10 each, held in Kesoram Industries Ltd.)	-	-
	84.19	84.00
Carried Over	485.42	86.71

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

10. NON-CURRENT INVESTMENTS (AT COST)

		As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
	Brought Over	485.42	86.71
Unquoted : Equity			
Fully paid :			
85	Shares of ₹ 100 each, of Maharashtra State Financial Corporation (₹ 8,500); [31 March 2014 (₹ 8,500)]		
2	Shares of ₹ 50 each, of the Maharashtra State Co-operative Bank Ltd. (₹ 114); [31 March 2014 (₹ 114)]		
12,000	Equity Shares of ₹ 10 each, of Birla Consultants Ltd.	0.01	0.01
4,22,496	Shares of Pesos 10 each, of Indo Phil Textile Mills Inc., Republic of Philippines.	0.04	0.04
2,500	Ordinary Shares of Swiss Francs 100 each, of Birla International Ltd.	0.52	0.52
Investment in Associates :			
5,625	Equity Shares of ₹ 100 each, of Industry House Ltd.	0.04	0.04
3,75,000	Equity Shares of ₹ 10 each, of Bander Coal Company Pvt. Ltd.	0.38	0.38
2,25,000	Equity Shares of ₹ 10 each, of Kesoram Insurance Broking Services Ltd.	0.05	0.05
41,400	Equity Shares of RS. 10 each of Vasavadatta Services Ltd.	0.04	0.04
		1.08	1.08
Government and Trust Securities :			
Quoted :			
50,000	10.70 % (2020) Government of India Bonds	0.53	0.53
1,00,000	7.95 % (2032) Government of India Bonds	1.21	1.21
90,000	8.20% Government of India Bonds (Oil Special Bond 2024)	0.89	0.89
3,80,000	8.26% (2027) Government of India Bonds	3.72	3.72
2,15,000	8.84% (2022) - Maharashtra SDL	2.19	2.19
		8.54	8.54
Total		495.04	96.33

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

Book value / Market value of Securities :

	Book-Value		Market-Value	
	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
Quoted	92.73	92.54	152.53	96.80
Unquoted	1.08	1.08		
Total	93.81	93.62		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

11. LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise specified)

	Long term		Short term	
	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
(a) Capital Advances	12.34	60.50	-	-
(b) Security Deposits	80.46	62.13	1.12	39.85
Doubtful	0.50	0.62	-	-
Less: Provision for doubtful advances	0.50	0.62	-	-
	80.46	62.13	1.12	39.85
(c) Other Loans and Advances				
Advances recoverable in cash or in kind or for value to be received	14.85	8.64	154.95	78.53
Doubtful	4.12	4.21	-	-
Less: Provision for doubtful advances	4.12	4.21	-	-
	14.85	8.64	154.95	78.53
- Balance with Government Authorities	55.88	44.58	96.02	153.26
- Advance Tax (Net of provisions)	27.21	27.97	20.66	-
- Amount Paid against Disputed Demands	62.03	57.89	-	-
- Others	0.53	0.55	-	47.72
	253.30	262.26	272.75	319.36
Total Loans and Advances				
- Related Parties	0.05	-	-	-
- Others	253.25	262.26	272.75	319.36
Total	253.30	262.26	272.75	319.36

12. OTHER ASSETS

(Unsecured, considered good, unless otherwise specified)

	Non-Current		Current	
	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
Minimum Alternate Tax entitlement receivable	24.87	24.50	-	-
Interest subsidy and interest receivable	0.35	0.27	13.36	9.87
Export incentive receivable	-	-	29.86	8.70
Claims and other receivables	4.50	4.24	1.27	8.93
Assets held for disposal	-	-	-	0.09
Interest accrued on Investments	-	-	1.56	0.20
Sales Tax Incentive Receivable	138.57	32.66	-	-
MTM Gain on foreign exchange derivatives Out-standing for Swap	-	-	8.57	-
Others	6.23	4.30	0.52	14.57
Total	174.52	65.97	55.14	42.36

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

13. CURRENT INVESTMENTS (AT COST)

Current maturities of Long term investments (Non-trade)

	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
Quoted :		
- 11.83 % (2014) Government of India Bonds (50,000) (Market Value ₹ 0.51 Crore)	-	0.56
Total	-	0.56

14. INVENTORIES

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

(a) Raw Materials	363.87	442.29
Goods in transit	22.46	42.63
(b) Other Materials	25.33	32.12
Goods in transit	0.33	0.98
(c) Work-in-progress	345.91	244.72
(d) Finished goods	311.25	256.16
(e) Stock-in-trade	2.80	13.09
(f) Stores and spares	347.18	256.69
Goods in transit	4.81	11.76
Total	1423.94	1300.44

15. TRADE RECEIVABLES

(Unsecured, considered good, unless otherwise specified)

	Non-Current		Current	
	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
(a) Outstanding for a period exceeding six months from the due date				
Good	-	-	35.16	5.07
Doubtful	8.31	7.80	-	-
Less: Provision for doubtful debts	8.31	7.80	-	-
	-	-	35.16	5.07
(b) Others				
Good	-	-	623.83	520.72
Doubtful	-	-	0.08	-
Less: Provision for doubtful debts	-	-	0.08	-
	-	-	623.83	520.72
Total	-	-	658.99	525.79

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

16. CASH AND BANK BALANCES		As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
1. Cash and Cash Equivalents			
(a) Balances with Banks			
- Current Accounts	78.58		62.83
- Debit balance in Cash Credit / Overdraft Accounts	4.70		5.14
(b) Cheques, Drafts on Hand	4.72		1.89
(c) Cash on Hand	0.58		0.47
		88.58	70.33
2. Other Bank Balances			
Unclaimed Dividend Accounts	2.02		1.98
Fixed Deposit Accounts, with Maturity more than 3 Months but less than 12 months	0.01		0.01
Margin Money Deposits	4.01		0.56
		6.04	2.55
Total		94.62	72.88

17. REVENUE FROM OPERATIONS		For the year ended on 31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
(a) Sale of products (See Note 27 A and B)	8014.09		7146.84
(b) Rent from Leased Properties (See Note 41)	20.35		9.21
	8034.44		7156.05
Less: Excise duty	733.69		640.06
		7300.75	6515.99
(c) Other operating revenues			
Export benefits	35.91		23.90
Sale of scrap	21.60		20.84
Insurance and other claims	1.92		1.49
Provision for Disputed Matters no longer required	39.90		11.38
Liabilities no longer required	6.14		14.88
Sales Tax Incentive	118.87		55.65
Others	34.18		31.00
		258.52	159.14
Total		7559.27	6675.13

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

18. OTHER INCOME

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
Dividend on Investments other than Trade :		
- From Mutual Funds (On Current Investments)	1.91	2.48
- From Domestic Companies (On Non Current Investments)	1.50	2.71
- From Foreign Company (On Non Current Investments)	0.08	0.09
	3.49	5.28
Interest Received		
On Government securities (On Non Current Investments)	0.75	0.77
Other	9.67	7.94
	10.42	8.71
Rent from properties	1.78	1.51
Lease Rent received under 'Own Your Wagon' scheme	0.50	0.49
Surplus on sale of Fixed Assets	2.29	1.12
Miscellaneous Income	1.56	1.94
Total	20.04	19.05

19. COST OF MATERIALS CONSUMED

Raw Material consumed [See Note 28 (A)]

Opening Stock	442.29	394.47
Add: Purchases (including cost of raising and transporting Limestone, Shale and Laterite ₹ 209.38 Crore; Previous year ₹ 177.64 Crore) [See Note 29]	2150.83	1955.14
	2593.12	2349.61
Less: Closing Stock	363.87	442.29
	2229.25	1907.32

Dyes, Colour and Chemicals consumed

Opening Stock	22.25	17.59
Add: Purchases	281.91	267.67
	304.16	285.26
Less: Closing Stock	18.75	22.25
	285.41	263.01

Packing Materials Consumed

Opening Stock	9.87	7.86
Add: Purchases	240.41	226.18
	250.28	234.04
Less: Closing Stock	6.58	9.87
	243.70	224.17
Total	2758.36	2394.50

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

20. PURCHASE OF STOCK-IN-TRADE

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
Purchase of traded goods [See Note 28 (B)]	13.92	4.96

21. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE (See Note 31)

Opening Stock :-		
Finished goods	256.16	257.17
Work-in-progress	244.72	244.00
Stock-in-trade	13.09	23.85
	513.97	525.02
Closing Stock :-		
Finished goods	311.25	256.16
Work-in-progress	345.91	244.72
Stock-in-trade	2.80	13.09
	659.96	513.97
	(145.99)	11.05
Add/(Less) : Variation in excise duty on closing and opening stock of finished goods	8.50	(0.63)
Total	(137.49)	10.42

22. EMPLOYEE BENEFITS EXPENSE

(a) Salaries, Wages, Bonus, etc.	518.87	433.82
(b) Contributions to Provident and other funds	70.21	42.10
(c) Staff welfare expenses	27.22	25.56
Total	616.30	501.48

23. FINANCE COST

Interest Expense :		
- Interest on borrowings *	471.00	449.37
- Interest - Others	26.91	32.22
	497.91	481.59
Applicable net loss on currency fluctuations and translations	8.61	15.23
Other borrowing costs	135.20	90.02
	641.72	586.84
Less :		
Borrowing costs capitalised	157.10	224.04
Total	484.62	362.80

* Net of subsidy ₹ 10.05 Crore (Previous year ₹ 13.68 Crore) under the Technology Upgradation Fund Scheme of the Government of India.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

24. OTHER EXPENSES

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
Consumption of stores and spares	324.88	311.34
Job work charges	32.45	20.28
Power, Fuel and Water	1658.09	1386.89
Buildings repairs	24.80	27.16
Machinery repairs	114.53	84.56
Floriculture cultivation expenses	0.05	0.20
Rent	21.79	20.92
Rates and Taxes	7.33	5.96
Insurance	8.14	7.87
Freight, forwarding, octroi, etc.	1138.09	899.51
Advertisement and publicity	20.61	14.16
(Gain) / Loss on foreign currency fluctuations and translations (net) (Other than considered under Note 23)	(27.73)	(3.79)
Advances, loans and other debit balances, written off	2.06	1.82
Commission	45.20	44.27
Brokerage, discounts, incentives etc.	6.02	5.17
Director's fees and travelling expenses	0.58	0.30
Donations	-	3.01
Bad debts	-	0.17
Loss on sale/discardment of fixed assets	1.23	1.44
Loss on sale of Investments	0.06	-
Provision for doubtful debts and advances	0.60	4.52
Other expenses	66.24	28.62
Miscellaneous expenses	185.83	181.17
Total	3630.85	3045.55

25. (a) Trade payables include:

(i) ₹ 3,08,662 (31 March 2014 – ₹ NIL) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). There are no other amounts paid / payable towards interest / principal under the MSMED.

(ii) ₹ 450.71 Crore (31 March 2014 - ₹ 503.53 Crore) due to other creditors.

(b) The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.

(c) Trade payable includes acceptances of ₹ 43.25 Crore (31 March 2014 ₹ 138.62 Crore).

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

The movements in the above account are summarized below:-

(₹ in Crore)

Sr. No.	Nature of liability	As at 31.03.2014	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31.03.2015
1	Water Charges	67.78	4.03	0.24	71.57
2	Octroi Duty	38.54	-	-	38.54
3	Mandi Samiti Shulk and Interest thereon	48.57	7.13	28.80	26.90
4	Entry Tax / Sales Tax	95.07	26.23	0.16	121.14
5	Excise Duty	7.79	0.34	-	8.13
6	Lease Tax and Interest thereon	3.92	0.28	-	4.20
7	Cess	14.89	1.66	-	16.55
8	Reimbursement of Taxes to suppliers, etc.	24.34	-	11.19	13.15
9	Claims against Lease Rentals	5.38	0.03	-	5.41
10	Renewable Purchase obligation	7.87	10.12	4.07	13.92
11	Custom Duty difference on imported Coal and Interest there on	9.72	0.77	-	10.49
12	Others	13.20	14.32	3.89	23.63
	Total	337.07	64.91	48.35	353.63

27. SALES (Gross)

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
Class of Goods		
(A) Sale of Products (Manufactured)		
Cotton Fabric	568.13	536.81
Cotton Yarn	81.34	82.67
Denim Cloth	232.73	196.82
Rayon Yarn	654.72	670.94
Tyre Yarn and Fabric	162.97	135.68
Cement and Clinker	4409.73	3641.05
Pulp & Paper (including Paper Board / Straw Board)	1701.03	1681.50
Others	184.34	179.81
(B) Goods traded in :		
Garments	4.87	18.28
Cotton Fabrics	14.23	3.28
Total	8014.09	7146.84

Sales are net of cash discounts ₹ 70.00 Crore (2013-2014 ₹ 59.56 Crore)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

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

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
(A) Raw Materials Consumed :		
Cotton	254.89	229.43
Wood Pulp	114.65	100.60
Limestone	236.12	204.65
Pozzolana	183.92	145.59
Eucalyptus Wood	254.86	253.23
Pulp for Paper	305.31	271.43
Others	879.50	702.39
Total	2229.25	1907.32
(B) Purchase of Stock in Trade:		
Garments	0.01	2.23
Fabrics	8.94	2.72
Others	4.97	0.01
Total	13.92	4.96

(C) Imported and Indigenous Consumption of Raw Material:

	For the year ended on 31 March 2015		For the year ended on 31 March 2014	
	(₹ in Crore)	Percentage	(₹ in Crore)	Percentage
Raw Materials :				
Imported	466.39	20.92	452.30	23.71
Indigenous	1762.86	79.08	1455.02	76.29
	2229.25	100.00	1907.32	100.00

29. COST OF RAISING AND TRANSPORTING LIMESTONE AND LATERITE

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
Stores and Spare Parts consumed	20.07	19.23
Power and Fuel	6.69	6.06
Building Repairs	1.36	0.89
Machinery Repairs	4.00	2.50
Royalty and Cess	72.22	53.19
Payments to and Provisions for employees	16.18	13.67
Insurance	0.09	0.11
Hire Charges of Mining Equipments	80.68	76.44
Other Expenses	4.96	3.25
	206.25	175.34
Depreciation and Amortisation	3.13	2.30
Total	209.38	177.64

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

30. IMPORTED AND INDIGENOUS CONSUMPTION OF SPARE PARTS	For the year ended on 31 March 2015		For the year ended on 31 March 2014	
	(₹ in Crore)	Percentage	(₹ in Crore)	Percentage
Spare Parts				
Imported	34.63	17.38	44.24	21.59
Indigenous	164.59	82.62	160.68	78.41
	<u>199.22</u>	<u>100.00</u>	<u>204.92</u>	<u>100.00</u>

31. DETAILS OF INVENTORIES	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
<u>Class of Goods</u>		
(A) Finished Goods :		
Cotton Fabric	39.57	36.12
Cotton Yarn	3.48	4.94
Denim Cloth	10.42	21.25
Rayon Yarn	54.74	34.03
Tyre Yarn and Fabric	7.50	6.89
Cement	155.05	117.87
Paper (including Paper Board/Straw Board)	0.84	1.40
Rayon and/or Paper Grade Pulp	9.55	3.54
Bagasse Based Paper	3.05	1.20
Recycle Based Paper	3.02	4.74
Prime Grade Tissue Paper	3.21	2.37
Multilayer Packaging Board	17.58	20.56
Others	3.24	1.25
Total	<u>311.25</u>	<u>256.16</u>
(B) Goods traded in :		
Garments	-	8.41
Cotton Fabrics	2.80	4.68
Total	<u>2.80</u>	<u>13.09</u>
(C) Work in Progress :		
Cotton Fabric	97.40	90.44
Cotton Yarn	1.34	1.48
Denim Cloth	11.57	17.68
Rayon Yarn	11.18	8.33
Tyre Yarn and Fabric	2.13	2.33
Cement	121.99	41.24
Paper (including Paper Board/Straw Board)	3.21	1.02
Bagasse Based Paper	84.65	69.12
Recycle Based Paper	5.61	4.99
Prime Grade Tissue Paper	2.69	3.33
Multilayer Packaging Board	2.65	3.43
Chemicals	1.49	1.33
Total	<u>345.91</u>	<u>244.72</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

32. CONTINGENT LIABILITIES NOT PROVIDED FOR

	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
(a) (i) Claims against the Company not acknowledged as debts in respect of :		
- Custom Duty and Excise Duty	19.67	14.77
- Sales Tax and Entry Tax	117.61	111.46
- Power Charges	26.19	25.94
- Royalty	383.18	345.32
- Interest on Mandi Fees	11.20	15.03
- Others	16.06	29.85
(ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Company had an interest (proportionate)	21.67	20.84
(b) Disputed income tax matters under appeal	22.78	15.65
(c) Registration and Road Tax on Dumper of Cement Division		Amount not determinable
(d) Liability on account of Jute packaging obligation upto 30th June, 1997 under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987 –		Amount not determinable
(e) The Competition Commission of India (CCI) has imposed a penalty of ₹ 274.02 Crore on the Company based on the complaint filed by the Builders Association of India alleging cartelisation by the Company along with other cement manufacturing companies. Based on the legal opinion, the Company believes that it has a good case and has filed an appeal against the order before the Competition Appellate Tribunal (COMPAT). Accordingly no provision has been made in the accounts. During the previous year, the Company was directed to deposit 10% of this demand pending disposal of the appeal by COMPAT. Consequently, an amount of ₹ 27.40 Crore was deposited by the Company as Fixed Deposit with its bankers in the name of the "Registrar, Competition Appellate Tribunal A/c Century Textiles and Industries Ltd."	274.02	274.02
The amounts shown in respect of item No.32 (a) to (e) represent the best possible estimates arrived at on the basis of available information. The uncertainties are dependent on the outcome of the different legal processes. The timing of future cash flows will be determinable only on receipt of judgements / decisions pending with various forums / authorities. The Company does not expect any reimbursements against the above.		

33. COMMITMENTS

(a) Capital commitments		
Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	171.32	271.85
(b) Other Commitments		
The Company has imported capital goods under the Export promotion capital goods scheme, of the Government of India, at concessional rates of duty on an undertaking to fulfill quantified exports in the future years.	3055.18	3356.88

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

33. COMMITMENTS (CONTD.)

	As at 31 March 2015 (₹ in Crore)	As at 31 March 2014 (₹ in Crore)
(c) The Company's significant leasing arrangements are in respect of operating leases for premises. These are non cancellable leases with a lock in period of minimum three years. Most of the leases are renewable for a further period on mutually agreeable terms and also include escalation clauses on renewal.		
(i) Lease rental obligation :		
- not later than one year	9.42	7.76
- later than one year and not later than five years	11.18	9.40
- later than five years	3.54	4.70
(ii) Lease rental income :		
- not later than one year	25.21	4.92
- later than one year but not later than five years	66.22	10.17
- later than five years	8.18	0.15
(d) See Note 41.		

	For the year ended on 31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
34. (a) C.I.F. Value of Imports (Including in Transit)		
Raw Materials	461.26	408.34
Spare Parts, etc.	70.95	74.20
Capital Goods	31.24	37.31
(b) Expenditure in Foreign Currency : (including expenses capitalised)		
Interest and Finance charges	2.05	3.23
Technical Supervision charges	2.63	3.68
Commission	1.08	1.11
Other Matters	13.57	15.08

35. (a) Earnings in Foreign Currency :

F.O.B. value of exports	525.61	438.34
Dividend	0.08	0.09

(b) Total exports during the year :

Exports in Foreign Currency	532.16	450.79
Exports in Indian Currency	16.71	19.57
	548.87	470.36
Sales to Merchants - For exports	35.24	52.76
Deemed exports	4.73	6.26
	588.84	529.38

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

(In Crore)

36. DISCLOSURES OF DERIVATIVES

Foreign Currency	As at 31 March 2015	As at 31 March 2014
	Forward	
	USD	Euro
(a) Hedging commitments outstanding :		
1) Debtors	0.88 (0.35)	0.48 (0.50)
2) Creditors	0.01 (0.17)	- (-)
3) Loan taken	3.93 (1.55)	0.22 (0.78)
4) Other payables	- (-)	*EURO 21402 (-)
5) Balance in EEFC account	0.05 (-)	- (-)
6) Firm commitment / highly probable transaction	1.53 (-)	1.22 (-)

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

(c) Uncovered risks :

Foreign Currency	As at 31 March 2015				
	USD	GBP	EURO	SGD	CHF
1) Debtors	0.24 (0.85)	* GBP 4628 (-)	0.03 (0.09)	- (-)	- (-)
2) Creditors	0.51 (0.75)	- (-)	0.01 (0.01)	*SGD 6650 (-)	*CHF 1583 (-)
3) Loan taken	3.70 (1.14)	- (-)	0.01 (-)	- (-)	- (-)
4) Bank balance in EEFC account	0.07 (0.06)	- (-)	- (-)	- (-)	- (-)
5) Other receivables	0.03 (0.04)	* GBP 9283 (GBP 4399)	0.01 (0.02)	- (-)	*CHF 2370 (-)
6) Other payables	0.05 (0.04)	- (-)	*EURO 1371 (-)	- (-)	- (-)

* At Actuals

(d) Mark to market losses at the end of the year is ₹ 4.42 Crore. (31 March 2014 ₹ Nil)

Note : Previous year figures are given in brackets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

37. Revenue expenditure on research and development activities relating to Government recognised in-house research and development laboratories incurred and charged out during the year through the natural heads of account, aggregate ₹ 0.55 Crore (2013-2014 ₹ 0.82 Crore). ₹ 1.23 Crore (2013-2014 - NIL) as capital expenditure on research and development has been incurred during the year.

38. RELATED PARTY DISCLOSURE AS PER ACCOUNTING STANDARD -18

1. Relationships :

(a) Where control exists :

(i) M/s Pilani Investment and Industries Corporation Limited

(ii) Associates

(1) M/s Kesoram Insurance Broking Services Limited.

(2) M/s Vasavadatta Services Limited.

(3) M/s Industry House Limited

(4) M/s Bander Coal Company Private Limited

(b) Key Management Personnel :

Shri B.L. Jain (Whole-time Director)

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

(i) Relatives : Dr. Sandip Jain

2. Transactions with related parties :

(₹ in Crore)

Particulars	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Expenses :			
Rent and Other Services			
(1) M/s Industry House Limited	0.45 (0.48)	--- (---)	--- (---)
(2) Dr. Sandip Jain	--- (---)	--- (---)	0.03 (---)
Remuneration	--- (---)	3.75 (2.66)	--- (---)
Outstandings :			
Payable			
(1) M/s Industry House Limited	0.01 (0.06)	--- (---)	--- (---)
Deposit Given			
(1) Dr. Sandip Jain	--- (---)	--- (---)	0.05 (---)

Note:- Previous year Figures are given in brackets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

39 SEGMENT INFORMATION

A. Information about Business Segment - Primary

(₹ in Crore)

S.No. Particulars	Textile		Cement		Pulp and Paper		Real Estate		Others		Total	
	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
1. Segment Revenue												
Sales of products and services	1744.25	1664.04	4127.22	3310.98	1738.24	1726.37	20.35	9.21	117.18	130.52	7747.24	6841.12
Less: Inter Segment Revenue	48.51	60.03	317.08	178.86	80.90	86.24	-	-	-	-	446.49	325.13
Net Revenue from Operations	1695.74	1604.01	3810.14	3132.12	1657.34	1640.13	20.35	9.21	117.18	130.52	7300.75	6515.99
2. Result												
Segment Result	108.15	144.23	273.54	238.15	77.95	(3.46)	1.78	5.12	11.68	26.51	473.10	410.55
Add / (Less) :												
Inter Segment (Profit) / Loss											2.06	0.25
Net Segment Result											475.16	410.80
Unallocated Corporate Expense (Net of Income)											24.23	20.00
Operating Profit											450.93	390.80
Less: Finance Cost											484.62	362.80
Total Profit / (Loss) before Tax											(33.69)	28.00
Add / (Less) :												
Short Provision for Income Tax											(1.41)	(1.41)
Provision for Current Tax											-	-
Deferred Tax (Charge) / Credit											50.59	(23.87)
Net Profit after tax											15.49	2.72
3. Other Information												
Segment Assets @	1546.56	1645.10	3877.55	3268.60	3226.09	3122.87	983.75	843.07	65.10	72.59	9699.05	8952.23
Add: Unallocated common Assets											378.55	339.34
Total Assets											10077.60	9291.57
Segment Liabilities @	265.90	244.51	843.67	733.07	233.08	258.05	77.26	38.68	17.13	14.76	1437.04	1289.07
Add: Unallocated Common Liabilities											6576.30	6255.09
Total Liabilities											8013.34	7544.16
4. Capital Expenditure during the year (excluding advances)	65.63	86.10	414.63	649.89	86.16	49.76	165.44	240.03	-	0.32	731.86	1026.10
Add: Unallocated Capital Expenditure											-	-
											731.86	1026.10
5. Depreciation and amortisation *	59.27	104.00	83.32	81.28	98.97	167.89	8.54	-	2.24	3.75	252.34	356.92
Add: Unallocated Depreciation											-	-
											252.34	356.92
6. Non Cash Expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Add: Unallocated Non Cash Expenditure											-	-
											-	-

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

@ Including projects under implementation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

39. SEGMENT INFORMATION

B. Secondary Segment - Geographical by Customers

S.No. Particulars	(₹ in Crore) 2014-2015	(₹ in Crore) 2013-2014
1. Segment Revenue		
In India	6751.88	6045.63
Outside India	548.87	470.36
Total	7300.75	6515.99
2. Carrying Cost of Assets by location of Assets		
In India	9599.80	8881.92
Outside India	99.25	70.31
Total	9699.05	8952.23
Unallocated	378.55	339.34
Total	10077.60	9291.57
3. Addition to Assets and Intangible Assets		
In India	731.86	1026.10
Outside India	-	-
Total	731.86	1026.10
Unallocated	-	-
Total	731.86	1026.10

C. Other Disclosures

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

Name of the Segment	Types of products / services comprises of :
a. Textiles	Yarn, cloth and denim cloth, viscose filament yarn and tyre yarn.
b. Pulp and Paper	Pulp, writing & printing paper, tissue paper and multilayer packaging board.
c. Cement	Cement and clinker.
d. Real Estate	Leased properties.
e. Others	Salt works, chemicals, floriculture.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

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

(a) An amount of ₹ 17.20 Crore (2013-2014 ₹ 12.90 Crore) as contribution towards defined contribution plans is recognised as expense in statement of Profit and Loss.

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

	31.03.2015 (₹ in Crore)	31.03.2014 (₹ in Crore)
(i) Changes in present value of obligations		
Present value of Obligations as at the beginning of the year	176.70	171.50
Interest Cost	15.39	13.37
Current Service Cost	16.78	20.43
Benefits Paid	(15.11)	(14.91)
Actuarial (gain) / loss on obligation	14.58	(13.69)
Present value of Obligations as at the end of the year	208.34	176.70
(ii) Changes in Fair Value of plan assets		
Fair value of plan assets as at the beginning of the year	176.70	157.98
Adjustment to Opening Fair Value of Plan Assets	-	0.34
Expected return on Plan Assets	14.70	12.84
Contributions	29.09	19.27
Benefits Paid	(15.11)	(14.90)
Actuarial gain / (loss) on Plan Assets	3.01	1.17
Fair value of plan assets as at the end of the year	208.39	176.70
(iii) Amounts to be recognised in the Balance Sheet		
Present value of Obligations as at the end of the year	208.34	176.70
Fair Value of Plan Assets as at the end of the year	208.39	176.70
Funded Status	0.05	-
Net Asset / (Liability) recognised in the Balance Sheet	0.05	-
(iv) Expense recognised in the Statement of Profit and Loss		
Current Service Cost	16.78	20.43
Interest Cost	15.39	13.37
Expected return on Plan Assets	(14.70)	(12.84)
Net Actuarial (gain)/loss on Plan Assets for the period	11.57	(14.86)
Expense recognised in the statement of Profit and Loss	29.04	6.10
(v) Percentage of major category of plan assets to total plan assets as at the end of the year		
Bank Deposit, etc.	10%	15%
Debt Instruments	90%	85%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

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

	31.03.2015 (₹ in Crore)	31.03.2014 (₹ in Crore)	31.03.2013 (₹ in Crore)	31.03.2012 (₹ in Crore)	31.03.2011 (₹ in Crore)
(vi) Assumptions :					
Mortality	IALM (2006-08)Ult.	IALM (2006-08)Ult	LIC(1994-96)Ult	LIC(1994-96)Ult	LIC(1994-96)Ult
Discount Rate	7.75%	9.10%	8.15%	8.60%	8.50%
Rate of Increase in compensation	3.75 to 6%	3.75 to 6%	3 to 6%	2 to 7 %	3 to 6 %
Rate of return (expected) on plan assets	8.00%	8.00%	8.50%	8.00%	8.00%
Withdrawal Plan	1% to 6%	1% to 6%	1% to 11%	1% to 10%	1% to 11%
Present value of Obligations	208.34	176.70	171.50	142.14	126.17
Fair Value of plan assets	208.39	176.70	157.98	130.74	130.35
Surplus or (Deficit) in the plan	0.05	-	(13.52)	(11.40)	4.18
Experience Adjustment - (Gain) / Loss	3.01	(1.17)	(2.64)	0.53	(12.30)

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

(vii) Provident Fund Liability :

In case of certain employees, the Provident fund contribution is made to trusts administered by the Company. In terms of guidance note Issued by the Institute of Actuaries of India, the Actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined that there is no shortfall as at 31st March, 2015.

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

Remaining term of maturity - 9 to 18 years

Expected guaranteed interest rate - 8.75%

Discount rate for the remaining term to maturity of interest portfolio - 7.75%

- 41. (i)** The Company has commenced development of its mill land at Worli, Mumbai in terms with the redevelopment plans submitted to the municipal authorities under the Integrated Development Scheme (IDS) of the "Development Control Regulation of Greater Bombay, 1991" Regulation 58 i.e. DCR 58.

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

- (ii)** During the year the Company has completed construction of one commercial building, received the required certificate for occupation and commenced giving the said premises on lease. Accordingly, the building called "Birla Aurora" has been classified as Investment Property.

- 42.** The Company has re-assessed the useful life of assets for the purpose of determination of depreciation in the manner prescribed under the Schedule II of the Companies Act, 2013. Consequently:

- (i)** Where the revised useful life of assets has expired at the beginning of the year, the carrying value of such assets net of the effect of deferred tax ₹ 11.56 Crore aggregating ₹ 22.34 Crore is adjusted against the opening balance of retained earning as a transitional adjustment as per Schedule II.
- (ii)** In other cases the carrying value of the assets at the beginning of the year are depreciated over the balance of the revise useful life of the assets. The charges on account of depreciation for the year is lower by ₹ 133.11 Crore as a result of this change in estimate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 (CONTD.)

- 43.** The Company has created a debenture redemption reserve to the extent of available profits for the year, for the purpose of redemption of its secured redeemable non convertible debentures.
- 44.** Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Potential equity shares outstanding at the close of the year are factored for effects of dilution, if any, with reference to the Fair Market Value in computation of Diluted EPS. Fair Market Value is the average quoted price of the Equity Shares over a period of six months prior to the close of the year. The reconciliation of numbers used in calculating basic and diluted earnings with those in the financial statements are stated below :

Computation of profit for earnings per share:

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
a) Profit for the year after tax	15.49	2.72
Weighted average number of equity shares outstanding during the year	93092091	93045680
Basic earnings per equity share (in Rupees)	1.66	0.29
b) Profit for the year after tax	15.49	2.72
Weighted average number of potential equity shares on account of preferential warrant	3664048	-
Weighted average number of diluted equity shares outstanding during the year	96756139	93045680
Diluted earnings per equity share (in Rupees)	1.60	0.29
Face value per share	₹ 10	₹ 10

45. Payment to Auditors * :

	For the year ended on	
	31 March 2015 (₹ in Crore)	31 March 2014 (₹ in Crore)
(a) Statutory Auditors :		
As Auditors (Including limited reviews)	1.66	1.53
In Other Capacity :		
Tax Audit Fees	0.24	0.22
Certificates and other jobs	0.46	0.29
	0.70	0.51
For Expenses	0.05	0.03
Total	2.41	2.07

* exclusive of service tax.

- 46.** Figures less than ₹ 50,000 have been shown at actuals in brackets, since the figures are rounded off to the nearest lac.
- 47.** Previous year's figures have been regrouped / recast wherever necessary.
- 48.** Significant Accounting Policies followed by the Company are as stated in the statement annexed to this Schedule as Annexure I.

As per our report of even date
For **DALAL AND SHAH**
Chartered Accountants
Firm Registration Number 102021W

ANISH P. AMIN
Partner
Membership No: 040451
Mumbai : 5th May, 2015

D. K. AGRAWAL
President (Corporate Affairs)
& Secretary

R. K. DALMIA
Chief Financial Officer

B. L. JAIN
Whole-time Director

Mumbai : 5th May, 2015

B. K. BIRLA, Chairman

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

Statement referred to in Note 48 to the Financial Statements for the year ended 31st March, 2015.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. BASIS OF ACCOUNTING:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

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

II. SYSTEM OF ACCOUNTING:

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

III. REVENUE RECOGNITION:

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

IV. FIXED ASSETS AND DEPRECIATION / AMORTISATION:

A) TANGIBLE ASSETS:

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

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

B) DEPRECIATION / AMORTISATION:

a) LEASEHOLD LAND:

Cost of leasehold land is amortised over the lease period.

b) OTHER TANGIBLE ASSETS:

- i) Improvements to leased premises are amortised over the period of the lease / charged off on premature termination of lease.
- ii) From the current year, depreciation is provided on a pro rata basis on the straight line method over the useful lives of the assets in the manner prescribed by Schedule II of the Companies Act, 2013, as against the past practice of computing depreciation at rates with reference to the life of assets subject to the minimum of rates provided by Schedule XIV of the Companies Act, 1956.
- iii)
 - a. Useful life of assets are determined by the Management by internal technical assessments except in case where such assessment suggests a life significantly different from those prescribed by Schedule II- Part 'C', where the useful life is as assessed and certified by a technical expert.
 - b. Assets which are depreciated over useful life/residual value different than those indicated by Schedule II are as under:

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

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

C) INTANGIBLE ASSETS:

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

D) IMPAIRMENT OF ASSETS :

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

V. INVESTMENTS:

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

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

VI. FOREIGN CURRENCY TRANSLATIONS:

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

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

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

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

VII. INVENTORY VALUATION:

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

VIII. EMPLOYEE BENEFITS:

- a) **Short term employee benefits** are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

- b) **Post employment benefits**

- i. Defined contribution plans:

The Company's contribution to the superannuation scheme, state governed provident fund scheme, etc. are recognised during the year in which the related service is rendered.

- ii. Defined benefit plans:

- *Gratuity*

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

- *Provident Fund*

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

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

d) **Termination Benefits**

Termination benefits are recognised as and when incurred.

IX. GOVERNMENT GRANTS:

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

X. RESEARCH AND DEVELOPMENT:

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

XI. BORROWING COSTS:

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

XII. PREMISES TAKEN ON LEASE:

Rentals for premises taken on lease are charged to revenue.

XIII. TAXATION:

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

XIV. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

XV. APPLICATION OF SECURITIES PREMIUM ACCOUNT:

Share issue expenses are charged first against the available balance in the securities premium account.

XVI. CASH AND CASH EQUIVALENTS:

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

OPERATING RESULTS FOR FIVE YEARS

(₹ in Crore)

FINANCIAL YEAR	2014-15	2013-14	2012-13	2011-12	2010-11
INCOME					
Sales (Net of rebates and returns) & rent from leased properties	8034.44	7156.05	6452.94	5288.69	5133.40
Less: Excise Duty	733.69	640.06	589.49	499.46	456.24
	7300.75	6515.99	5863.45	4789.23	4677.16
Other Income (Including Operating Income)	278.56	178.19	112.92	110.73	124.91
	7579.31	6694.18	5976.37	4899.96	4802.07
EXPENDITURE					
Materials & Overheads (+/- Stock Adj.)	6879.17	5948.76	5371.68	4447.21	4100.94
EARNING BEFORE INTEREST, TAX, DEPRECIATION AND AMORISATION (EBITDA)	700.14	745.42	604.69	452.75	701.13
Less: Finance Cost	484.62	362.80	319.95	172.08	118.27
PROFIT BEFORE DEPRECIATION AND TAX	215.52	382.62	284.74	280.67	582.86
Less : Depreciation	249.21	354.62	355.95	258.12	239.66
PROFIT / (LOSS) BEFORE TAX	(33.69)	28.00	(71.21)	22.55	343.20
Less : Tax (Net) - Including Deferred Tax	(49.18)	25.28	(36.72)	0.42	105.71
NET PROFIT / (LOSS)	15.49	2.72	(34.49)	22.13	237.49
DIVIDEND (%)	55.00%	55.00%	55.00%	55.00%	55.00%
CASH PROFIT AFTER TAX	264.70	357.34	321.46	280.25	477.15
BOOK VALUE PER SHARE (₹)	203.34	187.80	193.99	204.08	209.91

STATEMENT OF ASSETS AND LIABILITIES FOR FIVE YEARS

(₹ in Crore)

Particulars	Year ended 31.03.2015 (Audited)	Year ended 31.03.2014 (Audited)	Year ended 31.03.2013 (Audited)	Year ended 31.03.2012 (Audited)	Year ended 31.03.2011 (Audited)
A EQUITY AND LIABILITIES					
1 Shareholders' Funds :					
(a) Share Capital	101.51	93.04	93.04	93.04	93.04
(b) Reserves and Surplus	1872.43	1654.36	1711.91	1805.88	1860.06
(c) Money received against share warrants	90.32	-	-	-	-
Sub-total - Shareholders' funds	2064.26	1747.40	1804.95	1898.92	1953.10
2 Non-current liabilities					
(a) Long Term Borrowings	3567.27	2810.42	3148.15	1977.10	1240.05
(b) Deferred Tax Liability (Net)	204.64	266.79	242.92	262.74	263.94
(c) Other Long Term Liabilities	239.82	235.56	191.21	20.08	17.01
(d) Long Term Provisions	434.46	406.02	363.32	319.59	276.05
Sub-total - Non-current liabilities	4446.19	3718.79	3945.60	2579.51	1797.05
3 Current liabilities					
(a) Short Term Borrowings	1268.64	1659.28	1212.50	1444.80	1381.47
(b) Trade Payables	450.74	503.53	359.58	307.55	411.74
(c) Other Current Liabilities	1731.35	1570.29	836.64	968.83	764.38
(d) Short Term Provisions	116.42	92.27	102.40	92.50	79.98
Sub-total - current liabilities	3567.15	3825.37	2511.12	2813.68	2637.57
TOTAL - EQUITY AND LIABILITIES	10077.60	9291.56	8261.67	7292.11	6387.72
B ASSETS					
1 Non-current assets					
(a) Fixed Assets	6649.30	6605.61	5943.63	5221.12	4397.47
(b) Non Current Investments	495.04	96.33	73.78	69.28	68.36
(c) Long Term Loans and Advances	253.30	262.26	291.70	288.03	265.82
(d) Other Non Current Assets	174.52	65.97	19.64	16.69	4.98
Sub-total - Non-current assets	7572.16	7030.17	6328.75	5595.12	4736.63
2 Current assets					
(a) Current Investments	-	0.56	-	2.07	-
(b) Inventories	1423.94	1300.44	1203.79	1095.24	1070.66
(c) Trade Receivables	658.99	525.79	408.01	333.45	307.15
(d) Cash and Bank Balances	94.62	72.88	53.49	50.09	40.64
(e) Short Term Loans and Advances	272.75	319.36	237.76	198.86	201.60
(f) Other Current Assets	55.14	42.36	29.87	17.28	31.04
Sub-total - current assets	2505.44	2261.39	1932.92	1696.99	1651.09
TOTAL ASSETS	10077.60	9291.56	8261.67	7292.11	6387.72

NOTES

[illegible]



BIRLA CENTURY

A Division of Century Textiles and Industries Limited

www.birlacentury.com



B.K. BIRLA GROUP OF COMPANIES

Regd. Off.: Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai 400 030. Tel: 022-2495 7000 Fax: 022-2430 9491/2436 1980, e-mail: mail@birlacentury.com
Products Available at Company's Retail Outlet viz ; Mangal Paridhaan (Worli), Opp, Mahindra Tower, Pandurang Budhkar Marg, Worli,
Mumbai - 400 030 Tel : 022 - 24934246 and other places.



B K BIRLA GROUP OF COMPANIES

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

Atlas, the Titan - Collective Strength

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

The Sun - Enlightenment and Growth

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

The Earth Segments - Diversified Activities

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

The Globe - Global Vision

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

The Base - Solid Foundations

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

The Symmetry - The Resilience, Versatility, and Stability

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

STRONG FOUNDATION • SUSTAINED GROWTH • PROVEN LEADERSHIP

CENTURY TEXTILES AND INDUSTRIES LIMITED

Regd. Off.: Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai 400 030.

Phone : +91-22-24957000 Fax: +91-22-2430 9491, +91-22-24361980

www.centurytextind.com Email: centextho@centurytext.com

CIN: L17120MH1897PLC000163