

CENTURY

Textiles and Industries Limited

REGD. OFFICE : "CENTURY BHAVAN", DR. ANNIE BESANT ROAD, WORLI, MUMBAI-400 030. INDIA.

TEL.: +91-22-2495 7000 FAX: +91-22-2430 9491, +91-22-2436 1980

E-Mail: ctillho@birlacentury.com Website: www.centurytextind.com

CIN-L17120MH1897PLC000163

OUR REF. :

SH/XII/2021

18th June, 2021

Corporate Relationship Department
BSE Limited
1st Floor, Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai-400 001
Scrip Code: 500040

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th floor,
Bandra-Kurla Complex
Bandra (East), Mumbai-400 051.
Scrip Code: CENTURYTEX

Dear Sir / Madam,

Sub: Notice of 124th Annual General Meeting and Annual Report for the year 2020-21 of Century Textiles and Industries Limited ("the Company")

Ref: Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (ISIN: INE055A01016)

Pursuant to Regulation 34(1) of Listing Regulations, please find attached herewith Notice of the 124th Annual General Meeting ('AGM') along with Annual Report of the Company for the year 2020-21.

The Notice of 124th AGM and Annual Report of the Company for the year 2020- 21 are being sent electronically to those shareholders whose email IDs are registered with the Company / Registrar and Share Transfer Agent and the Depositories.

The Notice of the 124th AGM and Annual Report are also being uploaded on the website of the Company i.e. www.centurytextind.com.

The above is for your information and record.

Thanking you,

Yours truly,

For **CENTURY TEXTILES AND INDUSTRIES LIMITED**


ATUL K. KEDIA
Company Secretary

Cc:

National Securities Depository Limited Trade World, 'A' wing, 4 th Floor, Kamala Mills Compound, Lower Parel, Mumbai-400 013.	Central Depository Services (India) Limited Marathon Futurex, A-wing, 25 th Floor, N.M. Joshi Marg, Lower Parel, Mumbai-400 013.	Link Intime India Private Limited C-101, 247 park, L.B.S. Marg, Vikhroli (West), Mumbai-400 083.
--	---	--



CENTURY TEXTILES AND INDUSTRIES LIMITED

Registered Office: Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai 400030.

Phone: +91-022-24957000 Fax: +91-22-24309491, +91-22-24361980

www.centurytextind.com Email: ctil.secretary@birlacentury.com

CIN: L17120MH1897PLC000163

NOTICE OF MEETING

NOTICE is hereby given that the 124th Annual General Meeting of the Shareholders of the Company will be held on Friday, the 16th July, 2021 at 2.30 p. m. IST through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Report of Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2021.
3. To appoint a Director in place of Mr. Kumar Mangalam Birla (holding DIN: 00012813) who retires from office by rotation, but being eligible, offers himself for re-election.
4. To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), S R B C & CO. LLP, Chartered Accountants, Mumbai (Registration No.: 324982E/E300003) be and is hereby appointed as the Statutory Auditor of the Company, for a second term of five consecutive years to hold office from the conclusion of this Annual General Meeting until the conclusion of the 129th Annual General Meeting of the Company to be held in the calendar year 2026, at a remuneration of ₹ 1.11 Crores (Rupees one crore eleven lacs only) plus tax as applicable and reimbursement of actual travel and out of pocket expenses incurred in connection with the audit of the Company for the financial year 2021-22 and further increment(s) for the remaining tenure of the appointment, as may be recommended by the Audit Committee and approved by the Board of Directors of the Company in this behalf."

SPECIAL BUSINESS:

5. To approve the remuneration paid to Mr. J. C. Laddha (DIN:03266469), Managing Director for the financial year ended 31st March, 2021 and in this regard to consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 197 and 198 of the Companies Act, 2013 ("the Act") read with Schedule V and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification (s) or re- enactment thereof, for the time being in force), and pursuant to the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company and subject to other approvals required if any, the remuneration of ₹ 2.45 crores including perquisites and benefits paid or provided to Mr. J. C. Laddha (DIN: 03266469), Managing Director for the financial year 2020-21 (and contribution of gratuity as per scheme of the Company) in terms of the resolution passed by the shareholders in the 123rd Annual General Meeting of the Company held on 25th August, 2020 be and is hereby approved and ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

6. To approve the remuneration paid to Mr. R. K. Dalmia (DIN:00040951), Whole-time Director for the financial year ended 31st March, 2021 and in this regard to consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 197 and 198 of the Companies Act, 2013 (“the Act”) read with Schedule V and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification (s) or re- enactment thereof, for the time being in force), and pursuant to the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company and subject to other approvals required if any, the remuneration of ₹ 4.60 crores including perquisites and benefits paid or provided to Mr. R. K. Dalmia (DIN: 00040951), Whole-time Director for the financial year 2020-21 (and contribution of gratuity as per scheme of the Company) in terms of the resolution passed by the shareholders in the 122nd Annual General Meeting of the Company held on 30th July, 2019 be and is hereby approved and ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

7. To approve the re-appointment and remuneration of Mr. R.K. Dalmia (DIN :00040951) as a Whole-time Director of the Company and, in this regard to consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (“the Act”), and the Rules made thereunder, including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the Articles of Association of the Company and subject to such other approvals as may be necessary and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company, the approval of the Members of the Company, be and is hereby accorded to the re-appointment of Mr. R.K. Dalmia (holding DIN: 00040951), as the Whole-time Director of the Company for the period and upon the following terms and conditions, including remuneration and perquisites, as approved by the Board of Directors, with liberty to the Board of Directors (hereinafter referred to as “the Board”, which term shall include any Committee constituted or to be constituted by the Board) from time to time to alter the said terms and conditions, in such manner as may be agreed to between the Board and Mr. R. K. Dalmia and as may be permissible at law:

A) Period:

From 15th September, 2021 to 31st March, 2023 with liberty to either party to terminate the appointment on three months’ notice in writing to the other.

B) Remuneration per month w.e.f. 15th September, 2021:

- 1) Basic Salary: ₹ 6,29,954/-
- 2) House Rent Allowance: ₹ 5,04,731/-
- 3) Special Allowance: ₹ 13,68,485/-
- 4) Variable Payment: ₹ 10,23,200/-

with such increment(s) in the basic salary, allowances and variable payment as the Board may decide from time to time subject to the ceiling of ₹ 50,00,000/- per month for salary, allowances and variable payment as aforesaid, during the tenure of his employment. However, for the purpose of calculation of benefits such as Provident Fund, Superannuation Fund, Gratuity and Leave encashment only basic salary will be taken into account;

- 5) Perquisites and other amenities payable/provided to the Whole-time Director are as under:
 - a) Company’s contribution towards provident fund per month (presently 12%) and Superannuation Fund (15%) as per the applicable Rules, including the Income Tax rules, 1962.
 - b) Following allowances/perquisites/facilities are given as per Company’s rules:
 - (i) Leave Travel Allowance / Expenses – equal to one month’s basic salary in a year;
 - (ii) Medical Allowance / Expenses – equal to one month’s basic salary in a year;
 - (iii) One month’s paid leave every year; unavailed leave to be dealt with as per the Rules;

- (iv) Personal Accident Insurance premium not exceeding ₹ 60,000/- per annum;
- (v) Gratuity as per applicable Rules;
- (vi) Company maintained two cars with maximum value of ₹ 60 Lacs for both the cars. Two Drivers with combined salary not to exceed ₹ 83,000/-per month;
- (vii) Telephone at Residence and Mobile Phone expenses;
- (viii) Housing Society, Electrical charges and Gas etc. - up to ₹ 8,40,000/- per year and payment to two servants not exceeding ₹ 77,000/- per month;
- (ix) One Corporate Club membership & expenses during his tenure of service;
- (x) Other Benefits & Perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in future and / or any other allowances, perquisites as the Board may, from time to time decide.

- C)** The aggregate of remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof for the time being in force, or otherwise as may be permissible at law.

Provided that where, in any financial year, during the tenure of Mr. R. K. Dalmia's re-appointment, if the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to him as and by way of minimum remuneration subject to the applicable provisions of Schedule V of the said Act and approvals as may be required under law.

- D)** So long as Mr. R.K. Dalmia functions as the Whole-time Director of the Company, his office shall not be subject to retirement by rotation.
- E)** Though considering the provisions of Section 188 of the Act, and the applicable Rules and the Schedule of the Act, Mr. R.K. Dalmia would not be holding any office or place of profit by his being a mere Director of the Company's Subsidiaries, approval be and is hereby granted by way of abundant caution for him to accept the sitting fees / commission paid / payable to other Directors for attending meetings of Board(s) of Directors / Committee(s) of Subsidiaries of the Company.

The Board may on the recommendation of the Nomination and Remuneration Committee of the Board, give such increases as may be deemed appropriate, so that the payment to him in respect of the aforesaid items, excluding gratuity, accumulated P.F., Superannuation and encashment of accumulated leave or any other retirement benefit does not exceed the limits specified above, during the period of his re-appointment.

RESOLVED FURTHER that the Board of Directors and the Nomination and Remuneration Committee of the Board be and are hereby severally authorised to take such steps as may be necessary or expedient in their entire discretion for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

8. To approve the remuneration of the Cost Auditors for the financial year ending 31st March, 2022 and in this regard, to consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s R. Nanabhoy & Co., being the Cost Auditor appointed by the Board of Directors of the Company to conduct the cost audit for the financial year ending 31st March, 2022, be paid the remuneration (apart from Goods and Services Tax as applicable, or such other taxes as may be made applicable in lieu thereof, and reimbursement of actual travel and out-of-pocket expenses) as per details given below :

Name of the Industry	Name of the Manufacturing Units and their locations	Name of the Cost Auditors	Remuneration (₹ in lacs)
Textiles	Birla Century, Gujarat	M/s. R. Nanabhoy and Co.	1.35
Paper	Century Pulp and Paper, Uttarakhand	M/s. R. Nanabhoy and Co.	

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

NOTES FOR MEMBERS' ATTENTION

- (1) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, circular no. 20/2020 dated 5th May, 2020 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM)” and Circular no. 02/2021 dated 13th January, 2021 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM) (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015- Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the Covid- 19 pandemic” (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC/OAVM.

- (2) Normally-PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Since this AGM is being held pursuant to MCA Circulars and SEBI Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for the appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

- (3) Institutional / Corporate Shareholders (i.e. other than individuals / HUF / NRI etc.) are required to send a scanned copy (PDF / JPG format) of their Board or governing body Resolution/authentication etc. authorising its representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting. The said Resolution / Authorisation shall be sent to the Scrutinizer by e-mail through their registered e-mail address to gbgagrani@gmail.com with a copy marked to evoting@nsdl.co.in.
- (4) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, (the Act) in respect of item Nos. 4 to 8 of the Notice set out above, is hereto annexed.
- (5) The Registers of Members and Transfer Books of the Company in respect of the Equity Shares of the Company will remain closed from Thursday, the 8th July, 2021 to Friday, the 16th July, 2021, both days inclusive.
- (6) As per the provisions of Section 72 of the Act the facility for making/varying/cancelling nominations is available to individuals holding shares in the Company. Nominations can be made in Form SH-13 and any variation/cancellation thereof can be made by giving notice in Form SH-14, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014. The Forms can be obtained from the Share Department of the Company or Share Transfer Agent or from the Website of the Ministry of Corporate Affairs at www.mca.gov.in.
- (7) Pursuant to the provisions of Sections 124 and 125 of the Act, the dividends for the Financial Year ended 31st March, 2014 and thereafter, which remain unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (“IEPF”) constituted by the Central Government. Members, who have not encashed their dividend warrant(s) for the Financial Year ended 31st March, 2014 or any subsequent financial year(s) are requested to claim such amount from the Share Department of the Company / Share Transfer Agent. The due date for transfer of the unclaimed dividend amount for the financial year ended 31st March, 2014 to the Investor Education and Protection Fund of the Central Government is 22nd August, 2021.
- (8) Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 25th August, 2020 (the date of the last Annual General Meeting) on the website of the Company www.centurytextind.com and also on the website of the Ministry of Corporate Affairs.

- (9) Pursuant to the provisions of Section 124(6) of the Act, and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended from time to time, shares in respect of which dividends have not been encashed for seven consecutive years or more are required to be transferred to IEPF. The Company has sent individual notice on 19th May, 2021 to all the concerned shareholders intimating them particulars of equity shares due for transfer. These details are also available on the Company's website www.centurytextind.com. Advertisement in newspapers in this respect has also been released in English language and regional language i.e. Marathi on 21st May, 2021. Shareholders are requested to claim the unclaimed dividend well before the due date i.e. 22nd August, 2021. If unclaimed dividends are not claimed by the shareholders, shares covered by such unclaimed dividends will be transferred to IEPF. It may be noted that no claim shall lie against the Company in respect of shares so transferred to IEPF. Upon transfer, the shareholders will be able to claim these equity shares only from the IEPF authority as per the procedure prescribed under IEPF Rules, the details of which are available at www.iepf.gov.in.
- (10) Members are requested to send all their documents and communications pertaining to shares to **Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited), Share Transfer Agent of the Company at their address** at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083 (Maharashtra) Telephone No. 022 – 4918 6000, Fax No. 022 – 4918 6060 for both physical and Demat segments of Equity Shares. Please quote on all such correspondence – "Unit – Century Textiles and Industries Limited." **For Shareholders queries – Telephone No. 022 - 4918 6270 Email ID – rnt.helpdesk@linkintime.co.in**.
- (11) Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Link Intime India Pvt. Ltd. for their doing the needful.
- (12) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they maintain their Demat Accounts. Members holding shares in physical form should submit their PAN details to the Share Department of the Company / Share Transfer Agent.
- (13) It is observed that few members have still not surrendered their old Share Certificates for Equity Shares of ₹ 100/- each for exchange with the new Share Certificates for Equity Shares of ₹ 10/- each. They are once again requested to surrender the Share Certificates for Equity Shares of ₹ 100/- each at the **Registered Office of the Company** so as to enable the Company to do the needful.
- (14) Details under Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and other requisite information as per clause 1.2.5 of Secretarial Standard – 2 on General Meetings in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
- (15) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address as soon as possible. The SEBI has made it mandatory for all companies to use the bank account details furnished by the Shareholders/Depositories for depositing of dividends. NECS Form can be downloaded from the Company's website i.e. www.centurytextind.com for providing details, if not already provided.
- (16) In compliance with the aforesaid MCA circulars and SEBI circulars notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories. Members may note that the notice and the Annual Report 2020-21 will also be available on the Company's website www.centurytextind.com, websites of the stock exchanges i.e. BSE / National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL www.evoting.nsdl.com.
- (17) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (18) The Company, pursuant to Regulation 39 read with Schedule VI to the SEBI Listing Regulations has already sent a reminder to the shareholders to claim unexchanged/undelivered Share Certificates lying with the Company failing which the unclaimed share certificates lying in physical form shall be transferred to Unclaimed Suspense Account and dematerialized and held in Unclaimed Suspense Account.
- (19) If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on Tuesday, the 20th July, 2021 as under:

- (i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”, as of the close of business hours on Wednesday, the 7th July, 2021.
 - (ii) To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Wednesday, the 7th July, 2021.
- (20) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 01st April, 2019, except in case of request received for transmission or transposition and re-lodged transfer of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated 2nd December, 2020 had fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company’s Registrars and Transfer Agent viz. Link Intime India Pvt. Ltd. (“LIPL”) for assistance in this regard.
- (21) To support the ‘Green Initiative’, Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants (“DP”) in case the shares are held by them in electronic form and with LIPL in case the shares are held by them in physical form.
- (22) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code etc., to their DPs in case the shares are held by them in electronic form and to LIPL in case the shares are held by them in physical form.
- (23) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- (24) Members seeking any information about the financial statements or any matter to be placed at the AGM are requested to write to the Company on or before Thursday, the 15th July, 2021 through e-mail on investorrelations@birlacentury.com. The same will be replied by the Company suitably.
- (25) Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. 01st April, 2020, and the Company is required to deduct tax at source from the dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / LIPL (in case of shares held in physical mode) and DP (in case of shares held in electronic mode).

A Resident Individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to investorrelations@birlacentury.com by 11:59 PM IST on 5th July, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under a tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholders may submit the above documents (PDF/JPG Format) by e-mail to investorrelations@birlacentury.com. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on 5th July, 2021.

- (26) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- (27) The meeting shall be deemed to be held at the Registered Office of the Company at Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai – 400 030

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Company

is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM), by electronic means and the business may be transacted through e-Voting Services. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") as well as venue voting on the date of AGM will be provided by NSDL.

- II. The members who have cast their vote by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.
- III. The remote e-voting period commences on Monday, the 12th July, 2021 (9:00 AM IST) and ends on Thursday, the 15th July, 2021 (05:00 PM IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, the 9th July, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions by remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. - After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

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

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

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

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to gbgagrani@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30.

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

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

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
 2. Members are encouraged to join the Meeting through Laptops for better experience.
 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at ctil.secretary@birlacentury.com from 8th July, 2021 (9.00 AM IST) to 12th July, 2021 (5.00 PM IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 6. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-1020-990/ 1800-224-430 or contact Mr. Amit Vishal, Senior Manager – NSDL or Mr. Sagar Ghosalkar, Assistant Manager – NSDL.
 7. The facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come first-served basis.
- V. **You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).**
- VI. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Friday, the 9th July, 2021.
- VII. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, the 09th July, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-Voting then you can use your existing User ID and password for casting the vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 224 430. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, the 09th July, 2021 may follow steps mentioned below under "Access to NSDL e-Voting system"
- VIII. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through VC/OAVM.
- X. Mr. Gagan B Gagrani, Practicing Company Secretary (Membership No. FCS 1772) or failing him Mr. Sanjay H. Sangani (Membership No. FCS 4090) Practising Company Secretary has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

OTHER INSTRUCTIONS:

- XI. The Chairman of the meeting shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the scrutinizer, by use of "e-voting" for all those members who attend/ participate in the AGM but have not cast their votes by availing the remote e-voting facility.
- XII. The Scrutinizer shall after the conclusion of the voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.centurytextind.com and on the website of NSDL immediately after the declaration of the result, by the Chairman of the meeting or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Ltd. and displayed on the Notice Board of the Company at the Registered office at Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai – 400 030.

By Order of the Board,

Mumbai,
Dated: 7th June, 2021

ATUL K. KEDIA
Company Secretary
Membership No. ACS 10100

ANNEXURE TO THE NOTICE

I. Explanatory Statement under Section 102(1) of the Companies Act, 2013

Item No. 4:

S R B C & CO. LLP, Chartered Accountants, Mumbai (ICAI Registration No.: 324982E/E300003) ("SRBC") were appointed as Statutory Auditors of the Company by the Members at the 119th Annual General Meeting ("AGM") held on 28th July, 2016 to hold office from the conclusion of the AGM held in the year 2016 till the conclusion of the 124th AGM of the Company to be held in the calendar year 2021. Accordingly, their present term gets completed on conclusion of this AGM. They are eligible for re-appointment for a second term of five years in terms of the provisions of Section 139 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014.

S R B C & CO. LLP. has been statutory auditors of large listed companies to cross section of industries and carries a good professional track record. The Audit Committee having considered various parameters like capability to serve a large organisation; audit experience; the audit team; market standing of the firm; clientele served; technical knowledge etc. have recommended the re-appointment of S R B C & CO. LLP to the Board of Directors of the Company, which the Board has accepted and recommended for the approval of the Members. It is proposed that an amount of ₹ 1.11 Crores (Rupees one crore eleven lacs only) plus tax as applicable and reimbursement of actual travel and out-of-pocket expenses be paid to S R B C & CO. LLP for audit of accounts of the Company for the financial year ended 31st March, 2022, and further increment(s) for the remaining tenure of the appointment, as may be recommended by the Audit Committee and approved by the Board of Directors. The proposed fee is based on knowledge, expertise, industry experience, time & efforts required to be put in by S R B C & CO. LLP. The proposed fee is also in line with the industry benchmarks. The fees for services in the nature of limited review, statutory certifications and other professional work will be in addition to the audit fee as above and will be decided by the Board/Audit Committee in consultation with the Auditors. None of the Directors, Key Managerial Personnel and their relatives thereof are, in any way, concerned or interested financially or otherwise in the said resolution. The Board accordingly recommends the resolution set out at item no. 4 of this Notice for your approval.

Item Nos. 5 & 6

Mr. J. C. Laddha was appointed as Managing Director of the Company for a period of three years with effect from 12th August, 2019 till 11th August, 2022 by means of an Ordinary Resolution passed by the members at the 123rd Annual General Meeting (123rd AGM) of the Company held on 25th August, 2020 on the terms and conditions including payment of remuneration as mentioned therein.

Mr. R. K. Dalmia was appointed as a Whole-time Director of the Company for a period of three years with effect from 15th September, 2018 till 14th September, 2021 by means of an Ordinary Resolution passed by the members at the 122nd Annual General Meeting (122nd AGM) of the Company held on 30th July, 2019 on the terms and conditions including payment of remuneration as mentioned therein.

The payment of remuneration to Mr. J. C. Laddha and Mr. R. K. Dalmia for the financial year 2020-21 is within the limit stipulated in the said resolutions passed at 123rd and 122nd AGM respectively.

During the financial year 2020-21, due to pandemic COVID-19 and particularly pursuant to lockdown announced by the Government to contain spread of the pandemic, unprecedented disruption was caused to the businesses of the Company and as a result, the Company's profit before tax is ₹ 20.10 crores and net profit after tax is ₹ 31.50 crores. The profit calculated as per the relevant provisions of the Companies Act, 2013, being ₹ 32.41 crores is inadequate to cover the managerial remuneration for the FY 2020-21 as contemplated under Section 197 of the Companies Act, 2013. The Company has taken all possible measures and is vigorously continuing the efforts to improve the working.

Pursuant to provisions of Sections 196, 197 and 198 of the Companies Act, 2013, read with Schedule V, a Company having inadequate or no profits may pay remuneration to its managerial personnel subject to the following:

- (i) The payment of remuneration is approved by a Resolution passed by the Board and by the Nomination & Remuneration Committee of Directors.
- (ii) There is no default in repayment of any of its debts or interest payable thereon.
- (iii) A Special Resolution has been passed at General meeting of the Company.

The Nomination & Remuneration Committee and the Board have, at their respective meetings held on 06th May, 2021 subject to approval of the members of the Company, accorded their approval for the payment of remuneration to Mr. J. C. Laddha and Mr. R. K. Dalmia for the financial year 2020-21 which is within the limit stipulated in the aforesaid resolutions of 123rd AGM and 122nd AGM held on 25th August, 2020 and 30th July, 2019 respectively. Further, there is no default in repayment of any debts or interest payable thereon.

While approving the remuneration of both Mr. J. C. Laddha and Mr. R. K. Dalmia, the members had also inter alia approved the payment of remuneration as the "Minimum Remuneration" in the event of inadequacy or absence of profits in any financial year or years during the term of appointment subject to requisite approvals. Since the said remuneration of Mr. J. C. Laddha and Mr. R. K. Dalmia was earlier approved by Ordinary Resolutions, the approval of members is now being sought to regularize such minimum remuneration by passing Special Resolutions.

Further, pursuant to Section 197 of the Companies Act, 2013 read with Schedule V thereto, where a Company has no profits or its profits are inadequate, it may pay the remuneration to the managerial personnel provided that, amongst others, a statement along with a Notice calling the General Meeting contains certain information. Accordingly, the information as required to be disclosed under para (iv) of the second proviso after paragraph B of Section II of part II of Schedule V of the Companies Act, 2013 is given in the Annexure II to the Notice in regard to both Mr. J. C. Laddha and Mr. R. K. Dalmia.

Except for Mr. J. C. Laddha and Mr. R. K. Dalmia as set out in their respective resolution at item nos. 5 & 6, none of the Directors/ key managerial personnel of the Company/ their relatives are in any way concerned or interested, financially or otherwise.

Brief profile of Mr. J. C. Laddha and Mr. R. K. Dalmia is enclosed.

The Board recommends the Special Resolutions as set out at Item Nos. 5 & 6 of the Notice for approval by the shareholders.

Item No. 7

Pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with Schedule V of the Act and the Rules made thereunder including the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and as recommended by the Nomination and Remuneration Committee of the Board, the Board of Directors

at its meeting held on 22nd January, 2021 re-appointed Mr. R. K. Dalmia (DIN 00040951) as the Whole-time Director of the Company with effect from 15th September, 2021 till 31st March, 2023, subject to approval of the shareholders in General Meeting.

Mr. R. K. Dalmia has been associated with the Company for more than thirty-five years and during such association, he has served in various positions in the Company. Mr. R. K. Dalmia will continue to be designated as Sr. President, Textile Division and will also discharge the functions of a Whole-time Director of the Company.

Considering his long association with the Company and vast experience in the textile industry and other fields and more particularly, finance and marketing, the Board recommends confirmation of the re-appointment of Mr. R.K. Dalmia as Whole-time Director of the Company for a period from 15th September, 2021 till 31st March, 2023 on the terms as to remuneration, allowances etc. as set out in the resolution being item No.7 of the accompanying Notice, subject to any other approval as may be required under law.

Considering Mr. R.K. Dalmia's experience, seniority and the trend in the industry, the terms of his remuneration are considered to be fair, just and reasonable and are commended for your approval.

Mr. R.K. Dalmia is not related to any other Director of the Company. A brief resume of Mr. R.K. Dalmia as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out as an Annexure to this Notice.

The Board on the recommendation of the Nomination and Remuneration Committee at its meeting held on 6th May, 2021 has approved the remuneration payable to Mr. R.K. Dalmia, Whole-time Director of the Company during the term of his re-appointment subject to approval by the shareholders of the Company.

The Board commends Ordinary Resolution set out at Item No.7 of the accompanying Notice for the approval by the Members.

Except Mr. R.K. Dalmia, being the appointee, none of the other Directors / Key Managerial Personnel / their relatives is in any way, concerned or interested, financially or otherwise in the Resolution set out at Item No.7 of the Notice.

Item No. 8

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a cost accountant in practice, or a firm of cost accountants in practice, as cost auditor on the recommendations of the Audit Committee. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On the recommendation of the Audit Committee, the Board at its meeting held on 6th May, 2021 has considered and approved the appointment of M/s. R. Nanabhoy & Co. (Cost Accountants), for the conduct of the Cost Audit of the Company's various manufacturing units at the remuneration as mentioned in the resolution for this item of the Notice.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no.8 of the accompanying Notice.

The Resolution at item no. 8 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

The Board of Directors commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

By Order of the Board,

Mumbai,
Dated: 7th June, 2021

ATUL K. KEDIA
Company Secretary
Membership No. ACS 10100

II. THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V OF THE ACT

A. GENERAL INFORMATION

1.	Nature of Industry	Manufacturing of diversified products namely Textiles, Yarn, Pulp & Paper. Also into real estate leasing business.		
2.	Date or expected date of commencement of commercial production	Commercial operations commenced in the year 1899.		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable.		
4.	Financial performance based on given indicators	(₹ in Crores)		
	Particulars	FY 2020-21	FY 2019-20	FY 2018-19
	Paid-up Capital	111.69	111.69	111.69
	Reserves & Surplus	3552.13	3465.32	3194.80
	Total Revenue from Operations (Net)	2610.55	3424.26	3943.56
	Other Income	79.64	43.37	109.67
	Total Revenue	2690.19	3467.63	4053.23
	Total Expenses	2641.59	3093.30	3274.45
	Profit before Taxation*	20.10	347.20	732.22
	Tax Expenses/(Income) including Deferred Tax*	(11.40)	(103.17)	250.12
	Managerial Remuneration	7.15	6.95	5.61
	*After considering loss of Discontinued operations			
5.	Foreign investments or collaborations if any	NIL		

B. INFORMATION ABOUT THE APPOINTEES

1. Mr. J. C. Laddha				
a.	Background details	Mr. J. C. Laddha, aged 62 years holds a bachelor's degree in Commerce. Further, he is also a fellow member of the Institute of Chartered Accountants of India. His Director Identification Number is 03266469. He has provided exceptional leadership to various roles including leading varied/diverse businesses. He has successfully lead the given responsibility in various industry sectors viz. Viscose Filament Yarn (VFY), Nylon Tyre cord, Heavy chemicals, Aluminium, Oil & Gas, Fertilizers and Insulators and Non-Ferrous Metal. He has over three decades of varied and rich experience of which over 30 years have been with the Aditya Birla Group - a Global conglomerate. Prior to joining Aditya Birla Group, he had worked with Hindustan Lever Limited, National Rayon Corporation Limited in various roles. In his last assignment, he was the CEO - Copper Business at Hindalco Industries Limited.		
b.	Past remuneration	(₹ in Crores)		
		FY 2020-21	FY 2019-20*	
	Salary & allowances	2.38	1.09	
	Contribution to Provident Fund	0.07	0.05	
	Perquisites	-	-	
	Total	2.45	1.14	
	*for the period 12 th August, 2019 to 31 st March, 2020			

c.	Recognition or awards	- Corporate Excellence Award- 2019 by International Conference on Non-Ferrous Metals & Minerals. Member/ Director of the following till June, 2019: - Member of LME Copper Committee, London (London Metal Exchange); - Member of CII National Committee on International Trade Policy and Export; - Member of The Federation of Indian Chambers of Commerce and Industry (FICCI) – Minerals and Metals Committee; - Director of Dahej Harbour Infrastructure Limited (DHIL) – Subsidiary of Birla Copper; - Director of Fertilizer Association of India. Others: - Director in Aditya Birla Minerals Limited, Australia (ABML) – Till June, 2016; - Vice Chairman of ICDC (Indian Copper Development Centre) – Till August, 2019.
d.	Job profile and his suitability	His job involves providing vision and strategic guidance to the Company and ensure to be one of the top players in its industry segment and also to remain competitive, cost efficient and remunerative. Further, as Managing Director, he is entrusted with substantial powers and authority to manage the affairs of the Company subject to superintendence, direction and control of the Board of Directors. He is having vast experience of Corporate management across varied businesses in his prior roles at Aditya Birla Group and possesses all required competencies. Thus, he is ideally suited for the job.
e.	Remuneration proposed/ paid	As mentioned in the resolution.
f.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	In the past few years, the remuneration of Senior Executives in the industry in general has gone up manifold. The remuneration proposed to be paid to the Managing Director is purely based on merit. Further, the Nomination and Remuneration Committee of Directors, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. J. C. Laddha before approving the remuneration as proposed hereinabove.
g.	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Besides the remuneration proposed, Mr. J. C. Laddha does not have any pecuniary relationship with the Company. He holds 1,000 equity shares of face value of ₹ 10/- each of the Company. No managerial personnel or any other director is related to him.

2. Mr. R. K. Dalmia

a.	Background details	Mr. R.K. Dalmia, aged 67 years holds a bachelor's degree in Commerce. Further, he is also a fellow member of the Institute of Chartered Accountants of India. His Director Identification Number is 00040951. He is the Senior President of Textile Division and has been in the service of the Company for last more than thirty-five years and has in-depth and varied experience about textiles and real estate businesses of the Company.		
b.	Past remuneration	(₹ in Crores)		
			FY 2020-21	FY 2019-20
	Salary & allowances		4.36	4.44
	Contribution to Provident Fund		0.09	0.08
	Contribution to Superannuation Fund		0.11	0.11
	Perquisites		0.04	0.05
	Total		4.60	4.68

c.	Recognition or awards	The Company has received various awards and recognition during his tenure as a Senior Executive. He has been awarded with CText FTI by The Textile Institute, Manchester, U.K. in the year 1998. Past Chairman of the following: • Mill owners Association, Mumbai representing Textiles (2003 to 2007 and April 2010 to November 2015); • Confederation of Indian Textile Industry (CITI) (2008- 2009); • The Cotton Textile Export Promotion Council (TEXPROCIL) (2014-2016).
d.	Job profile and his suitability	His job involves providing vision and strategic guidance to the textile business of the Company and ensure to remain competitive, cost efficient and remunerative. Further, as Whole-time Director, he is entrusted with the powers and authority subject to superintendence, direction and control of the Board of Directors. He is having vast experience of Corporate management, in-depth knowledge of the textile industry and possesses all required competencies. Thus, he is ideally suited for the job.
e.	Remuneration proposed/ paid	As mentioned in the resolution.
f.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	In the past few years, the remuneration of Senior Executives in the industry in general has gone up manifold. The remuneration proposed to be paid to the Whole-time Director is purely based on merit. Further, the Nomination and Remuneration Committee of Directors, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. R. K. Dalmia before approving the remuneration as proposed hereinabove.
g.	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Besides the remuneration proposed, Mr. R. K. Dalmia does not have any pecuniary relationship with the Company. He holds 7,150 equity shares of face value of ₹ 10/- each of the Company. No managerial personnel or any other director is related to him.

C. OTHER INFORMATION

1.	Reasons of loss or inadequate profits	During the last year, due to pandemic Covid-19 and particularly pursuant to lockdown announced by the Government to contain spread of pandemic, unprecedented disruption was caused to the businesses of the Company apart from consequent demand recession due to general economic slowdown, etc.
2.	Steps taken or proposed to be taken for improvement	The Company has followed all protocols related to safety of its employees and ensured a smooth working across its manufacturing units & offices. Even the product mix has been changed in the textiles business to meet the Covid- 19 related products' demand like masks, PPE Kits, etc. The Company is making all possible efforts to improve the margins.
3.	Expected increase in productivity and profits in measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict increase in productivity and profits in measurable terms.

D. DISCLOSURES

1.	The remuneration package along with relevant details payable to Mr. J. C. Laddha and Mr. R. K. Dalmia has been mentioned hereinabove and in the Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel. The respective tenure of the aforesaid managerial personnel shall be governed by the resolutions passed by the Shareholders in General Meetings with a notice period of three months by either side.
2.	Mr. J. C. Laddha and Mr. R. K. Dalmia are holding 1,000 and 7,150 equity shares of face value of ₹ 10/- each respectively. They are not related to any Director or Promoter of the Company at any time during the period of two years prior to their appointment as Managing Director and Whole-time Director respectively.

III Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting fixed on 16th July, 2021 as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard – 2 on General Meetings are given hereunder :-

Name of the Director	Mr. Kumar Mangalam Birla	Mr. R. K. Dalmia
DIN	00012813	00040951
Date of Birth	14 th June, 1967	21 st March, 1954
Date of appointment on the Board	07 th February, 2006	15 th September, 2018
Expertise in specific Functional areas	Industrialist having rich business experience	Rich experience in textile industry and in the fields of Finance & Marketing.
Number of meetings of the Board attended during the year	03 out of 05	05 out of 05
List of other Directorships held excluding foreign Companies, Companies under Section 8 of the Companies Act, 2013 and Private Companies	1. Grasim Industries Limited 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Aditya Birla Capital Limited 5. Vodafone Idea Limited 6. Aditya Birla Fashion and Retail Limited 7. Aditya Birla Sun Life AMC Limited 8. Aditya Birla Sun Life Insurance Company Limited 9. Air India Limited	1. Udyog Services Limited 2. Birla Consultants Limited 3. Birla Industrial Finance (India) Limited 4. Birla Industrial Investments (India) Limited
Chairman/Member of the committees of the Board of other companies in which he/she is a Director @	Nil	Nil
Number of shares held in the Company	Nil	7,150
Relationship between Directors inter se and other Key Managerial Personnel of the Company*	Related to Mrs. Rajashree Birla being his mother	Nil
Terms and Conditions of appointment/re-appointment along with details of remuneration last drawn by such person	Terms and Conditions of appointment or re-appointment are as per the Nomination and Remuneration Policy of the Company. Remuneration for FY 2020-21 is ₹ 70,000 by way of sitting fees.	Terms and Conditions of appointment or re-appointment are as per the Nomination and Remuneration Policy of the Company. Remuneration last drawn is ₹ 4.60 crores in FY 2020-21 as a Whole-time Director.

@ Committee positions only of Audit Committee and Stakeholders Relationship Committee in public companies have been considered.

* Under the Companies Act, 2013.

FOR INFORMATION OF THE SHAREHOLDERS

I. For ease of participation by members, provided below are key details regarding the 124th AGM for reference:

Sr. No.	Particulars	Details of access
1	Day, Date & Time of 124 th AGM	Friday, 16 th July, 2021, 02:30 P.M.
2	Book Closure (both days inclusive)	Thursday, 08 th July, 2021 to Friday, 16 th July, 2021
3	Record date for dividend for shares held in electronic form	Wednesday, 07 th July, 2021
4	Cut-off date for e-voting	Friday, 09 th July, 2021
5	Period for remote e-voting	Monday, 12 th July, 2021 from 09:00 A.M. to Thursday, 15 th July, 2021 till 05:00 P.M.
6	E-mail ID and period of registration for members who would like to express their views or ask questions during the AGM	ctil.secretary@birlacentury.com Period for registration as a speaker at the 124 th AGM: Thursday, 08 th July, 2021 (09:00 A.M. IST) to Monday, 12 th July, 2021 (05:00 P.M. IST)
7	Email-ID for Resident individual with PAN who is not liable to pay income tax need to submit form 15G/15H & Non-resident shareholders Form 10F by	Monday, 05 th July, 2021 investorrelations@birlacentury.com
8	Username and password for Video Conferencing (VC)	Members may attend the AGM through VC by accessing the link https://www.evoting.nsdl.com by using the remote e-voting credentials. Please refer the instructions provided in the Notice.
9	Helpline number and e-mail id for any query regarding VC participation and e-voting	NSDL: evoting@nsdl.co.in / 1800-1020-990/ 1800-224-430 Contact Mr. Amit Vishal, Senior Manager – NSDL or Mr. Sagar Ghosalkar, Assistant Manager – NSDL
10	Email ID and period for members seeking any information about the financial statements or any matter to be placed at the 124 th AGM	investorrelations@birlacentury.com on or before Thursday, 15 th July, 2021
11	Registrar and Share Transfer Agent- Contact details	Link Intime India Private Limited C-101, 247 park, L.B.S. Marg, Vikhroli (West), Mumbai-400 083. Tel No.: 022-49186270 Email ID - rnt.helpdesk@linkintime.co.in .
12	Century Textiles and Industries Limited- Contact details	Century Textiles and Industries Limited 'Century Bhavan', Dr. Annie Besant Road, Worli, Mumbai- 400 030. Tel: 022- 24957000 Email id: investorrelations@birlacentury.com

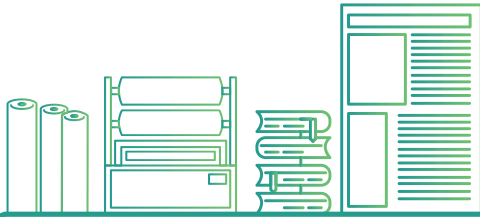
II. Process for registration of email id for obtaining Annual Report and user ID/password for e-voting and updation of account mandate for receipt of dividend:

Physical Holding	Send a request to the Registrar and Transfer Agents of the Company, LIIPL at rnt.helpdesk@linkintime.co.in providing Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address. Following additional details need to be provided in case of updating Bank Account Details: a) Name and Branch of the Bank in which you wish to receive the dividend, b) the Bank Account type, c) Bank Account Number allotted by their banks after the implementation of Core Banking Solutions, d) 9 digit MICR Code Number; and e) 11 digit IFSC Code, f) a scanned copy of the cancelled cheque bearing the name of the first shareholder.
Electronic (Demat) Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your Demat account, as per the process advised by your DP.



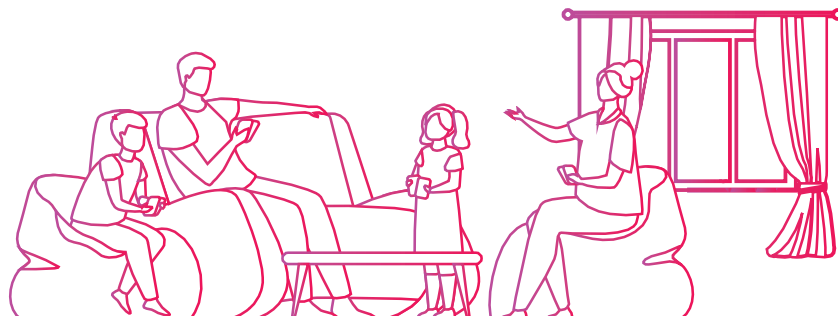
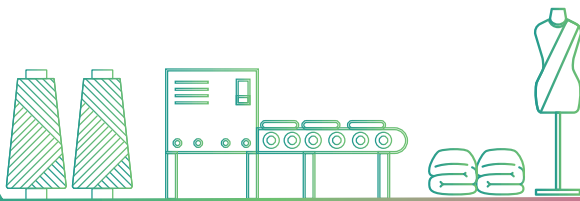
CENTURY TEXTILES AND
INDUSTRIES LIMITED

ANNUAL REPORT 2020-21



Customer

The centre of our universe



Tribute to a Legend



लोकाः समस्ताः सुखिनो भवन्तु

May all beings in the world be happy

Shri Basant Kumar Birla

(January 12, 1921 to July 3, 2019)

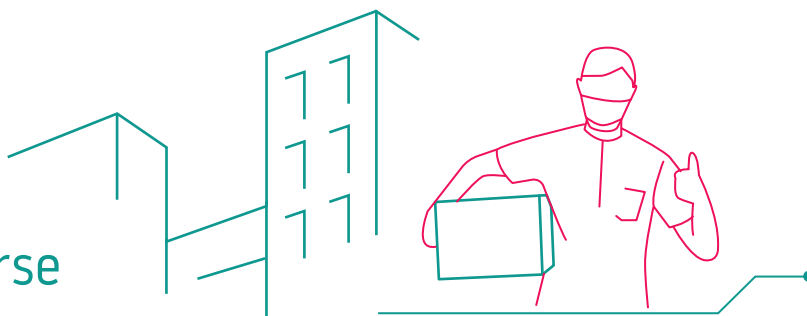
**FORMER CHAIRMAN
CENTURY TEXTILES AND INDUSTRIES LIMITED**



A visionary. A humanitarian. A legend.
His life was a rich tapestry of business acumen,
arts, culture and philanthropy.
He was always a beacon of inspiration.
We live by his values.

Customer

The centre of our universe



Customers form the cornerstone of every business. We, at Century Textiles, were well aware of this reality since our inception and have ensured that customer centricity is the focal point of our business model. We continuously engage with our customers and customise our products, services and solutions to cater to their evolving needs. Our focus on customer-centricity has resulted in us emerging as the preferred choice in our respective industries.



Customer trust has been at the heart of our vision and product excellence. Seamless service and a focus on delivering value-for-money are the enablers of our customer centricity journey. Since inception, we have worked hard to earn customer trust by following a few basic principles. These include:

- Manufacturing world-class products across our three businesses of textiles, real estate and pulp and paper
- Embedding technology and innovation across our businesses, through best-in-class, contemporary equipment, world-class processes and consistent digitisation leading to interactivity and convenience

- Undertaking advanced quality checks on all our products
- Ensuring our operations are sustainable with minimal environmental impact/footprint and value for our communities

A YEAR LIKE NO OTHER

In a year with unforeseen challenges, we led with empathy, care and concern for all our stakeholders, in line with our beliefs and value system. We were proactive in ensuring the safety of the people we serve and those we work with. Serving our customers, despite the unpredictability and challenges, remained a priority. We deployed our resources and dedicated efforts to ensure customer delivery and fulfillment of their needs. We communicated honestly and with transparency, keeping our customers informed of the evolving situation and our response, along with the steps we were taking to ensure business continuity.

Crisis often reveals character. At Century Textiles, we lived up to our commitment to customers, reinforcing our credo of always keeping customers at the centre of our universe.

Contents

OVERVIEW AND PERFORMANCE

- 02 Chairman's message
- 05 CTIL at a glance
- 06 Managing Director's message
- 10 Key performance indicators

BUSINESS SEGMENT REVIEW

- 12 Textiles
- 16 Real estate
- 20 Pulp and Paper

RESPONSIBLE BUSINESS

- 24 COVID response
- 26 Sustainability
- 28 People
- 30 CSR
- 32 Governance framework
- 34 Board of Directors
- 35 Management team
- 36 Steering our way forward

STATUTORY REPORTS

- 37 Directors' Report
- 45 Management Discussion and Analysis Report
- 51 Annexure I to V to the Director's Report
- 66 Corporate Governance Report
- 83 Business Responsibility (BR) Report

FINANCIAL STATEMENTS

- 93 Standalone Financial Statements
- 174 Consolidated Financial Statements

Chairman's message

A year of resilience and new perspectives

Our former Chairman and my grandfather, B.K. Birla, always encouraged us to go beyond the call of duty, and I feel proud to say that we have responded with empathy, maturity and agility during these challenging times.

Kumar Mangalam Birla



Dear shareholders,

FY21 was a year that defied normalcy. The COVID-19 pandemic upended the world and caused unprecedented disruption in more ways than one could have imagined. And yet, this year will define, for many years to come, the strength of our collective will. This saw us through a challenging year, and I have no doubt that this strength will help us face what lies ahead.

Global Economy

The world has been fighting the Covid-19 pandemic for more than a year now, and the struggle has had

deleterious economic effects. In 2020, the global economy contracted by 3.3%, the largest contraction on record, at least since World War-II. Much of it was concentrated in the first half of our fiscal year FY21, as several countries enforced strict lockdowns. Economies bounced back – albeit at differentiated speeds – in subsequent quarters, on the back of large fiscal stimulus packages, especially in the developed countries, restocking demand after dilution of lockdowns, and improved confidence levels following the start of vaccination programmes. As per the

recent forecasts from International Monetary Fund (IMF), the US and China are expected to record a strong recovery in 2021, resulting in a net positive expansion of their economies over the 2019 levels. These two engines of growth are expected to boost demand for exports from other countries. But Europe and Japan are projected to see only a partial recovery and will possibly fail to erase their last year's contraction in the current year.

In response to the pandemic, central banks resorted to strongly supportive

monetary policies in most developed economies, causing interest rates to go down to record lows. At the same time, another consequence of this policy has been a surfeit of liquidity. That has led to a strong rally in prices of many industrial commodities, which has also been supported by the evolving economic recovery, stimulus-related demand expectations and certain supply-side disruptions. This has caused inflationary pressures on the cost dynamic of several manufacturing industries.

The latest IMF forecast suggests a strong 6% growth in global GDP in 2021. But the occurrence of second and third waves of Covid in different parts of the world and reports of virus mutations have created downside risks to the outlook of a strong growth rebound. Recovery remains uneven and uncertain, with the extent of fiscal support and level of vaccination being key differentiators of the short-term economic outlook across countries.

Indian Economy

Indian economy, which was firmly on the path of recovery in the second half of FY21, has been hit in recent months by a rather unexpectedly virulent second wave of Covid-19. It has caused a severe strain on healthcare facilities in many parts of the country, leading to localised lockdowns and a fall in mobility to levels seen a year ago. The double-digit GDP growth expectations for India in FY22 have been pared back.

As a silver lining, disruptions to production and supply chains have been far less severe during the second wave than during the first wave. Vaccination is expected to pick up pace in the coming months, which would support normalisation of mobility levels and of related economic activities. Continued accommodative monetary policy of the RBI and the expected increase in capex from the Government will be the other supporting factors, helping the economy to steer through this difficult phase.

Of course, sustaining such recovery will require the containment of any further evolution of the pandemic.

Quite in contrast to the near-term challenges, the longer-term prospects for the Indian economy continue to be robust. Various initiatives, including privatisation of public sector enterprises, monetisation of assets, implementation of National Infrastructure Pipeline, targeted investment incentives through the Production-Linked Incentives Scheme and the new Labour Code, are likely to spur a virtuous cycle of investments and growth in the medium-term.

Enduring values

CTIL has been creating value for all its stakeholders for the past 124 years. During this journey, we have witnessed dramatic disruptions across businesses. And yet, we have emerged stronger every time. We owe our tenacity to the enduring values we abide by and which are part of our century-old legacy. Our former Chairman and my grandfather, B.K. Birla, always encouraged us to go beyond the call of duty, and I feel proud to say that we have responded with empathy, maturity and agility during these challenging times.

The resilience that our business has shown reflects the indomitable spirit of Team CTIL. While business was understandably impacted and the company's revenues and profitability dipped, but cash flows have been comfortable and CTIL has remained cost competitive. One of the company's biggest advantages is its diversified portfolio. It provides a natural hedge against cyclical and industry-specific disturbances. The company has kept a keen focus on conserving cash and controlling fixed costs. Deferring capital expenditure and new deals in the real estate business in the interim has also helped CTIL remain buoyant and devote all energies to delivering best-in-class products and services.

We continue to focus on deploying cutting-edge technologies that enable greater efficiencies and lower costs.

An agile business

Birla Estates – The Indian real estate sector was already seeing a rough patch when the pandemic struck. However, government stimulus, supplemented by factors such as decadal low interest rates and market-specific measures such as Maharashtra's reduction in stamp duty, helped revive demand. In fact, the pandemic has increased preference for home ownership as the workplace has shifted to home, making it imperative for organised players to come up with quality offerings to capture the market.

During FY21, Birla Estates performed quite well in terms of revenues, and collections witnessed decent traction with the expansion of our footprint to Gurugram, NCR. We received Platinum certification from Leadership in Energy and Environmental Design (LEED), for both our commercial projects, while our residential projects are IGBC Gold pre-certified. This further attests to our commitment to sustainability. The company also accelerated its digitalisation drive, arranged virtual walk-throughs, and launched an online sales platform. These initiatives enabled the company to engage more closely with customers, raising their satisfaction levels and continuing the growth trajectory.

Century Pulp and Paper – The global pulp industry witnessed price volatility due to disruptions caused by the pandemic that affected the entire supply chain. The pandemic also

accelerated the de-growth of writing/printing paper and newsprint, given the increased pace of digital adoption across businesses and the closure of educational institutions, malls, shops, theatres and other commercial establishments. On the domestic front, Indian paper and board prices will be highly dependent on aggressive Chinese buying, given that environmental regulations have restricted Chinese pulp manufacturing.

The year saw Century Pulp and Paper increase its offering of value-added products such as tissue and paperboard, a trend that will continue going forward. While rising consumer consciousness for health and hygiene led to higher demand for tissues, the growth in demand for pharmaceutical products raised the demand for paperboard. Given the agility of operations, the business was able to make the necessary changes to shift to paperboard manufacturing with greater focus. The company was thus able to sustain higher utilisation levels and even undertake planned expansion for tissue manufacturing to cater to the increased demand.

Birla Century – The global textile market witnessed significant changes with the shift from luxury apparels to

home décor amidst the new normal created by the pandemic. Indian textile exports declined in the face of increased competition from Pakistan, Bangladesh and Vietnam in the long-established markets of the US and EU regions. Preference for sustainable textiles was another industry trend that saw growing preference for organic, special finishes and eco-friendly textiles.

Since our apparel fabrics directly or indirectly supply to international brands, the market disruption has affected this business. However, with a steadfast emphasis on innovation and research efficiencies, the business launched the Birla Care range of products focused on health and hygiene, which was the need of the hour. The company continues to work with major international brands. With the return of normalcy in the US, the home linen segment, which specifically caters to the US market, is likely to pick up. Exports are gradually recovering, and as the situation in the domestic market limps back to normal, we will see a sharper recovery of the business. The company is now focusing on margin accretive products and exports. It is also planning to expand the footprint in the US hospitality sector, with emphasis on the made-up segment.

Emerging stronger

We continue to focus on deploying cutting-edge technologies that enable greater efficiencies and lower costs. With technology enabling greater integration of the customer service process, we are also able to gauge customer satisfaction and address the feedback received. The pandemic has given us the opportunity to upgrade and enhance our technology adoption. We will continue on this path as it helps us retain our competitive edge while remaining true to our core value of customer-centricity.

The last 12 months have given an impetus to the process of renewal at CTIL. The plumbing work has been done. I am confident that CTIL will emerge even stronger in the post-COVID world, with the customer at the core.

Sincerely,

KUMAR MANGALAM BIRLA
Chairman

At a glance

Setting trends for over a century

Founded in 1897 as a single entity textile mill, Century Textiles and Industries Limited (CTIL) has evolved under the astute leadership of Mr. B.K. Birla, its former Chairman, to become not only a leading textile player in the country, but a commercial powerhouse, with a deep footprint in real estate and paper and pulp industries.



Vision

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



Mission

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



Values

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

Our Businesses



BIRLA CENTURY

A premium textile player, offering custom weaves, designs and textures across a wide range of personal apparel and home linen textiles.



BIRLA ESTATES

Backed by a strong legacy of trust, transparency and excellence, Birla Estates is a premium real estate player, that delivers state-of-the-art LIFEDESIGNED® residential and premium office spaces.



CENTURY PULP AND PAPER

Century Pulp and Paper is a leading player in high-quality writing, printing paper, tissue and board segments. Besides, it is also engaged in the manufacture of Rayon Grade Pulp (RGP) Products.

Read more on **PAGE 12**

Read more on **PAGE 16**

Read more on **PAGE 20**

Managing Director's Message

A year of resilience and new perspectives

We made sure that we come together for the greater good, make well-being our top priority and connect with those who matter to us the most. In each of these critical aspects, our teams from across all three businesses rose to the challenge.

J. C. Laddha



Dear shareholders,

The year 2020 brought with it a host of unprecedented challenges. Within a short duration of time, the COVID-19 pandemic had raged through the world, upending lives, hollowing health systems, taking away jobs and bringing economies to a standstill for a major part of the year.

But every crisis also gives rise to new opportunities and opens up new vistas. And so has the pandemic. We have a new normal where digitalisation and technology adoption have become the key enablers of business as well as administration. This will become more and more evident as governments and service providers use these to reach out, help and support to the public.

Our Company has a longstanding legacy of growing with each challenge. This time, too, we used the unique circumstances presented by the year to clearly identify our priorities and come out a stronger and more resilient business concern.

During the year, the health and safety of all our key stakeholders were our

top priority. We promptly put in place a plan of action encompassing a host of initiatives to provide support and assistance to our people, our vendor partners and associates, and above all to our customers. Of paramount importance, though, was our approach to steady our business performance, with a clear focus on customers' needs and expectations, and especially their challenges. We realised that it was time to turn up our focus on customer-centricity by several notches, and I am happy to report that our teams successfully delivered, putting the customer first in their approach to business.

India's role in a challenging global scenario

As per the April 2021 World Economic Outlook from the International Monetary Fund (IMF), the year 2020 saw an economic contraction of 3.3%. The Indian economy also took a beating, contracting by 7.3% in FY21.

After a sharp decline in the first quarter of FY21, the Indian economy has been posting encouraging numbers though. The government's announcement of fiscal stimulus, the attention to MSMEs, the budgetary focus on infrastructure, manufacturing and railways, among others, have served to boost the overall market sentiment.

As per June 2021 projections of the Reserve Bank of India, the Indian economy is expected to recover by 9.5% in FY22. The second wave of COVID-19, which has proven to be more disruptive than the initial one, will soon be controlled as the vaccination programme gains traction. For all we know, the worst may be behind us and it is only a matter of time before public life regains normalcy and the engines of growth restart. The ongoing global vaccination drive has already infused confidence. The country has commenced its vaccination drive with great vigour and are on the path to complete the vaccination soon.

Customer centricity underpinned by empathy

For us at CTIL, the pandemic has been a period for demonstrating leadership, collective responsibility and imbibing learning from the opportunities that came our way. It gave us a clear glimpse of a predominantly tech-driven future, where the key to lasting value creation is widespread technology adoption, acquisition of suitable skills and an increasingly human-centric approach to business.

This realisation has led us to accelerate the process of transformation that has been part of our strategic vision through the recent years. We have responded with agility and innovation, as much as with deep empathy for those of us who have been impacted deeply. We made sure that we come together for the greater good, make well-being our top priority and connect with those who matter to us the most.

In each of these critical aspects, our teams from across all three businesses rose to the challenge.

During the pandemic, when our customers were facing challenges they had not foreseen, we stepped in to support them with innovative solutions and provided them with guidance whenever it was sought.

Our teams were determined to serve while keeping an eye on our business performance and delivering on our commitments.

Resilient performance

Throughout the year, we focused on stabilising our business and strengthening our customer connect. In this endeavour, our senior leadership team led the way. They personally engaged with our business associates via various digital platforms, discussing ways to help them enhance their business delivery.

Compassion and empathy became the driving force of our customer engagement strategy.

What we have achieved together is yet another mark of the inherent strength of the organisation. Our experience during the past year has reinforced our belief in our core values and our ability to deliver.

Performance across the business verticals

Birla Estates

The real estate business clocked an excellent performance in FY21 buoyed by strong sales at all our launched projects (Birla Vanya at Kalyan, Birla Alokya at Bengaluru and Birla Navya at Gurugram). The first quarter saw the industry coming to a grinding halt with the country wide lockdown. The reiteration of the importance of home ownership due to the pandemic, record low interest rates and government support to the sector led the revival of residential demand in the remaining quarters. We achieved sales in terms of booking value of INR 621 Crs with a growth of 34% Y-o-Y.

Customer-centricity is the driving force of CTIL's growth as a futuristic organisation. From it stems our ability to respond to the dynamic shifts in the market with sound innovative practices. Thus, enabling us to enhance our legacy of nurturing strong relationships based on empathy and productive customer engagement to our customers' needs and expectations.

We deferred the launch of our premium residential project at Gurugram, NCR (named Birla Navya) to October 2020. The project received an overwhelming response. We have also had robust response to our other projects. Phase-I of our project in Kalyan (Maharashtra) Birla Vanya is over 95% booked (in terms of booking value), while Birla Alokya, Bengaluru, has also witnessed strong sales during the year. We have a strong pipeline of upcoming new projects in Mumbai and Bengaluru, and new phases at Birla Vanya Kalyan and Birla Navya, Gurugram.

At Birla Estates, we deployed advanced technology to provide improved services to our existing and potential consumers. We created a platform for 360° virtual and guided tours. We upgraded our WhatsApp-based chatbot LIDEA with enhanced features and also experienced early success in terms of serving the information needs of our consumers, lead generation, site visits and actual property booking closure. Our digital system for tracking and responding to customer queries helped our relationship managers deliver solutions in a timely manner.

We proactively reached out to our commercial and retail consumers during the lockdown to offer support. Such active relationship management has not only helped our clients focus on critical aspects of their business but also ensured stable lease rentals for us.

Century Pulp and Paper

Our pulp and paper business witnessed high volatility during the year. Products such as board and tissues witnessed heightened demand from pharmaceutical and FMCG customers due to the pandemic. At the same time, demand for writing and printing paper declined, as educational and other institutions remained shut. Turnover contracted by over 26% from ₹2,383 crore to ₹1,774 crore.

Reacting with agility to the situation, we increased our tissue-making capacity by 100% by expanding with a new plant. To service the growing demand for tissues, we have invested ₹100 crore in capacity upgradation over the last few years. This enabled our enterprise customers to meet the demands of their consumers, thus ensuring business continuity for our partners. Additionally we decided to utilise the idle capacity of writing and printing paper in order to cater to the demand of other products, such as packing boards.

We also responded to the emerging opportunities in the health and hygiene sector and came up with innovative offerings such as disposable bed roll and barber hygiene kits, which are both eco-friendly and anti-microbial.

Birla Century

Our textile business also suffered and was impacted by the pandemic, due to the discretionary nature of the product, which mostly comprise premium offerings. Revenues contracted by around 21% from ₹735 crore to ₹582 crore.

To ensure business continuity, we used digital technology to provide a novel sampling experience to our textile customers. Prompted by the findings of our market research, we also began exploring into segments where we could provide value-based offerings.

The move proved to be a successful one. We forayed into newer categories and launched the Birla Care range that includes anti-viral, anti-microbial, anti-bacterial and anti-fungal products.

Our ESG approach to doing business

Our efforts at ensuring business continuity are underpinned by our strong commitment to sustainability. With a majority of our business relying directly on natural resources, focus on the planet remains integral to decision-making across the board.

Our businesses have continued to champion performance, driven by sustained efforts to cater to our customers' needs and expectations.

As a responsible citizen of corporate India, we believe in striving towards minimising the negative impacts on the environment and contributing to government efforts in mitigating climate change.

Real estates

Our real estate business continues to develop properties with integrated green zones aimed at bringing residents closer to nature. We design spaces to maximise natural lighting; use energy efficient equipment and solar water heating and lighting (for common areas). At all these sites, we will ensure waste management through effluent treatment plants and sewage treatment plants and efficient water management through rainwater harvesting, enabling eco-conscious living for our consumers.

Pulp and paper

Our pulp and paper business is agile and sustainability-focused. Additionally, we are developing a roadmap to ensure sustainable supply of raw materials, which includes maintaining our own plantations or tying up with agricultural universities. We are also working towards innovative plastic replacement products, especially packaging products in FMCG and pharmaceutical segments.

Textile

Our textile business offers world-class products that live up to international standards such as PETA, the Higgs

index, GMP, among others, all of which are focused on sustainable manufacturing and responsible procurement practices.

During the year, we also inked technological collaborations with world leaders like HeiQ – a Swiss innovator, Health Guard – an Australian chemical giant and Gencrest, a supplier of patented green technology for the development of greener and sustainable fabrics.

Our people, our power

At CTIL, we provide an open and a dynamic work culture to our people by embracing diversity, inclusivity and transparency. During the pandemic, we not only ensured that our people were able to work remotely, but we also helped them take care of their own

health and well-being. We ensured that help was available, ample and easily accessible.

We launched an initiative to safeguard the mental well-being of our people, named Making Individuals and Teams Resilient (MITR), and undertaken in association with MPower, an organisation pioneering mental wellness solutions. The programme sensitised our people about mental and emotional health at the workplace.

Looking ahead

I am thankful to our Board for championing global best practices and guiding us with foresight in such challenging times.

I take this opportunity to express my heartfelt appreciation for our

teams, our leaders, as well as our customers, who continue to stand by us. While working together through challenges, we have realised our individual strengths, which will help us pull through inadvertent times. Our safety and security are a collective responsibility that requires all of us to contribute to the best of our abilities. I wish you all a safe and healthy year ahead.

Sincerely,

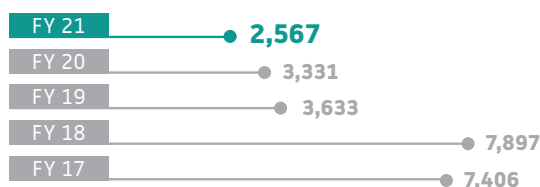
J. C. LADDHA

Managing Director, CTIL

Key performance indicators

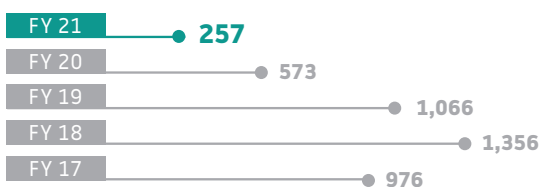
Resilient outcomes of a challenging year

Net sales & rent from leased properties (₹ in cr)



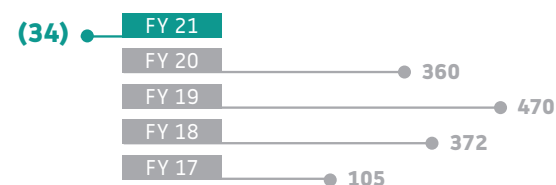
(22.9)% ▢ y-o-y

EBITDA (₹ in cr)



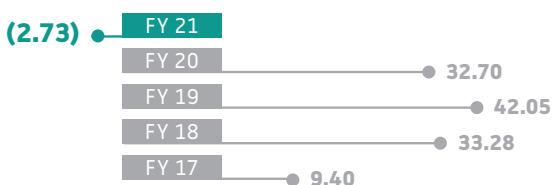
(55.1)% ▢ y-o-y

PAT (₹ in cr)



(109.4)% ▢ y-o-y

Earning per share (EPS) (₹)



(108.3)% ▢ y-o-y

Dividend per share (DPS) (₹)



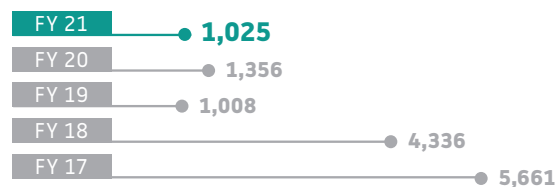
(66.7)% ▢ y-o-y

Net worth (₹ in cr)



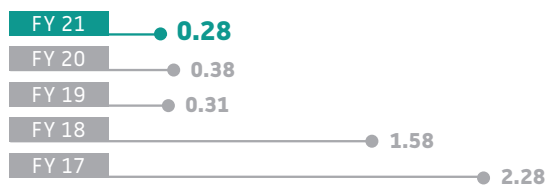
1.0% y-o-y 10.1% 5-year CAGR

Net debt (₹ in cr)

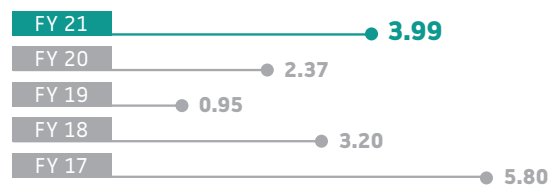


(24.4)% y-o-y (34.8)% 5-year CAGR

Net debt to equity ratio (Times)



Net debt to EBITDA (Times)



Book value per share (₹ in cr)



1.1% y-o-y 10.1% 5-year CAGR

Cement divisions of the Company were merged into UltraTech w.e.f. 20th May, 2018 as per the Order of National Company Law Tribunal, Mumbai. Hence up to 19th May, 2018, the financial statements includes Cement Division data and hence not comparable with the financial data for FY19, FY20 and FY21

Textiles

Birla Century

Birla Century is one of the leading textile players in the country, offering customised solutions in the personal apparel and home-textile space. We manufacture through a state-of-the-art vertically integrated manufacturing facility in Jhagadia, Gujarat, spread across 43.56 million square feet.

We supply world-class products and solutions to top global brands catering to consumers across the world.

Product portfolio



Shirtings

Premium fabrics from Egyptian, Supima cotton and blends in single and 2 ply



Bottom weight

Luxury suiting fabrics in 100% cotton solids and yarn dyeds



Finer fabrics

Feather touch, light-weight fabrics in fine counts with soft hand feel and durability



Bed linen

Tailored bed sheets and premium top-of-the-bed products with co-ordinated story

New launches and innovations



Health and hygiene

We launched our health and hygiene-focused product range under 'BIRLA CARE', during the pandemic. This portfolio comprises of finishes in anti-viral, anti-bacterial and anti-fungal products in our apparel and bed linen segments.



Anti-viral



Anti-bacterial



Anti-fungal



Sustainable range

This is a specially developed range, which offers highly innovative and pioneering products, which facilitates the creation of a circular economy.

- Enliven (wellness natural) finish has herbal hygiene functions, which is effective even after multiple home washes. Peter England (ABFRL) has launched it under the name Neem-Tulsi finish, while we are projecting it as Herbal Comprehensive Hygiene Finish into market.
- Herbal dyed fabrics/garments/bed linens have been in great demand after the pandemic. These are sustainable products which support environment and are chemically safe for human skin and health.

- Banana fibre fabric, a wealth out of waste innovation, produced out of biodegradable banana fibre and its blends. We will be pioneers in India to develop such sustainable products.
- **Liva Eco-viscose and Reviva viscose:** We have developed yarn dyed and piece dyed shirting and suiting range, which has been appreciated by consumers across the country.



Finer fabrics

Light-weight fabrics with smooth touch and feel made with fine and super fine counts for men's as well as women's wear using premium quality of cotton and also in blends with modal, viscose and linen.



Home linen

Our versatile product offering range from natural to regenerated fibers such as Excel, Modal, Recycled viscose, Bamboo etc. along with specialised finishes like anti-microbial, anti-viral, aloe vera, wrinkle-free etc, which offers health and wellness benefits along with durability and performance. It enables our consumers to elevate their sleep experience from ordinary to extraordinary helping them start afresh the next morning.



PREMIUM COTTON

Our home linens are made out of the best quality premium cotton, such as Suvin, Supima, Egyptian, Organic or BCI with traceability for a superior sleeping experience.

Strengths

100,000

spindles

300

looms

37

million metres p.a.
manufacturing capacity

9

million metres p.a.
cutting and sewing capacity

1st

in India

to receive STeP Certification for sustainability (in fabric manufacturing segment)



We are committed to provide superior customer satisfaction through our differentiated products, innovation and service. We are focused on providing unmatched quality without compromising the environmental and socio-economic standards.

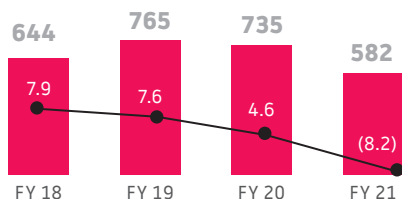


MR. R. K. DALMIA

Senior President and Whole-time Director, Century Textiles and Industries Limited

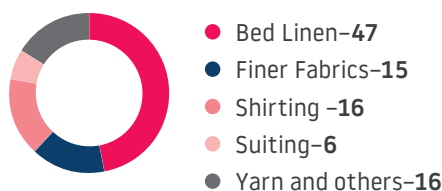
Key highlights

Turnover (₹ in cr) & EBITDA Margin (%)



● Revenue —● EBITDA margin

Revenue Mix – FY21 (Consolidated) (%)



Our Home textile segment has seen a healthy performance on the back of renewed demand as people spent most of their time at home. Our US-focused business too started to grow Q3 onwards, witnessing record sales during the festive season, especially during the Black Friday weekend, the one following Thanksgiving Day. Despite the pandemic, we performed to a satisfactory level, focussing on business with online players and exporters. Importance was on working capital management so we prioritised it. We are working towards offering more sustainable and innovative products during FY22.

Our focus on safety and sustainability empowers our customers to make more sustainable choices

Sustainability

- EnMS 50001: 2018 (Energy Management Systems) certified organisation
- Responsible raw materials sourcing, to ensure production, usage and disposition of our products in an eco-friendly manner
- Facility is equipped with ZLD effluent treatment plant
- Banned single-use plastic with less than 50 microns in the beginning of 2020
- Regular gap analysis for sustainable manufacturing
- Development of sustainable product range, based on material sustainability index, to cater to international customers

Adherence to standards for safety

- Site audit for sustainable manufacturing by independent agencies such as OEKO-TEX®, Hohenstein Institute-Germany
- Testing of products for harmful substances, as per OEKO-TEX® STANDARD 100

Adherence to ZDHC road-map

- Being part of the Zero Discharge of Hazardous Chemicals (ZDHC) group and as such have embraced SAC's (Sustainable Apparel Coalition) Higg Index - a suite of tools that allows for the accurate measurement and scoring of sustainability performance

Environmental roadmap

We developed our Environmental Roadmap for 2020-2024 on the baseline of 2019, in accordance with Higg FEM as structured framework to achieve:

- Industry innovation
- Brand leadership
- Continuous improvement

This roadmap focuses on seven key elements and measures our performance against benchmarks:

- Environmental Management System
- Energy Management
- Water Management
- Air Emission
- Wastewater Management
- Waste Management
- Chemical Management

Awards and Certifications



Golden Peacock Award
for Energy Efficiency
– 2020

Silver Medal in NAMC
– 2020

Special award
under the category
'Transformational
Journey towards
Differentiated Products',
by International
Research Institute for
Manufacturing (IRIM)

The only A+ category Indian
textile fabric supplier in the
supply chain of Inditex-Zara

Case Study presentation
published by IOD-on Energy
Efficiency in the Winners'
Digest

Customer centricity at Birla Century

At Birla Century, our foremost commitment is to serve our customers. We offer high-quality products and are constantly working on improving process efficiencies at our manufacturing units to achieve faster deliveries. We engage with institutional customers through regular participation in trade fairs.

We are distinguished by our investment in research and development, which enables us to consistently upgrade our design, development, and product sampling processes as well as our products.

We partner with our brands in product development initiatives and offer customer centric capabilities relevant to their business priorities and also have cross functional teams to get the feedback from customers.

Our corporate office in Mumbai and manufacturing facility have exclusive design studios equipped with a comprehensive library of weaves, designs and finishes. Both the studios, equipped with cutting-edge technologies, work under the aegis of our R&D department.

We offer customised and technical solutions leveraging our expertise in textiles, in the field of quality, packing and delivery requirements, in line with the evolving preferences of the customers. We continuously monitor and analyse the changing needs of the customers through periodic customer visits by our marketing and technical personnel. This also helps in following green processes across segments.

We have built strong synergistic ties with other Group units and institutions, which aids our R&D abilities.

Key aspects of consumer-centricity



Thoughtful innovations

Health and hygiene fabrics like anti-microbial, anti-fungal and organic products developed way ahead of the peer response



Quality products

Adhere to ASTM Standards and AQL 2.5 system for quality assurance

Continuous monitoring of procured raw materials against standard specifications

Quality SOPs defined and adhered, with audit of all quality check-points, to ensure quality output

Internal test reports regularly mapped against third party laboratories for co-relation

Trained personnel employed to maintain NABL and buyer accredited laboratories' compliances and quality standards



Bespoke solutions

Customise products in terms of weave, design and texture to better meet client's requirements

Diversified into value offerings during the pandemic induced lockdown, as the demand for premium goods was adversely impacted



Deeper engagements

Engage our customers in product development initiatives and seek constant feedback to improve offerings



State-of-the-art technologies

Adopt the latest technologies helping us to customise and innovate

Developed a customers' app during the pandemic, to ensure business continuity along with social distancing

Real estate

Birla Estates

Birla Estates Private Limited was established in 2016 to deliver exceptional value to its customers in the form of a lifestyle that combines the advantages of technology, innovation and sustainability. Our LIFE**DESIGNED**® homes and workspaces are built on the Birla legacy of excellence and our values of trust and transparency.



Birla Centurion, Mumbai

We aim to expand across major cities in India with joint development agreements and strategic tie-ups, apart from developing the land parcels owned by the Group. Within a short time, we have been able to successfully build a strong portfolio of commercial and residential properties in Mumbai Metropolitan Region (Maharashtra), Bengaluru (Karnataka), and National Capital Region

LIFE**DESIGNED**®

LIFE**DESIGNED**® is our guiding philosophy, that enables us to influence lives through our projects. Each LIFE**DESIGNED**® project is meticulously perfected to nurture and enrich our customers' lives. We, at Birla Estates, create spaces with deep consumer insights that not only offer a good lifestyle but also helps us build an ecosystem that is designed around life, both within and outside the boundaries of our projects.

Our projects

Commercial (Completed projects)

Project name	Location	Land area (in lakh sq. ft.)	No. of storeys
Birla Aurora	Worli, Mumbai	2.7	22
Birla Centurion	Worli, Mumbai	3.5	13

Residential

Project name	Location	Land area (in acres)	Status
Birla Vanya	Kalyan	21	Launched Phase - I
Birla Alokya	Bengaluru	8.1	Launched
Birla Navya	Gurugram	39	Launched Phase - I

Upcoming

Project name	Location	Land area (in acres)	Project type
Magadi Road Project	Bengaluru	4.7	Residential
Century Mills Project	Worli, Mumbai	30	Mixed use

Disclaimer

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

The Project “Birla Alokya” comprising of 218 Villaments and a Club house is registered with Karnataka RERA under the Registration No. PRM/KA/RERA/1250/304/PR/190724/002725 and can be viewed at: <https://rera.karnataka.gov.in/>

RERA Registration - Birla Navya (Amoda I and II) - RC/REP/HARERA/GGM/390/122/2020/06 OF 2020; Birla Navya (Drisha 1A) - RC/REP/HARERA/GGM/391/123/2020/07 OF 2020. www.haryanarera.gov.in

The Project is being developed by Avarna Projects LLP (“Developer”). Birla Estates Private Limited and Anant Raj Limited are partners in the Developer LLP. Plans for the project are subject to further approvals/modifications from the concerned authority/ies and/or the Promoter/Developer. The sale of Unit/Flat/Apartment/ Floor is subject to the terms and conditions of the Application Form and Agreement to Sale. You are requested not to visit to/rely on any unauthorized or unverified website/ broker (online/offline) to receive any information about any projects of the Promoter/Developer and/or its sister concerns. The Project is being developed on plots acquired by the Developer in a residential plotted colony forming part of License No. 119 of 2011, License No. 71 of 2014 and 104 of 2019. “Club” has been approved as Community Centre in the approved plans.



Birla Vanya, Kalyan, Maharashtra



Birla Alokya, Bengaluru, Karnataka



Birla Navya, Gurugram, NCR

Doing more for our customers through sustainability

Our projects are LEED certified, providing our customers the opportunity to experience an eco-friendly lifestyle. In keeping with these ethos, our projects are also equipped with organic waste management systems, sewage treatment plants and rainwater harvesting infrastructure.

Key highlights

1 million sq. ft.
sold cumulatively in less than 2
years (for three launched projects)

Performance of our chatbot LIDEA

4,000

unique users engaged with
us for information regarding
Birla Alokya and Birla Navya

This has been an unprecedented year which brought with it its own challenges and significant opportunities. We launched Birla Navya in Gurugram in October 2020 and achieved a strong sales performance. All the other launched projects (Birla Vanya, Kalyan and Birla Alokya, Bengaluru) also saw robust sales bookings. There is a healthy demand for residential properties as affordability has increased on account of lower interest rates and the growing government focus on housing and infrastructure development. We are also seeing a notable shift in customer preference towards branded developers.

Strengths

3 markets

Established presence in MMR, NCR
and Bengaluru

90%

average occupancy for the year
across the two commercial
properties

5 upcoming launches

across MMR, NCR and Bengaluru

2 new project

launches in Worli, Mumbai and
Magadi Road, Bengaluru



Our excellence lies in our ability to deliver exceptional value to our customers. The aim is to not only serve the discerning consumers of today but develop an urban landscape that meets the needs of the future generations. We are confident that our customer-centric approach will help in the real estate industry.



MR. K. T. JITHENDRAN
CEO, Birla Estates Private Limited

Customer centricity at Birla Estates

At Birla Estates, our portfolio of premium offerings, a dynamic customer-centric team, and our industry partnerships are helping us to grow our business despite the challenges posed by the external environment.

Key aspects of customer centricity



Thoughtful innovations

Developed digital apps to facilitate virtual 360 degree tours for customers to view our properties, reducing the need to travel

Developed an advanced Customer Query Ticketing System to address customer concerns in a timely manner



Quality products

Worked with the best-in class architects and construction partners to develop customer centric masterplan and high quality construction

Offer premium residences that include lifestyle aspects suited to high quality urban living

Green zones made as integral part, improving the carbon footprint as well as quality of life for the residents



Bespoke solutions

Every project is backed by extensive consumer research to understand the needs of target customers



State-of-the-art technologies

Developed a digital sales tool for a seamless online experience

Additional services to enhance the utility of our existing whatsapp-based chatbot, LIDEA



Deeper engagements

Engaged deeply with our customers through programmes such as Van Malhar, Make-a-Wish, online webinars and events on child care and education, fitness, home loans and motivation to enrich customers' lives

Customer immersion programmes and dedicated relationship managers for comprehensive customer service

Awards and Certifications



Iconic Emerging Developer in India -
Mid-Day Real Estate Icons Awards 2020

Luxury Project of the Year (Birla Navya) -
RE/MAX Estate Awards 2020

Iconic sustainable township (Birla Navya) -
Hindustan Times 2021

Pulp and paper

Century Pulp and Paper

Century Pulp and Paper is a leading manufacturer of tissue, board and Rayon Grade Pulp (RGP) products. We manufacture world-class quality writing and printing paper at our 400-acre state-of-the-art facility situated at the foothills of the Himalayas, in Lalkuan, Nainital, Uttarakhand.

Quality products, agile operations, environment-friendly and sustainable business practices, along with focus on local community development enable us to stay ahead of the curve and make us the supplier of choice for our customers.

Product portfolio



Writing and printing paper

Stationery items such as notebooks and envelopes

1.98 »



Multi-layer packaging board

Packaging boards with applications in e-commerce, food, FMCG and pharma industries

1.80 »



Tissue

Jumbo Soft Tissue Paper Rolls, Facial Tissue, Towel Grade Tissue, Napkin Tissue and Toilet Tissue

0.72 »



Rayon Grade Pulp

Viscose staple fibre, viscose filament yarn and cellophane papers

0.36 »

» Capacity (lakh MTPA per year)

Product Innovations



DISPOSABLE BED ROLL

The disposable bed roll is made of high wet strength tissue, based on 100% green concept and is developed especially for use in OPDs to prevent patients from COVID-19 and other infections. Made of high-quality virgin tissue paper, this disposable bed roll provides an eco-friendly, bio-degradable, Optical Brightening Agents (OBA) free solution to tackle hygiene issues.



BARBER HYGIENE KIT

We developed a proprietary, hygienic solution for salons and its customers, with a 100% bio-degradable tissue-based product, which can replace the clothes and towels used by the salons. These kits prove to be a good hygienic solution, providing antimicrobial protection, which absorbs sweat and is breathable. The kit includes barber cutting cape, beard shaving cape and napkin.

**CENTURY HIGH BF KRAFT**

We developed high BF Kraft paper by using virgin unbleached pulp, an eco-friendly, food grade product. It also passes compliance of heavy metal content, pentachlorophenol (PCP) and polychlorinated biphenyls (PCBs).

**CENTURY BARRIER COATED PAPER**

We are developing biodegradable and compostable barrier coating to paper, for providing sustainable solutions with plastic coating replacement in the food packaging industry. We successfully replaced PE Coated paper cups and

food containers with BioPBS based barrier coating to paper cups and food containers. We are further working on developing 10 products to replace plastic coating.

**Strengths**

4.86 lakh MTPA

Largest integrated single location manufacturing facility for Pulp and Paper in India

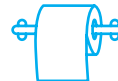
86.8 MW

Captive power generation capacity

Our product-wise presence across the globe (No. of countries)

20

Writing and printing paper



16

Tissue



32

Board



Providing the best quality products, without affecting the environmental and socio-economic standards is the sole focus for us as we strive to achieve customer-centricity at Century Pulp and Paper. Innovation, technology, R&D and designing capabilities are some of our USPs.

MR. J. P. NARAIN

CEO, Century Pulp and Paper

Sustainability, a commitment

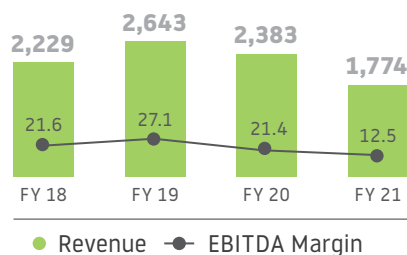
We pride ourselves in our efforts for sustainable wood procurement, with good-quality seeds supplied free of charge to the farmers. We have adopted best-in-class technology and processes at our manufacturing facility to reuse water. Heat exchanger and evaporator have been installed to reduce our energy consumption on the premises. A 2MW solar power plant is installed and commissioned in December, 2020 which helps us to add our total energy usage from renewable resources by 0.1% and new evaporator capex under progress will add total energy usage from renewable resources by at least ~3-4% in 2021.

Frost & Sullivan conducted the assessment of our site in February 2020 and rated it in Front Runners (Challengers) Category. It was a 9 man-days exhaustive, on site audit on four pillars of people, partnership, purpose and planet.

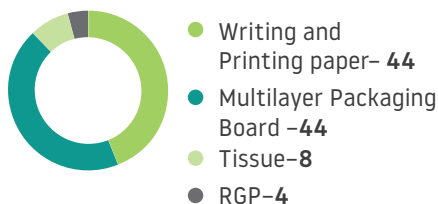


Key highlights

Turnover (₹ in cr) & EBITDA Margin (%)



Revenue Mix – FY21 (Consolidated) (%)



On account of the prevailing environment, the demand for tissues and boards increased, while that of writing and printing paper declined, as educational and other institutions were shut for a long time during the year. As the demand for tissue went up, we operationalised a new tissue manufacturing plant within a short span of 12 months, adding a capacity of 36,000 MTPA.

Customer centricity at Century Pulp and Paper

We offer best-in-class quality products for some of the biggest global brands, keeping the health and safety of the consumers at the fore. Our customer-centricity is boosted through digital solutions and deeper engagement levels.

Key aspects of customer centricity



Thoughtful innovations

Implemented a new SKU-based go-to-market approach, reducing our lead times from 25 days to 72 hours



State-of-the-art technologies

Developed bio-degradable packaging for FMCG products to replace plastic-coated packaging



Quality products

Utilised COVID-19 lockdown to implement quality improvement initiatives

Customer demand for brighter paper, fulfilled through adjustment of the opacity in the precipitated calcium carbonate plant



Bespoke solutions

Introduced new hygiene-focused products, like disposable bed roll, barber hygiene kit, high BF kraft and barrier coated paper

Capacity expansion for higher demand products like tissue and packaging board, to cater to the increasing demand from FMCG, pharma, and e-commerce segments



Deeper engagements

Top management directly engaged with the customers

Launched several products online, leveraging digital platforms

Planning the implementation of Net Promoter Score to improve our customer engagement



Awards and Certifications



Jury Special mention award for Optimisation of Power Plant, Sustainability 4.0 Awards by Frost & Sullivan & TERI

Certificate of merit as Front Runner (Challengers Category) in Sustainability 4.0 Awards by Frost & Sullivan & TERI

COVID-19 response

Demonstrating strength and agility

The COVID-19 pandemic disrupted the year in ways unprecedented and unforeseen. While it had a large-scale impact on people's health and economies around the world, a new set of opportunities also emerged.

At CTIL, COVID brought to the fore our focus on ensuring safety and customer-centricity, backed by our understanding of responsibility towards all our stakeholders.



For us at CTIL, taking care of the health and well-being of all our stakeholders was a top priority. At the same time, we improved our operational efficiencies by undertaking a variety of measures, that also included strategic calls such as halting fresh investments, to conserve cash resources.

We responded with the following initiatives for each of our stakeholders



Employees and partners

- Implementing work-from-home during lockdown (except the plants)
- Regulatory compliance through implementation of social distancing protocols at our manufacturing facilities, vehicles and canteens, among others
- Conducted organisation-wide digital sessions to sensitise employees on COVID-19 safety protocols and troubleshooting
- Microsoft Teams connectivity to keep employees engaged
- Organised e-learning modules and online business and compliance training sessions like POSH, IT security and more
- Sessions by industry leaders to prepare managers for changing business processes
- ABG Code Red Services were introduced. This included emergency services, doctor on call, ambulance support and bed availability for employees (as well as their families) along with app-based update facility and support for emergency contacts and individual details like blood group
- Implemented Making Individuals and Teams Resilient (MITR) an initiative for mental well-being, in association with MPower, a pioneering organisation in mental health awareness.



Customers

- We developed a variety of digital interventions including apps and online systems to ensure business continuity and take care of customers' health
- We continued to engage deeply with our customers through virtual sessions hosted and conducted by our top management

- Facilitated customised payment plans, lease re-negotiations to provide comfort
- Helped our channel partners recover dues from their customers
- We turned to a variety of innovations to make our offerings more relevant to our customers
- Ensured faster turnaround times by fine-tuning our strategy



Community

- Helped sanitise tribal areas and some parts of Lalkuan, Nainital
- We sensitised people on the safety precautions and measures during the pandemic
- Helped generate livelihoods by manufacturing masks and other products, especially for women during difficult times
- Distributed free ration and PPE kits during lockdown
- CPP team distributed 1.5 lakh litres of sanitiser and masks
- Infrastructure development of community centre to maintain social distancing
- Financial assistance to Chief Minister's Funds

Our efforts post-lockdown

As the country began to gradually re-open after the six-week lockdown, we undertook the following efforts to adapt to the new normal:



Technology

- Continued to leverage digital technologies to engage with customer
- Online platforms for compliance and engagement with customers and employees



Systems and processes

- To help our customers restart their businesses, we prioritised manufacturing products in the health and hygiene category, due to its high demand on account of COVID.
- Installed new capacity for tissues at CPP to keep up with the high demand. Manufacturing may have been scaled down but it did not stop anywhere.
- We began working towards commencement of additional capacities for board; started piloting transition of writing and printing paper manufacturing machine to packaging board machinery



Financial prudence

Undertook operational efficiency measures to optimise manufacturing plant resources, modifying processes, and implementing them with agility to enhance productivity levels.



Risk management

The risk management practices have traditionally been imbibed within our business processes. With the advent of pandemic, it was imperative to place greater emphasis on identifying and mitigating risks.

- The Risk Management Policy is annually reviewed by CTIL. This year, we used this opportunity to prepare a comprehensive Enterprise Risk Management (ERM) Policy and framework, meeting International Standards such as COSO (Committee of Sponsoring Organisation) and ISO 31000 with an aim to enhance our Corporate Governance practices. The formulation of the ERM policy and framework, entailed a complete re-understanding of the businesses of the company; management interviews; risk assessment and risk prioritising and reporting. Top risks across divisions have been identified based on a matrix of "Likelihood of occurrence X Risk Impact". Mitigation actions against each of these identified risks have been, either put in place, or are in the process of completion
- A Risk governance structure is also in place for managing and reporting of risks, which starts with the divisional risk owners and divisional risk officers to the chief risk officer and the Risk Management Committee to the Board

Sustainability

Committed for a better world

At CTIL, respect for natural resources is ingrained in our business approach. This inspires our strong focus on sustainability. We continue to adopt green manufacturing processes and best practices in the field of sustainability.

Sustainable practices at CTIL

BIRLA CENTURY	
 Waste and Water management	Commenced operations of ATFD and Sludge Dryer which will thus reduce our final waste from ETP substantially about 80% lesser load of landfill. Periodic third-party testing as per recommendations of ZDHC and Detox to Zero for waste and wastewater, were carried out and results were published on the public domain.
 Energy management	Utilised environment-friendly fuels such as Biomass Briquette, based on agro waste for steam generation. This will preserve fossil fuels and reduce GHG emissions. Working towards solar power project to be commissioned in FY22 to reduce carbon footprint and replacing fossil fuels.
 Responsible procurement and environment care	We increased the use of sustainable fibres such as BCI and Fairtrade Cotton, hemp fibre, lyocell fibre, in addition to development of banana fibre. We are further focusing on reducing the consumables and putting more attention on green procurement.
 Standards and compliance management	A five-year sustainability roadmap was developed in accordance with Higg Index. In addition to this, we comply with Facility Environmental Module (FEM), Facility Social Labour Module (FSLM), Material Sustainability Index (MSI), Oeko -Tex STD. 100 and were implemented to adhere with STeP and MIG tags compliances
 Zero plastic usage/Plastic replacement	No use of plastic carry bags at sites

Sustainable practices at CTIL



Waste and Water management

BIRLA ESTATES

45% Projected water saving at all existing projects.

No waste used for landfill.



Energy management

10% Projected energy saving in most existing projects.

Renewable energy used – Spaces designed for maximum use of natural lighting, energy efficient and 5-star rated equipment, Solar PV and water heaters at projects.



Responsible procurement and environment care



Standards and compliance management



Zero plastic usage/Plastic replacement

CENTURY PULP AND PAPER (CPP)

Reduced water consumption from 79 m³ in FY12 to 32 m³ in FY21 per tonne of finished goods paper by implementing 3R philosophy (Reduce, Recycle and Reuse).

Innovative green technology for treatment of high chemical oxygen demand (COD) wastewater for conversion into bio gas via Up Flow - Anaerobic Sludge Blanket Reactor (UASB) process. It is compressed as CNG and used as replacement for LPG in tissue plant.

CPP received 29,000 ESCerts (Energy saving certificates) by Bureau of Energy Efficiency during PAT cycle-II

2MW solar plant installed and commissioned.

Total 7.2 lakh trees planted in FY21.

All stacks of boilers and kilns are connected with latest technology ESPs, ensuring air quality as per statutory norms.

A range of new products developed as a part of plastic replacement movement such as bagasse pulp as tableware, Century High BF kraft paper to replace plastics and paper bags, etc.

New products in pipeline are PE-free soap wrapping paper, barrier coated paper as per replacement of plastic wraps, biodegradable water barrier coated board.

People

Our most important stakeholder

Our people are the soul of our organisation. At CTIL, we have a culture that values collaboration, transparency team work, business ethics and encourages diversity.

Key highlights

1,168

Average staff count

3,229

Average Workers (On roll)

3,205

Average Workers (Contract)



Continuous and deeper engagement with our people enable us to strengthen our employee value proposition. The key aspects are as below:



Health and safety

Our people, their health and well-being are our topmost priorities, especially in these challenging times. We took the following measures to safeguard our employees from the pandemic:

- **Life and general insurance:** We offered group life and critical illness insurance cover for our staff members. We introduced top up for health insurance for them during FY20 and witnessed significant participation in FY21. Lower Group rates and company contribution with monthly payment option made it easier for the staff to choose a higher cover and keep themselves and their families protected.
- **Precautionary measures:** We comply with social distancing guidelines at all facilities, including the use of company transport facilities. In-house sanitiser preparation, maintenance of isolation facilities and sanitisation of neighbourhood and buses were some of the other initiatives carried out.



Mental wellness

MITR (Making Individuals and Teams Resilient): MITR is an initiative aimed towards improving mental well-being, in collaboration with MPower, a pioneering organisation in mental health awareness. This initiative is aimed at building a psychologically safe environment at workplace and creating a space for expression of positive mental health. It is working to address and eliminate taboos around mental health issues. It encourages a safe environment for discrete discussions. Our team members can seek expert help at all times.



Learning and development

We offer ample opportunities for learning and skill development, enabling our people to realise their full potential and perform to the best of their capabilities. In addition to job-specific trainings provided at the functional level we also focused on behavioural trainings. E-learning was introduced in a big way to ensure continuous learning opportunities despite the pandemic.

At Birla Estates, all sales and customer relationship team members were trained on online selling and customer engagement while ensuring high quality standards of Birla Estates in first quarter of the year. This provided

2,045

Courses in progress

3,894

Courses completed

95.9%

of the staff availed e-learning facility

them the impetus to perform in the new normal. A couple of years ago, this method would have been unimaginable, given the deeply personal approach we have towards buying homes with our savings of an entire life.

Leadership development

Leadership managerial competency framework which was in development for our manufacturing businesses is now ready for use. With expert help, a customised online solution has been developed in-house, to help us identify talent and leaders at various levels. We had a successful pilot at one of the functions within CTIL and we intend to extend it across the board.

Working in the New Normal

Our IT team ensured that all employees have the required connectivity by installing software tools like MS Teams on all laptops before lockdown began. We also moved to various online compliance platforms recently.

The focus in the first quarter was to equip managers on working in the new normal. Multiple sessions with the industry leaders and thought leaders were organised for our senior managers where various aspects and approaches to the new normal were discussed.

Increasing our agility through de-layering

The pandemic has accelerated the speed of change that all of us have been witnessing over past couple of decades, with leading terms like 'Volatility, uncertainty, complexity and ambiguity (VUCA)' becoming a common phenomenon. An initiative of organisational de-layering was launched this year, which helped us to have a leaner organisational structure to bring greater agility to the organisation, while not affecting the overall team strength. This initiative has helped bridge hierarchical gaps and enabled managers to become more approachable for smoother working and faster decision-making.



CSR

Partnering our communities for inclusive growth

Giving back to the society is an integral part of our corporate philosophy. Our mission is to enable inclusive growth, enrich the lives of the underprivileged within the communities we engage with and to create a more sustainable future for all.



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

₹11.3 cr
CSR spend in FY21





Community help

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

JHAGADIA, BHARUCH, GUJARAT

General and ladies waiting room upgradation and garden at Bharuch railway station

LALKUAN, NAINITAL, UTTARAKHAND

- Cleaning slum areas
- Toilet construction in Uttarakhand
- Provision of drinking water by installation of India Marka Hand Pumps and RO systems
- Maintenance of parks at Haldwani and Nainital
- Upliftment of socio-economic standards in rural districts of Nainital
- Construction of roads, drains, culverts and retaining walls at Bindukhatta and Shantipuri
- Provision of cattlefeed at Gaushala



Livelihood and women empowerment

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

JHAGADIA, BHARUCH, GUJARAT

Installed 240 spindles ring frame, looms and also a training centre at Sewa Rural to facilitate the training and development of rural people.

LALKUAN, NAINITAL, UTTARAKHAND

- Skill development programme for students of ITI Bindukhatta
- 4 training centres and skill development for females



Healthcare

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

JHAGADIA, BHARUCH, GUJARAT

- Labour room for PHC at Kapalsadi
- Hospital equipment at Sewa Rural, Jhagadia

LALKUAN, NAINITAL, UTTARAKHAND

- 4 medical camps, blood donation camps were held and medical awareness campaigns for females
- Drug addiction awareness camp
- Medical mobile vans for disabled



Education

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

JHAGADIA, BHARUCH, GUJARAT

- Construction of 4 classrooms at Umadhra High School
- Library, stage and other infrastructure at Valia Primary School
- Aanganwadi at Valia
- Toilets and boundary wall at Taropa government school

LALKUAN, NAINITAL, UTTARAKHAND

- Renovation of primary schools at Rajeev Nagar and Railway Colony
- Construction of rooms, furniture, computers in government schools at Bindukhatta and Shantipuri
- Smart classes at Baddi
- Infrastructure development in government schools

Governance framework

Strong stakeholder stewardship

At CTIL, our Corporate Governance philosophy is guided by our core values and its framework acts as an enabler to achieve our vision of manufacturing quality products, that continuously delight and enhance customer experience. The framework prioritises community development and the environment, just as much as it emphasises a passion for excellence. It also helps us extend equitable opportunities for all and provide a safe and productive workplace for our employees. All this combined with best management practices and total compliance with applicable standards ensure the creation of sustainable value for all stakeholders.

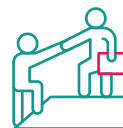
BOARD DIVERSITY

Directors	Number
Executive Directors	2
Non-Executive Non-Independent Directors	2 (Including one woman director)
Non-Executive Independent Directors	4 (Including one woman director)

ACCOUNTABILITY

- The Directors collectively bring in, with long and diverse experience, a plethora of business management fields, which include among other things, business strategy and management; finance and accounting; financial markets; law and regulations; marketing, communications and branding; social and community development.
- The Board is on the top of the leadership structure of the company and mantles the role of strategising, planning, guiding and monitoring the vision, mission, objectives, goals and targets of the company and its divisions.

PILLARS OF GOOD GOVERNANCE AT CTIL



Accountability



Fairness



Transparency



Stakeholder management

- The Board is appended with specific sub-committees to support their functioning: -
 - Audit Committee
 - Nomination and Remuneration Committee
 - Corporate Social Responsibility (CSR) Committee
 - Committee of Independent Directors
 - Stakeholders Relationship Committee
 - Risk Management Committee
 - Finance Committee

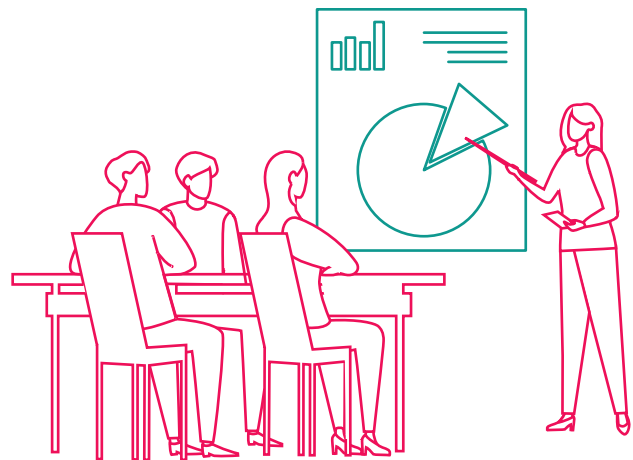
- At an executive level, we have also constituted an Executive Committee (EC), the Managing Director, the Whole-time Director, the CFO, the CHRO and the divisional CEO are members. The EC performs the responsibility of collectively deliberating and formulating organisation wide policies, processes, etc. It also is the go-to committee, for any major crisis or emergency.

FAIRNESS

- We ensure that we comply with all the disclosure norms required under various regulations to provide for the right of the shareholders to accurate and timely financial information and information about those serving on the board of directors. Quarterly earnings information is made available on our website and any major developments are informed through updating of the investor presentation on the website.
- We have a robust process to provide an opportunity for shareholders to voice their grievances, raise any issues concerning a violation of shareholder rights, as well as, for the redressal of such grievances and issues. A report on the same is placed before every stakeholder committee meeting. During the year the company received 10 complaints and each of them were disposed off to the satisfaction of the shareholders. The outstanding nos. of complaints at the end of the year are nil.
- We have zero tolerance for sexual harassment at workplace and have adopted a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. No complaints were filed during the financial year and complaint pending is nil as on end of the financial year.

TRANSPARENCY

- All related party transactions entered into, in the ordinary course of business and arm's length pricing basis, are placed periodically before the audit committee in summary form, including transactions for which omnibus approval of the Audit Committee is taken. Material individual transactions with related parties, not in the normal course of business, that may have potential conflict with the interest of the Company at large are dealt in accordance with applicable laws. During the year all individual transactions with related parties or others were on



an arm's length pricing basis. Transactions with related parties as per requirements of IND AS 24 – 'Related Party Disclosures' are disclosed in Note 40 to the Financial Statements.

STAKEHOLDER MANAGEMENT

- Familiarisation Programme for the Independent Directors:** We have, over the years, developed a robust familiarisation process for the newly appointed Directors with respect to their roles and responsibilities. The process has been aligned with the requirement under the Companies Act, 2013. The process, inter alia, includes providing an overview of the Textile, Pulp & Paper and Real Estate Industries relating to the Company's businesses, the risks, and opportunities, etc.
- We have developed and maintained Standard Operating Procedures (SOPs), with respect to dealings with Customers, Dealers, Agents, Vendors, Suppliers, Transporters and other Business Associates. These SOPs ensure fair and transparent practices, pricing and terms as well as sustainable practices.
- Our facilities are generally located in areas where, among others, disadvantaged, vulnerable and marginalised communities with poor socio-economic indicators are living. All plants of the Company undertake community initiatives for inclusive growth and equitable development in the field of education, health care, promotion of sports and other general areas through its employees and in-house teams.
- Our Employee Value Proposition (EVP) includes along with usual items, a specific focus on Health, Safety and Mental Wellness. Comprehensive Life and Medical Insurance is provided through one of the best insurance plans in the country. The Company has introduced mental health awareness, support and expert advice/counselling to our staff and their families, in collaboration with a pioneering organisation in mental health awareness.

Board of Directors

Our Board of Directors are responsible for our long-term success through setting of strategies, delegating responsibilities and providing an overall direction to the business, while effectively managing risks and ensuring governance.



Mr. Kumar Mangalam Birla
Chairman



Smt. Rajashree Birla
Non-Executive Director



Mr. Yazdi P. Dandiwala
Independent Director



Mr. Rajan A. Dalal
Independent Director



Mr. Sohanlal K. Jain
Independent Director



Ms. Preeti Vyas
Independent Director



Mr. J. C. Laddha
Managing Director



Mr. R. K. Dalmia
Whole-time Director

Management team

The management team at CTIL, comprising of industry veterans, lead the efforts in implementing the strategies set forth by the Board, in line with our ethos. Together, they stimulate all the resources towards achieving our goals.



Mr. J. C. Laddha
Managing Director



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



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



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



Mr. Arun Gaur
Chief Human Resources Officer



Mr. Snehal Shah
Chief Financial Officer (CFO)



Mr. Atul K. Kedia
*Vice President (Legal) and
Company Secretary*

Auditors:
SRBC & CO. LLP, Mumbai

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

Steering our way forward

BIRLA CENTURY

1st
in India



2nd
in the world



To have Leadership
in Energy and
Environmental
Design (LEED) Gold
V4 certified textile
company

We offer premium products in our apparel and bed linen segments from our state-of-the-art plant, accredited with the STeP certification 'Made in Green' for our compliance with environmental guidelines.

100 acres

Spread of our manufacturing plant

BIRLA ESTATES

34+ lakh
square feet area

Under construction
across 3 projects



KALYAN
(MAHARASHTRA)



BENGALURU
(KARNATAKA)



GURUGRAM
(NCR)

Established in 2016, we have widened our footprint in some of the fastest-growing cities in the country.

3 markets

Established presence in MMR,
NCR and Bengaluru

CENTURY PULP AND PAPER

Largest

integrated single location
manufacturing facility for
Pulp and Paper in India

Pulp and paper products account for 69% of our revenue. We are engaged in the manufacturing of high-quality writing and printing paper at our 400-acre state-of-the-art manufacturing unit in (Lalkuan, Uttarakhand), the largest of its kind in India.

4.86 lakh MTPA

Aggregate production capacity

Directors' Report

Dear Shareholders,

We have pleasure in presenting the 124th Annual Report of the Company along with the audited statement of accounts for the year ended 31st March, 2021. All the business segments of the Company faced disruptions during entire 2020-21 caused by the COVID-19 pandemic outbreak. These disruptions manifested into lacklustre demand and pressure on selling prices for the products of the Company. Thus, the performance of the Company for the financial year 2020-21 has been adversely affected as compared to the previous year. As the pandemic is still continuing with the situation being fluid, the Company continues to monitor and assess the business operations regularly and is taking all possible precautions in terms of safety of its staff and workers at all the locations of its offices and manufacturing plants.

The summarised financial results are given below.

1. SUMMARISED FINANCIAL RESULTS:

Particulars	(₹ in Crores)			
	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Earnings before finance cost, tax, depreciation and amortisation (EBITDA)	366.17	695.22	285.32	600.06
Less:				
Finance Cost	88.55	93.13	70.70	87.09
Profit after Finance Cost	277.62	602.09	214.62	512.97
Less:				
Depreciation	229.02	227.76	231.13	228.58
Profit / (Loss) before tax	48.60	374.33	(16.51)	284.39
Less/(Add):				
Adjustment of tax relating to earlier periods	(19.25)	-	(19.25)	-
Deferred Tax Debit / (Credit)	17.81	(93.69)	17.81	(93.69)
Profit / (Loss) after tax from continuing operations	50.04	468.02	(15.07)	378.08
Less:				
Loss after tax from discontinued operations	18.54	17.65	18.54	17.65
Net Profit / (Loss) for the year	31.50	450.37	(33.61)	360.43
Other Comprehensive Income / (Loss)	2.28	(4.00)	2.28	(4.00)
Total Comprehensive Income / (Loss)	33.78	446.37	(31.33)	356.43
Loss Attributable to Non-Controlling Interest	-	-	3.17	4.82
Total Comprehensive Income / (Loss) of the Company	33.78	446.37	(28.16)	361.25
<u>Retained Earnings</u>				
Balance brought forward	1255.51	910.13	1157.99	897.73
Total comprehensive Income / (Loss) for the year	33.78	446.37	(28.16)	361.25
Equity Dividend	(33.51)	(83.77)	(33.51)	(83.77)
Tax on equity dividend	-	(17.22)	-	(17.22)
Transfer from Debenture Redemption Reserve	181.26	-	181.26	-
Balance carried forward	1437.04	1255.51	1277.58	1157.99

Directors' Report (Continued)

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

2. DIVIDEND:

The Board of Directors has recommended a dividend of 10% i.e. ₹ 1/- (Rupee one only) per share, of the face value of ₹ 10/- each, for your approval which will be subject to applicable tax in the hands of shareholders. Last year the dividend was paid @ 30% subject to applicable tax in the hands of shareholders. This dividend will be paid when declared by the shareholders, in accordance with law. The aggregate amount of dividend will absorb ₹ 11.17 Crores.

3. TRANSFER TO RESERVES:

It is proposed to transfer ₹ Nil (previous year ₹ Nil) to Reserves out of retained earnings.

4. SHARE CAPITAL:

The Company's paid up equity Share Capital continues to stand at ₹ 111.69 Crores as on 31st March 2021. During the year, the Company has not issued any Shares or Convertible Securities.

5. EXPORTS:

The total exports of the Company amounted to ₹ 345.85 Crores (Previous year ₹ 598.72 Crores) representing about 12.91 percent of the total income.

6. CREDIT RATING:

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

7. DISCONTINUED OPERATIONS:

Century Yarn and Century Denim:

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

8. EXPANSION & MODERNISATION:

a) Pulp and Paper:

- i) New Tissue Plant to manufacture Prime Grade Tissue Paper with a capacity of 100 tonnes per day was

installed during the year. Trial run of the plant has been started on 14th March, 2021.

- ii) Due to Covid-19, no erection and commissioning activities have been undertaken during 2020-21 for upgradation of paper machines 3 & 4 and for installation of a new evaporator.

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

9. DIRECTORS:

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

The Board recommends his re-appointment.

- b. Mr. R.K. Dalmia (DIN: 00040951), Senior President, Textile Division of the Company, has been re-appointed as a Whole-time Director of the Company with effect from 15th September, 2021 till 31st March, 2023. A suitable resolution in this regard is being proposed at the forthcoming Annual General Meeting of the Company for the approval of the Members of his re-appointment as a Whole-time Director of the Company.

The Board recommends his re-appointment.

c. Familiarisation Programme for the Independent Directors

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

d. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, the Board has carried out an annual performance evaluation of its own performance; of the Directors individually; as well as the evaluation of

the working of its Audit, Nomination & Remuneration and other Committees of the Board.

At the meeting of the Board, all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various Committees, were discussed in detail. A structured questionnaire, each in line with the circular issued by SEBI, for evaluation of the Board, its various Committees and individual Directors, was prepared and recommended to the Board by the Nomination & Remuneration Committee, for conducting the required evaluation, after taking into consideration the inputs received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, etc. A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority Shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. Independent Directors fulfill the criteria of independence and they are independent of management. The performance evaluation of the Chairman and non-independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

e. Meetings

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

10. AWARDS, CERTIFICATES, PRIZES:

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

Birla Estates Private Limited (100% subsidiary):

- Birla Estates was recognized as the Iconic Emerging Developer in India by Mid-Day at its Real Estate Icons Awards – 2020.
- Birla Navya the Premium floor residences project in Golf course extension, Gurugram received many awards like the Residential Project of the year at Realty+ Conclave & Excellence Awards (North) - 2020 and Luxury Project of the Year (North) at RE/MAX Estate Awards 2020. The project was also recognized as the 'Iconic Sustainable Township' by Hindustan Times.

- Birla Alokya in Whitefield Bengaluru was recognized as Iconic Project of the Year (South) at Realty+ Conclave & Excellence awards 2020.

Birla Century (Textiles Division):

- Golden Peacock Award for Energy Efficiency – 2020.
- Claimed score of 77.4% and won Silver Medal in NAMC – 2020 along with special award for "Transformational Journey towards Differentiated Products".

Century Pulp & Paper Division:

- Sustainability 4.0 Challengers Award: Lalkuan Plant has been awarded "Sustainability 4.0 Challengers Award-2020" in a joint assessment conducted by Frost & Sullivan and Teri, covering various business aspects under 4 major pillars i.e. People, Partnership, Purpose and Planet.
- Sustainability 4.0 Power Plant Optimization Award: Lalkuan Plant has been awarded "Sustainability 4.0 Jury Special Award-2020" (2nd runner-up) towards various Energy Conservation efforts made by the plant. This evaluation has been made in a joint assessment conducted by Frost & Sullivan and Teri, covering various energy conservation parameters like – boiler & TG combined cycle efficiency improvements, coal & power saving initiatives and plant's contribution towards Environment etc.
- Agro-Industrial Exhibition Award: In the 109th "All India Farmers' Fair and Agro-Industrial Exhibition – 2021", organised by and held at G B Pant University of Agriculture & Technology, Pantnagar, Uttarakhand, the Division has received First prize.

11. AUDITORS:

S R B C & Co. LLP, Chartered Accountants (ICAI Firm Registration No.324982E/ E300003), who are the Statutory Auditors of the Company were appointed as the Statutory Auditors for a term of five years at the Annual General Meeting of the Company held on 28th July, 2016. S R B C & Co. LLP is completing their present term of five years as Statutory Auditors of the Company at the conclusion of the ensuing Annual General Meeting. They are eligible for re-appointment for a second term of five years as provided under Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014. The Board of Directors upon the recommendation of the Audit Committee, propose their re-appointment for second term of five consecutive years as Statutory Auditors of the Company from the conclusion of the forthcoming Annual General Meeting subject to approval of shareholders of the Company. They have confirmed their eligibility under Section 141 of the Act, and the Rules framed thereunder,

Directors' Report (Continued)

for their appointment as Auditors of the Company. Resolution seeking your approval forms part of the Notice convening the AGM.

12. AUDITORS' REPORT:

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

13. COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, the accounts and records are required to be maintained by the Company, in respect of various manufacturing activities and are required to be audited. Accordingly, such accounts and records are maintained in respect of various manufacturing activities. The cost audit report for the financial year 2019-20 was filed with the Ministry of Corporate Affairs on 10th August, 2020. M/s. R. Nanabhoy & Co., Cost Accountants, were appointed as the Company's Cost Auditor.

Your Directors have, on the recommendation of the Audit Committee, appointed M/s. R. Nanabhoy & Co., Cost Accountants, to audit the cost accounts of the Textiles and Pulp & Paper products of the Company for the financial year 2021-22 at a remuneration of ₹ 1.35 lac.

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

14. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Gagrani & Gagan, Company Secretaries in practice (CP No.1388), to undertake the Secretarial Audit of the Company for the year ending 31st March, 2022. The Secretarial Audit Report for the

year ended 31st March, 2021 is annexed herewith as 'Annexure-I' to this Report. The Company has complied with all applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (SS1 and SS2), relating to the meetings of the Board including its Committees and General Meetings which have mandatory application during the year under review. The Secretarial Audit Report does not contain any adverse qualification, reservation, or remark.

15. FIXED DEPOSITS:

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

16. LOANS, GUARANTEES AND INVESTMENTS:

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

17. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31st March, 2021 and state that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis;

- e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. KEY MANAGERIAL PERSONNEL:

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

19. CORPORATE GOVERNANCE:

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

20. AUDIT COMMITTEE AND VIGIL MECHANISM:

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

21. RISK MANAGEMENT:

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

The Audit Committee has also been delegated with the responsibility of monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to.

The key risks identified by the Company include, cyber security and data protection risk, financial & economic risk, competition risk, operational risk and compliance of all applicable statutes and regulations. The Company has well defined ERM policy & mechanism to mitigate these risks. The Company reviews the risk register periodically, to align with the changes in economic environment, market practices and regulations.

22. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

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

The Company has also in place a CSR Policy and the same is available on the Company's website: www.centurytextind.com. During the year, the Company has identified and approved CSR projects of ₹ 11.21 Crores as against ₹ 11.21 Crores required to be spent during the financial year 2020-21. The Company spent ₹ 6.12 Crores towards CSR activities for 2020-21 and has also fulfilled its obligation for the last year i.e. 2019-20 by incurring additional amount of ₹ 5.22 Crores for the said year which had remained unspent. Further ₹ 5.09 Crores remaining unspent for the year 2020-21 relating to ongoing projects have been deposited in a separate bank account in terms of Section 135(6) of the Companies Act, 2013. The Company undertook projects related to scholarship for needy and meritorious students, awareness on mental health much needed during pandemic time and community related projects including education i.e. improving primary and secondary education, preventive health including Covid 19, skill development, sanitation. The Company reached out

Directors' Report (Continued)

to around 67 locations across 18 States. The Company's key objective is to actively contribute to the social and economic development of the communities in which it operates.

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

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

23. NOMINATION AND REMUNERATION COMMITTEE:

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

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

24. RELATED PARTY TRANSACTIONS:

All transactions entered with related parties as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year, which conflicted with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (Ind-AS 24) has been made in the notes to the Financial Statements.

All Related Party Transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee for its approval, on a quarterly basis. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website.

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

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

25. DECLARATION BY INDEPENDENT DIRECTORS:

Necessary declarations have been obtained from all the Independent Directors that they meet the criteria of independence under sub-section (6) of Section 149 of the Companies Act, 2013 and as per Regulation 25 read with Regulation 16 of SEBI LODR Regulations. In the opinion of the Board there has been no change in the circumstances which may affect in the status of independent directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Companies Act, 2013 and applicable rules thereunder) of all Independent Directors on the Board. In terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

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

During the year 2020-21, no significant and material order has been passed by any regulator or by any Court which has a material impact on the financial position of the Company.

27. INTERNAL FINANCIAL CONTROL:

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

controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

28. SUBSIDIARY & ASSOCIATE COMPANIES:

Birla Estates Private Ltd., a Wholly Owned Subsidiary of the Company had launched Company's first residential project at Kalyan near Mumbai viz. 'Birla Vanya' followed by Birla Alokya at Bengaluru. This year the Company launched Birla Navya (under Avarna Projects, LLP between Birla Estates and Anantraj) at Gurugram. During the year, Birla Estates Pvt. Ltd. registered a loss of ₹ 51.71 Crores (previous year loss of ₹ 86.64 Crores).

During the year, Birla Century Exports Pvt. Ltd., another Wholly Owned Subsidiary of the Company registered a profit of ₹ 0.38 Crores (previous year loss of ₹ 0.27 Crores).

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

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

29. CONSOLIDATED FINANCIAL STATEMENT:

The Directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries, as prepared in compliance with the Companies Act, 2013, applicable Accounting Standards and other applicable laws, if any. A separate statement containing the salient features of its subsidiaries and associates in the prescribed form AOC-1 is annexed separately.

30. 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'.

31. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

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

Workplace (Prevention, Prohibition and Redressal) Act, 2013.

32. BUSINESS RESPONSIBILITY REPORTING:

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

33. PARTICULARS OF EMPLOYEES:

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

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2021 is given in a separate Annexure to this Report.

The said Annexure is not being sent along with this Report to the Members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by the Members at the Registered Office of the Company, 21 days before the 124th Annual General Meeting and up to the date of the said Annual General Meeting during the business hours on working days.

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

34. ANNUAL RETURN:

The web-link for the Annual Return placed on the Company's website is <https://www.centurytextind.com/assets/pdf/download-forms/annual-return-2021.pdf>.

35. GENERAL DISCLOSURES:

- i. There were no material changes and commitments affecting the financial position of the Company between end of the financial year and the date of report.
- ii. There was no revision in the financial statements.
- iii. The Company has not issued any sweat equity shares.

Directors' Report (Continued)

- iv. The Company has not issued any shares with differential voting.
- v. There has been no change in nature of business.
- vi. The Company has not made any application during the year under Insolvency and Bankruptcy Code, 2016 and there is no proceeding pending under the said Code as at the end of the financial year.
- vii. During the year, the Company has not undergone any one-time settlement and therefore the disclosure in this regard is not applicable.
- viii. The Company is not having any Employee Stock Option Scheme under Section 62(1) of the Companies Act, 2013.

36. ACKNOWLEDGEMENTS:

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

Registered Office:

Century Bhavan
Dr Annie Besant Road
Worli, Mumbai – 400 030
Dated: 6th May, 2021

On behalf of the Board

J. C. Laddha	Y. P. Dandiwala
Managing Director	Director
DIN: 03266469	DIN: 01055000

Management Discussions and Analysis Report

This report covers the operations and financial performance of the Company for the year ended 31st March, 2021 and forms part of the Annual Report.

1. OVERALL REVIEW:

The overall profitability of the Company during the year under review, as compared to the previous year, has been adversely affected due to the unfavorable economic and market conditions prevailing throughout the year in all the business segments on account of disruptions caused by the COVID 19 pandemic and the lockdown pursuant to Govt.'s directives to prevent spread of pandemic.

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

In Real Estate, execution of the Company's first residential project at Kalyan (named Birla Vanya) and the second project, Birla Alokya, in Bengaluru both launched in the year 2019-20 are progressing as per schedule. Due to spread of pandemic Covid 19 though the progress of aforesaid projects was affected, however it will not affect the end schedule for completion of the projects.

During the year, your Company launched its first residential project at Gurugram, NCR (named Birla Navya). Further, we are very well poised to launch our flagship mixed use project at Worli, Mumbai, in FY 22.

2. BUSINESS SEGMENT – TEXTILES

a. Industry Structure and Development

Indian Textile market contracted in the FY 21 by around 30% and India's export decreased by around 15%. Apparel formal wear and semi formal wear got more hit than casual wear / lounge wear or home furnishings/ made ups since Work-From- Home became a new normal. Though 2020-21 was a challenging year for the textile industry, it has been a learning year and taught us to conduct the business in a different manner.

On positive note there have been lot of developments undertaken, including different product mix, introducing

several health and hygiene products and exploring new business channels. Even during these torrid times, the business has managed the working capital well.

b. Opportunities and Threats

Currently the biggest threat is a second wave of COVID 19. It all depends how fast it can be controlled to help in boosting confidence and reducing uncertainties. Further abnormal increase in input cost and non-clarity on rates of export benefits are creating uncertainty among the manufacturers / exporters.

As expected, some customers in USA and Europe have started shifting textile business from China to India, Bangladesh, Vietnam, etc. Further brands focus has changed to sustainable product lines which can satisfy fashion needs also. We are preparing ourselves to take the advantage of both these changing trends.

c. Segmental Review and Analysis

Apparel Fabrics:

Due to weak domestic textile market through-out the year, our Retail segment i.e. Over the counter (OTC) and Ready to Stitch (RTS) as well as domestic trade segment was down by around 45% vis-à-vis last year. However, exports and brand business performed well and in that segment our sales growth was marginal as compared to previous year.

Home-Linen:

Home linen / made ups has been running on full capacity since resuming operations post Covid-19 due to good demand in the market and reliable customers. Further, we have successfully launched our products through E-commerce in the US market under our label – "Avonleigh Linen".

Other:

We also explored some business in masks, PPE suits, etc. and focused on yarn business when the demand of our core product was less.

Management Discussions and Analysis Report (Continued)

Due to abnormal increase in raw-material cost (specially yarn) and weak market sentiment, the margins were under pressure. However, due to efficient working capital management, we were cash positive throughout the year.

d. Risks and Concerns

Major concern is volatility in yarn prices (almost 50% increase from November 20). Market takes time to absorb above increase in prices at garment / fabric stage considering MRP increase on finished product is not an option in current scenario. Further limited availability of specialty fibres like organic, Supima and Egyptian also impacts our offering to the customer.

A shift towards online business has happened and price sensitive products are more in demand as fashion clothing demand dropped due to restricted attendance in functions / get-togethers and increased Work-From-Home culture.

e. Outlook

In the coming year FY 21-22, we are foreseeing increase in demand since few export customers have started shifting their orders from China to India. However, the Global market outlook is still not clear because of the new strain of Corona virus, world-wide. Vaccination drive has started and there is hope to cover most of the population by 2nd quarter across the globe.

Our Product mix are more focused on sustainability having innovative finishes and accordingly we are ready to cater to the market, once domestic and international markets reopens in full swing.

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

a. Industry Structure & Development:

During last one-year, the entire world has witnessed a serious challenge on account of the Covid pandemic.

Due to the pandemic, entire world was on standstill continuously for weeks together. Therefore, almost all paper consumption centres i.e. schools, colleges, educational institutions, offices, court, judiciary, airports, bus stands, railway stations, malls, shopping centres as well as public meetings etc, were either closed or on hold, during this period. As a result, there was a dis-equilibrium between consumption and supply pattern of many essential commodities including paper & paper products.

Paper industry being one of the oldest and core industrial manufacturing sector in the world, this industry always acts as a mirror of socio-economic developments. Last one year, was one of the worst years for the paper industry. Industry has lost, not only its business volumes, but also price realisation to a large extent.

Gradually, this crisis is softening, and world-wide economy is expected to open up shortly and become fully functional. Till then, gaps will remain in consumption and supply sources.

b. Opportunities and Threats:

Because of Covid-19, in general, even a poorest person is more & more conscious about health, hygiene and cleanliness aspects of his life. This awareness is helping in widening boundaries of the market for Tissue and Packaging Board segments of paper industry.

Paper consumption centres are expected to become fully functional (i.e. full fledged operations in schools, colleges, offices, judiciary etc.) once herd immunity sets-in post vaccination or otherwise. Once that happens, it will reinvigorate demand for paper.

Government's initiatives, to implement new education policy w.e.f. FY 22, will also help in boosting additional demand of writing & printing paper, during 2nd half of FY 22.

Major part of last one year, was under a Lockdown situation for the entire world. As a result, world-wide Imported Pulp productions fell to their lowest levels. In addition, International disruptions in Supply Chain and Logistics services, further restricted movements of imported pulp. All these factors together resulted in a sharp increase in pulp prices.

With shrinking forests and stringent norms imposed by various regulatory authorities to curb pollution and to save the environment, there are plenty of challenges in the normal availability of raw material for the paper industry.

c. Segmental Review and Analysis:

During the last financial year, globally Paper industry faced its toughest situation. This resulted, in a shrinkage of the business volumes as well as sharp drop in the average price realisation. There was also a very short tenure, during which paper manufacturers sold their products even at variable cost levels. Therefore, financial performance during the period under review, will not lend itself to a comparison with the past performances.

d. Risks and Concerns:

Availability of wood at reasonable prices is and continues to remain the biggest concern for domestic paper industry. In the recent years, with technology advancements, sugar industry is extracting higher recovery of sugar juice from sugarcane. As a result, availability of bagasse per ton of sugarcane has reduced, which has adversely affected the supply of bagasse as a raw material input for paper industry.

Demand-supply gap will remain a concern for the paper industry, until global economy revives to its pre-Covid consumption levels.

e. Outlook

Medium to long-term outlook of the Indian paper industry is positive and is expected to grow in-line with the country's GDP and economy.

4. BUSINESS SEGMENT –REAL ESTATE**a. Industry Structure and Development**

Real estate sector is one of the major sectors of the Indian economy. The sector ranks third among the 14 major sectors in terms of direct, indirect, and induced effects in all sectors of the economy¹. It comprises of four primary sub sectors - residential, commercial, retail and hospitality as well as many upcoming ones like warehousing, data centres, etc. The growth of this sector has been driven by urbanisation in the country, increasing the demand for office space as well as quality urban and semi-urban accommodation.

The COVID-19 pandemic and the nationwide lockdown in the first quarter of FY 21 severely impacted the real estate sector with unavailability of migrant workforce, liquidity crisis and slowdown in absorption. The residential segment saw sluggish sales and collections while the commercial segment saw corporate occupiers delaying their leasing decisions. This period also saw many businesses remain flexible about their need for physical interactions and 'work from anywhere' concept.

Government of India along with the governments of respective States has taken several initiatives to help revive the sector and infuse liquidity. The Atmanirbhar Bharat 3.0 package announced in November 2020 included income tax relief measures for real estate developers and homebuyers. To revive around 1,600 stalled housing projects across top cities in the country, the Union Cabinet

has approved the setting up of INR 25,000 Crore alternative investment fund (AIF) improving consumer sentiments. Maharashtra Government not only reduced stamp duty for purchase of apartments till 31st March, 2021 but also reduced some statutory premiums for construction approvals by 50% till 31st December, 2021.

By Q3 FY 21, buoyed by the historic low home loan interest rates, stamp duty cuts by state governments, improved home affordability and shift of sentiment towards owning a home, residential demand revived to a healthy level across regions and price points. Even though, absorption in terms of value decreased by 14% in 2020 (y-o-y) across the country due to the Covid pandemic², the absorption of the top 10 listed realty players has increased by almost 10% in 9M FY 21³.

The commercial sector was also affected by the pandemic and the ensuing lockdown. New office space absorption fell by 44% during 2020 to 25.82 million sq. ft from a record 46.5 million sq. ft in 2019⁴. However, office rents in 2020 remained stable across the major office markets in India. As business activities resumed with the gradual opening of the economy in the third quarter of 2020, the office market witnessed green shoots of recovery. With stable range-bound vacancy levels and limited upcoming Grade A supply across key markets, the office market in India continues to be owner dictated. India remains a preferred destination for MNCs to setup global captive centers due to low rentals and availability of skilled manpower ensuring that the Indian office market remains a multi-year growth story with a combination of volume / rental growth.

The Covid-19 pandemic has irrevocably accelerated the evolution of the Indian real estate industry by reshaping business operations and consumer preferences. This has led to many new opportunities for the real estate developers especially branded and organized players.

b. Opportunities and Threats

The preference for home ownership has risen due to the increased time spent at home due to the pandemic. The pandemic has reiterated the emotional security associated with home ownership as homes remain the centre of our lives morphing from a fitness lounge in the morning, virtual schools, and offices in the day to an entertainment hub in the evening. Your Company with its commitment towards delivering high quality homes with open spaces, connected infrastructure and thoughtful amenities is ideally positioned.

1 Indian Real Estate Industry Report, IBEF

2 Prop equity

3 Q3 Investor Presentations of RE companies, Prop equity

4 JLL

Management Discussions and Analysis Report (Continued)

Along with home ownership, the second significant shift in customer preference is the inclination towards branded players. This has led to such players outperforming the market and increasing their market share. This has also increased the pace of consolidation in favour of branded players. Your Company is uniquely poised to capitalize on the opportunity with the brand having a huge legacy and symbolising trust, transparency, quality, and excellence.

Consolidation in the sector has also accelerated due to improvement in governance standards as landowners and smaller developers seek to partner with reputable developers through the joint development model to maintain future business viability. Your Company with best in class governance standards and access to institutional funding is in a prime position to benefit from consolidation.

With customer centricity and thoughtful design being the primary focus of your Company, the changing consumer dynamics provide an opportunity to strengthen our positioning. Timely delivery, transparency in operations will become the basic expectations from developers and product innovation and thoughtfulness, customer focus, etc. will become key differentiating factors. Real estate players who can establish a track record of delivering high quality construction will be preferred.

There may be pressure on lease rentals and occupancy in the short term as organisations remained flexible about their need for physical interactions and 'work from anywhere' concept. In the future, companies may prefer a more distributed workforce linked through technology. The growth in the commercial segment is however, expected to continue in the coming years as India remains a preferred destination for MNCs to setup global captive centers.

c. Segment Review Analysis

Your Company has sold 1 million sq. ft in less than 2 years in the three launched projects and crossed cumulative sales worth INR 1,000 Crores.

During the year, your Company launched its first residential project at Gurugram, NCR (named Birla Navya). We achieved cumulative booking value of more than INR 500 Crores with sales exceeding 225 units.

At Birla Vanya, Kalyan, over 95% of the launched inventory (in terms of value) has been already sold till date. Birla Alokya, Bengaluru has achieved a robust sales performance with more than 50% of the launched inventory (in terms of value) being sold till date.

Your Company launched a digital sales platform 'buyonline.birlaestates.com' for a seamless online sales experience. The end-to-end digital platform, christened as "ALIVE", will help us increase our reach manifold as customers not only can explore every detail about the project from their living room but also can book an apartment. Customer centricity remains an important pillar for our business. We interacted and engaged with our customers through the lockdown period and created a bond based on empathy and emotions. As part of this 'Customer Connect', we conducted various initiatives for the customers of Birla Vanya and Birla Alokya.

The occupancy rate at our two commercial assets, Birla Aurora and Birla Centurion remains at a high level ensuring stable lease rentals. Our primary focus is to ensure a safe and healthy environment for all the stakeholders at our properties.

The Birla Vanya, Kalyan site had about 500 workers residing at the site when the lockdown was imposed. During the lockdown, well-being of site workers was taken care of by ensuring adequate provisioning, daily health screenings, cleaning, and fumigation of labour camps etc. With the opening up of the travel modes such as Shramik trains etc the labour strength dropped significantly. Construction resumed with the increase in manpower and material movement post easing of lockdown restrictions across the country. Site Operations at the launched projects (Birla Vanya, Kalyan and Birla Alokya, Bengaluru) was underway with almost 90% of the required labour strength as at 31st March, 2021.

The approval process at our Magadi Road project at Bengaluru and Century Mills project at Worli, Mumbai, which are at a planning & development stage is progressing as per plan with critical approvals received. We are very well placed to launch our flagship mixed use project at Century Mills, Worli (Mumbai) in FY 22.

d. Risks and Concerns

The sector continues to face substantial procedural delays with regards to land use, project launches and construction approvals. These delays may be exacerbated as the government machinery remains locked in combating the succeeding waves of the pandemic.

e. Outlook

The stimulus measures offered by the Government, increased need for home ownership and resumption of economic activity has aided in recovery from the pandemic. Digitization is taking a centre stage in all business processes

associated with real estate. It is also ensuring developers, customers and service providers leverage it efficiently to communicate, deliver services, and transact. The pandemic has changed buyers' preferences in terms of choice of real estate: larger layouts with higher safety, hygiene, and captive amenities may become more attractive. With improving growth prospects, real estate prices in the prime cities are expected to stay stable.

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

The fresh lockdowns in the beginning of FY 22 to combat the second wave of Covid 19 Pandemic have once again put pressure on customer visits to the sites and labour availability. The digital outreach channels will once again take center stage to reach customers and provide virtual tours of the project.

The current restrictions in Maharashtra allow construction sites with labour residing at the site to operate with some restrictions. We expect minimal disruptions to site operations at Birla Vanya, Kalyan.

With a slew of economic and policy reforms, stimulus packages introduced by the authorities, the vaccination program, fresh appreciation for the need for owned space, the sector will have a positive outlook in 2021. The continued shift in the customer preference for branded players, and the trust in the Birla Brand and product will hold us in good stead as we accelerate our growth and cement ourselves as a leading player in the Indian Real Estate.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

6. HIGHLIGHTS OF THE COMPANY'S FINANCIAL PERFORMANCE:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
1. Total Income	2690.19	3467.63	2678.19	3458.63
2. Earnings before finance cost, tax, depreciation and Amortization (EBITDA)	366.17	695.22	285.32	600.06
3. Less: Finance Cost	88.55	93.13	70.70	87.09
4. Profit before depreciation, amortization and taxation.	277.62	602.09	214.62	512.97
5. Less: Depreciation and Amortization	229.02	227.76	231.13	228.58
6. Profit / (Loss) before taxation	48.60	374.33	(16.51)	284.39
7. Add: Adjustment of tax relating to earlier periods	19.25	-	19.25	-
8. Less / (Add): Deferred Tax Debit / (Credit)	17.81	(93.69)	17.81	(93.69)
9. Profit / (Loss) after tax from continuing operations	50.04	468.02	(15.07)	378.08
10. Less: Loss after tax from discontinued operations	18.54	17.65	18.54	17.65
11. Net Profit / (Loss) for the year	31.50	450.37	(33.61)	360.43

The Consolidated EBITDA from continuing operations for the year 2020-21 is ₹ 285.32 Crores as against ₹ 600.06 Crores.

The Standalone EBITDA from continuing operations for the year 2020-21 is ₹ 366.17 Crores as against ₹ 695.22 Crores.

In consolidated accounts interest cost has gone down from ₹ 87.09 Crores to ₹ 70.70 Crores.

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

Management Discussions and Analysis Report (Continued)

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

Ratios	F.Y. 2020-21	F.Y. 2019-20	Change (%)	Explanation for change
1. Debtors Turnover Ratio	15.14	17.30	-12.49	*
2. Inventory Turnover Ratio	0.93	1.72	-45.93	*
3. Interest Coverage Ratio	2.80	5.39	-48.05	*
4. Current Ratio	1.38	0.98	40.82	Improved due to reduction in current liability consequent to repayment of borrowing matured during the year.
5. Debt Equity Ratio	0.28	0.38	26.32	The Company has conserved cash by better working capital management which is used for repayment of debts.
6. Operating Profit Margin (%)	10.00	17.20	-41.86	*
7. Net Profit Margin (%)	(1.31)	10.82	-112.11	*
8. Return on Net Worth (%)	(0.92)	9.98	-109.22	*

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

* Due to protracted lockdown to prevent spread of Covid-19 pandemic, there was sluggishness in domestic as well as international markets throughout the year which impacted the turnover, profitability, and hence the ratios.

8. HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:

The total number of employees as on 31st March, 2021 were 4268 (4492 as on 31st March, 2020). The number of employees has reduced during the year by 224. The aforesaid figure does not include 1018 employees (previous year 1030) of discontinued operations of Yarn & Denim units of the Company. The industrial relations in all units of the Company continue to be cordial. The skills, experience and passion of our people facilitate deeper customer understanding and engaging relationships and strengthen our brand value as a preferred employer. We continue to step up efforts to accelerate our value-based growth strategy and the overall development of human capital. We nurture our people by investing in their empowerment through learning and development, wellness, and safety besides providing contemporary workplace facilities.

9. HEALTH, SAFETY AND SECURITY MEASURES:

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

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

Further, to prevent the spread of pandemic Covid 19, the Company has taken all precautionary measures required, such as use of masks and sanitizers, social distancing etc., at all its plants and construction sites as well as at office locations. Your Company is in full compliance of all Government directives issued in this behalf. The Company has always considered safety as one of its key focus areas and strives to make continuous improvement on this front.

10. CAUTIONARY STATEMENT:

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials costs and availability, global and domestic demand supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information or events.

Annexure-I

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, **we hereby report that** in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 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, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 /The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/2018;
- (vi) The following laws applicable specifically to the Company:
 - 1. Real Estates (Regulations and Development) Act, 2016.

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

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

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

WE FURTHER REPORT THAT

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

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

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

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

We further report that during the audit period -

- (i) The Company has redeemed 7000 Secured, Redeemable Non Convertible Debentures of ₹ 10,00,000 each amounting to ₹ 700 Crores.

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

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

Place : Mumbai
Date : May 06, 2021

UDIN : F001772C000241715

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

Annexure-A

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

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

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

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

Place : Mumbai
Date : May 06, 2021

Gagan B. Gagrani
M.No. : FCS 1772
CP No. : 1388
UDIN : F001772C000241715

ANNUAL REPORT ON CSR ACTIVITIES

1.	Brief outline on CSR Policy of the Company	To actively contribute to the social and economic development of the communities and build a better sustainable way of life for the weaker sections of society, through our meaningful engagement in the areas of Education, Health Care, Sustainable Livelihood & Women Empowerment, Infrastructure Development and Sanitation. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. The Company's CSR policy can be accessed on the Company's website: www.centurytextind.com
----	--	---

2. Composition of CSR Committee:

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

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

Composition of the CSR committee shared above is available on the Company's website on: <https://www.centurytextind.com/assets/pdf/others/csr-policy-2020.pdf>.

CSR policy - <https://www.centurytextind.com/assets/pdf/others/csr-policy-2020.pdf>.

CSR Projects - <https://www.centurytextind.com/assets/pdf/others/csr-projects-approved-by-the-board-for-the-fy-2021-22.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): N.A.

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

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

6. Average net profit of the Company as per Section 135(5): ₹ 560.70 Crores

7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹ 11.21 Crores
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 (c) Amount required to be set off for the financial year, if any: NIL
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 11.21 Crores

8. (a) CSR amount spent or unspent for the financial year 2020-21:

Total Amount Spent for the Financial Year (₹ in Crores)	Amount Unspent (₹ in Crores)				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
6.12	5.09	29 th April, 2021	-	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year 2020-21:

1	2	3	4	5	6	7	8	9	10	11
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project State District	Project duration	Amount allocated for the project (₹ in lacs)	Amount spent in the current financial year (₹ in lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in lacs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name Registration number
1	Promoting Primary and Secondary Education.	Promoting Education	Yes	Uttarakhand Nainital Gujarat Bharuch	2 years	138.89	37.91	100.98	Yes	-
2	Preventive and curative health services in communities: The project focuses on up gradation of hospital, organising medical camps at nearby localities, providing ambulance with equipments.	Promoting Healthcare	Yes	Uttarakhand Nainital Gujarat Bharuch	2 years	212.37	47.95	164.42	Yes	-
3	Sanitation Provisions: The initiative focuses on organizing campaign on sanitation, construction of toilets, cleanliness drive in nearby areas and providing clean drinking water.	Sanitation	Yes	Uttarakhand Nainital Gujarat Bharuch	2 years	66.00	1.00	65.00	Yes	-
4	Rural Infrastructure Development Projects: The project focuses on improving infrastructure to augment livelihood opportunities in the project areas.	Rural development Projects	Yes	Uttarakhand Nainital Gujarat Bharuch	2 years	185.32	28.95	156.37	Yes	-
5	Environmental Sustainability: The initiative focuses on awareness and protection of natural habitats and creating environment sustainable infrastructure.	Ensuring Environmental Sustainability	Yes	Uttarakhand Nainital Gujarat Bharuch	2 years	22.11	2.11	20.00	Yes	-
6	Agriculture and Animal husbandry: The initiative focuses on fodder development, water conservation for agriculture.	Eradicating Poverty	Yes	Uttarakhand Nainital	2 years	2.50	0	2.50	Yes	-
TOTAL						627.19	117.92	509.27	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2020-21:

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Amount spent for the project (₹ in lacs)	Mode of implementation – Direct (Yes/ No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR Registration Number
Completed projects 2020-21									
1	Skill Upgradation	Promoting Education	Yes	Gujarat	Bharuch	93.81	No	Society for Education Welfare and Action- Rural (SEWA-Rural)	CSR00002749
2	School Education Program: Scholarship for school and college children	Promoting Education	Yes	Pan India	Pan India	100.00	No	A World of Opportunity Foundation (AWOO)	CSR00000477
3	MPOWER: The initiative focuses on creating awareness about mental health among children & adolescents and providing psychiatric support, counselling, guidance and organizing camps in schools, education institutes, colleges etc	Preventive Health	Yes	Maharashtra Karnataka	Mumbai Bengaluru	100.00	No	Aditya Birla Education Trust	CSR00004879
4	Setting up Incubation and Innovation Centre & Research	Incubator	No	Rajasthan	Jhunjhunu	200.00	No	Birla Institute of Technology & Science, Pilani (BITS Pilani)	Registration in progress
TOTAL						493.81			

- d) Amount spent in Administrative Overheads : Nil
- e) Amount spent on Impact Assessment, if applicable : Nil
- f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 6.12 Crores
- g) Excess amount for set off, if any

Sr. No.	Particular	Amount (₹ in Crores)
i)	Two percent of average net profit of the Company as per Section 135(5)	11.21
ii)	Total amount spent for the financial year	6.12*
iii)	Excess amount spent for the financial year {(ii)-(i)}	N.A.
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	N.A.
v)	Amount available for set off in succeeding financial years {(iii)-(iv)}	N.A.

* The amount spent during financial year 2020-21 against FY 2020-21 obligation was ₹ 6.12 Crores. In addition to this during the financial year 2020-21 the Company has spent ₹ 5.22 Crores (details mentioned in 9(b)) against ongoing projects of FY 2019-20 obligation.

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

Sr. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6) (₹ in Crores)	Amount spent in the reporting Financial Year (₹ in Crores)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in Crores)
				Name of the Fund	Amount (₹ in Crores)	Date of Transfer	
1	2019-20	NIL	5.22	-	NIL	-	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years:

1	2	3	4	5	6	7	8	9
Sr. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total Amount allocated for the project (₹ in lacs)	Amount spent on the project in the reporting financial year (₹ in lacs)	Cumulative amount spent at the end of reporting financial year (₹ in lacs)	Status of the project – Completed/ Ongoing
1	CTIL Edu	Promoting Primary and Secondary Education in Rural and socially & economically backward communities.	2019-20	2 years	103.20	76.81	103.20	Completed
2	CTIL H	Preventive and curative health services in communities: Under the initiative medical camps were organised at nearby localities, providing ambulance with equipments.	2019-20	2 years	108.30	71.34	108.30	Completed
3	CTIL Skill	Skill Development and Vocational Education to enhance Employability and Livelihood & Women Empowerment: The initiative focuses on setting up of skill centers, providing skill training to women.	2019-20	2 years	45.00	41.25	45.00	Completed
4	CTIL Infra	Rural Infrastructure Development Projects: The project focuses on improving infrastructure to augment livelihood opportunities in the project areas.	2019-20	2 years	142.70	89.88	142.70	Completed
5	CTIL Env	Environmental Sustainability: Activities undertaken are awareness and protection of natural habitats, PET bottle crushing machine at railway station.	2019-20	2 years	58.50	39.33	58.50	Completed
6	CTIL DWS	Drinking Water Supply: Key activities taken under the initiative are installation of hand pump for clean water, installation of water cooler.	2019-20	2 years	47.00	46.00	47.00	Completed
7	CTIL Swach	Sanitation Provisions: The initiative focuses on organizing awareness campaign on sanitation and installation of sanitary pad dispensing machine, construction of toilets.	2019-20	2 years	26.40	25.00	26.40	Completed
8	CTIL Agri	Agriculture and Animal husbandry: The initiative focuses on fodder development, milk chilling plant.	2019-20	2 years	1.60	0.02	1.60	Completed
9	CTIL IICR	Setting up Incubation and Innovation Centre & Research	2019-20	2 years	200.00	100.00	200.00	Completed
10	Overhead cost				40.30	32.82	40.30	
Total					773.00	522.45	773.00	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)
- a) Date of creation or acquisition of the capital asset(s): None
 - b) Amount of CSR spent for creation or acquisition of capital asset: NIL
 - c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
 - d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable
11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5):

Our programs have a periodicity of 2-3 years for better monitoring of the programs and fund utilization which is in accordance with the amended the Companies (Corporate Social Responsibility Policy) Rules, 2014 effective from 22nd January, 2021. We have broken up the total amount into tranches spread across the projects, hence the remaining expenses will be spent during FY 2021-22.

Place: Mumbai
Date: 06th May, 2021

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

RAJASHREE BIRLA
Chairperson – CSR Committee
(DIN: 00022995)

REMUNERATION POLICY

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

GENERAL:

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

REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL:

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

REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR:

(a) Remuneration / Commission:

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

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

(b) Sitting Fees:

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

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A) CONSERVATION OF ENERGY:

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

Textile Division

- Re-Engineering of Humidification plants by installing energy efficient fans and pumps
- Reuse of waste heat from cooling water to process machines (CRP to PTR)

Pulp and Paper Division

- Blow Heat Recovery utilized to generate heat in process applications
- For steam saving, installed efficient secondary air heater
- Installed burner at lime kiln for higher utilization of PG gas, in place of FO
- Installed Centralized Refining System to feed pulp for the need of multiple plants
- Improved turbine vacuum
- Optimised PGP's consistency to save refining energy
- Steam valve optimization to minimize MP steam peaks in various pulp mills

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

- Continued usage of Black Liquor & Pith (Bio mass product) for steam generation
- Continued usage of CMG at Tissue plant in place of LPG
- Increased usage of Producer Gas in place of furnace oil in lime kilns
- Utilization of Solar Energy

(iii) Capital investment on energy conservation equipment: ₹ 11.48 Crores

- Solar Power Plant 2.6 MWp on BOT model
- Centralize Refining System for WPP, Paper Machines (PM) 3 & 4
- Meloni filter at Fiberline

B) TECHNOLOGY ABSORPTION:

(i) the efforts made towards technology absorption

- Collaboration with international Chemical suppliers like HeiQ & Health guard for their anti-microbial technology
- Developed in-house patented technology for application of an Antimicrobial Formulation
- Installation of Anarobic system for effluent treatment
- Upgradation of COL system at Paper Machine (PM) 3

- WPP machine Calendar upgradation
- Industry 4.0 at Paper Machine (PM) 4

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

- Development of hygiene and healthcare products under umbrella of "BIRLA CARE"
- Development of cost-effective wellness products
- Helped to digest high toxic effluent and improve effluent quality for further treatment in ETRP
- Reduction in Power consumption
- Quality Improvement
- Reduction in Steam consumption

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

(iv) The expenditure incurred on Research and Development

	(₹ in Crores)
(a) Capital	0
(b) Recurring (including contribution)	4.13
(c) Total	4.13
(d) Total R&D expenditure as a percentage of total turnover	0.16%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

	(₹ in Crores)
Foreign Exchange earned (inflow)	202.05
Foreign Exchange used (outflow)	314.88

On behalf of the Board,

Dated : 6th May, 2021

J.C. LADDHA
Managing Director
DIN: 03266469

Y.P. DANDIWALA
Director
DIN : 01055000

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 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2020-21 (₹ in lacs)	% increase in Remuneration in the Financial year 2020-21	Ratio of remuneration of each Director / to median remuneration of employees
1	Mr. Kumar Mangalam Birla, Chairman	0.70	-95.63	0.22
2	Mrs. Rajashree Birla	1.10	-93.14	0.34
3	Mr. Yazdi P. Dandiwalla	2.40	-86.83	0.75
4	Mr. Rajan A. Dalal	2.50	-86.21	0.78
5	Mr. Sohanlal K. Jain	2.00	-88.65	0.63
6	Ms. Preeti Vyas	1.20	-92.69	0.38
7	Mr. J. C. Laddha * (Managing Director)	245.40	N. A	76.93
8	Mr. R. K. Dalmia (Whole-time Director)	459.66	-1.78	144.09
9	Mr. Snehal Shah (Chief Financial Officer)	135.02	14.00	N.A.
10	Mr. Atul K. Kedia (Company Secretary)	72.41	1.47	N.A.

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

- (ii) The median remuneration of employees of the Company during the financial year was ₹ 3.19 Lacs.
- (iii) In the financial year, there was an increase of 4.59% in the median remuneration of employees.
- (iv) There were 4268 permanent employees on the roll of the Company as on March 31, 2021.
- (v) Average percentage increase made in the salaries of employees other than Managerial Personnel in the last financial year i.e. 2020-21 was 7.45% whereas the average increase in the managerial remuneration for the same financial year was -5.80%.
- (vi) There are no variable component of remuneration availed by the directors except for the Managing Director and Whole-time Director which is based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

AOC-1 Certificate

FORM AOC-1

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

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

Part A Subsidiaries

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

1. Name of the subsidiary	: Birla Estates Private Limited
2. The date since when subsidiary was acquired	: Incorporated on 26 th December 2017
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	: Same as reporting period of Century Textiles And Industries Limited
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	: Indian Rupees
5. Share capital	: ₹ 1,67,05,00,000
6. Reserves and surplus	: ₹ (1,34,44,01,569)
7. Total assets	: ₹ 5,74,48,20,758
8. Total Liabilities	: ₹ 5,41,87,22,327
9. Investments	: ₹ 10,00,000
10. Turnover	: ₹ 7,99,03,124
11. Profit / (Loss) before taxation	: ₹ (45,38,70,524)
12. Provision for taxation	: Nil
13. Profit / (Loss) after taxation	: ₹ (45,38,70,524)
14. Proposed Dividend	: Nil
15. Extent of shareholding (in percentage)	: 100%
16. Name of the subsidiary	: Birla Century Exports Private Limited
17. The date since when subsidiary was acquired	: Incorporated On 13 th November 2018
18. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	: Same as reporting period of Century Textiles And Industries Limited
19. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	: Indian Rupees
20. Share capital	: ₹ 50,00,000
21. Reserves and surplus	: ₹ (9,86,654)
22. Total assets	: ₹ 11,01,93,039
23. Total Liabilities	: ₹ 10,61,79,693
24. Investments	: ₹ 9,98,060
25. Turnover	: ₹ 29,75,26,652
26. Profit / (Loss) before taxation	: ₹ (9,10,607)
27. Provision for taxation	: Nil
28. Profit / (Loss) after taxation	: ₹ (9,10,607)
29. Proposed Dividend	: Nil
30. Extent of shareholding (in percentage)	: 100%

AOC-1 Certificate (Continued)

31. Name of the subsidiary	: Birla Century International LLC (Subsidiary Of Birla Century Exports Private Limited)
32. The date since when subsidiary was acquired	: On 19 th August 2019
33. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	: Same as reporting period of Century Textiles And Industries Limited
34. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	: Reporting Currency: USD Exchange rate as at 31 March 2021 : 73.10
35. Share capital	: ₹ 9,98,060
36. Reserves and surplus	: ₹ (14,02,336)
37. Total assets	: ₹ 8,72,02,280
38. Total Liabilities	: ₹ 8,76,06,556
39. Investments	: Nil
40. Turnover	: ₹ 33,42,25,722
41. Profit / (Loss) before taxation	: ₹ 47,07,021
42. Provision for taxation	: Nil
43. Profit / (Loss) after taxation	: ₹ 47,07,021
44. Proposed Dividend	: Nil
45. Extent of shareholding (in percentage)	: 100%
46. Name of the subsidiary	: Avarna Projects LLP (Subsidiary Of Birla Estates Private Limited)
47. The date since when subsidiary was acquired	: Incorporated on 19 th June 2019
48. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	: Same as reporting period of Century Textiles And Industries Limited
49. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	: Indian Rupees
50. Share capital	: ₹ 10,00,000
51. Reserves and surplus	: ₹ (15,94,61,547)
52. Total assets	: ₹ 4,62,84,71,225
53. Total Liabilities	: ₹ 4,78,69,32,772
54. Investments	: Nil
55. Turnover	: Nil
56. Profit / (Loss) before taxation	: ₹ (6,29,46,635)
57. Provision for taxation	: Nil
58. Profit / (Loss) after taxation	: ₹ (6,29,46,635)
59. Proposed Dividend	: Nil
60. Extent of shareholding (in percentage)	: 50%
61. Name of the subsidiary	: Birla Tisya LLP (subsidiary of Birla Estates Private Limited)
62. The date since when subsidiary was acquired	: Incorporated on 21 st November 2019
63. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	: Same as reporting period of Century Textiles And Industries Limited
64. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	: Indian Rupees

65. Share capital	: ₹ 9,80,000
66. Reserves and surplus	: ₹ (3,51,091)
67. Total assets	: ₹ 72,56,25,914
68. Total Liabilities	: ₹ 72,49,97,005
69. Investments	: Nil
70. Turnover	: Nil
71. Profit / (Loss) before taxation	: ₹ (3,31,591)
72. Provision for taxation	: Nil
73. Profit / (Loss) after taxation	: ₹ (3,31,591)
74. Proposed Dividend	: Nil
75. Extent of shareholding (in percentage)	: 40%

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

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

Part B Associates and Joint Ventures

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

Name of Associates or Joint Ventures	INDUSTRY HOUSE LIMITED
1. Latest audited Balance Sheet Date	31 March 2020
2. Date on which the Associate or Joint Venture was associated or acquired	27 November 1952
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	5625 No. of Shares
Amount of Investment in Associates or Joint Venture	₹ 0.04 Crores
Extent of Holding (in percentage)	35.28%
4. Description of how there is significant influence	No significant influence as per Ind AS 28
5. Reason why the associate/joint venture is not consolidated	As the Company (Century Textiles and Industries Limited) does not have significant influence over Industry House Limited, the Company has not considered it as an associate as per Ind AS 28 "Investment in Associates and Joint Ventures" and hence not consolidated
6. Networth attributable to shareholding as per latest audited Balance Sheet	₹ 3.56 Crores
7. Profit or Loss for the year attributable to shareholding as per latest audited Balance Sheet	₹ 0.36 Crores
i. Considered in Consolidation	Nil
ii. Not Considered in Consolidation	₹ 0.36 Crores

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

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

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

Snehal Shah
Chief Financial Officer
Mumbai : 06 May 2021

J.C.Laddha
Managing Director
DIN No: 03266469

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

Yazdi P. Dandiwal
Director
DIN:01055000

Corporate Governance Report

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

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

The governance philosophy of your Company rests on five basic tenets viz. Board's accountability to the Company and the Stakeholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment to all Stakeholders, as well as superior transparency and timely disclosure. Further, your Company continuously endeavors for excellence and

focuses on enhancement of long-term Stakeholders' value through adoption of and adherence to the best governance practices, in true spirit at all times.

II. BOARD OF DIRECTORS

(a) Composition of the Board:

As on 31st March, 2021, the Board of Directors comprises eight members consisting of six Non-executive Directors who account for seventy five percent of the Board's strength as against the minimum requirement of fifty percent as per the Listing Regulations. The Non-executive Directors are eminent professionals, having considerable professional experience in their respective fields. The composition is as under:-

Name of the Director	Category of Director	Directorships in other Indian Public Limited Companies ⁵	No. of Other Board Committee(s) of which he/she is a Chairman / Member ⁶		No. of Shares held in the Company as on 31 st March, 2021	List of Directorship held in other Listed Companies	Category of Directorship in other Listed Companies
			Member	Chairman			
Mr. Kumar Mangalam Birla - Chairman [DIN: 00012813]	Promoter - Non Executive	09	-	-	-	1. Grasim Industries Limited 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Aditya Birla Capital Limited 5. Vodafone Idea Limited 6. Aditya Birla Fashion and Retail Limited	Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent
Mrs. Rajashree Birla [DIN: 00022995]	Promoter - Non Executive	05	-	-	-	1. Grasim Industries Limited 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Pilani Investment and Industries Corporation Limited 5. Century Enka Limited	Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent Non-Executive Non-Independent
Mr. Yazdi P. Dandiwal [DIN: 01055000]	Independent - Non Executive	03	03	-	-	1. Hindalco Industries Limited 2. Pilani Investment and Industries Corporation Limited	Non-Executive Independent Non-Executive Independent
Mr. Rajan A. Dalal [DIN: 00546264]	Independent - Non Executive	01	01	01	-	1. Sutlej Textiles and Industries Limited	Non-Executive Independent
Mr. Sohanlal K. Jain [DIN: 02843676]	Independent - Non Executive	01	02	02	-	1. Century Enka Limited	Non-Executive Independent

Name of the Director	Category of Director	Directorships in other Indian Public Limited Companies [§]	No. of Other Board Committee(s) of which he/she is a Chairman / Member [®]		No. of Shares held in the Company as on 31 st March, 2021	List of Directorship held in other Listed Companies	Category of Directorship in other Listed Companies
			Member	Chairman			
Ms. Preeti Vyas [DIN: 02352395]	Independent - Non Executive	01	-	-	-	1. Aditya Birla Fashion and Retail Limited	Non-Executive Independent
Mr. J.C. Laddha [DIN: 03266469]	Executive - Managing Director	-	-	-	1,000	-	-
Mr. R.K. Dalmia [DIN: 00040951]	Executive - Whole-time Director	04	-	-	7,150	-	-

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

[§] Directorship is excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act.

Notes:

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

(b) Board Meetings and attendance of Directors:

- The members of the Board have been provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings.
- Five meetings of the Board of Directors were held during the year ended 31st March, 2021. These were held on:-
 - 10th June, 2020
 - 14th July, 2020
 - 20th August, 2020
 - 19th October, 2020
 - 22nd January, 2021
- The attendance recorded for each of the Directors at the Board Meetings during the year ended as on 31st March, 2021 and of the last Annual General Meeting is as under:-

Directors	No. of Board Meetings attended	Attendance at the Last AGM
Mr. Kumar Mangalam Birla	03 out of 05	Yes
Mrs. Rajashree Birla	04 out of 05	Yes
Mr. Yazdi P. Dandiwal	05 out of 05	Yes
Mr. Rajan A. Dalal	05 out of 05	Yes
Mr. Sohanlal K. Jain	05 out of 05	Yes
Ms. Preeti Vyas	05 out of 05	Yes
Mr. J.C. Laddha (Managing Director)	05 out of 05	Yes
Mr. R.K. Dalmia (Whole-time Director)	05 out of 05	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 Mr. J.C. Laddha, Managing Director of the Company regarding compliance by the Board members and Senior Management Personnel, with the

Corporate Governance Report (Continued)

said Code of Conduct is given as **Annexure A** to this report. In addition to this, a separate Code of Conduct for dealing in equity shares and other securities conferring voting rights in the Company is also in place and has been complied with.

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

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

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

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

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

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

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

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

III. AUDIT COMMITTEE

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

Mr. Yazdi P. Dandiwala - Chairman

Mr. Rajan A. Dalal

Mr. Sohanlal K. Jain

Mr. J.C. Laddha

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

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

Name of the Audit Committee members	08 th June, 2020	10 th June, 2020	14 th July, 2020	20 th August, 2020	19 th October, 2020	22 nd January, 2021
Mr. Yazdi P. Dandiwala	√	√	√	√	√	√
Mr. Rajan A. Dalal	√	√	√	√	√	√
Mr. Sohanlal K. Jain	√	√	√	√	√	-
Mr. J.C. Laddha	√	√	√	√	√	√

At the invitation of the Company, representatives from various divisions of the Company, Internal Auditors, Cost Auditors, Statutory Auditors and Company Secretary, who acted as Secretary to the Audit Committee, also attended the Audit Committee meetings to respond to queries raised at the Committee meetings.

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Listing Regulations as well as in Section 177 of the Companies Act, 2013.

IV. NOMINATION AND REMUNERATION COMMITTEE

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

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

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

Mr. Yazdi P. Dandiwalwa - Chairman

Mr. Kumar Mangalam Birla

Mr. Rajan A. Dalal

Mr. Sohanlal K. Jain

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

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

Name of the Nomination and Remuneration Committee members	08 th June, 2020	19 th October, 2020	22 nd January, 2021
Mr. Yazdi P. Dandiwalwa	√	√	√
Mr. Kumar Mangalam Birla	-	-	√
Mr. Rajan A. Dalal	√	√	√
Mr. Sohanlal K. Jain	√	√	√

Performance evaluation criteria for Independent Directors:

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

V. REMUNERATION OF DIRECTORS

Remuneration to Non-Executive Directors is decided by the Board of Directors as authorized by the Articles of Association of the Company and within the limits set out in Section 197 of the Companies Act, 2013. The members of the Company have in their meeting held on 09th August, 2017 authorised the Board of Directors of the Company to pay commission to Non-Executive Directors within the limits as set out in Section 197(1) of the Companies Act, 2013 for a period of 5 years w.e.f. 01st April, 2017. The Board of Directors of the Company each year determine the quantum of commission payable to Non-Executive Directors considering the performance of the Company for the said year. The Non-Executive Directors are paid sitting fee at the rate of ₹ 20,000/- for attending each meeting of the Board and ₹ 10,000/- for attending each meeting of various Committees of the Board.

Corporate Governance Report (Continued)

Details of sitting fees and remuneration paid/payable to Directors:

Name of the Directors	Remuneration paid/payable for the year 2020-2021 (All figures in Rupees)	
	Sitting fees paid during the year*	
I.	Mr. Kumar Mangalam Birla	70,000
	Mrs. Rajashree Birla	1,10,000
	Mr. Yazdi P. Dandiwalla	2,40,000
	Mr. Rajan A. Dalal	2,50,000
	Mr. Sohanlal K. Jain	2,00,000
	Ms. Preeti Vyas	1,20,000
II.(i)	Mr. J.C. Laddha (Managing Director)	Remuneration**
	Salary and allowances	2,38,11,350
	Contribution to Provident Fund	7,28,640
	Perquisites	-
	Total	2,45,39,990
(ii)	Mr. R.K. Dalmia (Whole-time Director)	
	Salary and allowances	4,35,75,842
	Contribution to Provident Fund	9,07,128
	Superannuation Fund	11,33,917
	Perquisites	3,48,720
	Total	4,59,65,607

*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 relating to the Managing Director and Whole-time Director are not considered.

Notes:

- None of the Non-Executives Directors have any material financial interest in the Company apart from the remuneration by way of fees and commission received by them. Certain professional services were rendered to the Company by a firm in which a Non-Executive director is a partner. In the opinion and judgment of the Board, this did not affect the independence of the said director.
- There is no severance fee or stock option in the case of the aforesaid managerial personnel. The respective tenure of the aforesaid managerial personnel shall be governed by the resolutions passed by the Shareholders in General Meetings with a notice period of three months by either side.
- The Company has paid managerial remuneration to Managing Director and Whole-time Director for the year ended 31st March, 2021 in excess of the limits

applicable under Section 197 of the Companies Act, 2013 read with Schedule V thereto by ₹ 3.65 Crores. The Company is in the process of obtaining approval of the shareholders in a general meeting by way of a special resolution.

VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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

During the year ended 31st March, 2021, **10 investor complaints/queries** were received and have been resolved. There are no pending complaints. There were no share transfers pending for registration for more than 15 days as on the said date.

VII. OTHER COMMITTEES OF THE BOARD

1. Corporate Social Responsibility (CSR) Committee:

The Board of Directors of the Company has constituted a Corporate Social Responsibility Committee of the Board presently comprising of one Non-Executive Promoter Director viz. Mrs. Rajashree Birla, two Non-Executive Independent Directors viz. Mr. Yazdi P. Dandiwalla and Mr. Rajan A. Dalal and two Executive Directors viz. Mr. J.C. Laddha and Mr. R.K. Dalmia. Mrs. Rajashree Birla is the Chairperson of the Committee.

2. Risk Management Committee:

The Board of Directors of the Company has constituted a Risk Management Committee of the Board presently comprising of two Non-Executive Independent Directors

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

3. Finance Committee:

The Board of Directors of the Company has constituted a Finance Committee of the Board presently comprising of two Non-Executive Independent Directors viz. Mr. Yazdi P. Dandiwalla and Mr. Rajan A. Dalal and two Executive Directors viz. Mr. J.C. Laddha and Mr. R.K. Dalmia.

4. Committee of Independent Directors:

The Board of Directors of the Company has constituted a Committee of Independent Directors of the Board presently comprising of four Non-Executive Independent Directors viz. Mr. Yazdi P. Dandiwalla, Mr. Rajan A. Dalal, Mr. Sohanlal K. Jain and Ms. Preeti Vyas.

VIII. GENERAL BODY MEETINGS

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

AGM	Day	Date	Time	Venue
121 st	Tuesday	31 st July, 2018	2:30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
122 nd	Tuesday	30 th July, 2019	2:30 P.M.	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
123 rd	Tuesday	25 th August, 2020	2:30 P.M.	Conducted through Video Conferencing from the Registered office of the Company at Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai 400 030.

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

Day	Date	Time	Venue
Wednesday	24 th October, 2018	11:00 A.M.	Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai – 400 025.

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

Yes, details of which are given hereunder:-

AGMs

Date	Matter
31 st July, 2018	- Authority for making offer(s) and/or invitation(s) to subscribe to non-convertible debentures ("NCDs") on a private placement basis for a period of one year within the overall borrowing limits of the Company. - Re-appointment and remuneration of Mr. D. K. Agrawal as Whole-time Director of the Company.
30 th July, 2019	- Re-appointment of Mr. Yazdi P. Dandiwalla as an Independent Director. - Re-appointment of Mr. Rajan A. Dalal as an Independent Director. - Re-appointment of Mr. Sohanlal K. Jain as an Independent Director.
25 th August, 2020	Re-appointment of Mrs. Rajashree Birla as a Non-Executive Director.

EGM

Date	Matter
24 th October, 2018	Resolution for approval of the Scheme of Demerger amongst Century Textiles and Industries Limited and UltraTech Cement Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

Corporate Governance Report (Continued)

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

Special Resolution was passed at the last Annual General Meeting of the Company was not through Postal Ballot.

(d) Person who conducted the postal ballot exercise?

Not Applicable.

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

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

(f) Procedure for postal ballot ?

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

IX. MEANS OF COMMUNICATION

(a) Quarterly results:

(i) Which newspapers normally published in	Financial Express, All India editions. Loksatta, Mumbai edition.
(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 website. As and when any presentation is made to Institutional investors/ analysts, the same will be displayed on the website.

(b) Shareholders' grievances/complaints:

Grievance Redressal division's E-mail ID for investors	investorrelations@birlacentury.com
--	------------------------------------

X. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting to be held:

Day	:	Friday
Date	:	16 th July, 2021
Time	:	2:30 P.M.
Venue	:	Through Video Conferencing or other Audio-Visual Means

(b) Financial Year : 2021-2022

First Quarterly Results	:	On or before 14 th August, 2021
Second Quarterly Results	:	On or before 14 th November, 2021
Third Quarterly Results	:	On or before 14 th February, 2022
Audited Yearly Results for the year ending 31 st March, 2022	:	On or before 30 th May, 2022

(c) Dates of Book Closure:

Thursday, 08th July, 2021 to Friday, 16th July, 2021(Both days inclusive).

(d) Dividend payment date:

Dividend on Equity Shares will be made payable from Tuesday, 20th July, 2021 once approved. In respect of shares held in physical form, the dividend will be paid to such shareholders whose name appear in the Register of Members as at 16th July, 2021. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as per the data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

(e) Stock Exchange related information:**(i) Listing on Stock Exchanges:**

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

(ii) Stock Codes:

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

Notes :-

i) Listing fees have been paid to the Stock Exchanges for the year 2021-2022.

ii) Depository connectivity:

National Securities Depository Limited
Central Depository Services (India) Limited

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

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

Corporate Governance Report (Continued)

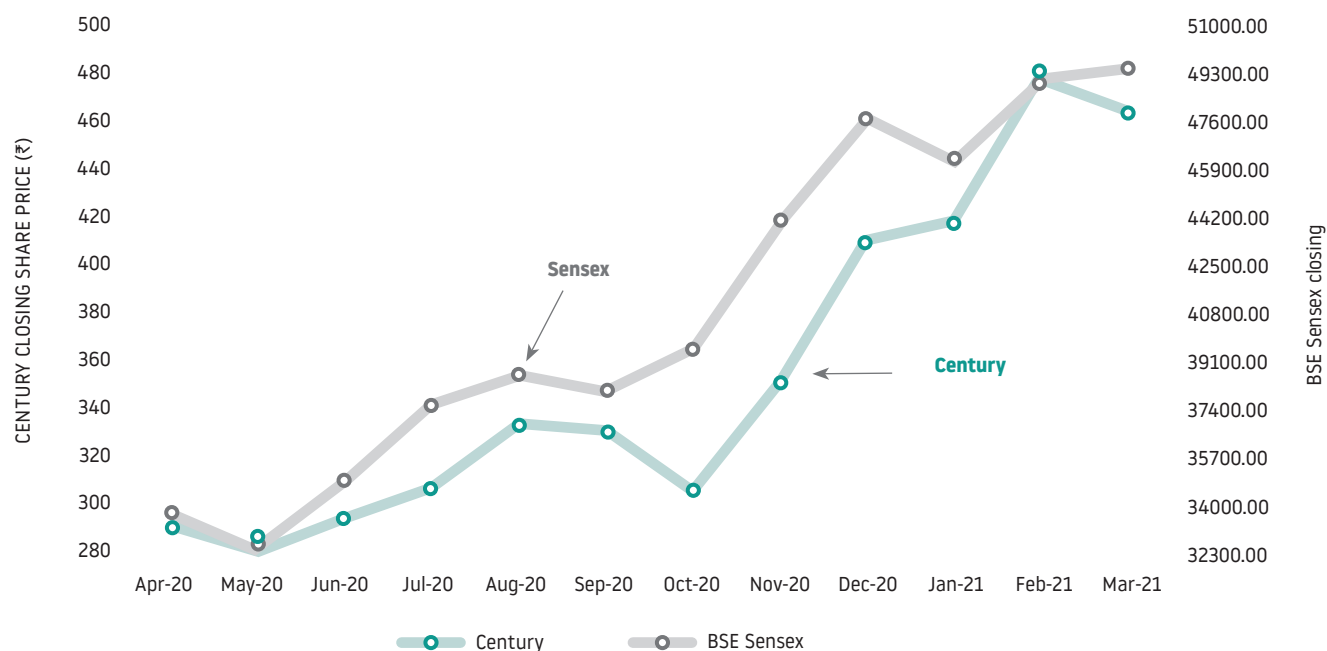
(g) Market price Data:

The details of monthly highest and lowest closing quotations of the equity shares of the Company during financial year 2020-2021 are as under :-

	(In ₹ Per Share)			
Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
April, 2020	348.35	284.35	348.35	284.05
May, 2020	285.75	255.80	285.60	255.80
June, 2020	324.30	293.35	324.35	293.40
July, 2020	321.35	298.40	321.35	298.20
August, 2020	374.80	303.60	374.80	303.60
September, 2020	376.75	317.65	376.00	317.85
October, 2020	339.05	305.25	339.00	305.05
November, 2020	353.20	304.55	353.40	305.00
December, 2020	411.25	355.15	410.90	354.80
January, 2021	430.05	393.45	430.10	393.50
February, 2021	494.65	433.80	494.30	433.75
March, 2021	535.80	459.50	536.60	459.40

(h) Performance in comparison to broad based indices :

CENTURY VS BSE SENSEX



(i) Suspension from trading:

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

(j) Registrar and Transfer Agents:

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

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

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

Please quote on all the correspondence- Unit - Century Textiles and Industries Limited.

For shareholders queries :

Telephone No. 022 – 4918 6270

Email ID : rnt.helpdesk@linkintime.co.in; bonds.helpdesk@linkintime.co.in

(k) Share Transfer System:

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

(l) Distribution of shareholding :

The shareholding distribution of equity shares of face value of ₹ 10/- each as at 31st March, 2021 is given below:-

Sr No.	No. of Equity Shares held	No. of Folios	No. of Shares	Percentage of Shareholding
1.	1 to 100	56,219	21,14,152	1.89
2.	101 to 500	15,640	39,24,634	3.51
3.	501 to 1000	3,154	24,26,401	2.17
4.	1001 to 5000	2,541	54,14,157	4.85
5.	5001 to 10000	329	23,85,445	2.14
6.	10001 to 100000	230	59,82,335	5.36
7.	100001 to 500000	49	1,19,10,321	10.66
8.	500001 & above	21	7,75,38,235	69.42
	Total	78,183	11,16,95,680	100.00

(m) Shareholding pattern as on 31st March, 2021:

Sr. No.	Category	No. of Folios	% of Folios	No. of shares held	% of share holding
1.	Promoters	8	0.01	5,60,77,970	50.21
2.	Resident Individuals	75,533	96.61	2,13,23,570	19.09
3.	Private Corporate Bodies	989	1.27	91,37,158	8.18
4.	Financial Institutions	2	0.00	12,24,102	1.10
5.	Nationalised Banks, Govt. Insurance Companies and Mutual Funds	58	0.07	1,19,84,501	10.73
6.	FII's & Foreign Portfolio Investors (Corporate)	92	0.12	1,08,77,873	9.74
7.	NRIs and OCBs	1,501	1.92	10,70,506	0.95
	Total	78,183	100	11,16,95,680	100

Corporate Governance Report (Continued)

(n) 19,139 equity shares of the face value of ₹ 10/- each for 179 folios in respect of which dividend was not encashed for seven consecutive years were transmitted to Investor Education and Protection Fund (IEPF) Authority on 02nd October, 2020. The above mentioned shares were transmitted pursuant to requirement under Section 124 of the Companies Act, 2013 read with Rule 6 of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time.

(o) Dematerialisation of equity shares:

About 98.70% of total equity share capital is held in dematerialised form with NSDL and CDSL.

(p) Hedging of Risk:

Company is not having much exposure to foreign exchange and there is a natural hedging partly available in terms of exports made by the company. Further, the Company has a Risk Management Policy which addresses the foreign currency risk. Refer Note no. 43 to the financial statement.

The Company has a robust frame work in place to protect its interest from risks arising out of market volatility. Based on market intelligence and continuous monitoring, the procurement team is advised on appropriate strategy to deal with such market volatility. Except for Foreign currency exposure, the Company does not have any exposure hedged during the financial year 2020-21.

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

Long-Term Rating	CRISIL AA/Stable (Reaffirmed) - 11 th December, 2020
Short-Term Rating	CRISIL A1+ (Reaffirmed) - 11 th December, 2020

(r) Plant (Manufacturing Units):

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

Other Unit (Property Development)

CENTURY ESTATES

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

* With effect from 01st February, 2018 the Company has granted to Grasim Industries Limited (GIL) the right and responsibility to manage, operate, use and control the viscose filament yarn business of Century Rayon Division of the Company for 15 years, for a commuted royalty of ₹ 600 Crores, interest free, refundable, security deposit of ₹ 200 Crores and Century Rayon's working capital to GIL at actuals.

(s) Address for correspondence:

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

XI. OTHER DISCLOSURES

- (i) All related party transactions have been entered into in the ordinary course of business and were placed periodically before the Audit Committee in summary form including transactions for which omnibus approval of the Audit Committee was taken. There were no material individual transactions with related parties which were not in the normal course of business, required to be placed before the Audit Committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis. Transactions with related parties as per requirements of IND AS 24 – 'Related Party Disclosures' are disclosed in Note 40 to the Financial Statements.
- (ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- (iii) The Company has established a Vigil mechanism/ whistle blower policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud etc. and the same has been disclosed on the website of the Company. Further no personnel has been denied access to the Audit Committee.

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

1. Birla Estates Private Limited
2. Birla Century Exports Private Limited

(v) Web-links

1. Familiarization programme for Independent Directors
<https://www.centurytextind.com/assets/pdf/others/insidertrading.pdf>
2. Related party Transaction Policy
https://www.centurytextind.com/assets/pdf/others/related_prty_transaction_policy.pdf
3. Material subsidiary
<https://www.centurytextind.com/assets/pdf/corporate-policies/policy-for-determining-material-subsiaries.pdf>

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

(vii) Certificate from Practicing Company Secretary:

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

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

Any recommendations given by the committees of the Board are required to be placed before the Board. The Board has accepted all the recommendations by various committees of the Board during the financial year 31st March, 2021.

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

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

₹ in Crores	
Particulars	Amount
Fees for audit and related services paid to SRBC & Co. LLP affiliate firms and to entities of the network of which SRBC & Co. LLP is a part of (Including fees for limited review)	1.66
Other fees paid to SRBC & Co. LLP and other firms in the network entity of which SRBC & Co. LLP is a part of	0.59
Total	2.25

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

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

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

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

(xii) Procedures for assessment of risk and its minimisation have been laid down by the Company and reviewed by the Board. These procedures are periodically reassessed to ensure that executive management controls risks through means of a properly defined framework.

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

(xiv) (a) All pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company have been disclosed in item V of this report.

(b) The Company has a Whole-time Director on the Board whose appointment and remuneration has

Corporate Governance Report (Continued)

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 to Mr. R.K. Dalmia, Whole-time Director is mentioned in item V of this report.

- (c) The Company has a Managing Director on the Board whose appointment and remuneration has been fixed by the Board on the recommendation of Nomination and Remuneration Committee of the Board and approved by the shareholders of the Company in the Annual General Meeting held last year.

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

- (xv) (a) Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required by Regulation 34(3) of the Listing Regulations.
- (b) There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of the Listing Regulations where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.

XII NON-COMPLIANCE

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

XIII. DISCRETIONARY REQUIREMENTS

1. The Board

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

2. Shareholders' Rights

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

3. Modified opinion(s) in audit report

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

4. Separate posts of chairperson and chief executive officer

The Company has a Managing Director in addition to the Non-Executive Chairman of the Board.

5. Reporting of Internal Auditor

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

XIV. DISCLOSURE OF COMPLIANCES

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

XV. COMPLIANCE CERTIFICATE

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

XVI. CEO/CFO CERTIFICATION

As required under Regulation 17(8) of Listing Regulations, the Managing Director and CFO have certified to the Board about compliance by the Company with the requirements of the said sub-regulation for the financial year ended 31st March, 2021.

XVII. RECONCILIATION OF SHARE CAPITAL AUDIT

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

The above report has been placed before the Board at its meeting held on 06th May, 2021 and the same was approved.

FOR SHAREHOLDERS' INFORMATION

I. DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors (the "Board") of Century Textiles and Industries Limited (the "Company") has adopted this Dividend Distribution Policy (the "Policy") of the Company as required in terms of Regulation 43A of the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

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

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

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

2. Financial Parameters

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

3. Internal Factors

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

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

4. External Factors

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

5. Utilisation of retained earnings

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

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

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

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

7. General

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

Corporate Governance Report (Continued)

II. FILING OF COST AUDIT REPORT

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

Details of the Cost Audit Reports for the financial year 2019-20 filed during the year in compliance of the aforesaid are tabled below :-

Products	Name of the Cost Auditors	Date of Filing
Textiles Birla Century	M/s. R. Nanabhoy & Co.	10 th August, 2020
Paper Century Pulp and Paper	M/s. R. Nanabhoy & Co.	10 th August, 2020

III. DEBENTURE TRUSTEE DETAILS:

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

Name : SBICAP Trustee Company Limited
 Address : Mistry Bhavan, 4th Floor, 122, Dinshaw Vachha Road, Mumbai, Maharashtra – 400020.
 Telephone No. : 022-43025566
 Fax No. : 022-22040465
 E-mail : corporate@sbicaptrustee.com
 Investor : investor.cell@sbicaptrustee.com
 Grievance email :
 Website : www.sbicaptrustee.com
 Contact person : Anupama Naidu
 (Group Head Debenture Trustee & Company Secretary)
 Tel. No. 022 4302 5503
 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 a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to further strengthen corporate governance practices of the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March, 2021.

Place: Mumbai
 Date: 06th May 2021

J.C. Laddha
 Managing Director
 DIN: 03266469

ANNEXURE B

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

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

1. The Corporate Governance Report prepared by Century Textiles and Industries Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2021 as required by the Company for annual submission to the Stock exchange.

MANAGEMENT'S RESPONSIBILITY

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

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on 31st March, 2021 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings held from April 01, 2020 to March 31, 2021:
 - (a) Board of Directors';
 - (b) Audit Committee;

Corporate Governance Report (Continued)

- (c) Annual General meeting (AGM)/ Extra ordinary General Meeting (EGM);
 - (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Independent Directors' meetings;
 - (g) Risk Management Committee;
 - (h) Finance Committee;
 - (i) Corporate Social Responsibility (CSR) Committee
- v. Obtained necessary declarations from the directors of the Company;
 - vi. Obtained and read the policy adopted by the Company for related party transactions;
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee;
 - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

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

OPINION

- 8. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

- 9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- 10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Membership Number: 112773

UDIN: 21112773AAAADE5514

Place of Signature: Mumbai

Date: May 06, 2021

Business Responsibility (BR) Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L17120MH1897PLC000163			
2	Name of the Company	Century Textiles and Industries Limited			
3	Registered Address	Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai-400 030			
4	Website	www.centurytextind.com			
5	E-mail ID	ctil.ho@birlacentury.com			
6	Financial Year Reported	01.04.2020 to 31.03.2021			
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Name of the Sector		Code	
		1. Paper			
		i) Wood/Bagasse/Recycle Based Paper		17013	
		ii) Multilayer Packaging Board		17016	
		2. Textiles			
		Fabrics & Made ups		13121 & 13131	
		3. Real Estate		4100	
8	List three key products/services that the Company manufactures/provides (as in the balance sheet)	i) Wood/Bagasse/Recycle Paper. ii) Yarn/Fabrics/ Made ups			
9.	Total number of locations where business activity is undertaken by the Company	i. Number of International locations (Provide details of major 5): NIL ii. Number of National Locations: Three National Locations have manufacturing units.			
10	Markets served by the Company.	Local	State	National	International
		✓	✓	✓	✓

SECTION B: FINANCIAL DETAILS OF THE COMPANY

(₹ in Crores)

1	Paid-up Capital (INR)	111.69
2	Total Turnover (INR)	2,564.08
3	Total Profit after taxes (INR)	31.50
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR for the year ended 31 st March, 2021 was ₹ 6.12 Crores which is 19% of the profit after tax.
5	List of Activities in which expenditure in 4 above has been incurred	Please refer Annexure II to Board's Report for details on CSR initiatives undertaken by the Company.

SECTION C: OTHER DETAILS

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

YES

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

NO

Business Responsibility (BR) Report (Continued)

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

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

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

DIN Number : 00040951

b) Name : Mr. R. K. Dalmia

c) Designation : Whole-time Director

d) Details of the BR Head

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

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

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

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

2a. Details of Compliances:

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

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles.	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles.									
3	The company does not have financial or manpower resources available for the task.									
4	It is planned to be done within next 6 months.									
5	It is planned to be done within the next 1 year.									
6	Any other reason (please specify).									

3. Governance related to BR**a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

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

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

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

Business Responsibility (BR) Report (Continued)

SECTION E: PRINCIPLE – WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

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

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

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

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

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

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

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

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

Pulp and Paper

- a) Century Pulp & Paper's products are ECO label and Forest Stewardship Council (FSC) certified, as and when required by the customer. This signifies the Unit's continuous efforts towards sustainable maintenance of forest reserves, re-utilisation of waste resources, savings of water and protection of environment.
- b) Reduced usage of LPG gas consumption, as replaced by self generated Compressed Methane Gas (CMG) from wastewater of washed Bagasse.
- c) Installed sensors for 24 hours online monitoring of Effluent Treatment Plant outlet and Stacks of Power Boilers.

Textiles

The Unit is committed to manufacturing sustainable products covering all the aspects of sustainability like minimal impact to environment, safe workplace, saving resources and continually reducing the ecological footprint.

- a) The Unit has improved its basket in terms of certifications / accreditation, awards etc. covering sustainable manufacturing like recycled products, going to public with its test results of waste and wastewater, claiming excellence through participation in similar programs.
- b) The Unit has gradually increased its share of sustainable fibers like BCI Cotton, recycled cotton, Lyocell, Fairtrade cotton, organic cotton etc. and researching on other Sustainable Fibers like Hemp, Banana, Jute etc.
- c) The Unit was awarded the Golden Peacock Energy efficiency award and NAMC special award for transformational journey towards differentiated products.

b. For each such product, provide following details in respect of resource use (energy, water, raw material etc.) as per unit of product (optional):

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

Pulp and Paper

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

a) Energy:

The Unit continues to take several initiatives to reduce power consumption during the production process. As a result, initiatives taken by the Unit have also been recognized by the Confederation of Indian Industry (CII) as well as by Bureau of Energy Efficiency (BEE), Ministry of Power, Government of India, continuously during the last 5 years. And also recognized the plant as “Excellent Energy Efficient Unit”.

b) Water:

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

c) Raw Material:

By substituting different forms of pulp (wood base, agro base, re-cycle base etc.), the Unit is formulating newer recipes to help in reducing pulp usage per ton of paper production.

Textiles

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

Energy:

Re-engineering of Humidification plant has been done to ensure power saving of 19000 units per day.

Raw Material:

By optimizing machine parameters and Product Mix, the Unit has increased the realization of cotton significantly, and is focusing on responsible sourcing which must be traceable and cleaner so that value chain can be improved continuously.

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

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

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

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

Pulp and Paper

a) FSC Certification:

Pulp & Paper plant is FSC certified, which signifies that the product (including inputs) comes from responsible & sustainable source.

b) Clones:

The Unit develops & produces various species of eucalyptus & poplar clones and distributes among nearby farmers. This help to ensure, sustainable supply of the Unit its future raw material requirements.

c) Local sourcing:

The Unit encourages local sourcing of raw materials, except imported Pulp, Chemicals and Spares.

Business Responsibility (BR) Report (Continued)

Textiles

a) Raw Material

The Unit focuses on sustainable procurement of Raw Material like BCI cotton, Organic cotton, Fair Trade Cotton and Regenerated Fiber like Excel and from sources which are more reliable and transparent in supply chain.

b) Renewable Power

The Unit is in final stage to explore the Renewable Power (like Solar) which will be implemented within 6 months.

c) Local Sourcing

Cotton farmers are imparted knowledge to increase their yield using minimum or nil pesticides in their farm.

d) Chemical

Major Chemicals are being procured from supplier who are internationally certified for various sustainable practices, such as Eco Passport, ZDSC MRSL, REACH Compliant, Bluesign Certification etc.

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

Pulp and Paper

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

At present, around 85% of the Unit's major raw material (except Imported Pulp, Chemicals and Spares) are sourced locally within a vicinity of approx. 300 km. It is only when availability from local suppliers have some constraints, the Unit reaches out farther. This financially strengthens local suppliers.

Textiles

The Unit always prefers to procure majority of materials and services from surrounding and local vendors only. The Unit also ensures Cost and Quality optimization in such procurements.

Trainings are being imparted to local vendors to develop desired skill set of textile operations and make them aware about recent technology.

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

Pulp and Paper

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

- a) Plants already have one dedicated production line, which takes waste/recycle inputs (paper) as its raw material to manufacture fresh paper. During the year 2020-21, approx. 18.6% of the sales volume were products of this production line.
- b) Wastes like bagasse pith and wood bark dust, are being used in boilers as fuel to generate power. During the year 2020-21, this process contributed approx. 3.5% of the total steam generation.
- c) Plant sludge is being further re-utilised for manufacturing of second grade Multilayer Packaging Board (Grey back) by small manufacturers.

Textiles

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

- a) Sludge Dryer: Sludge dryer is installed in the Effluent Treatment Recovery Plant to reduce land fill waste by 80%
- b) Agitated Thin Film Dryer (ATFD): ATFD is installed in the Effluent Treatment Recovery Plant to reduce Inorganic waste by 80%
- c) Part of the fabric waste is being recycled and used as a raw material for viscose fibre manufacturing.

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

a. Please indicate the Total number of permanent employees.

4268

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

5370

c. Please indicate the Number of permanent women employees.

76

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

12

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

No

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

N.A.

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

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

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

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

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

Business Responsibility (BR) Report (Continued)

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

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

Yes.

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

Yes.

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

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

Principle 5: Businesses should respect and promote human rights.

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

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

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

No stakeholder complaints were received during the last financial year.

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

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

The Company has an Environment Policy which covers only the company.

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

No.

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

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

Pulp and Paper Plant and Textiles plant both continue to assess potential environmental risks, and to mitigate these they have in place an Environmental Management System (EMS). The Company's plants are ISO 14001 and OHSAS 18001 certified.

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

Yes,

Pulp and Paper plant worked on 2 CDM projects and had MoEF & CC approval;

a) Steam & Power generation by utilizing bagasse pith, and

b) Steam & Power generation by utilizing Pre-hydrolysis Liquor of Rayon Grade Pulp.

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

Yes, Pulp and Paper plant continued to take various initiatives on:

a) **Clean Technology:**

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

b) **Energy Efficiency:**

Steam condensing and optimization of Boilers.

c) **Renewable Energy:**

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

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

Yes, the emissions / waste generated by the Plants are within the permissible limits given by CPCB/SPCB.

During last 8 financial years, Pulp & Paper unit has already spent approx. Rs.100 crore on this aspect.

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

No such case is pending as on date.

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

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

The company is a member of several associations viz:

- Federation of Indian Exports Organisation
- The Cotton Textiles Export Promotion Council
- Indian Paper Manufacturers Association.
- Confederation of Indian Industry.
- Indian Pulp & Paper Technical Association
- National Safety Council
- Kumaun Gharwal Chamber of Commerce and Industry
- Coal Consumers' Association of India

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

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

Business Responsibility (BR) Report (Continued)

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

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

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

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

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

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

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

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

Contribution towards Corporate Social Responsibility (CSR) is ₹ 11.34 Crores (includes ₹ 5.22 Crores of 2019-20 unspent CSR amount). The Company is well aware of its responsibility towards community and is continuously striving to achieve equitable development in the vicinity of the individual manufacturing units of the Company.

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

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

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

- a. What percentage of customer complaints / consumer cases are pending as on the end of financial year.**

No cases of customer complaints were pending as at the end of FY 21.

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

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

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

No.

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

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

Independent Auditor's Report

To the Members of Century Textiles and Industries Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone Ind AS financial statements of Century Textiles and Industries Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the

Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
Recognition and Measurement of Deferred Tax (as described in Note 16 of the standalone Ind AS financial statements)	
The Company has recognized Minimum Alternate Tax (MAT) credit receivable of INR 361.55 Crores as at March 31, 2021. The Company also has recognized deferred tax assets of INR 188.38 Crores on unabsorbed depreciation and indexation benefit on land. Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Company has measured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime.	Our procedures included, amongst others, the following: - Considered Company's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes". - Performed an understanding of the process and tested the internal controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls. - Performed the tests of details including the following key procedures: - Involved tax specialists who evaluated the Company's tax positions basis the tax law and also by comparing it with prior years and past precedents. - Discussed the future business plans and financial projections as approved by the management.

Independent Auditor's Report (Continued)

Key audit matters	How our audit addressed the key audit matter
The recognition and measurement of MAT credit receivable and deferred tax balances is a key audit matter as the recoverability of such credits within the allowed time frame in the manner prescribed under tax regulations and estimation of year of transition to the new tax regime involves significant estimate of the financial projections, availability of sufficient taxable income in the future and admissibility of tax positions adopted by the Company.	➤ Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it with the past trends, approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment, where applicable. ➤ Assessed the deferred tax on temporary differences which are expected to reverse after the likely date of transition to the new tax regime and considered the impact thereof. • Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".

Other Information

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

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

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

Responsibilities of Management for the Standalone Ind AS Financial Statements

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

and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures

responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021 and

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the remuneration of the Managing Director and Whole Time Director for the year ended March 31, 2021 is in excess of the limits applicable under section 197 of the Act, read with Schedule

Independent Auditor's Report (Continued)

V thereto, by ₹ 3.65 Crore. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 38 to the standalone Ind AS financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 15 to the standalone Ind AS financial statements;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP
Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal
Partner

Place of Signature: Mumbai
Date: 06 May 2021

Membership Number: 112773
UDIN: 21112773AAAADA4633

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company

and the nature of its assets. No material discrepancies were noticed on such verification.

- (c) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment and inventories are held in the name of the Company, except the following:

1. Land measuring 29 acres at a carrying value of 4.03 Crores at textiles division
2. Land measuring 6.31 acres at a carrying value of 0.01 Crores at real estate division

As explained to us, the Company is in process of getting the above lands transferred in Company's name.

- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2021 and no material discrepancies were noticed in respect of such confirmations.

- iii. (a) The Company has granted loans to a company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

- (b) The Company has granted loans to a company covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment / receipts are regular.

- (c) There are no amounts of loan granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise,

value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of Statute	Nature of dues	Amount* (₹ in Crores)	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1962	Custom duty	0.22	2000-2001	High Court
		4.42	2004-2017	CESTAT
		1.03	1987-2017	Departmental Authorities
Finance Act, 1994	Service Tax	0.95	2005-2010	High Court
		0.21	2006-2016	CESTAT
		1.84	1994-2018	Departmental Authorities
The Central Excise Act, 1944	Excise Duty	25.97	1994-2018	High Court
		0.22	1994-2018	CESTAT
		8.24	1994-2018	Departmental Authorities
Sales Tax and Entry Tax	Sales Tax and Entry Tax	0.33	1999-2018	High Court
		4.85	1987-2017	Departmental Authorities

* Net of deposits

- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- ix. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans / debt instruments for the purposes for which they were raised.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanation given by the management, we report that remuneration of the Managing Director and Whole Time Director for the year ended March 31, 2021 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by ₹ 3.65 Crore. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed

Independent Auditor's Report (Continued)

in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Abhishek Agarwal
Partner

Place of Signature: Mumbai Membership Number: 112773
Date: 06 May 2021 UDIN: 21112773AAAADA4633

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

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

We have audited the internal financial controls over financial reporting of Century Textiles and Industries Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of

internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per Abhishek Agarwal
Partner

Place of Signature: Mumbai
Date: 06 May 2021

Membership Number: 112773
UDIN: 21112773AAAADA4633

Standalone Balance Sheet

as at 31 March 2021

Particulars	Note No.	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	3	3,263.51	3,381.63
(b) Capital work-in-progress		172.58	137.47
(c) Investment property	4	860.77	897.43
(d) Investment property under development		36.76	36.40
(e) Intangible assets	5	6.83	8.20
(f) Intangible assets under development		0.36	-
(g) Financial assets			
(i) Investments	6	360.27	274.24
(ii) Loans	6A	6.27	7.17
(iii) Other financial assets	7	1.46	2.89
(h) Deferred tax assets (net)	16	55.49	64.56
(i) Advance tax (net of provisions)		49.43	190.06
(j) Other non-current assets	8	38.28	50.90
SUB-TOTAL		4,852.01	5,050.95
CURRENT ASSETS			
(a) Inventories	9	844.25	882.97
(b) Financial assets			
(i) Investments	6	45.00	-
(ii) Trade receivables	10	163.57	182.52
(iii) Cash and cash equivalents	11	5.90	45.06
(iv) Other bank balances (other than (iii) above)	11	62.36	60.65
(v) Loans	6A	293.02	181.17
(vi) Other financial assets	7	23.87	30.83
(c) Other current assets	8	101.02	107.31
SUB-TOTAL		1,538.99	1,490.51
Assets classified as held for sale	35	1.96	1.33
TOTAL		6,392.96	6,542.79
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	12	111.69	111.69
(b) Other equity		3,552.13	3,465.32
SUB-TOTAL		3,663.82	3,577.01
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	14	829.27	527.42
(ii) Lease liabilities	14A	20.62	15.44
(iii) Other financial liabilities	15	97.13	87.16
(b) Other non-current liabilities	17	596.92	615.77
SUB-TOTAL		1,543.94	1,245.79
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	18	2.98	15.62
(ii) Lease liabilities	14A	2.69	1.95
(iii) Trade payables	19		
1) total outstanding dues of micro enterprises and small enterprises		14.93	8.87
2) total outstanding dues of trade payables other than micro enterprises and small enterprises		553.72	431.28
(iv) Other financial liabilities	15	284.58	943.47
(b) Provisions	20	188.12	180.59
(c) Other current liabilities	17	90.41	92.88
SUB-TOTAL		1,137.43	1,674.66
Liabilities directly associated with assets held for sale	35	47.77	45.33
TOTAL		6,392.96	6,542.79
Significant accounting policies	2A		
The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**

Partner

Membership No: 112773

Mumbai : 06 May 2021

Atul K.KediaVice President (Legal)
& Company Secretary**Snehal Shah**

Chief Financial Officer

Mumbai : 06 May 2021

J.C.Laddha

Managing Director

DIN No: 03266469

R.K.Dalmia

Whole-time Director

DIN No: 00040951

Yazdi P. Dandiwal

Director

DIN:01055000

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

Standalone Statement of Profit and Loss

for the year ended 31 March 2021

Particulars	Note No.	Year Ended 31 March 2021 (₹ in Crores)	Year Ended 31 March 2020 (₹ in Crores)
Continuing Operations			
I Revenue from operations	21	2,610.55	3,424.26
II Other income	22	79.64	43.37
III Total Income (I + II)		2,690.19	3,467.63
IV Expenses			
(a) Cost of materials consumed	23	1,317.51	1,755.42
(b) Purchases of traded goods	24	79.47	48.22
(c) Changes in inventories of finished goods, work-in-progress and traded goods	25	46.22	(33.99)
(d) Employee benefits expense	26	232.35	256.33
(e) Finance costs	27	88.55	93.13
(f) Depreciation and amortisation expense	28	229.02	227.76
(g) Other expenses	29	648.47	746.43
Total Expenses		2,641.59	3,093.30
V Profit before tax from continuing operations (III - IV)		48.60	374.33
VI Tax Expense of continuing operations			
(a) Current tax	16	-	53.92
(b) Adjustment of tax relating to earlier periods	16	(19.25)	-
(c) MAT credit recognised	16	-	(53.92)
(d) Deferred tax	16	17.81	(93.69)
Total tax expense		(1.44)	(93.69)
VII Profit after tax from continuing operations (V - VI)		50.04	468.02
VIII Discontinued Operations			
(a) Profit / (Loss) before tax from discontinued operations		(28.50)	(27.13)
(b) Tax (Expense) / Income of discontinued operations		9.96	9.48
Profit / (Loss) after tax from discontinued operations		(18.54)	(17.65)
IX Profit for the year (VII + VIII)		31.50	450.37
X Other comprehensive income			
(i) Items that will be re-classified to profit or loss - continuing operations			
(a) Net movement in cash flow hedge reserve		(0.03)	2.00
(b) Income tax on (a)		0.01	(0.70)
(ii) Items that will not be re-classified to profit or loss - continuing operations			
(a) Re-measurement gain / (loss) on defined benefit plans		3.51	(6.15)
(b) Net gain / (loss) on Fair value through Other Comprehensive Income (OCI) - Equity Instruments		86.56	(76.16)
(c) Income tax on (a) & (b)		(1.23)	2.15
Total other comprehensive income / (loss) for the year (net of tax)		88.82	(78.86)
XI Total comprehensive income for the year (IX + X)		120.32	371.51
XII Earnings per equity share :			
(a) Basic & Diluted Earnings Per Share - Continuing operations	31	4.48	41.90
(b) Basic & Diluted Earnings Per Share - Discontinued operations	31	(1.66)	(1.58)
(c) Basic & Diluted Earnings Per Share - (Continuing & discontinued operations)	31	2.82	40.32
Significant accounting policies	2A		
The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**

Partner

Membership No: 112773

Mumbai : 06 May 2021

Atul K.Kedia

Vice President (Legal)

& Company Secretary

Snehal Shah

Chief Financial Officer

Mumbai : 06 May 2021

J.C.Laddha

Managing Director

DIN No: 03266469

R.K.Dalmia

Whole-time Director

DIN No: 00040951

Yazdi P. Dandiwal

Director

DIN:01055000

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

Standalone Statement of Changes in Equity

for the year ended 31 March 2021

	Equity Share Capital	Reserves and Surplus				Other comprehensive Income		Total Other Equity
		Securities Premium (See Note 13(a))	General Reserves (See Note 13(d))	Capital Redemption Reserve (See Note 13(b)(i))	Debt Redemption Reserve (See Note 13(b)(iii))	Retained Earnings	Cash Flow Hedge Reserve (See Note 13e(ii))	
As at 1 April 2019	111.69	643.22	1,273.54	100.00	181.26	910.13	(1.70)	3,194.80
Profit for the year	-	-	-	-	-	450.37	-	450.37
Other comprehensive income / (loss)	-	-	-	-	-	(4.00)	1.30	(78.86)
Total comprehensive income / (loss) for the year	-	-	-	-	-	446.37	1.30	371.51
Dividend paid on equity shares (See Note 13(c))	-	-	-	-	-	(83.77)	-	(83.77)
Dividend distribution tax (See Note 13(c))	-	-	-	-	-	(17.22)	-	(17.22)
As at 31 March 2020	111.69	643.22	1,273.54	100.00	181.26	1,255.51	(0.40)	3,465.32
Profit for the year	-	-	-	-	-	31.50	-	31.50
Other comprehensive income / (loss)	-	-	-	-	-	2.28	(0.02)	88.82
Total comprehensive income / (loss) for the year	-	-	-	-	-	33.78	(0.02)	120.32
Transferred to retained earnings	-	-	-	-	(181.26)	181.26	-	-
Dividend paid on equity shares (See Note 13(c))	-	-	-	-	-	(33.51)	-	(33.51)
As at 31 March 2021	111.69	643.22	1,273.54	100.00	-	1,437.04	(0.42)	3,552.13
								3,663.82

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 06 May 2021

Snehal Shah
Chief Financial Officer
Mumbai : 06 May 2021

J.C.Laddha
Managing Director
DIN No: 03266469

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

Yazdi P. Dandiwal
Director
DIN:01055000

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

Standalone Cash Flow Statement

for the year ended 31 March 2021

Particulars	Year Ended 31 March 2021 (₹ in Crores)	Year Ended 31 March 2020 (₹ in Crores)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) before tax from continuing operations	48.60	374.33
Net profit / (loss) before tax from discontinued operations	(28.50)	(27.13)
Add / (Less) :		
Depreciation and amortisation on property plant and equipment	190.52	189.32
Depreciation and amortisation on investment property	36.67	37.09
Depreciation and amortisation on intangible assets	1.83	1.35
Loss/(gain) on sale of property plant and equipment and investment properties	(0.16)	3.23
Allowance for credit loss	3.31	0.80
Unrealized exchange (gain) / loss	(0.84)	4.03
Interest income	(54.75)	(14.86)
Provision for interest written back	(8.00)	(9.75)
Interest expense	88.55	93.13
Liabilities written back	(9.66)	(18.75)
Dividend on investments	(3.27)	(2.81)
	244.20	282.78
Working capital adjustments:		
Decrease / (increase) in inventory	57.34	(6.37)
Decrease / (increase) in trade receivables	15.67	21.49
Decrease / (increase) in other financial assets	12.70	3.85
Decrease / (increase) in other assets	8.44	12.72
(Decrease) / increase in other financial liabilities	4.90	7.09
(Decrease) / increase in trade payables	137.68	(64.69)
(Decrease) / increase in provisions	11.76	4.44
(Decrease) / increase in other liabilities	(20.03)	(69.97)
Decrease / (increase) in other bank balance	(3.84)	(13.90)
	224.62	(105.34)
Cash generated from operations	488.92	524.64
Add / (Less) :		
Direct taxes (paid) / refund received	163.39	(124.04)
NET CASH GENERATED FROM OPERATING ACTIVITIES	652.31	400.60
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment and intangible assets	(84.32)	(198.66)
Proceeds from sale of property plant and equipment and investment properties	2.96	4.98
Interest received (finance income)	50.98	13.62
Purchase of investment property	(0.37)	(38.30)
Purchase of investment (net)	(44.47)	-
Investment in subsidiary	-	(85.00)
Dividend on investments	3.27	2.81
Loans given to subsidiary	(111.49)	(176.96)
Net movement in fixed deposits with bank	2.13	(9.46)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(181.31)	(486.97)

Standalone Cash Flow Statement (Continued)

for the year ended 31 March 2021

Particulars	Year Ended 31 March 2021 (₹ in Crores)	Year Ended 31 March 2020 (₹ in Crores)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	450.00	600.00
Repayment of borrowings	(771.33)	(108.16)
Net proceeds / (repayment) of short term borrowings	(13.30)	(76.25)
Dividend paid	(33.68)	(83.77)
Dividend distribution tax paid	-	(17.22)
Lease liability paid	(13.92)	(2.87)
Interest paid	(128.59)	(84.37)
NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	(510.82)	227.36
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(39.82)	140.99
Cash and cash equivalents at the beginning of the year	44.93	(96.06)
Cash and cash equivalents at the year end - (Refer note 11)	5.11	44.93

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per the above comprise of the following		
Cash and cash equivalents - (Refer note 11)	5.90	45.06
Cash credit facilities - (Refer note 18)	(0.79)	(0.13)
Balance as per cash flow statement	5.11	44.93

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 06 May 2021

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

Snehal Shah
Chief Financial Officer
Mumbai : 06 May 2021

J.C.Laddha
Managing Director
DIN No: 03266469

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

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

Yazdi P. Dandiwal
Director
DIN:01055000

Notes to Standalone Financial Statements

for the year ended 31 March 2021

1. CORPORATE INFORMATION

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

The financial statements were approved for issue in accordance with a resolution of the board of directors on 6 May 2021.

2A. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

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

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

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

2.2 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

2.3 Fair value measurement

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

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

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

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

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

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

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

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

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

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

2.4 Revenue from contract with customer

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

Sale of Goods

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

Variable Consideration

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

Discounts

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

Contract balances

Contract assets

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

Trade receivables

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

Contract liabilities

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

Refund liabilities

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

2.5 Government grants

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

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

2.6 Taxes

Current tax

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

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

Deferred tax

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

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

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

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

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

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

Current and deferred tax for the year

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

Minimum Alternate Tax (MAT)

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

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

GST paid on acquisition of assets or on incurring expenses

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

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

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

2.7 Property, plant and equipments

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

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

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

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

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

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

2.8 Intangible Assets

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

2.9 Investment properties

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

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

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

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

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

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

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

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and

Notes

to Standalone Financial Statements for the year ended 31 March 2021

- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

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

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

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

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

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

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

2.11 Leases

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

As a lessee

i) Right-of-use assets

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

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

ii) Lease liabilities

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

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

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

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

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

As a lessor

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

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

2.12 Borrowing costs

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

2.13 Inventories

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

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

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

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

2.14 Impairment of non-financial assets

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

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

2.15 Provisions

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

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

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

Onerous contracts

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

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

2.16 Cash and cash equivalents

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

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

2.17 Employee Benefits

Defined Contribution plans

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

Defined benefit plans

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

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

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

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

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

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

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

Compensated absences

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

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

2.18 Research and Development

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

2.19 Foreign currencies

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

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

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

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

2.20 Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

Equity investments

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

Derecognition

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

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

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

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

Impairment of financial assets

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

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

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

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

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

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

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

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

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

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

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

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

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Loans and borrowings

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

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

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments:

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

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

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

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

Cash flow hedges

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

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

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

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

2.21 Investment in Subsidiary

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

2.22 Earnings Per Share:

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

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

2.23 Cash dividend and non-cash distribution to equity holders

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

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

2.24 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

2B. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Employee benefit plans

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 36.

b) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 43 and 44 for further disclosures.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

c) Useful Lives of Property, Plant & Equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets

2C. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

Other amendments

The Company does not have any significant impact of the amendments in accounting standards on its financial statements

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 3 A. PROPERTY, PLANT AND EQUIPMENT

	(₹ in Crores)								
	Land - Freehold	Land - leasehold (Finance lease)	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Vehicles	Electric Installations	Total
I. Gross Block									
Balance as at 1 April 2019	345.60	51.88	621.66	5,274.66	11.23	37.66	9.87	129.88	6,482.44
Additions	-	-	6.55	67.96	0.57	0.71	0.72	-	76.51
Disposals	-	-	-	(18.18)	(0.29)	(0.39)	(2.17)	(0.81)	(21.84)
Transfer to Right of Use Assets	-	(51.88)	-	-	-	-	-	-	(51.88)
Balance as at 31 March 2020	345.60	-	628.21	5,324.44	11.51	37.98	8.42	129.07	6,485.23
Additions	-	-	-	56.90	0.57	0.18	0.11	0.07	57.83
Disposals	-	-	-	(4.04)	(0.01)	(0.12)	(0.48)	(0.03)	(4.68)
Balance as at 31 March 2021	345.60	-	628.21	5,377.30	12.07	38.04	8.05	129.11	6,538.38
II. Accumulated depreciation									
Balance as at 1 April 2019	0.71	7.21	250.86	2,577.98	9.08	28.40	6.34	105.72	2,986.30
Depreciation expense for the year	-	-	17.21	161.25	0.81	1.97	0.98	4.41	186.63
Disposal of assets	-	-	-	(10.89)	(0.27)	(0.34)	(1.59)	(0.48)	(13.57)
Transfer to Right of Use Assets	-	(7.21)	-	-	-	-	-	-	(7.21)
Balance as at 31 March 2020	0.71	-	268.07	2,728.34	9.62	30.03	5.73	109.65	3,152.15
Depreciation expense for the year	-	-	16.59	162.84	0.63	1.59	0.97	4.33	186.95
Disposal of assets	-	-	-	(1.44)	-	(0.10)	(0.32)	(0.01)	(1.87)
Balance as at 31 March 2021	0.71	-	284.66	2,889.74	10.25	31.52	6.38	113.97	3,337.23
Net Block									
Balance as at 31 March 2020	344.89	-	360.14	2,596.10	1.89	7.95	2.69	19.42	3,333.08
Balance as at 31 March 2021	344.89	-	343.55	2,487.56	1.82	6.52	1.67	15.14	3,201.15

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 3 (Continued)

B. Right of Use Assets

Description	Land	Building	Total
Cost			
Balance as on 1 April 2019 due to adoption of Ind AS 116	51.88	-	51.88
Additions during the year	-	6.57	6.57
Disposals during the year	-	-	-
Balance as at 31 March 2020	51.88	6.57	58.45
Additions during the year	6.20	12.24	18.44
Disposals during the year	-	(1.06)	(1.06)
Balance as at 31 March 2021	58.08	17.75	75.83
Accumulated depreciation and impairment			
Balance as on 1 April 2019 due to adoption of Ind AS 116	7.21	-	7.21
Depreciation expense for the year	1.04	1.65	2.69
Disposal of assets	-	-	-
Balance as at 31 March 2020	8.25	1.65	9.90
Depreciation expense for the year	1.17	2.40	3.57
Disposal of assets	-	-	-
Balance as at 31 March 2021	9.42	4.05	13.47
Net Carrying value as at 31 March 2020	43.63	4.92	48.55
Net carrying value as at 31 March 2021	48.66	13.70	62.36

C: Net book value

Particulars	31-Mar-21	31-Mar-20
Owned assets	3,201.15	3,333.08
Right-of-use assets	62.36	48.55
Total	3,263.51	3,381.63

Notes:

- (i) During the year ended 31 March 2021 and 31 March 2020, there are no impairment loss determined at each level of Cash Generating Unit (CGU). The recoverable amount was based on value in use and was determined at the level of CGU.
- (ii) Capitalised borrowing cost :
No borrowing costs are capitalised on property, plant and equipment under construction
- (iii) Title deeds
 - (a) Includes land measuring 29 acres and 15 guntha at a cost of ₹ 4.03 Crores (31 March 2020 ₹ 4.03 Crores) at Century Rayon division pending to be transferred in the name of the Company.
 - (b) Refer note 14 and note 18 for details of pledge and securities.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 4 : INVESTMENT PROPERTIES

Particulars	(₹ in Crores)		
	Land (Including TDRs)	Buildings	Total
I. Gross Block			
Balance as at 1 April 2019	7.67	1,039.23	1,046.90
Additions	-	2.80	2.80
Disposals	-	0.02	0.02
Balance as at 31 March 2020	7.67	1,042.01	1,049.68
Additions	-	0.01	0.01
Disposals	-	-	-
Balance as at 31 March 2021	7.67	1,042.02	1,049.69
II. Accumulated depreciation			
Balance as at 1 April 2019	-	115.16	115.16
Depreciation expense for the year	-	37.09	37.09
Disposal of assets	-	-	-
Balance as at 31 March 2020	-	152.25	152.25
Depreciation expense for the year	-	36.67	36.67
Disposal of assets	-	-	-
Balance as at 31 March 2021	-	188.92	188.92
Net Block			
Balance as at 31 March 2020	7.67	889.76	897.43
Balance as at 31 March 2021	7.67	853.10	860.77

Note :

(i) Information regarding Income and expenditure of Investment properties

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Rental income derived from Investment properties (See Note 21)	128.57	130.26
Direct operating expenses (including repairs and maintenance) generating rental income	(20.02)	(26.84)
Profit arising from investment properties before depreciation and indirect expenses	108.55	103.42
Less: Depreciation	36.67	37.09
Profit arising from investment properties before indirect expenses	71.88	66.33

(ii) Buildings consist of two commercial properties in India which are leased to third parties.

(iii) Out of the total land under Investment Properties, 6.31 acres of land amounting to ₹ 0.01 Crores, which was allotted to the Company on lease under the Poorer Class Accommodation Scheme 1898 as amended by 1913 Act and 1925 Act, which stated that in the event of no default being made in complying with the conditions of the lease, then on expiry of the lease all the right, title and interest shall vest with the Company. The lease expired in the year 1955 and the Company has filed a petition for execution of formal deed of conveyance.

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

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 4 : INVESTMENT PROPERTIES (Continued)

(v) Capitalised borrowing cost :

Borrowing costs of ₹ Nil (31 March 2020 ₹ 2.69 Crores) is capitalised on Investment property under development.

(vi) Leasing arrangements: Certain investment properties are leased to tenants under long term operating leases with rentals payable monthly. (Refer note 45)

(vii) Fair value

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique (See Note below)	Fair Value Hierarchy (See Note below)	(₹ in Crores)	
			Fair Value 31 March 2021	31 March 2020
Land	Stamp Duty Reckoner rate	Level 2	2,487.64	2,487.64
Commercial Property *	Stamp Duty Reckoner rate	Level 2	2,288.30	2,288.30

* Includes Investment property under development

Note:

The above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The Independent Valuer has referred to the publications and Government website for Ready Reckoner rates. Suitable adjustments if required have been made to account for availability of FSI in land parcels in Mumbai in accordance with the guidelines prescribed by the Department of Registrations and Stamps. The adjustments related to floors, lifts and other factors are not considered for valuation of commercial property. Since the valuation is based on the published Ready Reckoner rates, the Company has classified the same under Level 2.

NOTE 5 : INTANGIBLE ASSETS

Particulars	(₹ in Crores)	
	Computer Softwares	
I. Gross Block		
Balance as at 1 April 2019		16.11
Additions		6.99
Disposals		-
Balance as at 31 March 2020		23.10
Additions		0.46
Disposals		-
Balance as at 31 March 2021		23.56
II. Accumulated depreciation		
Balance as at 1 April 2019		13.55
Depreciation expense for the year		1.35
Disposal of assets		-
Balance as at 31 March 2020		14.90
Depreciation expense for the year		1.83
Disposal of assets		-
Balance as at 31 March 2021		16.73
Net Block		
Balance as at 31 March 2020		8.20
Balance as at 31 March 2021		6.83

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 5 : INTANGIBLE ASSETS (Continued)

Note : Break-up of Depreciation / Amortisation for the year :

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Depreciation / amortisation for the year		
- On Property, plant & equipment (See note 3)	190.52	189.32
- On Investment property (See note 4)	36.67	37.09
- On Other intangible assets (See note 5)	1.83	1.35
	229.02	227.76

NOTE 6 : FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
I. NON CURRENT INVESTMENTS		
A. Investment in Subsidiaries measured at cost less impairments, if any		
Unquoted Investments :		
Equity Shares of ₹10 each, of Birla Estates Private Limited 16,70,50,000 Shares (31 March 2020, 16,70,50,000 shares)	167.05	167.05
Equity Shares of ₹ 10 each, of Birla Century Exports Pvt. Ltd. 5,00,000 Shares (31 March 2020, 5,00,000 shares)	0.50	0.50
Total	167.55	167.55
B. Investments carried at fair value through OCI		
Quoted investments (Refer note (i) below)	148.85	63.01
Unquoted investments (Refer note (i) & (ii) below)	35.87	35.14
Total (Quoted & unquoted investments)	184.71	98.15
C. Investments carried at Amortised Cost		
Quoted Government and trust securities	8.01	8.54
Total [A] + [B] + [C]	360.27	274.24

Note:

- (i) Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding. Refer Note 44 for determination of their fair values.
- (ii) Investments in unquoted investments includes investment in Industry House Limited (IHL) amounting to ₹ 25.64 Crore (31 March 2020 ₹ 24.01 Crore). The Company is holding 35.28% of equity shares in IHL. As the Company does not have significant influence over Industry House Limited, the Company has not considered it as an associate as per Ind AS 28 "Investments in Associates and Joint Ventures" and hence not consolidated. The Company's share of profit of Industry House Limited is insignificant.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
II. CURRENT INVESTMENTS		
Investments carried at fair value through profit and loss		
Investment in mutual funds		
1,39,690 units (31 March 2020: Nil) of SBI Overnight Fund Direct Growth	45.00	-
Total	45.00	-

NOTE 6A : LOANS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
At Amortised Cost				
a) Loan (Security deposits)	6.27	7.17	1.05	0.69
b) Loan to Subsidiary (Refer below note (i))	-	-	291.97	180.48
Total	6.27	7.17	293.02	181.17

Note:

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

Particulars	Rate of Interest	Due date	As at 31 March 2020	Loan Given	Loan Repaid	As at 31 March 2021
Birla Estates Private Ltd (Unsecured)	8.00%	On demand	180.48	111.49	-	291.97

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

Disclosure as per regulation 53(f) and 34(3) read together with para A Schedule V of (SEBI (LODR) Regulations, 2015.

Name of the Company	Relationship	Amount outstanding at the year end		Maximum Principal amount outstanding during the year(excluding interest accrued)	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Birla Estates Private Ltd	Subsidiary	291.97	180.48	291.97	257.32

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 7 : OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(i) Financial assets at amortised cost				
a) Interest subsidy	-	-	13.16	7.06
b) Interest receivable	-	-	-	2.33
c) Claims and other receivables	-	-	0.29	8.86
d) Unbilled lease rentals	1.03	0.35	-	2.05
e) Others	-	-	8.31	8.54
- Doubtful	-	-	0.14	0.14
Less: Allowance for credit loss	-	-	(0.14)	(0.14)
	1.03	0.35	21.76	28.84
f) Finance lease receivables (Refer Note 45)	0.43	2.54	2.11	1.99
Less: Allowance for credit loss	-	-	-	-
	0.43	2.54	2.11	1.99
Total	1.46	2.89	23.87	30.83

NOTE 8 : OTHER ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Capital advances				
(i) For property, plant and equipment	25.77	35.61	-	-
	25.77	35.61	-	-
(b) Advances other than capital advances				
(i) Export incentives receivable	-	0.89	6.52	9.80
(ii) Balances with Government authorities (other than income taxes)	6.21	7.29	21.78	27.39
(iii) Amount paid against disputed demands	3.98	4.15	-	-
(iv) Advances to vendors / suppliers	-	-	41.38	44.97
(v) Prepaid expenses	1.15	1.01	20.85	19.02
(vi) Gratuity - plan asset (Refer Note 36)	-	-	1.41	-
(vii) Others	1.17	1.95	9.08	6.13
	12.51	15.29	101.02	107.31
Total	38.28	50.90	101.02	107.31

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 9 : INVENTORIES

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

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Raw materials	134.00	127.61
Goods in transit	19.71	4.96
(b) Work-in-progress	182.80	188.45
(c) Finished and semi-finished goods	77.41	126.41
(d) Stock-in-trade of goods acquired for trading	0.95	0.66
(e) Fuels, stores and spares	99.43	128.73
Goods in transit	1.16	1.06
(f) Other materials	4.32	23.75
(g) Real estate inventory	324.47	281.34
Total	844.25	882.97

Note :

- (i) Cost of inventories recognised as an expense includes ₹ 1.01 Crores (31 March 2020 ₹ 0.21 Crores) in respect of write-downs of inventory to net realisable value.
- (ii) For charge created on inventories refer Note 14 and 18
- (iii) Real estate inventory includes borrowing costs of ₹ 18.62 Crores (31 March 2020 ₹ 16.53 Crores)

NOTE 10 : TRADE RECEIVABLES

Particulars	Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Secured, considered good	24.42	26.04
Unsecured, considered good	139.15	156.48
Unsecured, considered doubtful	5.00	1.74
Less: Allowance for credit losses	(5.00)	(1.74)
Receivables - credit impaired	6.71	6.71
Less: Allowance for credit losses	(6.71)	(6.71)
Total	163.57	182.52
Of the above, trade receivables from:		
- Related Parties (Refer Note 40)	10.07	1.99
- Others	153.50	180.53
Total	163.57	182.52

Note :

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner or a director or a member. Trade receivables are non interest bearing and are generally on terms of 7 to 120 days of credit period.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 11 : CASH AND BANK BALANCES

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Cash and cash equivalents		
(a) Balances with banks		
- Current Accounts	1.45	5.16
- Debit balance in Cash Credit / Overdraft Accounts	4.38	39.70
(b) Cash on hand	0.07	0.20
Total	5.90	45.06
Other Bank Balances		
(a) Earmarked balances with banks		
- Unclaimed dividend accounts	2.14	2.31
(b) Balances with Banks:		
- Fixed deposits with maturity more than 3 months (including interest accrued)	7.82	9.95
- On margin accounts	52.40	48.39
Total	62.36	60.65

Note :

Short term fixed deposits are varying between three months and twelve months, depending on the immediate cash requirements and earn interest at the respective short term deposit rate. Interest rate is between 4.40% to 7.00%

NOTE 12 : EQUITY SHARE CAPITAL

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Authorised :		
14,80,00,000 (31 March 2020 - 14,80,00,000) Equity Shares of ₹ 10 each.	148.00	148.00
1,00,00,000 (31 March 2020 - 1,00,00,000) Redeemable Cumulative Non-convertible Preference Shares of ₹ 100 each.	100.00	100.00
	248.00	248.00
(b) Issued :		
11,17,11,090 (31 March 2020 - 11,17,11,090) Equity Shares of ₹ 10 each	111.71	111.71
	111.71	111.71
(c) Subscribed and paid up:		
11,16,95,680 (31 March 2020 - 11,16,95,680) Equity Shares of ₹ 10 each, fully paid up	111.69	111.69
(The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.)		
Total	111.69	111.69

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 12 : EQUITY SHARE CAPITAL (Continued)

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

	Opening Balance	Fresh Issue	Closing Balance
Equity shares with voting rights			
Year ended 31 March 2021			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69
Year ended 31 March 2020			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69

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

Class of shares / Name of shareholders	As at 31 March 2021		As at 31 March 2020	
	Number of shares held	Percentage	Number of shares held	Percentage
Equity shares with voting rights				
(a) Pilani Investment and Industries Corporation Limited	3,69,78,570	33.11 %	3,69,78,570	33.11 %
(b) IGH Holding Private Limited	1,11,50,000	9.98 %	1,11,50,000	9.98 %
(c) Aditya Marketing and Manufacturing Private Limited	75,60,900	6.77 %	75,60,900	6.77 %

- (e) The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31 March 2021.

NOTE 13 : OTHER EQUITY

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Securities Premium	643.22	643.22
	643.22	643.22

Note :

- (i) Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(b) Other reserves

(i) Capital Redemption Reserve	100.00	100.00
--------------------------------	--------	--------

Note :

Capital redemption reserves was created during the year ended 31 March 2001, on redemption of 10.25% Redeemable Cumulative Non-convertible Preference Shares privately placed with financial institutions and banks. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Debenture Redemption Reserve (DRR)

As per last Balance Sheet	181.26	181.26
Less: Transferred to retained earnings (Refer note below)	(181.26)	-
	-	181.26

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 12 : EQUITY SHARE CAPITAL (Continued)

Note :

The Company has issued redeemable non-convertible debentures. The Company was required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16 August, 2019, the Company is not required to create Debenture Redemption Reserve (DRR). Accordingly, the Company has not created DRR during the year and DRR created till previous years has been transferred to retained earnings on redemption of debentures.

(c) Dividend distribution made and proposed

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Cash dividends on equity shares paid during the year		
Dividend for the year ended on 31 March 2020: ₹ 3.00 per share (31 March 2019 ₹ 7.50 per share)	33.51	83.77
Dividend distribution tax on above	-	17.22
	33.51	100.99
Proposed dividend on equity shares		
Proposed dividend for the year ended on 31 March 2021 ₹ 1 per share (31 March 2020 ₹ 3.00 per share)	11.17	33.51
	11.17	33.51

Note :

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2021.

(d) General Reserves

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

(e) Other Comprehensive Income

(i) FVOCI equity investments:

The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(ii) Cash Flow Hedge:

The mark to market loss on the forward contracts outstanding has been recognised by Company in cash flow hedge reserve. The Company transfers amounts from this reserve to statement of profit and loss when the relevant forward contracts are derecognised or hedging relationship no longer exists.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 14 : BORROWINGS

Particulars	Non-Current		Current Maturities	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Measured at Amortised Cost				
(A) Secured Non Convertible Debentures				
1 (7,000) Redeemable Non Convertible debentures (Repaid in Apr' 2020 Interest rate for the year - 8.29 % p.a)	-	-	-	700.00
2 (4,000) Redeemable Non Convertible debentures (Repayment due on Feb' 2023 Interest rate as at 31 March 2021 - 7.95 % p.a)	399.54	399.32	-	-
(B) Term Loan from Bank - Secured				
3 Term loan from Axis Bank 700 Cr (Repayable in 16 half yearly installments, last installment falling due on Dec' 2024)	429.73	128.10	148.75	70.00
4 TUF Loan from State Bank of India (Repaid in Dec' 2020)	-	-	-	1.93
Interest accrued on above	-	-	4.88	26.49
Amount disclosed under the head				
Other Financial Liabilities - Current (Refer Note 15)	-	-	(153.63)	(798.42)
Total	829.27	527.42	-	-

Effective rate of Interest : All the term loans are carried at the Interest rate from 6.85% to 7.95%

DETAILS OF SECURITY:

1. Loans covered in Sr. No. 1 :

First pari passu charge on Plant and Machineries present and future of Birla Century, Pulp and Paper divisions and Freehold land admeasuring 25,323.78 sq. meters and Birla Centurion Building thereon situated at Worli, Lower Parel Divisions, District Mumbai bearing C.S No. 794 (Part) of Lower Parel Divisions, G/S Ward excluding Furniture and Fixtures and vehicles of all above divisions.

2. Loans covered in Sr. No. 2 :

First pari passu charge on Plant and Machineries, present and future of Birla Century, Pulp and Paper divisions and Freehold land admeasuring 25,323.78 sq. meters and Birla Centurion building thereon situated at Worli, Lower Parel Divisions, G/S ward excluding furniture and fixtures and vehicles of all above divisions.

3. Loans covered in Sr. No. 3 :

First pari passu charge on the present and future movable fixed assets of the Borrower's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand. First pari passu security interest on Freehold land admeasuring 25,323.78 sq. meters and the Birla Centurion building thereon situated at Worli, Lower Parel Divisions, Mumbai. Negative lien on the present and future immovable fixed assets of the Borrower's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand.

4. Loans covered in Sr. No. 4 :

First pari passu charge over the property plant and equipment, present and future, of the Company (excluding leasehold land at Birla Century and Pulp & Paper and furniture and fixtures, vehicle and other miscellaneous assets of all the above divisions).

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 14A : LEASE LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Lease Liability (Refer Note 45)	20.62	15.44	2.69	1.95
	20.62	15.44	2.69	1.95

NOTE 15 : OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Other Financial Liabilities measured at amortised cost				
(a) Deposits from dealers and agents	-	-	48.00	45.87
(b) Deposits against rental arrangements	96.64	86.64	48.08	60.10
(c) Current maturities of non current borrowings (Including Interest accrued on borrowings) (Refer Note 14)	-	-	153.63	798.42
(d) Interest accrued	-	-	13.87	21.87
(e) Unclaimed / Unpaid dividends (Refer Note below (i))	-	-	2.14	2.31
(f) Creditors for capital supplies / services	-	-	11.34	12.10
(g) Other liabilities	0.49	0.52	6.87	1.76
	97.13	87.16	283.93	942.43
Other Financial Liabilities Measured at Fair value				
a) Derivatives financial instruments carried at fair value through Other Comprehensive Income (FVTOCI) (Refer Note below (ii))	-	-	0.65	1.04
	-	-	0.65	1.04
Total	97.13	87.16	284.58	943.47

Note :-

- (i) Unclaimed dividend amounting to ₹ 0.04 Crore (31 March 2020 ₹ 0.04 Crore) is pending on account of litigation among claimants / notices from the tax recovery officer.
- (ii) Derivative financial instruments:

The Company entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss.

Derivative instruments at fair value through profit or loss reflect the negative change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 15 : OTHER FINANCIAL LIABILITIES (Continued)

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

Particulars	(₹ in Crores)		
	As at 1 April 2020	Cash flow	As at 31 March 2021
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	1,325.84	(342.94)	982.90
Current borrowings			
Working capital loans / cash credit from banks	0.13	0.66	0.79
Pre-shipment, Post-shipment and Export Bills Discounting facilities	0.71	1.48	2.19
Under a buyer's credit arrangement in foreign currency	14.78	(14.78)	-
Total	1,341.46	(355.58)	985.88

Particulars	(₹ in Crores)		
	As at 1 April 2019	Cash flow	As at 31 March 2020
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	807.50	518.34	1,325.84
Current borrowings			
Working capital loans / cash credit from banks	108.70	(108.57)	0.13
Pre-shipment, Post-shipment and Export Bills Discounting facilities	43.01	(42.30)	0.71
Bills discounted with banks	3.78	(3.78)	-
Under a buyer's credit arrangement in foreign currency	-	14.78	14.78
Commercial Papers	44.95	(44.95)	-
Total	1,007.94	333.52	1,341.46

NOTE 16 : INCOME TAX

Particulars	(₹ in Crores)	
	Year ended 31 March 2021	Year ended 31 March 2020
(a) Tax expense recognised in the Statement of Profit and Loss on continuing operations		
Current tax		
In respect of current year	-	53.92
Adjustments of tax relating to earlier periods	(19.25)	-
	(19.25)	53.92
Minimum Alternate Tax (MAT) Credit entitlement	-	(53.92)
	-	(53.92)
Deferred tax		
In respect of current year	18.93	127.22
In respect of earlier years	(1.12)	(83.91)
Adjustments due to changes in tax rates	-	(137.00)
Total income tax expense on continuing operations	17.81	(93.69)

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 16 : INCOME TAX (Continued)

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Tax expense recognised in the Statement of Profit and Loss on discontinuing operations		
Current tax		
In respect of current year	-	-
Deferred tax		
In respect of current year origination and reversal of temporary differences	(9.96)	(9.48)
Total income tax expense on discontinuing operations	(9.96)	(9.48)
Net tax expense recognised in the Statement Profit and Loss	(11.40)	(103.17)
(b) Income tax recognised in other comprehensive income		
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	1.23	(2.15)
Cash flow hedge	(0.01)	0.70
	1.22	(1.45)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	1.23	(2.15)
Income taxes related to items that will be reclassified to profit or loss	(0.01)	0.70
	1.22	(1.45)
(c) Amounts Recognised directly in Equity - Nil (31 March 2020 - Nil)		
(d) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
Profit/(loss) before tax from continuing operations	48.60	374.33
Income tax expense calculated at 34.944% (31 March 2020 - 34.944%)	16.98	130.81
Effect of income that is exempt from taxation	(1.10)	(0.64)
Effect of expenses that is non-deductible in determining taxable profit	5.68	1.61
Effect of tax incentives and concessions (research and development and other allowances)	-	(1.21)
Others	(2.63)	(3.35)
Re-measurement of deferred tax (refer note (ii) below)	-	(137.00)
	18.93	(9.78)
Adjustments recognised in the current year in relation to the deferred tax of prior years (refer note (iii) below)	(1.12)	(83.91)
Adjustments of tax relating to prior years	(19.25)	-
Income tax expense recognised In profit or loss from continuing operations	(1.44)	(93.69)
Profit/(loss) before tax from discontinuing operations	(28.50)	(27.13)
Income tax expense calculated at 34.944%	(9.96)	(9.48)
Income tax expense recognised In profit or loss from discontinuing operations	(9.96)	(9.48)

Note :

- (i) The tax rate used for above deferred tax reconciliation for 31 March 2021 and 31 March 2020 is 34.944% respectively.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 16 : INCOME TAX (Continued)

- (ii) Pursuant to the enactment of the Taxation Law (Amendment) Act, 2019 which is effective from 1 April, 2019, domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. Based on the Company's assessment of the expected year of transition to the new tax regime, the Company had remeasured the deferred tax liabilities at the newly enacted tax rate and had written back an amount of ₹137 Crores during the year ended March 31, 2020.
- (iii) During the Previous year, the Company had received the approval to develop one land and accordingly had transferred it from investment property to inventory. Accordingly, the Company had reassessed the recoverability of deferred tax asset on indexation benefit related to said land and recognised deferred tax asset of ₹ 89.07 Crores which was disclosed as DTA pertaining to earlier years. Further there are certain other adjustments amounting to ₹ 5.16 Crores as a result of which the net adjustment recognised is ₹ 83.91 Crores.

(e) The movement in deferred tax assets and liabilities during the year ended 31 March 2021 and 31 March 2020 :

(₹ in Crores)				
Movement during the year ended 31 March 2021	As at 31 March 2020	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2021
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	609.28	(0.89)	-	608.39
(ii) Actuarial gain on defined benefit obligation	3.48	-	1.23	4.71
(iii) Interest expenses on unwinding of financial liability	3.99	1.16	-	5.15
	616.75	0.27	1.23	618.25
Tax effect of items constituting deferred tax assets				
(i) Employee benefits	0.15	(0.01)	-	0.14
(ii) Other provisions	5.26	1.96	-	7.22
(iii) Expenses allowable for tax purpose when paid	16.47	(11.94)	-	4.53
(iv) Tax losses	85.14	10.11	-	95.25
(v) Provision for leave encashment	22.44	0.05	-	22.49
(vi) Interest Income on unwinding of financial assets	21.32	-	-	21.32
(vii) Other temporary differences	12.65	6.23	-	18.88
(viii) Upfront royalty	156.11	(13.98)	-	142.13
(ix) Cash flow hedge	0.22	-	0.01	0.23
	319.76	(7.58)	0.01	312.19
Deferred Tax liability / (asset)	296.99	7.85	1.22	306.06
MAT credit	(361.55)	-	-	(361.55)
Net Deferred Tax liability / (asset)	(64.56)	7.85	1.22	(55.49)

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 16 : INCOME TAX (Continued)

(₹ in Crores)				
Movement during the year ended 31 March 2020	As at 31 March 2019	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2020
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	850.97	(241.69)	-	609.28
(ii) Actuarial gain on defined benefit obligation	5.63	-	(2.15)	3.48
(iii) Interest expenses on unwinding of financial liability	3.79	0.20	-	3.99
	860.39	(241.49)	(2.15)	616.75
Tax effect of items constituting deferred tax assets				
(i) Employee benefits	0.70	(0.55)	-	0.15
(ii) Other provisions	7.60	(2.34)	-	5.26
(iii) Expenses allowable for tax purpose when paid	34.78	(18.31)	-	16.47
(iv) Tax losses	166.33	(81.19)	-	85.14
(v) Provision for leave encashment	21.63	0.81	-	22.44
(vi) Interest Income on unwinding of financial assets	21.32	-	-	21.32
(vii) Other temporary differences	12.60	0.05	-	12.65
(viii) Upfront royalty	192.89	(36.78)	-	156.11
(ix) Cash flow hedge	0.92	-	(0.70)	0.22
	458.77	(138.31)	(0.70)	319.76
Deferred Tax liability / (asset)	401.62	(103.18)	(1.45)	296.99
MAT credit	(307.63)	(53.92)	-	(361.55)
Net Deferred Tax liability / (asset)	93.99	(157.10)	(1.45)	(64.56)

NOTE 17 : OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Advances received from customers	-	-	12.64	5.62
(b) Deferred revenue - Government grant (Refer Note below)	29.09	7.67	-	-
(c) Deferred revenues (Refer Note 33)	567.83	608.10	51.82	52.87
(d) Statutory dues				
- Taxes Payable (other than income taxes)	-	-	23.43	32.51
- Employee recoveries and employer contributions	-	-	1.78	1.88
(e) Other liabilities	-	-	0.74	-
Total	596.92	615.77	90.41	92.88

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 17 : OTHER LIABILITIES (Continued)

Note : Government grants

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Opening	7.67	46.24
Received during the year	27.23	-
Released to the Statement of Profit and Loss	5.81	38.57
Closing	29.09	7.67

Under the Export Promotion Capital Goods (EPCG) Scheme, the Company received Government grant for the purchase of certain items of property, plant and equipments. As per the EPCG scheme the Company has an obligation to export up to 8 times of grant amount. As and when the Company fulfils the export obligation, proportionate grant is released to the Statement of profit and loss (Refer Note 39).

NOTE 18 : BORROWINGS - CURRENT

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Secured Borrowings measured at amortised cost.		
(a) Loans repayable on demand from banks		
Cash credit from banks	0.79	0.13
Pre-shipment, post-shipment and export bills discounting facilities	2.19	0.71
Unsecured borrowings measured at amortised cost.		
(a) Short term borrowings from banks:		
Under a buyer's credit arrangement in foreign currency	-	14.78
Total	2.98	15.62

Note:

Nature of security

- (i) Working capital loans from banks are secured against a first and pari passu charge over the current assets (including documents of title to goods/related receivables) 2nd charge on a pari-passu basis over the present and future property plant and equipments (plant and machinery) of Birla Century (Gujarat), Century Pulp and paper and Phase 1 of Real Estate Development, Worli (excluding furniture, fixtures, vehicles and other miscellaneous assets) and mortgage of freehold immovable properties of Century Pulp and Paper on pari-passu 2nd charge basis with other working capital lenders.

NOTE 19 : TRADE PAYABLES

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Trade payable - Micro and small enterprises (Refer Note 34)	14.93	8.87
Trade payable - Other than micro and small enterprises	553.72	431.28
Total	568.65	440.15

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 19 : TRADE PAYABLES (Continued)

Note :

- (a) The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.
- (b) Trade payables are non interest bearing and are normally settled on 60-90 days terms. Acceptances are interest bearing and have an average term of six months. There are no other amounts paid / payable towards interest / principal under the MSMED.

NOTE 20 : PROVISIONS

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Provision for employee benefits				
(i) Leave entitlement	-	-	23.34	23.21
(ii) Gratuity (Refer Note 36)	-	-	-	2.30
	-	-	23.34	25.51
(b) Other Provisions				
(i) Disputed matters (Refer Note 37)	-	-	164.78	155.08
	-	-	164.78	155.08
Total	-	-	188.12	180.59

NOTE 21 : REVENUE FROM OPERATIONS

			Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
(a) Sale of products		2,371.71		3,137.86
(b) Rent from leased properties:				
Rent from Investment properties (Refer Note 4)	128.57			130.26
Rent from other assets (Refer Note 33)	49.98			49.59
		178.55		
(c) Service income		13.82		14.71
Total			2,564.08	3,332.42
(d) Other operating revenues :				
Export benefits		16.80		21.93
Sale of scrap		8.05		5.35
Insurance and other claims		0.53		0.70
Liabilities no longer required		9.66		13.15
Government Grants		5.81		38.57
Renewable energy credits		-		0.94
Others		5.62		11.20
			46.47	91.84
Total			2,610.55	3,424.26

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 21 A : DISAGGREGATED REVENUE INFORMATION:

Particulars	Year Ended 31 March 2021 (₹ in Crores)	Year Ended 31 March 2020 (₹ in Crores)
Segment		
Textile products	579.02	737.00
Paper and Pulp products	1,773.81	2,383.38
Real Estate	13.82	14.71
Others (Salt and Chemicals)	18.88	17.48
Total revenue from contracts with customers	2,385.53	3,152.57
India	2,042.96	2,552.05
Outside India	342.57	600.52
Total revenue from contracts with customers	2,385.53	3,152.57
Timing of revenue recognition		
Goods transferred at a point in time	2,371.71	3,137.86
Services transferred over time	13.82	14.71
Total revenue from contracts with customers	2,385.53	3,152.57

NOTE 21 B :

Reconciliation with segment revenue	Year ended 31 March 2021				
	Textile	Pulp and Paper	Real Estates	Others	Total
Revenue as per Segment	628.99	1,773.81	142.39	18.88	2,564.07
Less:					
Rent from Investment properties	-	-	(128.57)	-	(128.57)
Rent from Other assets	(49.97)	-	-	-	(49.97)
Total Revenue from contracts with customers	579.02	1,773.81	13.82	18.88	2,385.53

Reconciliation with segment revenue	Year ended 31 March 2020				
	Textile	Pulp and Paper	Real Estates	Others	Total
Revenue as per Segment	786.59	2,383.38	144.97	17.48	3,332.42
Less:					
Rent from Investment properties	-	-	(130.26)	-	(130.26)
Rent from Other asstes	(49.59)	-	-	-	(49.59)
Total Revenue from contracts with customers	737.00	2,383.38	14.71	17.48	3,152.57

NOTE 21 C : CONTRACT BALANCES

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Trade Receivables	163.57	182.52
Contract Liabilities (Advance received from customers)	12.64	5.62

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

Revenue as per contracted prices	2,460.72	3,266.04
Adjustments		
Discount	75.19	113.47
Revenue from contract with customers	2,385.53	3,152.57

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE : 22 OTHER INCOME

Particulars		Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Dividend on FVTPL Investments	2.13		1.67
Dividend on FVTOCI Investments	1.14		1.14
		3.27	2.81
Interest Income :			
Non current investments at amortised cost	0.66		0.71
On Income tax refund	32.75		-
Other interest income	21.34		14.15
		54.75	14.86
Gain on foreign currency fluctuations and translations (net)		2.58	-
Provision for interest written back #		8.00	9.75
Surplus on sale of property plant and equipments (net)		0.16	-
Management consultancy fees		7.44	4.35
Miscellaneous Income		3.44	11.60
Total		79.64	43.37

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

NOTE 23 : COST OF MATERIALS CONSUMED

Particulars		Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Raw material consumed			
Opening stock	127.61		135.60
Add: Purchases	1,012.95		1,326.61
	1,140.56		1,462.21
Less: Closing stock	(134.00)		(127.61)
		1,006.56	1,334.60
Dyes, colour and chemicals consumed			
Opening stock	16.71		15.72
Add: Purchases	233.25		330.63
	249.96		346.35
Less: Closing stock	(14.42)		(16.71)
		235.54	329.64
Packing materials consumed			
Opening stock	7.04		3.11
Add: Purchases	76.97		95.11
	84.01		98.22
Less: Closing stock	(8.60)		(7.04)
		75.41	91.18
Total		1,317.51	1,755.42

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 24 : PURCHASE OF TRADED GOODS

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Purchase of traded goods	79.47	48.22

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

Particulars		Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Opening stock :-			
Finished goods	126.41		103.93
Work-in-progress	188.45		176.86
Stock-in-trade	0.66		0.74
		315.52	281.53
Closing stock :-			
Finished goods	77.41		126.41
Work-in-progress	182.80		188.45
Stock-in-trade	0.95		0.66
		261.16	315.52
		54.35	(33.99)
Less: Loss of Finished Goods Inventory on Fire		(8.14)	-
Total		46.22	(33.99)

NOTE 26 : EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Salaries, wages, bonus, etc.	206.37	227.81
Contributions to provident and other funds	12.98	13.57
Gratuity expenses (Refer Note 36)	4.10	4.14
Staff welfare expenses	8.90	10.81
Total	232.35	256.33

NOTE 27 : FINANCE COST

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Interest on debts and borrowings (Refer Note below)	95.36	100.34
Exchange differences regarded as an adjustment to borrowing costs	-	0.82
Unwinding of discount and effect of change in discount rate on provisions	9.45	9.71
Interest on lease liabilities (Refer Note 45)	2.36	1.48
	107.17	112.35
Less: Borrowing costs capitalised and inventorized	(18.62)	(19.22)
Total	88.55	93.13

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 27 : FINANCE COST (Continued)

Note :

Net of subsidy of ₹ 0.08 Crore (31 March 2020 ₹ 0.11 Crore) under the Technology Upgradation Fund Scheme of the Government of India.

The interest rate used to determine the amount of borrowing cost capitalised and inventorized is the weighted average interest rate applicable to the entity's general borrowings during the year i.e. 8.00% (31 March 2020 8.25%)

NOTE 28 : DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Depreciation of property plant and equipments (Refer Note 3)	190.52	189.32
Depreciation on Investment properties (Refer Note 4)	36.67	37.09
Amortization of Intangible assets (Refer Note 5)	1.83	1.35
Total	229.02	227.76

NOTE 29 : OTHER EXPENSES

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Consumption of stores and spares	54.69	55.70
Job work charges	11.21	19.25
Power, fuel and water	336.77	409.31
Buildings repairs	19.61	19.65
Machinery repairs	19.18	23.16
Rent	1.42	2.25
Rates and taxes	19.38	15.46
Insurance	18.84	12.17
Freight, forwarding, octroi, etc.	28.74	44.02
Advertisement and publicity	1.00	2.60
Commission	11.42	10.61
Brokerage, discounts, incentives etc.	1.29	1.87
Commission to Non Executive Directors	-	1.00
Director's fees and travelling expenses	0.10	0.13
Donations	0.14	-
Loss on sale of Investments	0.03	-
Provision for doubtful debts and advances	3.31	0.86
Miscellaneous expenses (Refer below notes A , B & C)	121.34	128.39
Total	648.47	746.43

Notes

to Standalone Financial Statements for the year ended 31 March 2021

NOTE 29 : OTHER EXPENSES (Continued)

NOTE A : AUDITORS' REMUNERATION:

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Statutory Auditors		
As Auditors:		
Audit fees	1.09	1.09
Tax audit fees	0.10	0.10
Limited review	0.15	0.15
In Other Capacity:		
Certificates and other services	0.07	0.09
Reimbursement of expenses	0.02	0.04
	1.43	1.47

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

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
During the year, the Company has spent ₹ 11.34 Crores (31 March 2020 : ₹ 5.11 Crores) including ₹ 5.22 Crores (31 March 2020 : ₹ 0.60 Crores) pertaining to short fall of earlier years towards various schemes of corporate social responsibility as prescribed under section 135 of the Act. The details are :		
Amount to be spent during the year	11.21	9.73
Amount spent by the company during the year :		
a) Construction / acquisition of any asset	-	-
b) On purpose other than above (excluding expenditure towards earlier years)	6.12	4.51
Amount unspent	5.09	5.22
Provision towards unspent CSR recognised during the year	5.09	-

Subsequent to year end, the Company has deposited the unspent amount into a separate bank account which will be used for the purpose of CSR in the subsequent years.

NOTE C : DISCLOSURE OF POLITICAL CONTRIBUTIONS AS PER SECTION 182 (3) OF ACT:

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Political contributions made under section 182(3) by purchase and distribution of Electoral Bonds	-	1.00
	-	1.00

30 HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

30 HEDGING ACTIVITIES AND DERIVATIVES (Continued)

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

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

31 EARNINGS PER SHARE (EPS):

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
a) For Continuing Operations		
Profit attributable to equity shareholders for basic & diluted EPS	50.04	468.02
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2020 ₹ 10 each) (in Rupees)	4.48	41.90
b) For Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	(18.54)	(17.65)
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2020 ₹ 10 each) (in Rupees)	(1.66)	(1.58)
c) For Continuing & Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	31.50	450.37
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2020 ₹ 10 each) (in Rupees)	2.82	40.32

32 Revenue expenditure on research and development activities relating to Government recognised in-house research and development laboratories incurred and charged out during the year through the natural heads of account, aggregate ₹ 4.13 Crores (31 March 2020: ₹ 4.13 Crores).

33 During the financial year 2017-18, the Company had entered into an agreement with Grasim Industries Limited ('GIL') granting right to manage and operate the Company's Viscose Filament Yarn ('VFY') business, which is part of Textile segment, for a duration of 15 years commencing from February 1, 2018. As a part of consideration, GIL has paid an upfront Royalty of ₹ 605.00 Crores. In addition GIL has also paid the carrying value of net working capital and the interest free security deposit of ₹ 200.00 Crores which is repayable after 15 years. With effect from February 1, 2018, GIL have right to use the VFY business assets including its intangible assets for a period of 15 years from the above date. The Company is recognizing Royalty income over the period of 15 years.

Pursuant to the agreement, GIL shall incur all capital expenditure and commitments involving capital expenditure as may be necessary for the proper, optimum and profitable operation of the VFY Business. In this regard, Company has agreed that all improvement/ capital expenditure done by GIL during the tenure of agreement will be transferred to the Company, at such fair value as may be agreed between the Company & GIL.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

34. TRADE PAYABLE

- (i) ₹ 14.93 Crore (31 March 2020 ₹ 8.87 Crore) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). There are no other amounts paid / payable towards interest / principal under the MSMED; and
- (ii) The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.

35. DISCONTINUED OPERATIONS - YARN AND DENIM DIVISION

In the past, the Company had sold the Yarn and Denim units ("Y&D units") (included in Textiles segment) and had recognized loss on disposal amounting to ₹ 18.12 Crores. Subsequently, pursuant to the objections raised by the workers of Y&D units against the said business transfer, the Company had terminated the sale agreement and had taken back the possession of the Y&D units. The Company is currently exploring various alternatives including sale to other buyers and accordingly has classified the operations as Discontinued operations.

The Results of Yarn and Denim unit for the year are presented below:

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Revenue including other income	-	5.61
Expenses	(28.50)	(32.74)
Impairment loss recognised on the remeasurement to fair value less costs to sell	-	-
Loss before income tax	(28.50)	(27.13)
Income tax (expense) / credit	9.96	9.48
Loss after income tax	(18.54)	(17.65)

The major class of assets and liabilities of Yarn and Denim Division classified as held for sale as at 31 March 2021 are, as follows

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Assets		
Other Financial Assets	1.26	1.27
Inventories	0.06	0.06
Other Current Assets	0.64	-
Assets classified as held for sale	1.96	1.33
Liabilities		
Trade Payables	39.67	39.34
Other Financial Liabilities	0.14	0.04
Provisions	6.23	5.51
Other Current Liabilities	1.73	0.44
Liabilities Associated with Assets Held for Sale	47.77	45.33
Net Assets directly associated with Yarn and denim	(45.81)	(44.00)

Notes

to Standalone Financial Statements for the year ended 31 March 2021

35. DISCONTINUED OPERATIONS - YARN AND DENIM DIVISION (Continued)

The net cash flows of Yarn and Denim Unit are, as follows:

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Net cash flow from operating activities	(16.73)	(14.38)
Net cash flow from investing activities (from sale of business)	-	-
Net cash flow from financing activities	-	-
Net cash generated from discontinued operations	(16.73)	(14.38)

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS"

(a) Defined Contribution Plans:

The Company's contribution to Provident Fund and Superannuation Fund aggregating ₹ 12.98 Crores (31 March 2020: ₹ 13.57 Crores) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

(i) Gratuity

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments, property and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	31 March 2021	31 March 2020
Employee Attrition rate	2% to 5%	2% to 5%
Discount rate	6.59%	6.71%
Expected rate(s) of salary increase	3% to 6%	3.75% to 6%

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

Defined benefit plans – as per actuarial valuation on 31st March, 2021

Particulars	Funded Plan	
	Gratuity	
	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
I. 1. Expense recognised in the Statement of Profit and Loss		
Service Cost:		
Current Service Cost	4.12	4.41
Net interest expense	(0.02)	(0.27)
Components of defined benefit costs recognised in profit or loss	4.10	4.14
2. Included in Other Comprehensive Income		
Remeasurement (gain)/loss	(1.77)	-
Return on plan assets (income)	(1.74)	2.70
Actuarial (gain)/loss recognized for the year	-	3.45
Remeasurement (gain)/loss	(3.51)	6.15
II. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation	52.98	51.23
2. Fair value of plan assets	54.39	48.93
Net Asset/(Liability)	1.41	(2.30)
III. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	51.23	45.85
2. Expenses Recognised in Profit and Loss Account:		
- Current Service Cost	4.12	4.41
- Interest Expense / (Income)	3.22	3.45
3. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses):		
(i) Financial Assumptions	(0.64)	3.50
(ii) Experience Adjustments	(1.13)	(0.04)
4. Benefit payments	(3.82)	(5.93)
Present value of defined benefit obligation at the end of the year	52.98	51.23
IV. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	48.93	45.85
2. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	3.24	0.49
3. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	1.74	3.72
- Others (specify)	-	-
4. Contributions by employer (including benefit payments recoverable)	4.30	4.80
5. Benefit payments	(3.82)	(5.93)
Fair value of plan assets at the end of the year	54.39	48.93

Expected Contribution during next Annual reporting period ₹ 3.78 Crores (31 March 2020 ₹ 7.92 Crores)

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

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

Principal assumption		Changes in assumption	(₹ In Crores)	
			Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	31-Mar-21	1%	(2.82)	3.19
	31-Mar-20	1%	(2.90)	3.29
Salary growth rate	31-Mar-21	1%	3.15	2.82
	31-Mar-20	1%	3.23	(2.91)
Withdrawal rate	31-Mar-21	1%	1.52	0.98
	31-Mar-20	1%	0.26	(0.29)

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

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Within 1 year	7.41	7.92
1 - 2 year	5.70	6.07
2 - 3 year	6.72	5.70
3 - 4 year	5.07	6.34
4 - 5 year	6.20	4.76
Above 5 years	22.15	20.44
	53.25	51.23

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

Asset category	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Cash and cash equivalents	0.10	0.79
Debt instruments (quoted)	50.33	189.45
Equity instruments (quoted)	2.01	4.34
Deposits with Insurance companies	1.95	28.89
Fair Value of plan assets to be transferred (See Note 33)	-	(84.42)
Less : Transferred to Demerged Undertaking	-	(90.12)
Total	54.39	48.93

The weighted average duration of the defined benefit obligation as at 31 March 2021 is 9.97 years (31 March 2020 12.36 years)

(ii) Provident Fund

In case of certain employees, the Provident fund contribution is made to trusts administered by the Company. In terms of guidance note issued by the Institute of Actuaries of India, the Actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined that there is no shortfall as at 31 March 2021.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

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

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Guaranteed interest rate	8.50%	8.50%
Discount rate for the remaining term to maturity of interest portfolio	6.59%	6.71%
Contribution during the year	7.63	7.48

37 PROVISION FOR DISPUTED MATTERS

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

The movements in the above account are summarized below:-

(₹ in Crores)

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

(₹ in Crores)

S No.	Nature of liability	1 April 2019	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31 March 2020	
					Continuing	Discontinued
1	Water Charges	90.53	7.86	0.25	98.14	-
2	Octroi Duty	38.54	-	-	38.54	-
3	Cess	0.48	-	-	0.48	-
4	Excise Duty	5.96	-	5.96	-	-
5	Towards Employee Benefit	25.49	-	-	-	25.49
6	Others	19.39	0.34	1.80	17.93	-
	Total	180.39	8.20	8.01	155.08	25.49

Notes

to Standalone Financial Statements for the year ended 31 March 2021

38 CONTINGENT LIABILITIES

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

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Contingent liabilities - Continuing Operations		
(a) (i) Claims against the Company not acknowledged as debts in respect of :		
- Custom Duty and Excise Duty	11.00	11.61
- Sales Tax and Entry Tax	5.73	4.41
- Power Charges	-	3.13
- Others	6.16	7.59
(ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Company had an interest (proportionate)	24.86	24.04
(b) Disputed income tax matters under appeal	60.20	61.82
(c) Liability on account of Jute packaging obligation upto 30 June 1997 under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987	Amount not determinable	Amount not determinable
(d) Indirect exposure upon the Company - Guarantee given	200.00	200.00
(e) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.	Amount not determinable	Amount not determinable

The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties are dependent on the outcome of the different legal processes. The timing of future cash flows will be determinable only on receipt of judgments / decisions pending with various forums/authorities. The Company does not expect any reimbursements against the above.

39 COMMITMENTS

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	103.98	144.49
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	235.49	180.40

Notes

to Standalone Financial Statements for the year ended 31 March 2021

40 RELATED PARTY DISCLOSURE

1 Relationships :

(a) Where significant influence exists :

- (i) M/s Pilani Investment and Industries Corporation Limited (As a Shareholder of the Company directly & indirectly)

(b) Where control exists :

Birla Estate Private Limited

Birla Century Exports Private Limited

(c) Key Management Personnel (KMP) : Managing Director :

Shri J. C. Laddha (w.e.f 12.08.2019)

Whole-time Director :

Shri R. K. Dalmia

Non Executive Directors

Shri B.K. Birla (Up to 03.07.2019)

Shri Kumar Mangalam Birla

Smt. Rajashree Birla

Shri Pradip Kumar Daga (Up to 24.07.2019)

Shri Yazdi P Dandiwala

Shri Rajan A Dalal

Shri Sohanlal Kundanmal Jain

Smt. Preeti Vyas

(d) Other Related Parties (Company Managed Funds)

(i) Pension and Provident Fund of Century Textiles and Industries Limited

- Pension And Provident Fund Of Century Textiles And Industries Limited

(ii) Gratuity Fund of Century Textiles and Industries Limited

- Century Textiles And Industries Limited Employees Gratuity Fund

(iii) Superannuation Fund of Century Textiles and Industries Limited

- Century Textiles And Industries Limited (Textiles Division) Superannuation Scheme

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

				(₹ in Crores)
Transactions With Related Parties	For the year ended	Where control exists (b)	KMP & Directors of the Company (c)	Company Managed Funds (d)
Nature of transactions with Related Parties				
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-21	-	-	7.63
	31-Mar-20	-	-	7.48
Century Textiles & Industries Ltd. Employee Gratuity Fund	31-Mar-21	-	-	4.30
	31-Mar-20	-	-	-
Century Textiles & Industries Ltd. (Textiles Division)	31-Mar-21	-	-	0.39
Superannuation Scheme	31-Mar-20	-	-	0.48

Notes

to Standalone Financial Statements for the year ended 31 March 2021

40 RELATED PARTY DISCLOSURE (Continued)

(₹ in Crores)				
Transactions With Related Parties	For the year ended	Where control exists (b)	KMP & Directors of the Company (c)	Company Managed Funds (d)
Remuneration to Managing Director	31-Mar-21	-	2.46	-
	31-Mar-20	-	1.09	-
Remuneration to Whole time Director	31-Mar-21	-	4.60	-
	31-Mar-20	-	4.33	-
Sitting fees to independent and non executive directors	31-Mar-21	-	0.10	-
	31-Mar-20	-	0.12	-
Commission to non whole time directors	31-Mar-21	-	-	-
	31-Mar-20	-	1.00	-
Other Transactions (Expenses)	31-Mar-21	3.30	-	-
	31-Mar-20	3.07	-	-
Revenue Share under Joint Development Agreement	31-Mar-21	10.80	-	-
	31-Mar-20	14.60	-	-
Sale of Goods	31-Mar-21	30.14	-	-
	31-Mar-20	1.80	-	-
Other Transactions (Income)	31-Mar-21	18.34	-	-
	31-Mar-20	8.41	-	-
Loans & Advances Given				
Loan	31-Mar-21	111.49	-	-
	31-Mar-20	176.98	-	-
Investment				
Equity Shares of Subsidiary	31-Mar-21	-	-	-
	31-Mar-20	85.00	-	-
Balances Receivable / (Payable) with Related Parties	Balance as at	Where control exists (b)	KMP & Directors of the Company (c)	Company Managed Funds (d)
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-21	-	-	(0.65)
	31-Mar-20	-	-	(0.62)
Payable against Other Expenses	31-Mar-21	-	-	-
	31-Mar-20	(0.01)	-	-
Receivable against Sale of Goods / Other Income	31-Mar-21	10.07	-	-
	31-Mar-20	4.70	-	-
Commission payable to non whole time directors	31-Mar-21	-	-	-
	31-Mar-20	-	(1.00)	-
Loans / Advances / Deposits (Receivable)	31-Mar-21	291.97	-	-
	31-Mar-20	180.48	-	-
Guarantees outstanding	31-Mar-21	200.00	-	-
	31-Mar-20	200.00	-	-

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

4.1 SEGMENT INFORMATION

A. Information about Business Segment - Primary

S. No.	S. Particulars	Textiles		Pulp and Paper		Real Estate		Others		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1	Segment Revenue										
	Sales of products	628.99	786.59	1,773.81	2,383.47	142.96	145.66	18.89	17.48	2,564.65	3,333.20
	Less: Inter Segment Revenue	-	-	-	0.09	0.57	0.69	-	-	0.57	0.78
	Net Sales from Continuing Operations	628.99	786.59	1,773.81	2,383.38	142.39	144.97	18.89	17.48	2,564.08	3,332.42
	Sales from Discontinued Operations:										
	Textiles									-	-
										2,564.08	3,332.42
2	Result										
	Segment Result of Continuing Operations	(32.07)	42.94	99.97	387.89	66.15	58.14	3.72	3.83	137.77	492.80
	Profit/(Loss) from Discontinued Operations:										
	Textiles									(28.50)	(27.13)
										109.27	465.67
3	Other Information										
	Segment Assets	877.46	971.50	2,997.94	3,102.22	1,549.04	1,549.40	36.71	37.42	5,461.15	5,660.54
	Segment Assets Discontinued Operations:										
	Textiles									1.96	1.33
	Add: Unallocated common Assets									929.85	880.92
	Total Assets									6,392.96	6,542.79
	Segment Liabilities	971.19	981.82	534.84	403.60	132.30	147.91	13.55	13.02	1,651.88	1,546.35
	Segment Liabilities Discontinued Operations:										
	Textiles									47.77	45.33
	Add: Unallocated Common Liabilities									1,029.49	1,374.10
	Total Liabilities									2,729.14	2,965.78
4	Capital Expenditure during the year (excluding advances)	64.49	50.97	65.03	97.89	0.08	7.31	-	-	129.60	156.17
	Add: Unallocated Capital Expenditure									-	-
										129.60	156.17
5	Depreciation and amortisation	44.93	45.02	145.07	143.19	38.46	38.90	0.13	0.13	228.59	227.24
	Add: Unallocated Depreciation									0.43	0.52
										229.02	227.76

Notes

to Standalone Financial Statements for the year ended 31 March 2021

41 SEGMENT INFORMATION (Continued)

Adjustments & Eliminations:

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

B. Reconciliation of profit

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Segment profit [A]	137.77	492.80
Unallocable Income/(Expense)[B]:		
Employee Benefit Expense	(15.07)	(13.75)
Depreciation & Amortisation Expense	(0.43)	(0.53)
Other Expense	(51.51)	(41.94)
Other Income	66.39	30.88
Total	(0.62)	(25.34)
Finance Cost [C]	(88.55)	(93.13)
Inter-segment Profit / (Loss) (elimination) [D]	-	-
Profit before tax from Continuing Operations [A+B+C+D]	48.60	374.33
Add/(Less): Taxes		
Income Tax (Charge) / Credit	1.44	93.69
Profit after tax from continuing operations	50.04	468.02
Profit from Discontinued Operations	(28.50)	(27.13)
Add/(Less): Taxes		
Income Tax (Charge) / Credit	9.96	9.48
Profit after tax from discontinuing Operations	(18.54)	(17.65)
Profit for the year	31.50	450.37

C. Reconciliation of Assets & Liabilities

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
I (A) Segment Operating Assets	5,463.11	5,661.87
Unallocated Assets		
(B) Non-current Assets		
Property, Plant and Equipments	39.73	39.86
Financial Assets		
Non-Current Investments	360.27	274.24
Deferred Tax Assets	55.49	64.56
Non Current Tax	49.43	190.05
Other Non Current Assets	1.44	-
Total Non-Current Assets (B)	506.36	568.71

Notes

to Standalone Financial Statements for the year ended 31 March 2021

41 SEGMENT INFORMATION (Continued)

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(C) Current Assets		
Financial Assets		
Cash and Cash Equivalents	5.89	45.06
Bank balances other than above cash & cash equivalents	62.37	60.65
Investments	336.97	180.48
Others	9.54	7.47
	414.77	293.66
Other Current Assets	8.72	18.55
Total Current Assets (C)	423.49	312.21
Total Unallocated Assets (B+C)	929.85	880.92
TOTAL ASSETS (A + B + C)	6,392.96	6,542.79
II (A) Segment Operating Liabilities	1,699.65	1,591.68
Unallocated Liabilities		
(B) Non-Current Liabilities		
Financial Liabilities		
Borrowings	829.27	527.42
Lease Liabilities	20.62	15.44
Total Non-Current Liabilities (B)	849.89	542.86
(C) Current Liabilities		
Financial Liabilities		
Current Borrowings	2.98	15.53
Lease Liabilities	2.69	1.95
Cash Credit Facilities	-	0.09
	5.67	17.57
Trade Payables	6.88	5.84
Other Financial Liabilities	7.67	29.85
Current Maturities of long term debts	148.75	771.93
Other Current Liabilities	4.28	5.91
Provisions	6.35	0.14
Total Current Liabilities (C)	179.60	831.24
Total Unallocated Liabilities (B+C)	1,029.49	1,374.10
Total LIABILITIES (A+B+C)	2,729.14	2,965.78

Notes

to Standalone Financial Statements for the year ended 31 March 2021

41 SEGMENT INFORMATION (Continued)

D. Secondary Segment

I Geographic information

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Revenue from external customers		
India	2,221.51	2,731.90
Outside India	342.57	600.52
Total revenue from continuing operations	2,564.08	3,332.42

II Non-current operating assets:

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
India	4340.81	4461.13
Outside India	-	-
Total	4340.81	4461.13

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

E. Revenue from major products and services

The following is an analysis of the Company revenue from continuing operations from its major products and services:

Sale of Products	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Cotton Fabric	488.00	659.24
Cotton Yarn	47.00	59.84
Pulp & Paper (including Paper Board / Straw Board)	1,773.81	2,383.37
Others	62.90	35.41
Rental income including common area maintenance charges	192.37	194.56
Total	2,564.08	3,332.42

Composition of the business segment

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

- | | |
|-------------------|---|
| a. Textiles | Yarn, Fabric, Viscose filament yarn, Tyre yarn & leasing of Viscose filament yarn & Tyre yarn plant |
| b. Pulp and Paper | Pulp, writing & printing paper, tissue paper and multilayer packaging board |
| c. Real Estate | Leased Properties |
| d. Others | Salt works and Chemicals |

Notes

to Standalone Financial Statements for the year ended 31 March 2021

41. SEGMENT INFORMATION (Continued)

- F.** The Board of Director monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.
- G.** No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2021 and 31 March 2020
- H.** The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2A.

Segment profit represents the profit before finance cost and tax earned by each segment without allocation of central administration costs and directors' salaries, investment income and finance costs. This is the measure reported to the chief operating decision maker for the purposes of allocation and assessment of segment performance.

42. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, equity includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Company is monitoring capital using debt equity ratio as its base which is debt to equity. The Company's policy is to keep debt equity ratio below two and infuse capital if and when required through issue of new shares and/or better operational results and efficient working capital management.

Debt-to-equity ratio are as follows:

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Debt (A)	981.00	1,314.97
Equity (B)	3,663.82	3,577.01
Debt to Equity Ratio (A / B)	0.27	0.37

43. FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees these risks management. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly from trade receivables and other financial assets. The Company only deals with parties which has good credit ratings / worthiness based on company's internal assessment.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

The Company has divided parties in two grades based on their performance.

Good: parties with a positive external rating (if available) and stable financial position with no past default is considered in this category.

Doubtful: parties where the company doesn't have information on their financial position or has past trend of default are considered under this category.

The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

(i) Trade receivables

Customer credit is managed by each business division subject to the Company's established policy procedures and control related to customer credit risk management.

Export customers are mainly against Letter of Credit and/or insurance cover on export outstanding is also taken. Generally deposits are taken from domestic debtors. Apart from deposit there is a commission agent area wise. In case any customer defaults the amount is first recovered from deposits, then from the agent's commission. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification. The carrying amount and fair value of security deposit amounts to ₹ 48.00 Crores (31 March 2020: ₹ 45.87 Crores) as it is payable on demand.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Company has written off trade receivables amounting to ₹ 3.31 Crores during the year (31 March 2020 ₹ 1.27 Crores) as there was no reasonable expectations of recovery and were outstanding for more than 360 days from becoming due.

	(₹ In Crores)	
As at 31 March 2021	Less Than 180 Days	More Than 180 Days
Expected loss rate	0.00%	69.31%
Gross carrying amount	158.38	16.90
Loss allowance provision	-	11.71

	(₹ In Crores)	
As at 31 March 2020	Less Than 180 Days	More Than 180 Days
Expected loss rate	0.00%	79.34%
Gross carrying amount	180.32	10.65
Loss allowance provision	-	8.45

Notes

to Standalone Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

Reconciliation of loss allowance provision for Trade Receivables

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Balance as at beginning of the year	8.45	12.01
Impairment losses recognised in the year based on lifetime expected credit losses	-	-
On receivables originated in the year	6.00	0.80
For Discontinued Operations	-	-
Amounts written off during the year as uncollectible	(2.00)	(1.27)
Amounts recovered / written back during the year	(0.74)	(3.09)
Balance at end of the year (Continuing Operations)	11.71	8.45

(ii) Other Financial Assets

Credit risk from balances with banks is managed by Company's treasury department in accordance with the Company policy. Investment of surplus funds are made only in approved Mutual Funds and that too in liquid funds. As soon as the fund reaches to a reasonable level the Company repay its working capital borrowing by redeeming the liquid fund. The other financial assets are from various forum of Government authorities and are released by Government authorities on completion of relevant terms and conditions for the release of outstanding.

B. MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, FVTOCI Investments, derivatives and other financials assets.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The sensitivity analyses in the following sections relates to the outstanding balance as at 31 March 2021 and 31 March 2020

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2021.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020

(i) Currency Risk

This is the risk that the Company may suffer losses as a result of adverse exchange rate movement during the relevant period. As a policy, Company is covering all foreign exchange risk on account of import and loans so that Company may not be put to any loss situation due to adverse fluctuations in currency rates. There is periodical review of foreign exchange transactions and hedging by the Company's executives.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the

Notes

to Standalone Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company evaluates exchange rate exposure arising from foreign currency transactions. The company follows established risk management policies and standard operating procedures. The company's exposure to foreign currency changes for all other currencies is not material.

(₹ In Crores)			
	Currency	Change in rate	Effect on profit before tax
31 March 2021	USD	+5%	(4.47)
	USD	-5%	4.47
	EUR	+5%	0.04
	EUR	-5%	(0.04)
31 March 2020	USD	+5%	(5.62)
	USD	-5%	5.62
	EUR	+5%	(0.02)
	EUR	-5%	0.02

Outstanding foreign currency exposures	As at 31 March 2021		As at 31 March 2020	
	Foreign Currency (in millions)	₹ In Crore	Foreign Currency (in millions)	₹ In Crore
Trade Receivables				
USD	1.88	13.74	2.93	22.01
Euro	0.20	1.72	0.17	1.37
Others	-	-	0.04	0.08
Trade Payables				
USD	17.63	128.90	12.85	97.51
Euro	0.13	1.12	0.05	0.45
Others	1.34	0.20	0.05	0.38
Borrowings	-	-	2.05	15.52

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

Forward Contracts	Buy / Sell	31 March 2021		
		Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Buy	3.12	23.22	0.21
Forward Contracts	Buy / Sell	31 March 2020		
		Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Sell	3.70	27.30	(1.04)

Notes

to Standalone Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(ii) Interest rate risk

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Company has issued fixed rate bonds and loans taken from banks are linked to MCLR rate of the bank, which are variable.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ In Crores)			
Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
31 March 2021	INR	+50	(2.90)
	INR	-50	2.90
31 March 2020	INR	+50	(1.00)
	INR	-50	1.00

(₹ In Crores)			
Particulars	Total Borrowings	Floating rate Borrowings	Fixed rate Borrowings
INR	985.88	586.34	399.54
Total as at 31 March 2021	985.88	586.34	399.54
INR	1,341.46	200.03	1,141.43
Total as at 31 March 2020	1,341.46	200.03	1,141.43

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

(iii) Equity Price Risk

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

C. LIQUIDITY RISK

(i) Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management

Notes

to Standalone Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(ii) *Maturities of financial liabilities*

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in Crores)						
As at 31 March 2021	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	167.05	951.37	-	-	1,118.42
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	0.79	-	-	-	-	0.79
Pre-shipment, Post-shipment facilities	-	2.19	-	-	-	2.19
Buyers Credit	-	-	-	-	-	-
Trade payables						
Trade payables - Micro and small enterprises	-	14.93	-	-	-	14.93
Trade payables - other than micro and small enterprises	-	553.72	-	-	-	553.72
Other financial liabilities						
Deposits from dealers and agents	48.00	-	-	-	-	48.00
Deposits against rental arrangements	-	48.08	100.18	-	-	148.26
Other Interest Accrued	-	13.87	-	-	-	13.87
Unclaimed / Unpaid dividends	-	2.14	-	-	-	2.14
Creditors for Capital Supplies / Services	-	11.34	-	-	-	11.34
Other current liabilities	-	6.87	0.49	-	-	7.36
(b) Derivative financial instruments						
Derivatives not designated as a hedging instruments	-	0.65	-	-	-	0.65
Total	48.79	820.84	1,052.04	-	-	1,921.67

Notes

to Standalone Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(₹ in Crores)						
As at 31 March 2020	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	845.47	558.84	35.58	-	1,439.89
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	0.13	-	-	-	-	0.13
Pre-shipment, Post-shipment facilities	-	0.71	-	-	-	0.71
Buyers Credit	-	14.78	-	-	-	14.78
Trade payables						
Trade payables - Micro and small enterprises	-	8.87	-	-	-	8.87
Trade payables - other than micro and small enterprises	-	431.28	-	-	-	431.28
Other financial liabilities						
Deposits from dealers and agents	45.89	-	-	-	-	45.89
Deposits against rental arrangements	-	60.10	90.84	-	-	150.94
Other Interest accrued	-	21.87	-	-	-	21.87
Unclaimed / Unpaid dividends	-	2.31	-	-	-	2.31
Creditors for Capital Supplies / Services	-	12.10	-	-	-	12.10
Other current liabilities	-	1.76	0.50	-	-	2.26
(b) Derivative financial instruments						
Derivatives not designated as hedging instruments	-	1.04	-	-	-	1.04
Total	46.02	1,400.29	650.18	35.58	-	2,132.07

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(₹ in Crores)						
As at 31 March 2021	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Trade Receivables	-	163.57	-	-	-	163.57
Other Bank Balances	2.14	60.22	-	-	-	62.36
Other financial Assets						
Security Deposits	1.05	-	-	6.27	-	7.32
Interest subsidy	-	13.16	-	-	-	13.16
Interest receivable	-	-	-	-	-	-
Claims and other receivable	-	0.29	-	-	-	0.29
Unbilled Revenue	-	-	1.03	-	-	1.03
Loan to subsidiary	291.97	-	-	-	-	291.97
Others	-	8.31	-	-	-	8.31
Finance Lease Receivables	-	2.11	0.43	-	-	2.54
(b) Derivative financial instruments						
Held for trading derivatives carried at FVTPL	-	-	-	-	-	-
Total	295.16	247.66	1.46	6.27	-	550.55

(₹ in Crores)						
As at 31 March 2020	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Trade Receivables	-	182.52	-	-	-	182.52
Other Bank Balances	2.31	58.34	-	-	-	60.65
Other financial Assets						
Security Deposits	0.69	-	-	7.17	-	7.86
Interest subsidy	-	7.06	-	-	-	7.06
Interest receivable	-	2.33	-	-	-	2.33
Loan to subsidiary	180.48	-	-	-	-	180.48
Unbilled Revenue	-	2.05	0.35	-	-	2.40
Claims and other receivable	-	8.86	-	-	-	8.86
Others	-	8.54	-	-	-	8.54
Finance Lease Receivables	-	1.99	2.54	-	-	4.53
(b) Derivative financial instruments						
Foreign exchange forward contracts	-	-	-	-	-	-
Total	183.48	271.69	2.89	7.17	-	465.23

Notes

to Standalone Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT

Fair value of financial assets and financial liabilities

Particulars	31 March 2021 (₹ in Crores)		31 March 2020 (₹ in Crores)	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial assets				
<i>Financial assets measured at Fair value through OCI:</i>				
Investments				
Quoted equity shares	148.85	148.85	63.01	63.01
Unquoted equity shares	35.87	35.87	35.14	35.14
<i>Financial assets at amortised cost for which Fair value are disclosed</i>				
Government and Trust Securities	8.01	7.85	8.54	8.35
Other financial Assets				
Security Deposit	7.32	7.32	7.86	7.86
Interest subsidy and Interest receivable	13.16	13.16	9.39	9.39
Claims and other receivable	0.29	0.29	8.86	8.86
Unbilled Revenue	1.03	1.03	2.40	2.40
Finance Lease	2.54	2.52	4.53	4.95
Loan to subsidiary	291.97	291.97	180.48	180.48
Others	8.31	8.31	8.54	8.54
Trade Receivables	163.57	163.57	182.52	182.52
Cash and Cash Equivalents	5.90	5.90	45.06	45.06
Other Bank Balances	62.36	62.36	60.65	60.65
Total	749.18	749.00	616.98	617.21

Particulars	31 March 2021 (₹ in Crores)		31 March 2020 (₹ in Crores)	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial liabilities				
<i>Financial liabilities at amortised cost for which Fair value are disclosed</i>				
Floating rate borrowings (including current maturities and Interest accrued)	583.36	583.36	200.03	200.03
Fixed rate borrowings (including current maturities and Interest accrued)	399.54	408.46	1,141.43	1,141.43
Trade payables	568.65	568.65	440.15	440.15
Other financial liabilities				
Deposits from dealers and agents	48.00	48.00	45.89	45.89
Deposits against rental arrangements	144.72	145.01	146.74	146.89
Other interest accrued	13.87	13.87	21.87	21.87
Unclaimed / Unpaid dividends	2.14	2.14	2.31	2.31
Creditors for capital supplies/services	11.34	11.34	12.10	12.10
Other liabilities	7.36	7.36	2.26	2.26
Total	1,778.98	1,788.19	2,012.78	2,012.93

Notes

to Standalone Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT (Continued)

The management assessed that cash and cash equivalents, trade receivables, trade payables, cash credit and all other current financial assets and liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Receivables are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) The fair value of loans from banks and other financial liabilities, security deposit, as well as other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- (iii) The fair values of the unquoted equity instruments have been estimated using a net adjusted fair value method. The valuation requires management to make certain assumptions about the assets, liabilities, investments of Investee Company. The probabilities of the various assumptions can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments based on the best information available to the Company.
- (iv) The fair values of quoted equity instruments are derived from quoted market prices in active markets.
- (v) The Company enters into foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs.
- (vi) The fair value of floating rate borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. As the Company's interest rates changes with the change in market interest rate, there is no material difference in carrying value and fair value. The own non performance risk as at 31 March 2021 was assessed to be insignificant.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Financial assets measured at Fair value through OCI:</i>				
Investments				
Quoted equity shares	148.85	-	-	148.85
Unquoted equity shares	-	-	35.87	35.87
<i>Financial assets at amortised cost for which Fair value are disclosed</i>				
Government and Trust Securities	-	7.85	-	7.85
Other financial Assets				
Security Deposit	-	7.32	-	7.32
Interest subsidy and Interest receivable	-	13.16	-	13.16
Claims and other receivable	-	0.29	-	0.29
Unbilled Revenue	-	1.03	-	1.03
Finance Lease	-	2.52	-	2.52
Loan to subsidiary	-	291.97	-	291.97
Others	-	8.31	-	8.31
Trade Receivables	-	163.57	-	163.57
Cash and Cash Equivalents	-	5.90	-	5.90
Other Bank Balances	-	62.36	-	62.36
Total	148.85	564.28	35.87	749.00

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2021			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
<i>Financial liabilities at amortised cost for which Fair value are disclosed</i>				
Floating rate borrowings (including current maturities and Interest accrued)	-	583.36	-	583.36
Fixed rate borrowings (including current maturities and Interest accrued)	-	408.46	-	408.46
Trade payables	-	568.65	-	568.65
Other financial liabilities				
Deposits from dealers and agents	-	48.00	-	48.00
Deposits against rental arrangements	-	145.01	-	145.01
Other interest accrued	-	13.87	-	13.87
Unclaimed / Unpaid dividends	-	2.14	-	2.14
Creditors for capital supplies/services	-	11.34	-	11.34
Other liabilities	-	7.36	-	7.36
Total	-	1,788.19	-	1,788.19

Notes

to Standalone Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Financial assets measured at Fair value through OCI:</i>				
Investments				
Quoted equity shares	63.01	-	-	63.01
Unquoted equity shares	-	-	35.14	35.14
<i>Financial assets at amortised cost for which Fair value are disclosed</i>				
Government and Trust Securities	-	8.35	-	8.35
Other financial Assets				
Security Deposit	-	7.86	-	7.86
Interest subsidy and Interest receivable	-	9.39	-	9.39
Loan to subsidiary	-	180.48	-	180.48
Claims and other receivable	-	8.86	-	8.86
Finance Lease	-	4.95	-	4.95
Unbilled Revenue	-	2.40	-	2.40
Others	-	8.54	-	8.54
Trade Receivables	-	182.52	-	182.52
Cash and Cash Equivalents	-	45.06	-	45.06
Other Bank Balances	-	60.65	-	60.65
Total	63.01	519.06	35.14	617.21

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
<i>Financial liabilities at amortised cost for which Fair value are disclosed</i>				
Floating rate borrowings (including current maturities and Interest accrued)	-	200.03	-	200.03
Fixed rate borrowings (including current maturities and Interest accrued)	-	1,141.43	-	1,141.43
Trade payables	-	440.15	-	440.15
Other financial liabilities				
Deposits from dealers and agents	-	45.89	-	45.89
Deposits against rental arrangements	-	146.89	-	146.89
Other interest accrued	-	21.87	-	21.87
Unclaimed / Unpaid dividends	-	2.31	-	2.31
Creditors for capital supplies/services	-	12.10	-	12.10
Other liabilities	-	2.26	-	2.26
Total	-	2,012.93	-	2,012.93

Notes

to Standalone Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT (Continued)

Fair Valuation Techniques and Inputs used - recurring Items

Financial assets/ financial liabilities measured at Fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	31 March 2021	31 March 2020				
Financial assets						
Investments						
Unquoted Equity investments	35.87	35.14	Level 3	Replacement Cost Method	Investment property held by investee companies	5% (31 March 2020: 5%) increase (decrease) in the fair value of investment property would result in increase (decrease) in fair value of unquoted equity investment by ₹ 1.34 Crore (31 March 2020 ₹ 1.16 Crore)
Total financial assets	35.87	35.14				

There were no transfers between level 1 and level 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements, refer example below.

There were no significant inter-relationships between unobservable inputs that materially affects fair values.

Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Opening	35.14	37.37
Re-measurement recognised in OCI	0.73	(2.23)
Purchases	-	-
Sales	-	-
Closing	35.87	35.14

45 DISCLOSURE UNDER IND AS 116 "LEASES":

Lessee:

The Company has lease contracts for lands & buildings used in its operations. Leases of land and building generally have lease terms between 3 and 99 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

Amount recognized in statement of profit or loss	For the year ended March 31, 2021 (₹ in Crores)	For the year ended March 31, 2020 (₹ in Crores)
Depreciation of Right-of-use assets	3.57	2.69
Interest on lease liabilities (including interest on reclassified prepayments)	2.36	1.48
Expenses related to short term leases	1.42	2.25
Total	7.35	6.42

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

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

Particulars	March 31, 2021 (₹ in Crores)	March 31, 2020 (₹ in Crores)
Less than 1 year	4.86	3.27
1-3 years	6.00	5.71
3-5 years	3.81	2.10
5 years and above	54.63	54.40
Total as at 31 March	69.30	61.48

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

Particulars	March 31, 2021 (₹ in Crores)	March 31, 2020 (₹ in Crores)
As at 1 April	17.39	4.07
Additions	17.48	2.51
Accretion of interest	2.36	1.48
Payments	13.92	2.87
As at 31 March	23.31	5.19
Add-Reclassification of Finance Lease Obligation from borrowings as at 31 March	-	12.20
Total as at 31 March (Refer note 14A)	23.31	17.39
Current	2.69	1.95
Non-current	20.62	15.44

Amount recognized in statement of cash flow	For the year ended March 31, 2021 (₹ in Crores)	For the year ended March 31, 2020 (₹ in Crores)
Total cash outflow of leases	13.92	2.87

Lessor - Operating Lease:

The Company has significant leasing arrangements in respect of operating leases for premises. These are non cancellable leases with a lock in period of minimum three years. Most of the leases are renewable for a further period on mutually agreeable terms and also include escalation clauses on renewal. The Company has entered into operating leases for its Investment property. These typically have lease terms of between 1 to 4 years. The Company has recognized an amount of ₹ 128.57 Crore (31 March 2020 ₹ 130.26 Crore) as rental income for operating lease during the year ended 31 March 2021.

Notes

to Standalone Financial Statements for the year ended 31 March 2021

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

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	March 31, 2021 (₹ in Crores)	March 31, 2020 (₹ in Crores)
Less than a year	31.58	67.97
One to two years	18.34	27.55
Two to three years	10.69	13.42
Three to four years	3.85	0.74
Four to five years	0.93	-
Total (A)	65.39	109.68
More than five years (B)	-	-
Total (A +B)	65.39	109.68

Lessor - Finance Lease:

The Company has entered into Finance leases arrangement for leasehold improvement in investment property. These leases have terms of between three and five years

Amount receivable under Finance Lease:

Particulars	March 31, 2021 (₹ in Crores)	March 31, 2020 (₹ in Crores)
Less than a year	2.19	2.28
One to two years	0.48	2.19
Two to three years	-	0.48
Total	2.67	4.95
Unearned Finance Income	(0.13)	(0.42)
Present value of minimum lease payment receivable	2.54	4.53

46 The Company's operations and revenue were impacted on account of disruption in economic activity due to CoVID 19. The management believes that the overall impact of the pandemic is short term and temporary in nature and is not likely to have any significant impact on the recoverability of the carrying value of its assets and the future operations. The management is continuing to closely monitor the developments and possible effects that may result from the pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these standalone financial statements.

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

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**

Partner

Membership No: 112773

Mumbai : 06 May 2021

Atul K.Kedia

Vice President (Legal)
& Company Secretary

Snehal Shah

Chief Financial Officer

Mumbai : 06 May 2021

J.C.Laddha

Managing Director

DIN No: 03266469

R.K.Dalmia

Whole-time Director

DIN No: 00040951

Yazdi P. Dandiwala

Director

DIN:01055000

Independent Auditor's Report

To the Members of Century Textiles and Industries Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated Ind AS financial statements of Century Textiles and Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's

Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
Recognition and Measurement of Deferred Tax (as described in Note 16 of the consolidated Ind AS financial statements)	
The Group has recognized Minimum Alternate Tax (MAT) credit receivable of INR 361.55 crores as at March 31, 2021. The Group also has recognized deferred tax assets of INR 188.38 crores on unabsorbed depreciation and indexation benefit on land. Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Group has measured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime.	Our procedures included, amongst others, the following: - Considered Group's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes". - Performed and understanding of the process and tested the internal controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls. - Performed the tests of details including the following key procedures: - Involved tax specialists who evaluated the Group's tax positions basis the tax law and also by comparing it with prior years and past precedents. - Discussed the future business plans and financial projections as approved by the management.

Key audit matters	How our audit addressed the key audit matter
The recognition and measurement of MAT credit receivable and deferred tax balances is a key audit matter as the recoverability of such credits within the allowed time frame in the manner prescribed under tax regulations and estimation of year of transition to the new tax regime involves significant estimate of the financial projections, availability of sufficient taxable income in the future and admissibility of tax positions adopted by the Group.	➤ Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it with the past trends, approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment, where applicable. ➤ Assessed the deferred tax on temporary differences which are expected to reverse after the likely date of transition to the new tax regime and considered the impact thereof. • Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated Ind AS financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for

ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

Independent Auditor's Report (Continued)

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and

performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion, the remuneration of the Managing Director and Whole Time Director of the Holding Company for the year ended March 31, 2021 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by ₹ 3.65 crore. We are informed by the management of the Holding Company that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution. In case of subsidiary companies incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 38 to the consolidated Ind AS financial statements;
 - ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 15 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2021.

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

per Abhishek Agarwal
Partner

Place of Signature: Mumbai
Date: 06 May 2021

Membership Number: 112773
UDIN: 21112773AAAADB3062

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF CENTURY TEXTILES AND INDUSTRIES LIMITED

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

In conjunction with our audit of the consolidated Ind AS financial statements of Century Textiles and Industries Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Century Textiles and Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over

financial reporting with reference to these consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March

31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per Abhishek Agarwal
Partner

Place of Signature: Mumbai
Date: 06 May 2021

Membership Number: 112773
UDIN: 21112773AAAADB3062

Consolidated Balance Sheet

as at 31 March 2021

Particulars	Note No.	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	3	3,270.60	3,386.94
(b) Capital work-in-progress		172.64	139.71
(c) Investment property	4	860.77	897.43
(d) Investment property under development		36.76	36.40
(e) Intangible assets	5	7.84	8.92
(f) Intangible assets under development		0.89	-
(g) Financial assets			
(i) Investments	6	192.72	106.69
(ii) Loans	6A	6.27	57.17
(iii) Other financial assets	7	1.46	2.89
(h) Deferred tax assets (net)	16	55.49	64.56
(i) Advance tax (net of provisions)		51.06	191.49
(j) Other non-current assets	8	38.59	51.29
SUB-TOTAL		4,695.09	4,943.49
CURRENT ASSETS			
(a) Inventories	9	1,508.29	1,337.68
(b) Financial assets			
(i) Investments	6	45.00	-
(ii) Trade receivables	10	157.85	181.24
(iii) Cash and cash equivalents	11	50.54	58.70
(iv) Other bank balances (other than (iii) above)	11	74.39	60.65
(v) Loans	6A	1.26	0.88
(vi) Other financial assets	7	19.80	28.13
(c) Other current assets	8	139.29	135.39
SUB-TOTAL		1,996.42	1,802.67
Assets classified as held for sale	35	1.96	1.33
TOTAL		6,693.47	6,747.49
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	12	111.69	111.69
(b) Other equity		3,392.67	3,367.80
(c) Non controlling interest		143.03	132.09
SUB-TOTAL		3,647.39	3,611.58
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	14	864.97	549.92
(ii) Lease liabilities	14A	20.62	15.44
(iii) Other financial liabilities	15	97.13	87.15
(b) Provisions	20	0.75	0.74
(c) Other non-current liabilities	17	571.51	601.18
SUB-TOTAL		1,554.98	1,254.43
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	18	8.48	33.84
(ii) Lease liabilities	14A	2.69	1.95
(iii) Trade payables	19		
1) total outstanding dues of micro enterprises and small enterprises		15.01	8.87
2) total outstanding dues of trade payables other than micro enterprises and small enterprises			
(iv) Other financial liabilities	15	605.51	483.74
(b) Provisions	20	288.27	944.16
(c) Other current liabilities	17	189.68	181.94
SUB-TOTAL		333.69	181.65
Liabilities directly associated with assets held for sale	35	1,443.33	1,836.15
TOTAL		6,693.47	6,747.49
Significant accounting policies	2A		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**

Partner

Membership No: 112773

Mumbai : 06 May 2021

per **Atul K.Kedia**

Vice President (Legal)

& Company Secretary

per **Snehal Shah**

Chief Financial Officer

Mumbai : 06 May 2021

per **J.C.Laddha**

Managing Director

DIN No: 03266469

per **R.K.Dalmia**

Whole-time Director

DIN No: 00040951

per **Yazdi P. Dandiwal**

Director

DIN:01055000

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

Consolidated Statement of Profit and Loss

for the year ended 31 March 2021

Particulars	Note No.	Year Ended 31 March 2021 (₹ in Crores)	Year Ended 31 March 2020 (₹ in Crores)
Continuing Operations			
I Revenue from operations	21	2,616.57	3,423.42
II Other income	22	61.62	35.21
III Total Income (I + II)		2,678.19	3,458.63
IV Expenses			
(a) Cost of materials consumed	23	1,317.51	1,755.42
(b) Purchases of traded goods	24	79.47	48.22
(c) Changes in inventories of finished goods, work-in-progress and traded goods	25	46.17	(35.34)
(d) Employee benefits expense	26	281.24	302.01
(e) Finance costs	27	70.70	87.09
(f) Depreciation and amortisation expense	28	231.13	228.58
(g) Other expenses	29	668.48	788.26
Total Expenses		2,694.70	3,174.24
V Profit / (Loss) before tax from continuing operations (III - IV)		(16.51)	284.39
VI Tax Expense of continuing operations			
(a) Current tax	16	-	53.92
(b) Adjustment of tax relating to earlier periods	16	(19.25)	-
(c) MAT credit recognised	16	-	(53.92)
(d) Deferred tax	16	17.81	(93.69)
Total tax expense		(1.44)	(93.69)
VII Profit / (Loss) after tax from continuing operations (V - VI)		(15.07)	378.08
VIII Discontinued Operations			
(a) Profit / (Loss) before tax from discontinued operations		(28.50)	(27.13)
(b) Tax (Expense) / Income of discontinued operations		9.96	9.48
Profit / (Loss) after tax from discontinued operations		(18.54)	(17.65)
IX Profit / (Loss) for the year (VII + VIII)		(33.61)	360.43
X Other comprehensive income			
(i) Items that will be re-classified to profit or loss - continuing operations			
(a) Net movement in cash flow hedge reserve		(0.03)	2.00
(b) Income tax on (a)		0.01	(0.70)
(ii) Items that will not be re-classified to profit or loss - continuing operations			
(a) Re-measurement gain on defined benefit plans		3.51	(6.15)
(b) Net gain / (loss) on Fair value through Other Comprehensive Income (OCI) - Equity Instruments		86.56	(76.16)
(c) Income tax on (a) & (b)		(1.23)	2.15
Total other comprehensive income / (loss) for the year (net of tax)		88.82	(78.86)
XI Total comprehensive income for the year (IX + X)		55.21	281.57
Profit / (Loss) for the period attributable to:			
Owners of the Company		(30.44)	365.25
Non-controlling Interest		(3.17)	(4.82)
Other comprehensive income / (loss) attributable to:			
Owners of the Company		88.82	(78.86)
Non-controlling Interest		-	-
Total comprehensive income / (loss) attributable to:			
Owners of the Company		58.38	286.39
Non-controlling Interest		(3.17)	(4.82)
XII Earnings per equity share :			
(a) Basic & Diluted Earnings Per Share - Continuing operations	31	(1.07)	34.28
(b) Basic & Diluted Earnings Per Share - Discontinued operations	31	(1.66)	(1.58)
(c) Basic & Diluted Earnings Per Share - (Continuing & discontinued operations)	31	(2.73)	32.70
Significant accounting policies	2A		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**

Partner

Membership No: 112773

Mumbai : 06 May 2021

Atul K.Kedia

Vice President (Legal)

& Company Secretary

Snehal Shah

Chief Financial Officer

Mumbai : 06 May 2021

J.C.Laddha

Managing Director

DIN No: 03266469

R.K.Dalmia

Whole-time Director

DIN No: 00040951

Yazdi P. Dandiwal

Director

DIN:01055000

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

Consolidated Statement of Changes in Equity

for the year ended 31 March 2021

	Equity Share Capital	Reserves and Surplus				Other comprehensive income			Total Other Equity attributable to the Owners of the Company	Attributable to Non-Controlling Interest	Total Equity
	Securities Premium (See Note 13(a))	General Reserves (See Note 13 (d))	Capital Redemption Reserve (See Note 13(b)(i))	Debenture Redemption Reserve (See Note 13(b)(ii))	Retained Earnings	Cash Flow Hedge Reserve (See Note 13e(ii))	Equity Instruments through Other Comprehensive Income (See Note 13e(i))				
As at 1 April 2019	111.69	643.22	1,273.54	100.00	181.26	897.73	(1.70)	88.35	3,182.40	-	3,294.09
Profit / (Loss) for the year	-	-	-	-	-	365.25	-	-	365.25	(4.82)	360.43
Other comprehensive income / (loss)	-	-	-	-	-	(4.00)	1.30	(76.16)	(78.86)	-	(78.86)
Total comprehensive income / (loss) for the year	-	-	-	-	-	361.25	1.30	(76.16)	286.39	(4.82)	281.57
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	-	(83.77)	-	-	(83.77)	-	(83.77)
Dividend distribution tax (See Note 13 (c))	-	-	-	-	-	(17.22)	-	-	(17.22)	-	(17.22)
Contribution from non-controlling interest	-	-	-	-	-	-	-	-	-	136.91	136.91
As at 31 March 2020	111.69	643.22	1,273.54	100.00	181.26	1,157.99	(0.40)	12.19	3,367.80	132.09	3,611.58
Profit / (Loss) for the year	-	-	-	-	-	(30.44)	-	-	(30.44)	(3.17)	(33.61)
Other comprehensive income / (loss)	-	-	-	-	-	2.28	(0.02)	86.56	88.82	-	88.82
Total comprehensive income / (loss) for the year	-	-	-	-	-	(28.16)	(0.02)	86.56	58.38	(3.17)	55.21
Transferred to retained earnings	-	-	-	-	(181.26)	181.26	-	-	-	-	-
Dividend paid on equity shares (See Note 13 (c))	-	-	-	-	-	(33.51)	-	-	(33.51)	-	(33.51)
Contribution from non-controlling interest	-	-	-	-	-	-	-	-	-	14.11	14.11
As at 31 March 2021	111.69	643.22	1,273.54	100.00	-	1,277.58	(0.42)	98.75	3,392.67	143.03	3,647.39

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 06 May 2021

Snehal Shah
Chief Financial Officer
Mumbai : 06 May 2021

J.C.Laddha
Managing Director
DIN No: 03266469

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

Yazdi P. Dandiwal
Director
DIN:01055000

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

Consolidated Cash Flow Statement

for the year ended 31 March 2021

Particulars	Year Ended 31 March 2021 (₹ in Crores)	Year Ended 31 March 2020 (₹ in Crores)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) before tax from continuing operations	(16.51)	284.39
Net profit / (loss) before tax from discontinued operations	(28.50)	(27.13)
Add / (Less) :		
Depreciation and amortisation on property plant and equipment	192.49	190.10
Depreciation and amortisation on investment property	36.67	37.09
Depreciation and amortisation on intangible assets	1.97	1.39
Loss/(gain) on sale of property plant and equipment and investment properties	(0.16)	3.23
Allowance for credit loss	3.31	0.80
Unrealized exchange (gain) / loss	(0.84)	4.03
Interest income	(36.50)	(6.66)
Provision for interest written back	(8.00)	(9.75)
Interest expense	70.70	87.09
Liabilities written back	(9.66)	(18.75)
Dividend on investments	(3.27)	(2.81)
	246.71	285.76
Working capital adjustments:		
Decrease / (increase) in inventory	(93.72)	(389.68)
Decrease / (increase) in trade receivables	20.11	22.77
Decrease / (increase) in other financial assets	14.05	(43.64)
Decrease / (increase) in other assets	(1.67)	(14.83)
(Decrease) / increase in other financial liabilities	5.89	7.77
(Decrease) / increase in trade payables	137.09	(18.57)
(Decrease) / increase in provisions	11.98	5.96
(Decrease) / increase in other liabilities	123.66	3.17
Decrease / (increase) in other bank balance	(15.87)	(13.90)
	201.52	(440.95)
Cash generated from operations	403.22	102.07
Add / (Less) :		
Direct taxes (paid) / refund received	163.17	(124.88)
NET CASH GENERATED FROM OPERATING ACTIVITIES	566.39	(22.81)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment and intangible assets	(87.88)	(207.65)
Proceeds from sale of property plant and equipment and investment properties	2.96	4.98
Purchase of investment properties	(0.37)	(37.13)
Interest received (finance income)	32.73	5.42
Purchase of investments (net)	(44.47)	-
Dividend on investments	3.27	2.81
Net movement in fixed deposits with bank	2.13	(9.46)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(91.63)	(241.03)

Consolidated Cash Flow Statement (Continued)

for the year ended 31 March 2021

Particulars	Year Ended 31 March 2021 (₹ in Crores)	Year Ended 31 March 2020 (₹ in Crores)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Contribution from Non-Controlling Interest	14.11	136.91
Proceeds from borrowings	466.20	622.50
Repayment of borrowings	(771.33)	(108.16)
Net proceeds / (repayment) of short term borrowings	(13.30)	(76.25)
Dividend paid	(33.68)	(83.77)
Dividend distribution tax paid	-	(17.22)
Lease liability paid	(13.92)	(2.87)
Interest paid	(118.94)	(79.50)
NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	(470.86)	391.64
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	3.90	127.80
Cash and cash equivalents at the beginning of the year	40.35	(87.45)
Cash and cash equivalents at the year end - (Refer note 11)	44.25	40.35

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per the above comprise of the following		
Cash and cash equivalents - (Refer note 11)	50.54	58.70
Cash credit facilities - (Refer note 18)	(6.29)	(18.35)
Balance as per cash flow statement	44.25	40.35

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 06 May 2021

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

Snehal Shah
Chief Financial Officer
Mumbai : 06 May 2021

J.C.Laddha
Managing Director
DIN No: 03266469

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

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

Yazdi P. Dandiwal
Director
DIN:01055000

Notes to Consolidated Financial Statements

for the year ended 31 March 2021

1. CORPORATE INFORMATION

Century Textiles & Industries Limited ('Company' or 'Parent Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The principal place of business of the Company is located at Century Bhawan, Dr. A. B. Road, Worli, Mumbai. The Company and its subsidiaries ('Group') is principally engaged in the business of Textiles, Pulp and Paper and Real estate.

The financial statements were approved for issue in accordance with a resolution of the board of directors on 06 May 2021.

2A. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

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

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

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

Basis of consolidation

The Group consolidates all entities which are controlled by it. The consolidated Ind AS financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

Consolidation procedure:

The consolidated Ind AS financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated Ind AS financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

Group Information:

The consolidated financial statements of the Group include subsidiaries listed in the table below:

Name	Principal activities	Country of incorporation	% equity interest	
			31-Mar-21	31-Mar-20
Birla Estates Pvt. Ltd.	Real Estate	India	100	100
Avarna Projects LLP	Real Estate	India	50	50
Birla Tisya LLP	Real Estate	India	40	40
Birla Century Exports Pvt. Ltd.	Trading in Textiles	India	100	100
Birla Century LLC	Trading in Textiles	United States	100	100

Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control):

The Group controls the decision related to the all relevant activities in respect of the operation of the entity and hence has consolidated the LLP's as subsidiaries as per Ind AS-110 even though group holds 50% or less voting rights in the LLPs.

2.2 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Except for the under construction real estate business, the Group has identified twelve months as its operating cycle.

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

realisation of project into cash and cash equivalents and range from 3 to 7 years. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

2.3 Fair value measurement

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

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

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

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

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

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

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

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

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

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

2.4 Revenue from contract with customer

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

Goods and Service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Sale of Goods

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

Sale of real estate units

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

To estimate the transaction price in a contract, the Group adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Group when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential unit.

Sale of services

The Group recognises revenue from facility management services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group.

Variable Consideration

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

Discounts

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

Contract balances

Contract assets

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

Trade receivables

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

Contract liabilities

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

Refund liabilities

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

2.5 Government grants

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

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

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

2.6 Taxes

Current tax

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

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

Deferred tax

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction in OCI or equity.

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

Current and deferred tax for the year

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

Minimum Alternate Tax (MAT)

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

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

GST paid on acquisition of assets or on incurring expenses

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

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

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

2.7 Property, plant and equipments

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

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

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

The management has estimated the above useful life and the same is supported by technical experts, where relevant.

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

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

2.8 Intangible Assets

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

2.9 Investment properties

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

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

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

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

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

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

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

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

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

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

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

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

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

2.11 Leases

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

As a lessee

i) Right-of-use assets

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

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

ii) Lease liabilities

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

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

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

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

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

As a lessor

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

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

2.12 Borrowing costs

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

2.13 Inventories

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

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

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

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

2.14 Impairment of non-financial assets

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

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

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

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

2.15 Provisions

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

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

Onerous contracts

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

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

2.16 Cash and cash equivalents

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

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

2.17 Employee Benefits

Defined Contribution plans

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

Defined benefit plans

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

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

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

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

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

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

Compensated absences

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

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

2.18 Research and Development

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

2.19 Foreign currencies

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

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

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

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

2.20 Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- Financial Assets at amortised cost

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

Debt instruments at amortised cost

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

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

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

Equity investments

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

Derecognition

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

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

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

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

Impairment of financial assets

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are equity instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

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

- Trade receivables
- All lease receivables resulting from transactions within the scope of Ind AS 17

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

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

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

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

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

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

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Loans and borrowings

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

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

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

Derivative financial instruments:

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

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

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

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

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

Cash flow hedges

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

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

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

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

2.21 Earnings Per Share:

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

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

2.22 Cash dividend and non-cash distribution to equity holders

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

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

2.23 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

2B. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the Grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Employee benefit plans

The Group's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 36.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

b) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 43 and 44 for further disclosures.

c) Useful Lives of Property, Plant & Equipment:

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset / component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets

2C. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the group will evaluate the same to give effect to them as required by law.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 3

A. PROPERTY, PLANT AND EQUIPMENT

Particulars	Land - Freehold	Land - leasehold (Finance lease)	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Vehicles	Electric Installations	Total
(₹ in Crores)									
I. Gross Block									
Balance as at 1 April 2019	345.60	51.88	621.66	5,274.66	11.23	37.66	9.87	129.88	6,482.44
Additions	-	-	10.19	68.27	1.19	1.42	1.47	0.06	82.60
Disposals	-	-	-	(18.18)	(0.29)	(0.39)	(2.17)	(0.81)	(21.84)
Transfer to Right of Use Assets	-	(51.88)	-	-	-	-	-	-	(51.88)
Balance as at 31 March 2020	345.60	-	631.85	5,324.75	12.13	38.69	9.17	129.13	6,491.32
Additions	-	-	2.19	57.14	0.71	0.76	0.67	0.10	61.57
Disposals	-	-	-	(4.04)	(0.01)	(0.12)	(0.48)	(0.03)	(4.68)
Balance as at 31 March 2021	345.60	-	634.04	5,377.85	12.83	39.33	9.36	129.20	6,548.21
II. Accumulated depreciation									
Balance as at 1 April 2019	0.71	7.21	250.86	2,577.98	9.08	28.40	6.34	105.72	2,986.30
Depreciation expense for the year	-	-	17.73	161.27	0.89	2.06	1.04	4.42	187.41
Disposal of assets	-	-	-	(10.89)	(0.27)	(0.34)	(1.59)	(0.48)	(13.57)
Transfer to Right of Use Assets	-	(7.21)	-	-	-	-	-	-	(7.21)
Balance as at 31 March 2020	0.71	-	268.59	2,728.36	9.70	30.12	5.79	109.66	3,152.93
Depreciation expense for the year	-	-	17.92	163.06	0.71	1.74	1.15	4.34	188.92
Disposal of assets	-	-	-	(1.44)	-	(0.10)	(0.33)	(0.01)	(1.88)
Balance as at 31 March 2021	0.71	-	286.51	2,889.98	10.41	31.76	6.61	113.99	3,339.97
Net Block									
Balance as at 31 March 2020	344.89	-	363.26	2,596.39	2.43	8.57	3.38	19.47	3,338.39
Balance as at 31 March 2021	344.89	-	347.53	2,487.87	2.42	7.57	2.75	15.21	3,208.24

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 3 (Continued)

B. Right of Use Assets

Description	(₹ in Crores)		
	Land	Building	Total
Cost			
Balance as on 1 April 2019 due to adoption of Ind AS 116	51.88	-	51.88
Additions during the year	-	6.57	6.57
Disposals during the year	-	-	-
Balance as at 31 March 2020	51.88	6.57	58.45
Additions during the year	6.20	12.24	18.44
Disposals during the year	-	(1.06)	(1.06)
Balance as at 31 March 2021	58.08	17.75	75.83
Accumulated depreciation and impairment			
Balance as on 1 April 2019 due to adoption of Ind AS 116	7.21	-	7.21
Depreciation expense for the year	1.04	1.65	2.69
Disposal of assets	-	-	-
Balance as at 31 March 2020	8.25	1.65	9.90
Depreciation expense for the year	1.17	2.40	3.57
Disposal of assets	-	-	-
Balance as at 31 March 2021	9.42	4.05	13.47
Net Carrying value as at 31 March 2020	43.63	4.92	48.55
Net carrying value as at 31 March 2021	48.66	13.70	62.36

C: Net book value

Particulars	(₹ in Crores)	
	31-Mar-21	31-Mar-20
Owned assets	3,208.24	3,338.39
Right-of-use assets	62.36	48.55
Total	3,270.60	3,386.94

Notes:

- (i) During the year ended 31 March 2021 and 31 March 2020, there are no impairment loss determined at each level of Cash Generating Unit (CGU). The recoverable amount was based on value in use and was determined at the level of CGU.
- (ii) Capitalised borrowing cost :
No borrowing costs are capitalised on property, plant and equipment under construction
- (iii) Title deeds
 - (a) Includes land measuring 29 acres and 15 guntha at a cost of ₹ 4.03 Crores (31 March 2020 ₹ 4.03 crores) at Century Rayon division pending to be transferred in the name of the Company.
 - (b) Refer note 14 and note 18 for details of pledge and securities.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 4 : INVESTMENT PROPERTIES

(₹ in Crores)

Particulars	Land (Including TDRs)	Buildings	Total
I. Gross Block			
Balance as at 1 April 2019	7.67	1,039.23	1,046.91
Additions	-	2.80	2.80
Disposals	-	0.02	0.02
Balance as at 31 March 2020	7.67	1,042.01	1,049.68
Additions	-	0.01	0.01
Disposals	-	-	-
Balance as at 31 March 2021	7.67	1,042.02	1,049.69
II. Accumulated depreciation			
Balance as at 1 April 2019	-	115.16	115.16
Depreciation expense for the year	-	37.09	37.09
Disposal of assets	-	-	-
Balance as at 31 March 2020	-	152.25	152.25
Depreciation expense for the year	-	36.67	36.67
Disposal of assets	-	-	-
Balance as at 31 March 2021	-	188.92	188.92
Net Block			
Balance as at 31 March 2020	7.67	889.76	897.43
Balance as at 31 March 2021	7.67	853.11	860.77

Note :

(i) Information regarding Income and expenditure of Investment properties

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Rental income derived from Investment properties (See Note 21)	128.57	130.26
Direct operating expenses (including repairs and maintenance) generating rental income	(20.02)	(26.84)
Profit arising from investment properties before depreciation and indirect expenses	108.55	103.42
Less: Depreciation	36.67	37.09
Profit arising from investment properties before indirect expenses	71.88	66.33

(ii) Buildings consist of two commercial properties in India which are leased to third parties.

(iii) Out of the total land under Investment Properties, 6.31 acres of land amounting to ₹ 0.01 crores, which was allotted to the Company on lease under the Poorer Class Accommodation Scheme 1898 as amended by 1913 Act and 1925 Act, which stated that in the event of no default being made in complying with the conditions of the lease, then on expiry of the lease all the right, title and interest shall vest with the Company. The lease expired in the year 1955 and the Company has filed a petition for execution of formal deed of conveyance.

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

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 4 : INVESTMENT PROPERTIES (Continued)

(v) Capitalised borrowing cost :

Borrowing costs of ₹ NIL (31 March 2020 ₹ 2.69 crores) is capitalised on Investment property under development.

(vi) Leasing arrangements :

Certain investment properties are leased to tenants under long term operating leases with rentals payable monthly. (Refer Note 45)

(vii) Fair value

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique (See Note below)	Fair Value Hierarchy (See Note below)	(₹ in Crores)	
			Fair Value	
			31 March 2021	31 March 2020
Land	Stamp Duty Reckoner rate	Level 2	2,487.64	2,487.64
Commercial Property *	Stamp Duty Reckoner rate	Level 2	2,288.30	2,288.30

* Includes Investment property under development

(viii) The above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The Independent Valuer has referred to the publications and Government website for Ready Reckoner rates. Suitable adjustments if required have been made to account for availability of FSI in land parcels in Mumbai in accordance with the guidelines prescribed by the Department of Registrations and Stamps. The adjustments related to floors, lifts and other factors are not considered for valuation of commercial property. Since the valuation is based on the published Ready Reckoner rates , the Company has classified the same under Level 2.

NOTE 5 : INTANGIBLE ASSETS

		(₹ in Crores)
Particulars		Computer Softwares
I. Gross Block		
Balance as at 1 April 2019		16.13
Additions		7.73
Disposals		-
Balance as at 31 March 2020		23.86
Additions		0.89
Disposals		-
Balance as at 31 March 2021		24.75
II. Accumulated depreciation		
Balance as at 1 April 2019		13.55
Depreciation expense for the year		1.39
Disposal of assets		-
Balance as at 31 March 2020		14.94
Depreciation expense for the year		1.97
Disposal of assets		-
Balance as at 31 March 2021		16.91
Net Block		
Balance as at 31 March 2020		8.92
Balance as at 31 March 2021		7.84

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 5 : INTANGIBLE ASSETS (Continued)

Note: Break-up of Depreciation / Amortisation for the year :

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Depreciation / amortisation for the year		
- On Property, plant & equipment (See note 3)	192.49	190.10
- On Investment property (See note 4)	36.67	37.09
- On Other intangible assets (See note 5)	1.97	1.39
Total	231.13	228.58

NOTE 6 : FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
I. NON CURRENT INVESTMENTS		
A. Investments carried at fair value through OCI		
Quoted investments (Refer note (i) below)	148.85	63.01
Unquoted investments (Refer note (i) & (ii) below)	35.86	35.14
Total (Quoted & unquoted investments)	184.71	98.15
B. Investments carried at Amortised Cost		
Quoted Government and trust securities	8.01	8.54
Total [A] + [B]	192.72	106.69

Note:

- (i) Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding. Refer Note 44 for determination of their fair values.
- (ii) Investments in unquoted investments includes investment in Industry House Limited (IHL) amounting to ₹ 25.64 Crore (31 March 2020 ₹ 24.01 Crore). The Company is holding 35.28% of equity shares in IHL. As the Company does not have significant influence over Industry House Limited, the Company has not considered it as an associate as per Ind AS 28 "Investments in Associates and Joint Ventures" and hence not consolidated. The Company's share of profit from Industry House Limited is insignificant.

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
II. CURRENT INVESTMENTS		
Investments carried at fair value through profit and loss		
Investment in mutual funds		
1,39,690 units (31 March 2020: Nil) of SBI Overnight Fund Direct Growth	45.00	-
	45.00	-

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

NOTE 6A : LOANS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
a) Loan (Security deposits) (at amortised cost)	6.27	57.17	1.26	0.88
Total	6.27	57.17	1.26	0.88

NOTE 7 : OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(i) Financial assets at amortised cost				
a) Interest subsidy	-	-	9.09	7.06
b) Interest receivable	-	-	-	2.33
c) Claims and other receivables	-	-	0.29	8.86
d) Unbilled lease rentals	1.03	0.35	-	2.05
e) Others	-	-	8.31	5.84
- Doubtful	-	-	0.14	0.14
Less: Allowance for credit loss	-	-	(0.14)	(0.14)
	1.03	0.35	17.69	26.14
f) Finance lease receivables (Refer Note 45)	0.43	2.54	2.11	1.99
Less: Allowance for credit loss	-	-	-	-
	0.43	2.54	2.11	1.99
Total	1.46	2.89	19.80	28.13

NOTE 8 : OTHER ASSETS

(Unsecured, considered good, unless otherwise specified)

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Capital advances				
(i) For property, plant and equipment	25.77	35.61	-	-
	25.77	35.61	-	-
(b) Advances other than capital advances				
(i) Export incentives receivable	-	0.89	8.11	10.12
(ii) Balances with Government authorities (other than income taxes)	6.49	7.58	22.38	27.60
(iii) Amount paid against disputed demands	3.98	4.15	-	-
(iv) Advances to vendors / suppliers	-	-	52.10	60.65
(v) Prepaid expenses	1.18	1.11	21.27	19.29
(vi) Gratuity - plan asset (Refer Note 36)	-	-	1.41	-
(vii) Others	1.17	1.95	34.02	17.73
	12.82	15.68	139.29	135.39
Total	38.59	51.29	139.29	135.39

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE : 9 INVENTORIES

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

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Raw materials	134.00	127.61
Goods in transit	19.71	4.96
(b) Work-in-progress	182.80	188.45
(c) Finished and semi-finished goods	78.81	127.76
(d) Stock-in-trade of goods acquired for trading	0.95	0.66
(e) Fuels, stores and spares	99.43	128.73
Goods in transit	1.16	1.06
(f) Other materials	4.60	24.08
(g) Real estate inventory	986.84	734.37
Total	1,508.29	1,337.68

Note :

- (i) Cost of inventories recognised as an expense includes ₹ 1.01 Crores (31 March 2020 ₹ 0.21 Crores) in respect of write-downs of inventory to net realisable value.
- (ii) For charge created on inventories refer note 14 and 18
- (iii) Real estate inventory includes borrowing costs of ₹ 21.00 Crores (31 March 2020 ₹ 16.53 Crores)

NOTE 10 : TRADE RECEIVABLES

Particulars	Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Secured, considered good	1.60	26.04
Unsecured, considered good	156.25	155.20
Unsecured, considered doubtful	5.00	1.74
Less: Allowance for credit losses	(5.00)	(1.74)
Receivables - credit impaired	6.71	6.71
Less: Allowance for credit losses	(6.71)	(6.71)
Total	157.85	181.24
Of the above, trade receivables from:		
- Related Parties (Refer Note 40)	-	-
- Others	157.85	181.24
Total	157.85	181.24

Note :

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner or a director or a member. Trade receivables are non interest bearing and are generally on terms of 7 to 120 days of credit period.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 11 : CASH AND BANK BALANCES

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Cash and cash equivalents		
(a) Balances with banks		
- Current Accounts	28.81	17.09
- Debit balance in Cash Credit / Overdraft Accounts	4.38	39.70
(b) Cheques and drafts on hand	0.01	1.70
(c) Cash on hand	0.07	0.21
(d) Fixed deposits with original maturity less than 3 months (including interest accrued)	17.27	-
Total	50.54	58.70
Other Bank Balances		
(a) Earmarked balances with banks		
- Unclaimed dividend accounts	2.14	2.31
- Fixed deposits	-	-
(b) Balances with Banks:		
- Fixed deposits with maturity more than 3 months (including interest accrued)	19.84	9.95
- On margin accounts	52.41	48.39
Total	74.39	60.65

Note :

Short term fixed deposits are varying between three months and twelve months, depending on the immediate cash requirements and earn interest at the respective short term deposit rate. Interest rate is between 4.40% to 7.00%

NOTE 12 : EQUITY SHARE CAPITAL

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Authorised :		
14,80,00,000 (31 March 2020 - 14,80,00,000) Equity Shares of ₹ 10 each.	148.00	148.00
1,00,00,000 (31 March 2020 - 1,00,00,000) Redeemable Cumulative Non-convertible Preference Shares of ₹ 100 each.	100.00	100.00
	248.00	248.00
(b) Issued :		
11,17,11,090 (31 March 2020 - 11,17,11,090) Equity Shares of ₹ 10 each .	111.71	111.71
	111.71	111.71
(c) Subscribed and paid up:		
11,16,95,680 (31 March 2020 - 11,16,95,680) Equity Shares of ₹ 10 each, fully paid up (The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.)	111.69	111.69
Total	111.69	111.69

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 12 : EQUITY SHARE CAPITAL (Continued)

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

Particulars	Opening Balance	Fresh Issue	Closing Balance
Equity shares with voting rights			
Year ended 31 March 2021			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69
Year ended 31 March 2020			
No. of shares	11,16,95,680	-	11,16,95,680
Amount (₹ in Crores)	111.69	-	111.69

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

Class of shares / Name of shareholders	As at 31 March 2021		As at 31 March 2020	
	Number of shares held	Percentage	Number of shares held	Percentage
Equity shares with voting rights				
(a) Pilani Investment and Industries Corporation Limited	3,69,78,570	33.11 %	3,69,78,570	33.11 %
(b) IGH Holding Private Limited	1,11,50,000	9.98 %	1,11,50,000	9.98 %
(c) Aditya Marketing and Manufacturing Private Limited	75,60,900	6.77 %	75,60,900	6.77 %

- (e) The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31 March 2021.

NOTE 13 : OTHER EQUITY

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(a) Securities Premium	643.22	643.22

Note :

- (i) Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(b) Other reserves

(i) Capital Redemption Reserve	100.00	100.00
--------------------------------	--------	--------

Note :

Capital redemption reserves was created during the year ended 31 March 2001, on redemption of 10.25% Redeemable Cumulative Non-convertible Preference Shares privately placed with financial institutions and banks. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Debenture Redemption Reserve (DRR)

As per last Balance Sheet	181.26	181.26
Less: Transferred to retained earnings (Refer note below)	(181.26)	-
	-	181.26

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 13 : OTHER EQUITY (Continued)

Note :

The Company has issued redeemable non-convertible debentures. The Company was required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16 August, 2019, the Company is not required to create Debenture Redemption Reserve (DRR). Accordingly, the Company has not created DRR during the year and DRR created till previous years has been transferred to retained earnings on redemption of debentures.

(c) Dividend distribution made and proposed

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Cash dividends on equity shares paid during the year		
Dividend for the year ended on 31 March 2020: ₹ 3.00 per share (31 March 2019 ₹ 7.50 per share)	33.51	83.77
Dividend distribution tax on above	-	17.22
	33.51	100.99
Proposed dividend on equity shares		
Proposed dividend for the year ended on 31 March 2021 ₹ 1.00 per share (31 March 2020 ₹ 3.00 per share)	11.17	33.51
	11.17	33.51

Note :

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2021.

(d) General Reserves

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

(e) Other Comprehensive Income

(i) FVOCI equity investments:

The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(ii) Cash Flow Hedge:

The mark to market loss on the forward contracts outstanding has been recognised by company in cash flow hedge reserve. The Company transfers amounts from this reserves to statement of profit and loss when the relevant forward contracts are derecognised or the hedging relationship no longer exists.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 14 : BORROWINGS

Particulars	Non-Current		Current Maturities	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Measured at Amortised Cost				
(A) Secured Non Convertible Debentures				
1. (7,000) Redeemable Non Convertible debentures (Repaid in Apr' 2020 Interest rate for the year - 8.29 % p.a)	-	-	-	700.00
2. (4,000) Redeemable Non Convertible debentures (Repayment due on Feb' 2023 Interest rate as at 31 March 2021 - 7.95 % p.a)	399.54	399.32	-	-
(B) Term Loan from Bank - Secured				
3 Term loan from Axis Bank 700 Cr (Repayable in 16 half yearly installments, last installment falling due on Dec' 2024)	429.73	128.10	148.75	70.00
4 Term Loan from HDFC Bank (Repayable in 18 monthly installments, last installment falling due on May' 2023)	35.70	22.50	3.00	-
5 TUF Loan from State Bank of India (Repaid in Dec' 2020)	-	-	-	1.93
Interest accrued on above	-	-	5.09	26.63
Amount disclosed under the head Other Financial Liabilities - Current (Refer Note 15)	-	-	(156.84)	(798.56)
Total	864.97	549.92	-	-

Effective rate of Interest : All the term loans are carried at the Interest rate from 6.85% to 7.95%

DETAILS OF SECURITY:

1. Loans covered in Sr. No. 1 :

First pari passu charge on Plant and Machineries present and future of Birla Century, Pulp and Paper divisions and Freehold land admeasuring 25,323.78 sq. meters and Birla Centurion Building thereon situated at Worli, Lower Parel Divisions, District Mumbai bearing C.S No. 794 (Part) of Lower Parel Divisions, G/S Ward excluding Furniture and Fixtures and vehicles of all above divisions.

2. Loans covered in Sr. No. 2 :

First pari passu charge on Plant and Machineries, present and future of Birla Century, Pulp and Paper divisions and Freehold land admeasuring 25,323.78 sq. meters and Birla Centurion building thereon situated at Worli, Lower Parel Divisions, G/S ward excluding furniture and fixtures and vehicles of all above divisions.

3. Loans covered in Sr. No. 3 :

First pari passu charge on the present and future movable fixed assets of the Borrower's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand. First pari passu security interest on Freehold land admeasuring 25,323.78 sq. meters and the Birla Centurion building thereon situated at Worli, Lower Parel Divisions, Mumbai. Negative lien on the present and future immovable fixed assets of the Borrower's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 14 : BORROWINGS (Continued)

4. Loan covered in Sr. No. 4 above :

Primary Security: First and inclusive charge on land and building and current assets of Birla Estates Private Limited project situated at Shahad, Kalyan.

Secondary Security: Corporate guarantee of the holding company 'Century Textiles and Industries Limited'

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

First pari passu charge over the property plant and equipment, present and future, of the Company (excluding leasehold land at Birla Century and Pulp & Paper and furniture and fixtures, vehicle and other miscellaneous assets of all the above divisions).

NOTE 14A : LEASE LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Lease liability (Refer Note 45)	20.62	15.44	2.69	1.95
Total	20.62	15.44	2.69	1.95

NOTE 15 : OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Other Financial Liabilities measured at amortised cost				
(a) Deposits from dealers and agents	-	-	48.00	45.87
(b) Deposits against rental arrangements	96.64	86.64	48.44	60.65
(c) Current maturities of non current borrowings (Including Interest accrued on borrowings) (Refer Note 14)	-	-	156.84	798.56
(d) Interest accrued	-	-	13.87	21.87
(e) Unclaimed / Unpaid dividends (Refer Note below (i))	-	-	2.14	2.31
(f) Creditors for capital supplies / services	-	-	10.29	12.10
(g) Other liabilities	0.49	0.51	8.04	1.76
	97.13	87.15	287.62	943.12
Other Financial Liabilities Measured at Fair value				
a) Derivatives financial instruments carried at fair value through Other Comprehensive Income (FVTOCI) (Refer Note below (ii))	-	-	0.65	1.04
	-	-	0.65	1.04
Total	97.13	87.15	288.27	944.16

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 15 : OTHER FINANCIAL LIABILITIES (Continued)

Note :-

- (i) Unclaimed dividend amounting to ₹ 0.04 crore (31 March 2020 ₹ 0.04 crore) is pending on account of litigation among claimants / notices from the tax recovery officer.
- (ii) Derivative financial instruments:

The Company entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss.

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

Particulars	As at 1 April 2020	Cash flow	As at 31 March 2021
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	1,348.48	(326.67)	1,021.81
Current borrowings			
Working capital loans / cash credit from banks	18.35	(12.06)	6.29
Pre-shipment, Post-shipment and Export Bills Discounting facilities	0.71	1.48	2.19
Bills discounted with banks	-	-	-
Under a buyer's credit arrangement in foreign currency	14.78	(14.78)	-
Commercial Papers	-	-	-
Total	1,382.32	(352.03)	1,030.29

Particulars	As at 1 April 2019	Cash flow	As at 31 March 2020
Non- current borrowings			
Long term borrowings (including current maturities and interest accrued)	807.50	540.98	1,348.48
Current borrowings			
Working capital loans / cash credit from banks	108.70	(90.35)	18.35
Pre-shipment, Post-shipment and Export Bills Discounting facilities	43.01	(42.30)	0.71
Bills discounted with banks	3.78	(3.78)	-
Under a buyer's credit arrangement in foreign currency	-	14.78	14.78
Commercial Papers	44.95	(44.95)	-
Total	1,007.94	374.38	1,382.32

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 16 : INCOME TAX

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
(a) Tax expense recognised in the Statement of Profit and Loss on continuing operations		
Current tax		
In respect of current year	-	53.92
Adjustments of tax relating to earlier periods	(19.25)	-
	(19.25)	53.92
Minimum Alternate Tax (MAT) Credit entitlement	-	(53.92)
	-	(53.92)
Deferred tax		
In respect of current year	18.93	127.22
In respect of earlier years	(1.12)	(83.91)
Adjustments due to changes in tax rates	-	(137.00)
Total income tax expense on continuing operations	17.81	(93.69)
Tax expense recognised in the Statement of Profit and Loss on discontinuing operations		
Current tax		
In respect of current year	-	-
Deferred tax		
In respect of current year origination and reversal of temporary differences	(9.96)	(9.48)
Total income tax expense on discontinuing operations	(9.96)	(9.48)
Net tax expense recognised in the Statement Profit and Loss	(11.40)	(103.17)
(b) Income tax recognised in other comprehensive income		
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	1.23	(2.15)
Cash flow hedge	(0.01)	0.70
	1.22	(1.45)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	1.23	(2.15)
Income taxes related to items that will be reclassified to profit or loss	(0.01)	0.70
	1.22	(1.45)
(c) Amounts Recognised directly in Equity - Nil (31 March 2020 - Nil)		
(d) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
Profit/(loss) before tax from continuing operations	48.60	284.39
Income tax expense calculated at 34.944% (31 March 2020 - 34.944%)	16.98	99.38
Effect of income that is exempt from taxation	(1.10)	(0.64)
Effect of expenses that is non-deductible in determining taxable profit	5.68	1.61
Effect of tax incentives and concessions (research and development and other allowances)	-	(1.21)
DTA not recognised on losses	-	31.43
Others	(2.63)	(3.35)
Re-measurement of deferred tax (refer note (ii) below)	-	(137.00)
	18.93	(92.69)

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 16 : INCOME TAX (Continued)

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Adjustments recognised in the current year in relation to the deferred tax of prior years (refer note (iii) below)	(1.12)	(83.91)
Adjustment of tax relating to prior periods	(19.25)	-
Income tax expense recognised In profit or loss from continuing operations	(1.44)	(93.69)
Profit/(loss) before tax from discontinuing operations	(28.50)	(27.13)
Income tax expense calculated at 34.944%	(9.96)	(9.48)
Income tax expense recognised In profit or loss from discontinuing operations	(9.96)	(9.48)

Note :

- The tax rate used for above deferred tax reconciliation for 31 March 2021 and 31 March 2020 is 34.944% respectively.
- Pursuant to the enactment of the Taxation Law (Amendment) Act, 2019 which is effective from 1 April, 2019, domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. Based on the Group's assessment of the expected year of transition to the new tax regime, the Group had remeasured the deferred tax liabilities at the newly enacted tax rate and had written back an amount of ₹ 137 Crores during the year ended March 31, 2020.
- During the previous year, the Group had received the approval to develop one land and accordingly had transferred it from investment property to inventory. Accordingly, the Group had reassessed the recoverability of deferred tax asset on indexation benefit related to said land and had recognised deferred tax asset of ₹ 89.07 Crores which was disclosed as DTA pertaining to earlier years. Further there were certain other adjustments amounting to ₹ 5.16 Crores as a result of which the net adjustment recognised is ₹ 83.91 Crores.
- The Group has not recognised deferred tax assets on tax losses amount to ₹ 126.18 Crores and ₹ 80.79 Crores as at March 31, 2021 and March 31, 2020 respectively. The expiry of said tax losses is as follows:

As at 31 st March, 2021	Within one year	Greater than one year, less than five years	Greater than five years	Total
Business losses including unabsorbed depreciation	Nil	Nil	126.18	126.18
Total	Nil	Nil	126.18	126.18

As at 31 st March, 2020	Within one year	Greater than one year, less than five years	Greater than five years	Total
Business losses including unabsorbed depreciation	Nil	Nil	80.79	80.79
Total	Nil	Nil	80.79	80.79

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 16 : INCOME TAX (Continued)

(e) The movement in deferred tax assets and liabilities during the year ended 31 March 2021 and 31 March 2020 :

(₹ in Crores)				
Movement during the year ended 31 March 2021	As at 31 March 2020	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2021
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	609.28	(0.89)	-	608.39
(ii) Actuarial gain on defined benefit obligation	3.48	-	1.23	4.71
(iii) Interest expenses on unwinding of financial liability	3.99	1.16	-	5.15
	616.75	0.27	1.23	618.25
Tax effect of items constituting deferred tax assets				
(i) Employee benefits	0.15	(0.01)	-	0.14
(ii) Other provisions	5.26	1.96	-	7.22
(iii) Expenses allowable for tax purpose when paid	16.47	(11.94)	-	4.53
(iv) Tax losses	85.14	10.11	-	95.25
(v) Provision for leave encashment	22.44	0.05	-	22.49
(vi) Interest Income on unwinding of financial assets	21.32	-	-	21.32
(vii) Other temporary differences	12.65	6.23	-	18.88
(viii) Upfront royalty	156.11	(13.98)	-	142.13
(ix) Cash flow hedge	0.22	-	0.01	0.23
	319.76	(7.58)	0.01	312.19
Deferred Tax liability / (asset)	296.99	7.85	1.22	306.06
MAT credit	(361.55)	-	-	(361.55)
Net Deferred Tax liability / (asset)	(64.56)	7.85	1.22	(55.49)

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 16 : INCOME TAX (Continued)

	(₹ in Crores)			
Movement during the year ended 31 March 2020	As at 31 March 2019	Recognised in profit and Loss	Recognised in Other comprehensive income	As at 31 March 2020
Tax effect of items constituting deferred tax liabilities				
(i) Property, plant and equipments, investment property and real estate Inventory	850.97	(241.69)	-	609.28
(ii) Actuarial gain on defined benefit obligation	5.63	-	(2.15)	3.48
(iii) Interest expenses on unwinding of financial liability	3.79	0.20	-	3.99
	860.39	(241.49)	(2.15)	616.75
Tax effect of items constituting deferred tax assets				
(i) Employee benefits	0.70	(0.55)	-	0.15
(ii) Other provisions	7.60	(2.34)	-	5.26
(iii) Expenses allowable for tax purpose when paid	34.78	(18.31)	-	16.47
(iv) Tax losses	166.33	(81.19)	-	85.14
(v) Provision for leave encashment	21.63	0.81	-	22.44
(vi) Interest Income on unwinding of financial assets	21.32	-	-	21.32
(vii) Other temporary differences	12.60	0.05	-	12.65
(viii) Upfront royalty	192.89	(36.78)	-	156.11
(ix) Cash flow hedge	0.92	-	(0.70)	0.22
	458.77	(138.31)	(0.70)	319.76
Deferred Tax liability / (asset)	401.62	(103.18)	(1.45)	296.99
MAT credit	(307.63)	(53.92)	-	(361.55)
Net Deferred Tax liability / (asset)	93.99	(157.10)	(1.45)	(64.56)

NOTE 17 : OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
(a) Advances received from customers	-	-	250.89	90.67
(b) Deferred revenue - Government grant (Refer Note below)	29.09	7.67	-	-
(c) Deferred revenues (Refer Note 33)	542.42	593.51	51.82	52.87
(d) Statutory dues				
- Taxes Payable (other than income taxes)	-	-	28.13	35.90
- Employee recoveries and employer contributions	-	-	2.11	2.21
(e) Other liabilities	-	-	0.74	-
Total	571.51	601.18	333.69	181.65

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 17 : OTHER LIABILITIES (Continued)

Note : Government grants

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Opening	7.67	46.24
Received during the year	27.23	-
Released to the Statement of Profit and Loss	5.81	38.57
Closing	29.09	7.67

Under the Export Promotion Capital Goods (EPCG) Scheme, the Company received Government grant for the purchase of certain items of property, plant and equipments. As per the EPCG scheme the Company has an obligation to export up to 8 times of grant amount. As and when the Company fulfils the export obligation, proportionate grant is released to the Statement of profit and loss (Refer Note 39).

NOTE 18 BORROWINGS - CURRENT

Particulars	As at 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Secured Borrowings measured at amortised cost.		
(a) Loans repayable on demand from banks		
Cash credit from banks	6.29	18.35
Pre-shipment, post-shipment and export bills discounting facilities	2.19	0.71
Unsecured borrowings measured at amortised cost.		
(a) Short term borrowings from banks:		
Under a buyer's credit arrangement in foreign currency	-	14.78
Total	8.48	33.84

Note:

NATURE OF SECURITY

Working capital loans of ₹ 2.98 Crores (31 March 2020 ₹ 0.84 Crores) from banks are secured against a first and pari passu charge over the current assets (including documents of title to goods/related receivables) 2nd charge on a pari-passu basis over the present and future property plant and equipments (plant and machinery) of Birla Century (Gujarat), Century Pulp and paper and Phase 1 of Real Estate Development, Worli (excluding furniture, fixtures, vehicles and other miscellaneous assets) and mortgage of freehold immovable properties of Century Pulp and Paper on pari-passu 2nd charge basis with other working capital lenders.

Working capital loans of ₹ 5.50 Crores (31 March 2020 ₹ 18.22 Crores) from banks are secured against first pari passu charge on current assets of the Birla Estates Private Limited, both present and future, exclusive mortgage of land and building situated at Sahad, opposite chemical land, Kalyan and first & exclusive charge on current assets of the company's birla vanya project at kalyan.

NOTE 19 : TRADE PAYABLES

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Trade payable - Micro and small enterprises (Refer Note 34)	15.01	8.87
Trade payable - Other than micro and small enterprises	605.51	483.74
Total	620.52	492.61

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 19 : TRADE PAYABLES (Continued)

Note :

- (a) The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.
- (b) Trade payables are non interest bearing and are normally settled on 60-90 days terms. Acceptances are interest bearing and have an average term of six months. There are no other amounts paid / payable towards interest / principal under the MSMED.

NOTE 20 : PROVISIONS

Particulars	Non-Current		Current	
	As at 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)	As at 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
(a) Provision for employee benefits				
(i) Leave entitlement	0.75	0.74	24.22	24.11
(ii) Gratuity (Refer Note 36)	-	-	0.68	2.75
	0.75	0.74	24.90	26.86
(b) Other Provisions				
(i) Disputed matters (Refer Note 37)	-	-	164.78	155.08
	-	-	164.78	155.08
Total	0.75	0.74	189.68	181.94

NOTE 21 : REVENUE FROM OPERATIONS

Particulars			Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
(a) Sale of products		2,374.99		3,136.84
(b) Rent from leased properties:				
Rent from Investment properties (Refer Note 4)	128.57			130.26
Rent from other assets (Refer Note 33)	49.98			49.59
		178.55		
(c) Service income		13.82		14.71
Total			2,567.36	3,331.40
(d) Other operating revenues :				
Export benefits		19.53		22.11
Sale of scrap		8.05		5.35
Insurance and other claims		0.53		0.70
Liabilities no longer required		9.66		13.15
Government Grants		5.81		38.57
Renewable energy credits		-		0.94
Others		5.63		11.20
			49.21	92.02
Total			2,616.57	3,423.42

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 21 : REVENUE FROM OPERATIONS (Continued)

NOTE 21 A : DISAGGREGATED REVENUE INFORMATION:

Particulars	Year Ended 31 March 2021 (₹ in Crores)	Year Ended 31 March 2020 (₹ in Crores)
Segment		
Textile products	582.30	735.98
Paper and Pulp products	1,773.81	2,383.38
Real Estate	13.82	14.71
Others (Salt and Chemicals)	18.88	17.48
Total revenue from contracts with customers	2,388.81	3,151.55
India	2,042.96	2,552.83
Outside India	345.85	598.72
Total revenue from contracts with customers	2,388.81	3,151.55
Timing of revenue recognition		
Goods transferred at a point in time	2,374.99	3,136.84
Services transferred over time	13.82	14.71
Total revenue from contracts with customers	2,388.81	3,151.55

NOTE 21 B :

Reconciliation with segment revenue	Year ended 31 March 2021				
	Textile	Pulp and Paper	Real Estates	Others	Total
Revenue as per Segment	632.28	1,773.81	142.39	18.88	2,567.36
Less:					
Rent from Investment properties	-	-	(128.57)	-	(128.57)
Rent from Other assets	(49.98)	-	-	-	(49.98)
Total Revenue from contracts with customers	582.30	1,773.81	13.82	18.88	2,388.81

Reconciliation with segment revenue	Year ended 31 March 2020				
	Textile	Pulp and Paper	Real Estates	Others	Total
Revenue as per Segment	785.57	2,383.38	144.97	17.48	3,331.40
Less:					
Rent from Investment properties	-	-	(130.26)	-	(130.26)
Rent from Other assets	(49.59)	-	-	-	(49.59)
Total Revenue from contracts with customers	735.98	2,383.38	14.71	17.48	3,151.55

NOTE 21 C : CONTRACT BALANCES

Particulars	As at 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Trade Receivables	157.85	181.24
Contract Liabilities (Advance received from customers)	250.89	90.67

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

Revenue as per contracted prices	2,464.00	3,265.02
Adjustments		
Discount	75.19	113.47
Revenue from contract with customers	2,388.81	3,151.55

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 22 : OTHER INCOME

Particulars		Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Dividend on FVTPL Investments	2.13		1.67
Dividend on FVTOCI Investments	1.14		1.14
		3.27	2.81
Interest Income :			
Non current investments at amortised cost	0.66		0.71
On Income tax refund	32.75		-
Other interest income	3.09		5.95
		36.50	6.66
Gain on foreign currency fluctuations and translations (net)		2.58	0.01
Provision for interest written back #		8.00	9.75
Surplus on sale of property plant and equipments (net)		0.16	-
Management consultancy fees		7.44	4.35
Miscellaneous Income		3.67	11.63
Total		61.62	35.21

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

NOTE 23 : COST OF MATERIALS CONSUMED

Particulars		Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Raw material consumed			
Opening stock	127.61		135.60
Add: Purchases	1,012.95		1,326.61
	1,140.56		1,462.21
Less: Closing stock	(134.00)		(127.61)
		1,006.56	1,334.60
Dyes, colour and chemicals consumed			
Opening stock	16.71		15.72
Add: Purchases	233.26		330.63
	249.97		346.35
Less: Closing stock	(14.42)		(16.71)
		235.55	329.64
Packing materials consumed			
Opening stock	7.04		3.11
Add: Purchases	76.96		95.11
	84.00		98.22
Less: Closing stock	(8.60)		(7.04)
		75.40	91.18
Total		1,317.51	1,755.42

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 24 : PURCHASE OF TRADED GOODS

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Purchase of traded goods	79.47	48.22

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

Particulars		Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Opening stock :-			
Finished goods	127.76		103.93
Work-in-progress	188.45		176.86
Stock-in-trade	0.66		0.74
		316.87	281.53
Closing stock :-			
Finished goods	78.81		127.76
Work-in-progress	182.80		188.45
Stock-in-trade	0.95		0.66
		262.56	316.87
		54.30	(35.34)
Less: Loss of finished goods inventory on fire		(8.14)	-
Total		46.17	(35.34)

NOTE 26 : EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Salaries, wages, bonus, etc.	253.23	271.52
Contributions to provident and other funds	14.60	14.91
Gratuity expenses (Refer Note 36)	4.33	4.36
Staff welfare expenses	9.08	11.22
Total	281.24	302.01

NOTE 27 : FINANCE COST

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Interest on debts and borrowings (Refer Note below)	79.89	94.30
Exchange differences regarded as an adjustment to borrowing costs	-	0.82
Interest on lease liabilities (Refer Note 45)	2.36	1.48
Unwinding of discount and effect of change in discount rate on provisions	9.45	9.71
	91.70	106.31
Less: Borrowing costs capitalised and inventorized	(21.00)	(19.22)
Total	70.70	87.09

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

NOTE 27 : FINANCE COST (Continued)

Note :

Net of subsidy of ₹ 0.08 Crore (31 March 2020 ₹ 0.11 Crore) under the Technology Upgradation Fund Scheme of the Government of India.

The capitalisation rate used to determine the amount of borrowing cost to be capitalised and inventorized is the weighted average interest rate applicable to the entity's general borrowings during the year, in this case 8.00% (31 March 2020 8.25%)

NOTE 28 : DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Depreciation of property plant and equipments (Refer Note 3)	192.49	190.10
Depreciation on Investment properties (Refer Note 4)	36.67	37.09
Amortization of Intangible assets (Refer Note 5)	1.97	1.39
Total	231.13	228.58

NOTE 29 : OTHER EXPENSES

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Consumption of stores and spares	54.69	55.70
Job work charges	11.21	19.25
Power, fuel and water	336.77	409.31
Buildings repairs	20.34	20.18
Machinery repairs	19.18	23.16
Rent	2.22	3.38
Rates and taxes	19.48	15.61
Insurance	19.19	12.34
Freight, forwarding, octroi, etc.	32.69	44.25
Advertisement and publicity	8.58	29.32
Commission	12.04	10.82
Brokerage, discounts, incentives etc.	1.30	2.88
Commission to Non Executive Directors	-	1.00
Director's fees and travelling expenses	0.10	0.13
Donations	0.14	-
Loss on sale of Investments	0.03	3.23
Provision for doubtful debts and advances	3.31	0.86
Miscellaneous expenses	127.21	136.84
Total	668.48	788.26

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

30 HEDGING ACTIVITIES AND DERIVATIVES

Derivatives not designated as hedging instruments

The Group uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

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

31 EARNINGS PER SHARE (EPS):

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
a) For Continuing Operations		
Profit / (Loss) after tax from continuing operations	(15.07)	378.08
Add: Loss attributable to Non-Controlling Interest	3.17	4.82
Profit attributable to equity shareholders for basic & diluted EPS	(11.90)	382.90
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2020 ₹ 10 each) (in Rupees)	(1.07)	34.28
b) For Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	(18.54)	(17.65)
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2020 ₹ 10 each) (in Rupees)	(1.66)	(1.58)
c) For Continuing & Discontinued operations		
Profit attributable to equity shareholders for basic & diluted EPS	(30.44)	365.25
Weighted average number of equity shares for basic & diluted EPS	11,16,95,680	11,16,95,680
Basic & diluted earnings per equity share of ₹ 10 each (31 March 2020 ₹ 10 each) (in Rupees)	(2.73)	32.70

32 Revenue expenditure on research and development activities relating to Government recognised in-house research and development laboratories incurred and charged out during the year through the natural heads of account, aggregate ₹ 4.13 crores (31 March 2020: ₹ 4.13 crores).

33 During the financial year 2017-18, the Group had entered into an agreement with Grasim Industries Limited ('GIL') granting right to manage and operate the group's Viscose Filament Yarn ('VFY') business, which is part of Textile segment, for a duration of 15 years commencing from February 1, 2018. As a part of consideration, GIL has paid an upfront Royalty of ₹ 605.00 crores. In addition GIL has also paid the carrying value of net working capital and the interest free security deposit of ₹ 200.00 crores which is repayable after 15 years. With effect from February 1, 2018, GIL have right to use the VFY business assets including its intangible assets for a period of 15 years from the above date. The Group is recognizing Royalty income over the period of 15 years.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

Pursuant to the agreement, GIL shall incur all capital expenditure and commitments involving capital expenditure as may be necessary for the proper, optimum and profitable operation of the VFY Business. In this regard, Group has agreed that all improvement/ capital expenditure done by GIL during the tenure of agreement will be transferred to the Group, at such fair value as may be agreed between the Group & GIL.

34. TRADE PAYABLE

- (i) ₹ 15.01 Crore (31 March 2020 ₹ 8.87 Crore) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) There are no other amounts paid / payable towards interest / principal under the MSMED; and
- (ii) The above information has been determined to the extent such parties have been identified on the basis of the information available with the Group regarding the status of suppliers under the MSMED Act

35. DISCONTINUED OPERATIONS - YARN AND DENIM DIVISION

In the past, the Company had sold the Yarn and Denim units ("Y&D units") (included in Textiles segment) and had recognized loss on disposal amounting to ₹ 18.12 crores. Subsequently, pursuant to the objections raised by the workers of Y&D units against the said business transfer, the Company had terminated the sale agreement and had taken back the possession of the Y&D units. The Company is currently exploring various alternatives including sale to other buyers and accordingly has classified the operations as Discontinued operations.

The Results of Yarn and Denim unit for the year are presented below:

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Revenue including other income	-	5.61
Expenses	(28.50)	(32.74)
Impairment loss recognised on the remeasurement to fair value less costs to sell	-	-
Profit before income tax	(28.50)	(27.13)
Income tax (expense) / credit	9.96	9.48
Profit / (Loss) after income tax	(18.54)	(17.65)

The major class of assets and liabilities of Yarn and Denim Division classified as held for sale as at 31 March 2021 are, as follows

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Assets		
Other Financial Assets	1.26	1.27
Inventories	0.06	0.06
Other Current Assets	0.64	-
Cash and Cash Equivalents	-	-
Assets classified as held for sale	1.96	1.33
Liabilities		
Trade Payables	39.67	39.34
Other Financial Liabilities	0.14	0.04
Provisions	6.23	5.51
Other Current Liabilities	1.73	0.44
Liabilities Associated with Assets Held for Sale	47.77	45.33
Net Assets directly associated with Yarn and denim	(45.81)	(44.00)

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

35. DISCONTINUED OPERATIONS - YARN AND DENIM DIVISION (Continued)

The net cash flows of Yarn and Denim Unit are, as follows:

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Net cash flow from operating activities	(16.73)	(14.38)
Net cash flow from investing activities (from sale of business)	-	-
Net cash flow from financing activities	-	-
Net cash generated from discontinued operations	(16.73)	(14.38)

36. DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS"

(a) Defined Contribution Plans:

The Group's contribution to Provident Fund and Superannuation Fund aggregating ₹ 14.60 Crores (31 March 2020: ₹ 14.91 Crores) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

(i) Gratuity

The Group has a defined benefit gratuity plan (funded). The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments, property and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Employee Attrition rate	2% to 5%	2% to 5%
Discount rate	6.59%	6.71%
Expected rate(s) of salary increase	3% to 6%	3.75% to 6%

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

Defined benefit plans – as per actuarial valuation on 31st March, 2021

Particulars	Funded Plan	
	Gratuity	
	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
I. 1. Expense recognised in the Statement of Profit and Loss		
Service Cost:		
Current Service Cost	4.27	4.57
Net interest expense	0.06	(0.21)
Components of defined benefit costs recognised in profit or loss	4.33	4.36
2. Included in Other Comprehensive Income		
Remeasurement (gain)/loss	(1.99)	0.01
Return on plan assets (income)	(1.52)	2.69
Actuarial (gain)/loss recognised for the period	-	3.45
Remeasurement (gain)/loss	(3.51)	6.15
II. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation	54.52	52.70
2. Fair value of plan assets	55.25	49.95
Net Asset/(Liability)	0.73	(2.75)
Reflected in Balance Sheet as under:		
Other Current Assets - Gratuity Plan Asset	1.41	-
Current Provision -Gratuity	(0.68)	(2.75)
	0.73	(2.75)
III. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	52.70	46.59
2. Liability to be Transferred in	0.09	0.52
3. Expense Recognised in Profit and Loss Account		
- Current Service Cost	4.27	4.57
- Interest Expense / (Income)	3.30	3.51
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses):		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	(0.64)	3.50
iii. Experience Adjustments	(1.35)	(0.06)
5. Benefit payments	(3.85)	(5.93)
Present value of defined benefit obligation at the end of the year	54.52	52.70
IV. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	49.95	46.37
2. Fair Value of plan assets to be transferred	0.09	0.52
3. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	3.24	0.49
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	1.52	3.70
5. Contributions by employer (including benefit payments recoverable)	4.30	4.80
6. Benefit payments	(3.85)	(5.93)
Fair value of plan assets at the end of the year	55.25	49.95

Expected Contribution during next Annual reporting period ₹ 4.24 Crores (31 March 2020 ₹ 8.14 Crores)

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

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

Principal assumption		Changes in assumption	(₹ In Crores)	
			Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	31-Mar-21	1%	(2.94)	3.19
	31-Mar-20	1%	(4.04)	4.62
Salary growth rate	31-Mar-21	1%	3.27	2.82
	31-Mar-20	1%	4.54	(1.76)
Withdrawal rate	31-Mar-21	1%	1.52	0.98
	31-Mar-20	1%	0.26	(0.29)

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

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Within 1 year	7.63	8.02
1 - 2 year	5.77	6.27
2 - 3 year	6.80	5.76
3 - 4 year	5.16	6.40
4 - 5 year	6.34	4.83
Above 5 years	22.97	21.42
	54.67	52.70

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

Asset category	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Cash and cash equivalents	0.10	0.79
Debt instruments (quoted)	51.19	190.47
Equity instruments (quoted)	2.01	4.34
Deposits with Insurance companies	1.95	28.89
Fair Value of plan assets to be transferred (See Note 33)	-	(84.42)
Less : Transferred to Demerged Undertaking	-	(90.12)
Total	55.25	49.95

The weighted average duration of the defined benefit obligation as at 31 March 2021 is 19.98 years (31 March 2020 12.15 years)

(ii) Provident Fund

In case of certain employees, the Provident fund contribution is made to trusts administered by the Group. In terms of guidance note issued by the Institute of Actuaries of India, the Actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined that there is no shortfall as at 31 March 2021.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

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

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Guaranteed interest rate	8.50%	8.50%
Discount rate for the remaining term to maturity of interest portfolio	6.59%	6.71%
Contribution during the year	7.63	7.48

37 PROVISION FOR DISPUTED MATTERS

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

The movements in the above account are summarized below:-

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

(₹ In Crores)						
S No.	Nature of liability	1 April 2019	Amounts provided for during the year	Amounts utilised / written back during the year	As at 31 March 2020	
					Continuing	Discontinued
1	Water Charges	90.53	7.86	0.25	98.14	-
2	Octroi Duty	38.54	-	-	38.54	-
3	Cess	0.48	-	-	0.48	-
4	Excise Duty	5.96	-	5.96	-	-
5	Towards employee benefit	25.49	-	-	-	25.49
6	Others	19.39	0.34	1.80	17.93	-
	Total	180.39	8.20	8.01	155.08	25.49

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

38 CONTINGENT LIABILITIES

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

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Contingent liabilities - Continuing Operations		
(a) (i) Claims against the Group not acknowledged as debts in respect of :		
- Custom Duty and Excise Duty	11.00	11.61
- Sales Tax and Entry Tax	5.73	4.41
- Power Charges	-	3.13
- Others	6.16	7.59
(ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Group had an interest (proportionate)	24.86	24.04
(b) Disputed income tax matters under appeal	60.20	61.82
(c) Liability on account of Jute packaging obligation upto 30 June 1997 under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987	Amount not determinable	Amount not determinable
(d) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.	Amount not determinable	Amount not determinable

The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties are dependent on the outcome of the different legal processes. The timing of future cash flows will be determinable only on receipt of judgments / decisions pending with various forums/authorities. The Group does not expect any reimbursements against the above.

39 COMMITMENTS

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	103.98	144.49
Other Commitments		
The Group has imported capital goods under the Export promotion capital goods scheme, of the Government of India, at concessional rates of duty on an undertaking to fulfill quantified exports in the future years	235.49	180.40

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

40 RELATED PARTY DISCLOSURE

1 Relationships :

(a) Where significant influence exists :

- (i) M/s Pilani Investment and Industries Corporation Limited (As a Shareholder of the Company directly & indirectly)

(b) Key Management Personnel (KMP) :

Managing Director :

Shri J. C. Laddha (w.e.f 12.08.2019)

Whole-time Director :

Shri R. K. Dalmia

Non Executive Directors

Shri B.K. Birla (Up to 03.07.2019)

Shri Kumar Mangalam Birla

Smt. Rajashree Birla

Shri Pradip Kumar Daga (Up to 24.07.2019)

Shri Yazdi P Dandiwala

Shri Rajan A Dalal

Shri Sohanlal Kundanmal Jain

Smt. Preeti Vyas

(c) Other Related Parties (Company Managed Funds)

(i) Pension and Provident Fund of Century Textiles and Industries Limited

- Pension And Provident Fund Of Century Textiles And Industries Limited

(ii) Gratuity Fund of Century Textiles and Industries Limited

- Century Textiles And Industries Limited Employees Gratuity Fund

(iii) Superannuation Fund of Century Textiles and Industries Limited

- Century Textiles And Industries Limited (Textiles Division) Superannuation Scheme

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

40 RELATED PARTY DISCLOSURE (Continued)

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

(₹ In Crores)			
Transactions With Related Parties	For the year ended	KMP & Directors of the Company (b)	Company Managed Funds (c)
Nature of transactions with Related Parties			
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-21	-	7.63
	31-Mar-20	-	7.48
Century Textiles & Industries Ltd. Employee Gratuity Fund	31-Mar-21	-	4.30
	31-Mar-20	-	-
Century Textiles & Industries Ltd. (Textiles Division) Superannuation Scheme	31-Mar-21	-	0.39
	31-Mar-20	-	0.48
Remuneration to Managing Director	31-Mar-21	2.46	-
	31-Mar-20	1.09	-
Remuneration to Whole time Director	31-Mar-21	4.60	-
	31-Mar-20	4.33	-
Sitting fees to independent and non executive directors	31-Mar-21	0.10	-
	31-Mar-20	0.12	-

(₹ In Crores)			
Balances Receivable / (Payable) with Related Parties	Balance as at	KMP & Directors of the Company (b)	Company Managed Funds (c)
Pension & Provident fund of Century Textiles & Industries Ltd.	31-Mar-21	-	(0.65)
	31-Mar-20	-	(0.62)

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

4.1 SEGMENT INFORMATION

A. Information about Business Segment - Primary

S. No.	Particulars	₹ In Crores					
		Textiles		Pulp and Paper		Real Estate	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1	Segment Revenue						
	Sales of products	632.28	785.57	1,773.81	2,383.47	142.96	145.66
	Less: Inter Segment Revenue	-	-	-	0.09	0.57	0.69
	Net Sales from Continuing Operations	632.28	785.57	1,773.81	2,383.38	142.39	144.97
	Sales from Discontinued Operations:						
	Textiles	-	-	-	-	-	-
						2,567.36	3,331.40
2	Result						
	Segment Result of Continuing Operations	(31.68)	42.54	99.97	387.89	(17.20)	(29.04)
	Profit/(Loss) from Discontinued Operations:						
	Textiles	(28.50)					
						26.31	378.09
3	Other Information						
	Segment Assets	875.66	971.92	2,997.94	3,102.22	2,252.70	2,086.32
	Segment Assets Discontinued Operations:						
	Textiles					36.71	37.42
	Add: Unallocated common Assets						
						1.96	1.33
	Total Assets					820.47	548.28
	Segment Liabilities	971.89	982.66	534.84	403.60	404.16	269.18
	Segment Liabilities Discontinued Operations:						
	Textiles					13.55	13.02
	Add: Unallocated Common Liabilities						
						47.77	45.33
	Total Liabilities					1,073.87	1,422.12
4	Capital Expenditure during the year (excluding advances)						
	Add: Unallocated Capital Expenditure	64.49	50.97	65.03	97.89	4.32	16.30
						-	-
						133.84	165.16
5	Depreciation and amortisation						
	Add: Unallocated Depreciation	44.93	45.02	145.07	143.19	40.57	39.72
						0.13	0.13
						230.70	228.06
						0.43	0.52
						231.13	228.58

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

Adjustments & Eliminations:

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

B. Reconciliation of profit

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Segment profit [A]	54.81	405.22
Unallocable Income/(Expense)[B]:		
Employee Benefit Expense	(15.07)	(13.75)
Depreciation & Amortisation Expense	(0.43)	(0.53)
Other Expense	(51.51)	(41.93)
Other Income	66.39	22.47
Total	(0.62)	(33.74)
Finance Cost [C]	(70.70)	(87.09)
Inter-segment Profit / (Loss) (elimination) [D]	-	-
Profit before tax from Continuing Operations [A+B+C+D]	(16.51)	284.39
Add/(Less): Taxes		
Income Tax (Charge) / Credit	1.44	93.69
Profit after tax from continuing operations	(15.07)	378.08
Profit from Discontinued Operations	(28.50)	(27.13)
Add/(Less): Taxes		
Income Tax (Charge) / Credit	9.96	9.48
Profit after tax from discontinuing Operations	(18.54)	(17.65)
Profit for the year	(33.61)	360.43

C. Reconciliation of Assets & Liabilities

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
I (A) Segment Operating Assets	6,164.97	6,199.21
Unallocated Assets		
(B) Non-current Assets		
Property, Plant and Equipments	39.73	39.86
Financial Assets		
Non-Current Investments	192.72	106.69
Deferred Tax Assets	55.49	64.56
Non Current Tax	51.06	191.63
Other Non Current Assets	1.44	-
Total Non-Current Assets (B)	340.44	402.74

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

Particulars	As at 31 March 2021 (₹ in Crores)	As at 31 March 2020 (₹ in Crores)
(C) Current Assets		
Financial Assets		
Cash and Cash Equivalents	62.57	58.99
Bank balances other than above cash & cash equivalents	62.37	60.65
Investments	45.00	-
Others	9.39	7.33
	179.33	126.97
Other Current Assets	8.73	18.57
Total Current Assets (C)	188.06	145.54
Total Unallocated Assets (B+C)	528.50	548.28
TOTAL ASSETS (A + B + C)	6,693.47	6,747.49
II (A) Segment Operating Liabilities	1,972.21	1,713.79
Unallocated Liabilities		
(B) Non-Current Liabilities		
Financial Liabilities		
Borrowings	864.97	549.92
Lease Liabilities	20.62	15.44
Total Non-Current Liabilities (B)	885.59	565.36
(C) Current Liabilities		
Financial Liabilities		
Current Borrowings	2.19	15.51
Lease Liabilities	2.69	1.95
Cash Credit Facilities	6.29	18.35
	11.17	35.81
Trade Payables	6.88	5.84
Other Financial Liabilities	7.85	37.13
Current Maturities of long term debts	151.75	771.93
Other Current Liabilities	4.28	5.91
Provisions	6.35	0.14
Total Current Liabilities (C)	188.28	856.76
Total Unallocated Liabilities (B+C)	1,073.87	1,422.12
Total LIABILITIES (A+B+C)	3,046.08	3,135.91

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

D. Secondary Segment

I Geographic information

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Revenue from external customers		
India	2,221.51	2,732.68
Outside India	345.85	598.72
Total revenue from continuing operations	2,567.36	3,331.40

II Non-current operating assets:

Particulars	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
India	4,349.50	4,469.40
Outside India	-	-
Total	4,349.50	4,469.40

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

E. Revenue from major products and services

The following is an analysis of the Company revenue from continuing operations from its major products and services:

Sale of Products	Year ended 31 March 2021 (₹ in Crores)	Year ended 31 March 2020 (₹ in Crores)
Cotton Fabric	491.29	658.22
Cotton Yarn	47.00	59.84
Pulp & Paper (including Paper Board / Straw Board)	1,773.81	2,383.37
Others	62.89	35.41
Rental income including common are maintenance charges	192.37	194.56
Total	2,567.36	3,331.40

Composition of the business segment

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

- | | |
|-------------------|---|
| a. Textiles | Yarn, Fabric, Viscose filament yarn, Tyre yarn & leasing of Viscose filament yarn & Tyre yarn plant |
| b. Pulp and Paper | Pulp, writing & printing paper, tissue paper and multilayer packaging board |
| c. Real Estate | Leased Properties |
| d. Others | Salt works and Chemicals |

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

- F.** The Board of Director monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.
- G.** No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2021 and 31 March 2020
- H.** The accounting policies of the re portable segments are the same as the Company's accounting policies described in note 2A.

Segment profit represents the profit before finance cost and tax earned by each segment without allocation of central administration costs and directors' salaries, investment income and finance costs. This is the measure reported to the chief operating decision maker for the purposes of allocation and assessment of segment performance.

42. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, equity includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholder value. The Group's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Group is monitoring capital using debt equity ratio as its base which is debt to equity. The Group's policy is to keep debt equity ratio below two and infuse capital if and when required through issue of new shares and/or better operational results and efficient working capital management.

Debt-to-equity ratio are as follows:

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Debt (A)	1,025.20	1,355.69
Equity (B)	3,504.36	3,479.49
Debt to Equity Ratio (A / B)	0.29	0.39

43. FINANCIAL RISK MANAGEMENT FRAMEWORK

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Group's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the risk management. The Group's senior management provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Group is exposed to credit risk mainly from trade receivables and other financial assets. The group only deals with parties which has good credit ratings / worthiness based on Group's internal assessment.

The Group has divided parties in two grades based on their performance.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

Good: parties with a positive external rating (if available) and stable financial position with no past default is considered in this category.

Doubtful: parties where the Group doesn't have information on their financial position or has past trend of default are considered under this category.

The Group has not acquired any credit impaired asset. There was no modification in any financial assets.

(i) Trade receivables

Customer credit is managed by each business division subject to the Group's established policy procedures and control related to customer credit risk management.

Export customers are mainly against Letter of Credit and/or insurance cover on export outstanding is also taken. Generally deposits are taken from domestic debtors. Apart from deposit there is a commission agent area wise. In case any customer defaults the amount is first recovered from deposits, then from the agent's commission. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification. The carrying amount and fair value of security deposit amounts to ₹ 48.00 Crores (31 March 2020: ₹ 45.87 Crores) as it is payable on demand.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Group has written off trade receivables amounting to ₹ 3.31 Crores during the year (31 March 2020 ₹ 1.37 Crores) as there was no reasonable expectations of recovery and were outstanding for more than 360 days from becoming due.

	(₹ In Crores)	
As at 31 March 2021	Less Than 180 Days	More Than 180 Days
Expected loss rate	0.00%	69.31%
Gross carrying amount	152.66	16.90
Loss allowance provision	-	11.71

	(₹ In Crores)	
As at 31 March 2020	Less Than 180 Days	More Than 180 Days
Expected loss rate	0.00%	78.53%
Gross carrying amount	178.93	10.76
Loss allowance provision	-	8.45

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

Reconciliation of loss allowance provision for Trade Receivables

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Balance as at beginning of the year	8.45	12.01
Impairment losses recognised in the year based on lifetime expected credit losses	-	-
On receivables originated in the year	6.00	0.80
For Discontinued Operations	-	-
Amounts written off during the year as uncollectible	(2.00)	(1.27)
Amounts recovered / written back during the year	(0.74)	(3.09)
Balance at end of the year (Continuing Operations)	11.71	8.45

(ii) Other Financial Assets

Credit risk from balances with banks is managed by Group's treasury department in accordance with the Group policy. Investment of surplus funds are made only in approved Mutual Funds and that too in liquid funds. As soon as the fund reaches to a reasonable level the Group repay its working capital borrowing by redeeming the liquid fund. The other financial assets are from various forum of Government authorities and are released by Government authorities on completion of relevant terms and conditions for the release of outstanding.

B. MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, FVTOCI Investments, derivatives and other financials assets.

The Group has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The sensitivity analyses in the following sections relates to the outstanding balance as at 31 March 2021 and 31 March 2020.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2021.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020.

(i) Currency Risk

This is the risk that the Group may suffer losses as a result of adverse exchange rate movement during the relevant period. As a policy, Group is covering all foreign exchange risk on account of import and loans so that Group may not be put to any loss situation due to adverse fluctuations in currency rates. There is periodical review of foreign exchange transactions and hedging by the Group's executives.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. The Group's exposure to foreign currency changes for all other currencies is not material.

(₹ In Crores)			
Particulars	Currency	Change in rate	Effect on profit before tax
31 March 2021	USD	+5%	(4.47)
	USD	-5%	4.47
	EUR	+5%	0.04
	EUR	-5%	(0.04)
31 March 2020	USD	+5%	(5.62)
	USD	-5%	5.62
	EUR	+5%	(0.02)
	EUR	-5%	0.02

Outstanding foreign currency exposures	As at 31 March 2021		As at 31 March 2020	
	Foreign Currency (in millions)	₹ In crore	Foreign Currency (in millions)	₹ In crore
Trade Receivables				
USD	1.88	13.74	2.93	22.01
Euro	0.20	1.72	0.17	1.37
Others	-	-	0.04	0.36
Trade Payables				
USD	17.63	128.90	12.85	97.20
Euro	0.13	1.12	0.05	0.44
Others	1.34	0.20	0.01	0.10
Borrowings				
USD	-	-	2.05	15.52

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

Forward Contracts	Buy / Sell	31 March 2021		
		Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Buy	3.12	23.22	0.21
Forward Contracts	Buy / Sell	31 March 2020		
		Foreign Currency (in millions)	Nominal value (₹ In Crores)	Fair value (₹ In Crores)
In USD	Sell	3.70	27.30	(1.04)

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(ii) Interest rate risk

The Group manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Group has issued fixed rate bonds and loans taken from banks are linked to MCLR rate of the bank, which are variable.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ In Crores)			
Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
31 March 2021	INR	+50	(3.09)
	INR	-50	3.09
31 March 2020	INR	+50	(1.11)
	INR	-50	1.11

(₹ In Crores)			
Particulars	Total Borrowings	Floating rate Borrowings	Fixed rate Borrowings
INR	1,030.29	630.75	399.54
Total as at 31 March 2021	1,030.29	630.75	399.54
INR	1,382.32	256.37	1,125.95
Total as at 31 March 2020	1,382.32	256.37	1,125.95

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

(iii) Equity Price Risk

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

C. LIQUIDITY RISK

(i) Liquidity risk management

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Group ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(ii) *Maturities of financial liabilities*

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

(₹ in Crores)						
As at 31 March 2021	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	172.82	988.96	-	-	1,161.78
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	6.29	-	-	-	-	6.29
Pre-shipment, Post-shipment facilities	-	2.19	-	-	-	2.19
Buyers credit	-	-	-	-	-	-
Trade payables						
Trade payables - Micro and small enterprises	-	15.01	-	-	-	15.01
Trade payables - other than micro and small enterprises	-	605.51	-	-	-	605.51
Other financial liabilities						
Deposits from dealers and agents	48.00	-	-	-	-	48.00
Deposits against rental arrangements	-	48.44	100.18	-	-	148.62
Other Interest Accrued	-	13.87	-	-	-	13.87
Unclaimed / Unpaid dividends	-	2.14	-	-	-	2.14
Creditors for Capital Supplies / Services	-	10.29	-	-	-	10.29
Other current liabilities	-	8.04	0.49	-	-	8.53
(b) Derivative financial instruments						
Derivatives not designated as a hedging instruments	-	0.65	-	-	-	0.65
Total	54.29	878.96	1,089.63	-	-	2,022.88

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

	(₹ in Crores)					
As at 31 March 2020	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Long term borrowings (including current maturities of long-term debt)	-	847.57	574.95	46.23	-	1,468.75
Short term borrowings						
Cash Credit Facilities/ Working Capital Loan	18.35	-	-	-	-	18.35
Pre-shipment, Post-shipment facilities	-	0.71	-	-	-	0.71
Buyer's credit	-	14.78	-	-	-	14.78
Trade payables						
Trade payables - Micro and small enterprises	-	8.87	-	-	-	8.87
Trade payables - other than micro and small enterprises	-	483.74	-	-	-	483.74
Other financial liabilities						
Deposits from dealers and agents	45.89	-	-	-	-	45.89
Deposits against rental arrangements	-	60.65	90.84	-	-	151.49
Other Interest accrued	-	21.87	-	-	-	21.87
Unclaimed / Unpaid dividends	-	2.31	-	-	-	2.31
Creditors for Capital Supplies / Services	-	12.10	-	-	-	12.10
Other current liabilities	-	1.76	0.49	-	-	2.25
(b) Derivative financial instruments						
Derivatives not designated as a hedging instruments	-	1.04	-	-	-	1.04
Total	64.24	1,455.40	666.28	46.23	-	2,232.16

(iii) Maturities of financial assets

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

43. FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)

(₹ In Crores)						
As at 31 March 2021	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Trade Receivables	-	157.85	-	-	-	157.85
Other Bank Balances	2.14	72.25	-	-	-	74.89
Other financial Assets						
Security Deposits	-	1.26	-	6.27	-	7.53
Interest subsidy	-	9.09	-	-	-	9.09
Claims and other receivable	-	0.29	-	-	-	0.29
Unbilled Revenue	-	-	1.03	-	-	1.03
Others	-	8.31	-	-	-	8.31
Finance Lease Receivables	-	2.11	0.43	-	-	2.54
Total	2.14	251.16	1.46	6.27	-	261.03

(₹ In Crores)						
As at 31 March 2020	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Trade Receivables	-	181.24	-	-	-	181.24
Other Bank Balances	2.31	58.34	-	-	-	60.65
Other financial Assets						
Security Deposits	-	0.88	-	7.17	50.00	58.05
Interest subsidy	-	7.06	-	-	-	7.06
Interest receivable	-	2.33	-	-	-	2.33
Finance Lease Receivables	-	1.99	-	-	-	1.99
Unbilled Revenue	-	2.05	0.35	-	-	2.40
Claims and other receivable	-	8.86	-	-	-	8.86
Others	-	5.84	2.54	-	-	8.38
Total	2.31	268.59	2.89	7.17	50.00	330.96

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT

Fair value of financial assets and financial liabilities

Particulars	31 March 2021 (₹ in Crores)		31 March 2020 (₹ in Crores)	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial assets				
<i>Financial assets measured at Fair value through OCI:</i>				
Investments				
Quoted equity shares	148.85	148.85	63.01	63.01
Unquoted equity shares	35.86	35.86	35.14	35.14
<i>Financial assets at amortised cost for which Fair value are disclosed</i>				
Government and Trust Securities	8.01	7.85	8.54	8.35
Other financial Assets				
Security Deposit	7.53	7.53	58.05	58.05
Interest subsidy and Interest receivable	9.09	9.09	9.39	9.39
Claims and other receivable	0.29	0.29	8.86	8.86
Unbilled Revenue	1.03	1.03	2.40	2.40
Finance Lease	2.54	2.52	4.53	4.95
Others	8.31	8.31	5.84	5.84
Trade Receivables	157.85	157.85	181.24	181.24
Cash and Cash Equivalents	50.54	50.54	58.70	58.70
Other Bank Balances	74.39	74.39	60.65	60.65
Total	504.29	504.11	496.35	496.58

Particulars	31 March 2021 (₹ in Crores)		31 March 2020 (₹ in Crores)	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial liabilities				
<i>Financial liabilities at amortised cost for which Fair value are disclosed</i>				
Floating rate borrowings (including current maturities and Interest accrued)	630.75	630.75	256.37	256.37
Fixed rate borrowings (including current maturities and Interest accrued)	399.54	408.46	1,125.95	1,125.95
Trade payables	620.52	620.52	492.61	492.61
Other financial liabilities				
Deposits from dealers and agents	48.00	48.00	45.89	45.89
Deposits against rental arrangements	145.08	145.37	147.29	146.89
Other interest accrued	13.87	13.87	21.87	21.87
Unclaimed / Unpaid dividends	2.14	2.14	2.31	2.31
Creditors for capital supplies/services	10.29	10.29	12.10	12.10
Other liabilities	8.53	8.53	2.25	2.25
Total	1,878.72	1,887.93	2,106.64	2,106.24

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT (Continued)

The management assessed that cash and cash equivalents, trade receivables, trade payables, cash credit and all other current financial assets and liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Receivables are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) The fair value of loans from banks and other financial liabilities, security deposit, as well as other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- (iii) The fair values of the unquoted equity instruments have been estimated using a net adjusted fair value method. The valuation requires management to make certain assumptions about the assets, liabilities, investments of Investee Group. The probabilities of the various assumptions can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments based on the best information available to the Group.
- (iv) The fair values of quoted equity instruments are derived from quoted market prices in active markets.
- (v) The Group enters into foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs.
- (vi) The fair value of floating rate borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. As the Group's interest rates changes with the change in market interest rate, there is no material difference in carrying value and fair value. The own non performance risk as at 31 March 2021 was assessed to be insignificant.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Financial assets measured at Fair value through OCI:</i>				
Investments				
Quoted equity shares	148.85	-	-	148.85
Unquoted equity shares	-	-	35.86	35.86
<i>Financial assets at amortised cost for which Fair value are disclosed</i>				
Government and Trust Securities	-	7.85	-	7.85
Other financial Assets				
Security Deposit	-	7.53	-	7.53
Interest subsidy and Interest receivable	-	9.09	-	9.09
Claims and other receivable	-	0.29	-	0.29
Unbilled Revenue	-	1.03	-	1.03
Finance Lease	-	2.52	-	2.52
Others	-	8.31	-	8.31
Trade Receivables	-	157.85	-	157.85
Cash and Cash Equivalents	-	50.54	-	50.54
Other Bank Balances	-	74.39	-	74.39
Total	148.85	319.40	35.86	504.11

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2021			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
<i>Financial liabilities at amortised cost for which Fair value are disclosed</i>				
Floating rate borrowings (including current maturities and Interest accrued)	-	630.75	-	630.75
Fixed rate borrowings (including current maturities and Interest accrued)	-	408.46	-	408.46
Trade payables	-	620.52	-	620.52
Other financial liabilities				
Deposits from dealers and agents	-	48.00	-	48.00
Deposits against rental arrangements	-	145.37	-	145.37
Other interest accrued	-	13.87	-	13.87
Unclaimed / Unpaid dividends	-	2.14	-	2.14
Creditors for capital supplies/services	-	10.29	-	10.29
Other liabilities	-	8.53	-	8.53
Total	-	1,887.93	-	1,887.93

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement hierarchy of financial assets and financial liabilities

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Financial assets measured at Fair value through OCI:</i>				
Investments				
Quoted equity shares	63.01	-	-	63.01
Unquoted equity shares	-	-	35.14	35.14
<i>Financial assets at amortised cost for which Fair value are disclosed</i>				
Government and Trust Securities	-	8.35	-	8.35
Other financial Assets				
Security Deposit	-	58.05	-	58.05
Interest subsidy and Interest receivable	-	9.39	-	9.39
Claims and other receivable	-	8.86	-	8.86
Unbilled Revenue	-	2.40	-	2.40
Finance Lease	-	4.95	-	4.95
Others	-	5.84	-	5.84
Trade Receivables	-	181.24	-	181.24
Cash and Cash Equivalents	-	58.70	-	58.70
Other Bank Balances	-	60.65	-	60.65
Total	63.01	398.43	35.14	496.58

(₹ in Crores)

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
<i>Financial liabilities at amortised cost for which Fair value are disclosed</i>				
Floating rate borrowings (including current maturities and Interest accrued)	-	256.37	-	256.37
Fixed rate borrowings (including current maturities and Interest accrued)	-	1,125.95	-	1,125.95
Trade payables	-	492.61	-	492.61
Other financial liabilities				
Deposits from dealers and agents	-	45.89	-	45.89
Deposits against rental arrangements	-	146.89	-	146.89
Other interest accrued	-	21.87	-	21.87
Unclaimed / Unpaid dividends	-	2.31	-	2.31
Creditors for capital supplies/services	-	12.10	-	12.10
Other liabilities	-	2.25	-	2.25
Total	-	2,106.24	-	2,106.24

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

44. FAIR VALUE MEASUREMENT (Continued)

Fair Valuation Techniques and Inputs used - recurring Items

Financial assets/ financial liabilities measured at Fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	31 March 2021	31 March 2020				
Financial assets						
Investments				Replacement Cost Method	Investment property held by investee companies	5% (31 March 2020: 5%) increase (decrease) in the fair value of investment property would result in increase (decrease) in fair value of unquoted equity investment by ₹ 1.34 Crore (31 March 2020 ₹ 1.16 Crore)
Unquoted Equity investments	35.87	35.14	Level 3			
Total financial assets	35.87	35.14				

There were no transfers between level 1 and level 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements, refer example below.

There were no significant inter-relationships between unobservable inputs that materially affects fair values.

Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:

Particulars	31 March 2021 (₹ in Crores)	31 March 2020 (₹ in Crores)
Opening	35.14	37.37
Re-measurement recognised in OCI	0.73	(2.23)
Purchases	-	-
Sales	-	-
Closing	35.87	35.14

45 DISCLOSURE UNDER IND AS 116 "LEASES":

Lessee:

The Group has lease contracts for lands & buildings used in its operations. Leases of land and building generally have lease terms between 3 and 99 years. Generally, the Group is restricted from assigning and subleasing the leased assets.

Amount recognized in statement of profit or loss	For the year ended March 31, 2021 (₹ in Crores)	For the year ended March 31, 2020 (₹ in Crores)
Depreciation of Right-of-use assets	3.57	2.69
Interest on lease liabilities	2.36	1.48
Expenses related to short term leases	1.42	2.25

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

45 DISCLOSURE UNDER IND AS 116 “LEASES”: (Continued)

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

Particulars	March 31, 2021 (₹ in Crores)	March 31, 2020 (₹ in Crores)
Less than 1 year	4.86	3.27
1-3 years	6.00	5.71
3-5 years	3.81	2.10
5 years and above	54.63	50.40
Total as at 31 March	69.30	61.48

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

Particulars	March 31, 2021 (₹ in Crores)	March 31, 2020 (₹ in Crores)
As at 1 April	17.39	4.07
Additions	17.48	2.51
Accretion of interest	2.36	0.44
Payments	13.92	1.83
As at 31 March	23.31	5.19
Add-Reclassification of Finance Lease Obligation from borrowings as at 31 March	-	12.20
Total as at 31 March (Refer note 14A)	23.31	17.39
Current	2.69	1.95
Non-current	20.62	15.44
Amount recognized in statement of cash flows	For the year ended March 31, 2021 (₹ in Crores)	For the year ended March 31, 2020 (₹ in Crores)
Total cash outflow of leases	13.92	2.88

Lessor - Operating Lease:

The Group has significant leasing arrangements in respect of operating leases for premises. These are non cancellable leases with a lock in period of minimum three years. Most of the leases are renewable for a further period on mutually agreeable terms and also include escalation clauses on renewal. The Group has entered into operating leases for its Investment property. These typically have lease terms of between 1 to 4 years. The Group has recognized an amount of ₹ 128.57 Crores (31 March 2020 ₹ 130.26 Crores) as rental income for operating lease during the year ended March 31, 2021.

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

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

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	March 31, 2021 (₹ in Crores)	March 31, 2020 (₹ in Crores)
Less than a year	31.58	67.97
One to two years	18.34	27.55
Two to three years	10.69	13.42
Three to four years	3.85	0.74
Four to five years	0.93	-
Total (A)	65.39	109.68
More than five years (B)	-	-
Total (A +B)	65.39	109.68

Lessor - Finance Lease:

The Group has entered into Finance leases arrangement for leasehold improvement in investment property. These leases have terms of between three and five years

Amount receivable under Finance Lease:

Particulars	March 31, 2021 (₹ in Crores)	March 31, 2020 (₹ in Crores)
Less than a year	2.19	2.28
One to two years	0.48	2.19
Two to three years	-	0.48
Total	2.67	4.95
Unearned Finance Income	(0.13)	(0.42)
Present value of minimum lease payment receivable	2.54	4.53

Notes

to Consolidated Financial Statements for the year ended 31 March 2021

- 46** Summary of net assets, share in consolidated profit and share in other comprehensive income for the year ended March, 31, 2021.

(₹ in Crores)

	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Parent Company								
Century Textiles and Industries Limited	99.27%	3,478.83	(11.72)%	3.94	100%	88.82	168.01%	92.76
Subsidiaries								
Birla Estates Private Limited	0.93%	32.61	94.05%	(31.61)	0%	-	(57.25)%	(31.61)
Birla Century Exports Private Limited	0.01%	0.40	0.27%	(0.09)	0%	-	(0.16)%	(0.09)
Avarna Projects LLP (Subsidiary of Birla Estates Private Limited)	(0.23)%	(7.92)	18.71%	(6.29)	0%	-	(11.39)%	(6.29)
Birla Tisya LLP (Subsidiary of Birla Estates Private Limited)	0.00%	0.04	0.09%	(0.03)	0%	-	(0.05)%	(0.03)
Birla Century International LLC (Subsidiary of Birla Century Exports Private Limited)	(0.01)%	0.40	(1.40)%	0.47	0%	-	(0.85)%	0.47
Total	100%	3,504.36	100%	(33.61)	100%	88.82	100%	55.21

- 47** The Group's operations and revenue were impacted on account of disruption in economic activity due to CoVID 19. The management believes that the overall impact of the pandemic is short term and temporary in nature and is not likely to have any significant impact on the recoverability of the carrying value of its assets and the future operations. The management is continuing to closely monitor the developments and possible effects that may result from the pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these consolidated financial statements.

- 48** Figures less than ₹ 50,000 have been shown at actuals in brackets, since the figures are rounded off to the nearest lakh.

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
Firm Registration Number 324982E / E300003

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

per **Abhishek Agarwal**
Partner
Membership No: 112773
Mumbai : 06 May 2021

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

Snehal Shah
Chief Financial Officer
Mumbai : 06 May 2021

J.C.Laddha
Managing Director
DIN No: 03266469

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

Yazdi P. Dandiwal
Director
DIN:01055000

Five Year Highlights

(₹ in Crores)

PARTICULARS	CONSOLIDATED				
	2020-21	2019-20	2018-19 (Restated)	2017-18	2016-17
(A) INCOME					
(i) Sales (Net of Rebates & Returns) & rent from leased properties	2567.36	3331.40	3633.26	3785.99	8160.48
(ii) Less : Excise Duty	-	-	-	49.13	754.11
(iii) Sub - total (i) - (ii)	2567.36	3331.40	3633.26	3736.86	7406.37
(iv) Other Income (Including Operating Income)	110.83	127.23	420.08	206.63	312.76
(v) Sub - total (iii) + (iv)	2678.19	3458.63	4053.34	3943.49	7719.13
(B) EXPENDITURE					
Material & Overheads (+ /- Stock Adj.)	2392.87	2858.57	2992.41	3092.31	6714.44
(C) EARNING BEFORE TAX, DEPRECIATION AND AMORTIZATION FROM CONTINUING OPERATIONS (EBITDA) (A - B)	285.32	600.06	1060.93	851.18	1004.69
(D) Less : Finance Cost	70.70	87.09	101.55	211.81	550.75
(E) PROFIT BEFORE DEPRECIATION AND TAX (C - D)	214.62	512.97	959.38	639.37	453.94
(F) Less : Depreciation	231.13	228.58	193.00	199.31	313.34
(G) PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS (E - F)	(16.51)	284.39	766.38	440.06	140.60
(H) Less : Tax (Net) - including deferred tax from continuing operations	(1.44)	(93.69)	266.91	160.56	16.71
(I) NET PROFIT / (LOSS) AFTER FROM CONTINUING OPERATIONS (G - H)	(15.07)	378.08	499.47	279.50	123.89
(J) PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	(28.50)	(27.13)	5546.90	149.60	(28.90)
(K) Less : Tax (Net) - including deferred tax from discontinued operations	9.96	9.48	16.79	(57.44)	10.00
(L) PROFIT/(LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS (J + K)	(18.54)	(17.65)	5563.69	92.16	(18.90)
(M) NET PROFIT / (LOSS) FOR THE YEAR (I + L)	(33.61)	360.43	6063.16	371.66	104.99
DIVIDEND (%)	10.00	30.00	75.00	65.00	55.00
CASH PROFIT AFTER TAX	266.37	516.59	734.82	720.97	188.09
BOOK VALUE PER SHARE	326.53	323.33	294.91	246.02	222.19

Statement of Assets and Liabilities for Five Years

(₹ in Crores)

PARTICULARS	Consolidated				
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020	Year Ended 31 st March, 2019 (Restated)	Year Ended 31 st March, 2018	Year Ended 31 st March, 2017
ASSETS					
Non-Current Assets					
(a) Property, plant & equipment (including Investment Property & CWIP)	4,349.50	4,469.40	4,704.97	7,290.56	7,343.69
(b) Financial Assets	307.00	422.80	318.16	479.70	551.56
(c) Other Non current assets (including Advance Tax)	38.59	51.29	40.83	202.56	186.64
Sub-Total - Non Current Assets	4,695.09	4,943.49	5,063.96	7,972.82	8,081.89
Current assets					
(a) Inventories	1,508.29	1,337.68	699.00	1,178.55	1,264.50
(b) Financial Assets					
(i) Investments	45.00	-	-	-	-
(ii) Trade Receivables	157.85	181.24	203.86	421.47	502.96
(iii) Cash & Cash Equivalent	126.19	120.23	61.89	249.75	89.21
(iv) Other Financial Assets	19.80	28.13	26.04	205.82	160.26
(c) Other Current assets	139.29	135.39	117.83	302.92	237.50
Sub-Total - Current Assets	1,996.42	1,802.67	1,108.62	2,358.51	2,254.43
Assets classified as held for Sale	1.96	1.33	2.23	-	-
TOTAL ASSETS	6,693.47	6,747.49	6,174.81	10,331.33	10,336.32
EQUITY & LIABILITIES					
Equity					
(a) Equity Share Capital	111.69	111.69	111.69	111.69	111.69
(b) Other Equity	3,392.67	3,367.80	3,182.40	2,636.20	2,370.17
(c) Non Controlling Interest	143.03	132.09	-	-	-
Sub-Total - Equity	3,647.39	3,611.58	3,294.09	2,747.89	2,481.86
Liabilities					
Non-Current Liabilities					
(a) Financial Liability					
(i) Borrowings	864.97	549.92	701.58	2,392.42	3,125.95
(ii) Lease Liabilities	20.62	15.44	12.20	-	-
(iii) Other Financial Liabilities	97.13	87.15	91.83	97.52	44.56
(b) Provisions	0.75	0.74	0.35	6.73	-
(c) Deferred Tax Liabilities	-	-	93.99	217.32	80.71
(d) Other Non-current Liabilities	571.51	601.18	686.72	813.58	156.11
Sub-Total - Non-Current Liabilities	1,554.98	1,254.43	1,586.67	3,527.57	3,407.33
Current Liabilities					
(a) Financial Liability					
(i) Borrowings	8.48	33.84	200.44	1,462.57	1,587.85
(ii) Lease Liabilities	2.69	1.95	-	-	-
(iii) Trade Payables	620.52	492.61	519.35	681.80	705.82
(iv) Other Financial Liabilities	288.27	944.16	260.17	1,182.09	1,490.11
(b) Provisions	189.68	181.94	175.81	418.24	445.82
(c) Other Current Liabilities	333.69	181.65	95.33	311.17	217.53
Sub-Total - Current Liabilities	1,443.33	1,836.15	1,251.10	4,055.87	4,447.13
Liabilities directly associated with assets held for sale	47.77	45.33	42.95	-	-
TOTAL - EQUITY & LIABILITIES	6,693.47	6,747.49	6,174.81	10,331.33	10,336.32



CENTURY TEXTILES AND
INDUSTRIES LIMITED

CARRYING A CENTURY-OLD LEGACY INTO A NEW DECADE

From a single unit plant in 1897, today, Century Textiles & Industries Ltd. (CTIL) is one of the leading powerhouses in the country and is at the forefront of innovation, while being still rooted in its core values.

Over the years we have brought our century-old legacy and expertise to all our business endeavours across a host of industries, becoming a trendsetter in cotton textiles, with a strong presence in the Pulp and Paper, and Real Estate sectors.



With the mission and vision to transform the real estate sector, the group expanded into the real estate sector in 2016.

With two fully leased commercial projects and three residential projects in Kalyan-Mumbai, Bengaluru and Gurugram, Birla Estates aims to deliver exceptional and premium **LIFEDESIGNED®** homes and office spaces.



Established in 1984, Century Pulp and Paper is a leading manufacturer of excellent quality writing and printing paper.

It is the only company in the industry present in all paper segments- Paper, board and tissue as well as Rayon Grade Pulp products.



Birla Century is the textile division of CTIL and since its inception, has always pioneered innovation in textile.

The state-of-the-art facility in Gujarat manufactures a wide range of premium textiles with applications in personal apparel and household linen.



CENTURY TEXTILES AND INDUSTRIES LIMITED

Century Bhavan, Dr. Annie Besant Road, Worli,
Mumbai - 400 030, Maharashtra, India
Tel: +91-22-24957000
Fax: +91-22-24309491 / 24361980
Website: www.centurytextind.com
E-mail: ctil.secretary@birlacentury.com
CIN: L17120MH1897PLC000163