Bombay Dyeing

BOMBAY REALTY
A BETTER LIFE

THE BOMBAY DYEING AND
MANUFACTURING COMPANY LIMITED
[Established 1879]

ANNUAL REPORT 2018-19

CORPORATE INFORMATION

DIRECTORS

Nusli N. Wadia, *Chairman*

R. A. Shah

S. S. Kelkar*(up to 07.08.2018)*

S. Ragothaman

A. K. Hirjee

S. M. Palia *(up to 07.08.2018)*

Ness N. Wadia

V. K. Jairath

Keki M. Elavia

Minnie Bodhanwala

Sunil S. Lalbhai*(w.e.f. 05.02.2019)*

Gauri Kirloskar *(w.e.f. 05.02.2019)*

Jehangir N. Wadia, *Managing Director*

CHIEF EXECUTIVE OFFICERS

Suresh Khurana *(PSF)*

Alokendra Banerjee *(Retail)*

Ramesh Ranganathan *(Bombay Realty)*

CHIEF FINANCIAL OFFICER

Vishnu Peruvemba

COMPANY SECRETARY

Sanjive Arora

REGISTERED OFFICE

Neville House, J. N. Heredia Marg,
Ballard Estate, Mumbai-400 001.

CORPORATE OFFICE:

C-1, Wadia International Center,
Pandurang Budhkar Marg,
Worli, Mumbai-400 025.
(CIN: L17120MH1879PLC000037)
Email: grievance_redressal_cell@
bombaydyeing.com
Phone: (91) (22) 6662 0000;
Fax: (91) (22) 6662 0069
Website: www.bombaydyeing.com

AUDITORS

Messrs. Bansi S. Mehta & Co.

ADVOCATES & SOLICITORS

Messrs. Crawford Bayley & Co.
Messrs. Royzz and Co.
Messrs. Negandhi Shah & Himayatullah
Messrs. Karanjawala & Co.

REGISTRAR & TRANSFER AGENT

Corporate Office :

Karvy Fintech Private Limited
Unit: Bombay Dyeing
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad,
Telangana - 500 032, India.
Telephone number: +91 40 6716 2222
Fax number: +91 40 2342 0814
E-mail: einward.ris@karvy.com
Website: www.karvyfintech.com

Mumbai Office:

Karvy Fintech Private Limited
Unit: Bombay Dyeing
24-B ,Raja Bahadur Mansion
Ground Floor
Ambalal Doshi Marg
Behind BSE , Fort
Mumbai 400 001
Tel - 022 - 6623 5454/412/427

CONTENTS

Artist's Impression

Bombay Realty stems from a name of trust, sophistication and a legacy of over 282 years. Iconic and innovative, we believe in being a responsible and green realtor, ensuring that all our developments embody the age-old values of our founders, the Wadia Group.

Artist's Impression

While living in Mumbai has its challenges and desirable homes which make for safe and well-connected abodes are hard to find, providing spacious luxurious living in an oasis that is secure and green while being at the center of now remains our promise.

While we redefine the Mumbai skyline with projects such as WIC, AXIS Bank HQ and more, quality and sustainability have always been our priorities.

Spread over many acres of lush greenery, Island City Center has been curated by Bombay Realty, a group which Indians have come to identify as the yardstick of refined living and sophistication too.

An esteemed list of international partners allows us to implement unprecedented quality standards with unmatched expertise across construction and infrastructure, proving to set a benchmark for quality living across Mumbai.

Situated in Dadar (E), living at ICC ensures easy connectivity. As the East is set to become the new West with the proposed Navi Mumbai International Airport, ICC will become the new center of the city. With the Eastern Freeway, the upcoming MTHL, Monorail and Coastal Road all easily reachable, one can get to every corner of the city within minutes from ICC.

Artist's Impression

Nestled amongst 500 trees, ICC ONE and ICC TWO are pre-gold LEED-certified towers built with the highest possible standards of 'Green-Design'. Here is where one can find a tranquil haven or an oasis of luxury in the heart of a bustling South Mumbai.

Using cutting-edge technology, these glass facade towers are designed to be as self-sufficient and water-efficient as possible. From energy-efficient glazing and lighting systems to organic waste convertors, to highly eco-friendly landscaping and more, the ‘green’ features place ICC apart and make it the ideal space for a futuristic life in Mumbai.

Artist’s Impression

Safety is ensured by following international security standards from the entry gate point; the superstructures being under 24/7 surveillance. With just two or three apartments per lobby, we also offer the largest in-class carpet areas across Mumbai. These VRV air-conditioned luxe living spaces feature the finest of international marble, elegant wooden flooring, expansive walk-in wardrobes and modular-kitchens; giving residents extravagantly appointed abodes with excellent panoramic views, while allowing ample sunlight and unobstructed cross-ventilation.

The extravagant clubhouse and welfare center at ICC are also amongst the largest in the city. With more than 140,000 sq. ft. of recreational area to be shared by just 520 families, our aim is to provide an exclusive experience. Catering to multiple preferences, we have over 45 indoor and outdoor privileges to choose from. One could favour a jog across our internationally-designed track or take a relaxing dip in the pool with the family.

Artist’s Impression

While our efforts, along with those of our partners, have always been to ensure that residents enjoy the benefits of living on their private island, we move away from the cliched thought of just selling property in Mumbai. Instead, we sell time and with it, the promise of 'A BETTER LIFE.'

Artist’s Impression

NOTICE

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

(CIN : L17120MH1879PLC000037)

Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate,Mumbai – 400001.

Corporate Office: C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai – 400025.

Email: grievance_redressal_cell@bombaydyeing.com

Website: www.bombaydyeing.com

Phone: (91) (22) 66620000; Fax: (91) (22) 66620069

Notice is hereby given that the 139th Annual General Meeting of the Members of The Bombay Dyeing and Manufacturing Company Limited will be held at the 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak Auditorium, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028, on Monday, 5th August, 2019, at 3.45 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a. the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Reports of the Board of Directors and the Auditors thereon; and,
   b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Report of the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2019.
3. To appoint a Director in place of Mr. Ness N. Wadia (DIN: 00036049), a Non- Executive/Non Independent Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), Mr. Sunil S. Lalbhai (DIN: 00045590), who was appointed as an Additional Director in the category of Non-Executive Independent Director of the Company with effect from 5th February, 2019, pursuant to Section 161 of the Act and who has submitted a declaration that he meets the criteria for Independence as provided under the Act and the Listing Regulations and in respect of whom Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of upto 5 (five) consecutive years with effect from 5th February, 2019 upto 4th February, 2024.

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), Ms. Gauri Kirloskar (DIN: 03366274), who was appointed as an Additional Director in the category of Non-Executive Independent Director of the Company with effect from 5th February, 2019, pursuant to Section 161 of the Act and who has submitted a declaration that she meets the criteria for Independence as provided under the Act and the Listing Regulations and in respect of whom Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of upto 5 (five) consecutive years with effect from 5th February, 2019 upto 4th February, 2024.

6. To consider and if thought fit, to pass the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. S Ragothaman (DIN: 00042395), Aged 73 years, who was appointed as an Independent Director of the Company for a term of five years up to 7th August, 2019, by the members at the 134th Annual General Meeting of the Company held on 8th August, 2014, in terms of Section 149 of the Companies Act, 2013, who is eligible for re-appointment and has submitted a declaration that he meets the criteria for Independence as provided under the Act and the Listing Regulations, be and is hereby re-appointed as a Non-Executive Independent Director of the Company for a second term of three consecutive years commencing from 8th August, 2019 up to 7th August, 2022, not liable to retire by rotation.

   RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members of the Company be and is hereby granted for continuation of holding office of Non-Executive Independent Director of the Company by Mr. S Ragothaman (DIN: 00042395) after his attaining the age of 75 (Seventy Five) years on 10th May, 2022 till his remaining tenure as a Non-Executive Independent Director."

7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, including any amendment(s), statutory modification(s) or re-enactment(s) thereof, M/s. D. C. Dave & Co., Cost Accountants, Mumbai, (Firm Registration No. 000611), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020, be paid the remuneration of ₹ 5,50,000/- (Rupees Five Lakh Fifty Thousand) plus applicable taxes and re-imbursement of actual travel and out-of-pocket expenses.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) and/ or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and to take all such steps as may be considered necessary, proper or expedient to give effect to this resolution."

8. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 ("Act") read with Sections 66 to 70 of the Companies (Amendment) Act, 2017 and the rules made thereunder (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) the approval of the members of the Company be and is hereby accorded for the payment of remuneration for the financial year 2016-17 to Mr. Jehangir N. Wadia (DIN: 00088831), Managing Director of the Company, as per the details mentioned in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company. "

By Order of the Board of Directors,

FOR THE BOMBAY DYEING & MFG. CO. LTD.

SANJIVE ARORA

Mumbai, 27th June, 2019 COMPANY SECRETARY

Notes:

a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A Proxy form is sent herewith. Corporate Members intending to send their authorised representative(s) to attend the meeting are requested to send to the Company a certified true copy of the relevant board resolution together with the specimen signature(s) of the representative(s) authorised under the said board resolution to attend and vote on their behalf at the Meeting. The proxy holder shall provide his identity at the time of attending the meeting.

b. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to the Special Business at the meeting, is annexed hereto and forms part of the Notice.

c. Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in functional areas, names of listed companies in which they hold directorship and membership/ chairmanship of Board Committees and shareholding, are hereto furnished in annexure to the Notice.

d. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, 27th July, 2019 to Monday, 5th August, 2019 both days inclusive for determining names of members eligible for payment of dividend.

e. The dividend as recommended by the Board of Directors, if approved by the members at the 139th Annual General Meeting, shall be paid on or after Tuesday, 6th August, 2019 to those members whose names appear on the Register of Members of the Company on Friday, 26th July, 2019 in respect of shares held in physical form. In respect of shares held in electronic form, the dividend for the year ended 31st March, 2019 will be paid on or after Tuesday, 6th August, 2019 to the beneficial owners of shares as at the closing hours of Friday, 26th July, 2019 as per details furnished by National Securities Depository Ltd. ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") for this purpose.

f. Members are requested to notify immediately any change of address:

(i) to their Depositary Participants (DPs) in respect of their electronic share accounts, and

(ii) to the Company's Registrar & Share Transfer Agent("R&TA") in respect of their physical share folios, if any, quoting their folio numbers, at their address given below:

Karvy Fintech Private Limited ("Karvy")
(Unit : Bombay Dyeing)
Karvy Selenium Tower B, Plot 31-32,Gachibowli,
Financial District, Nanakramguda, Hyderabad,
Telangana – 500 032, India
Telephone number: +91 40 6716 2222
Fax number: +91 40 2342 0814
E-mail: einward.ris@karvy.com

g. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, members holding shares in physical form are requested to provide bank account details to the Company or its Registrar and Share Transfer Agent.

Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

h. Pursuant to Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules,2016") dividends for the financial year ended 31st March, 2012 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates of transfer to the unpaid dividend account of the Company are due for transfer to the Investor Education & Protection Fund (IEPF) on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Date of transfer to the unpaid Dividend account	Due date for transfer to IEPF
2011-12	07.08.2012	12.09.2012	11.09.2019
2012-13	06.08.2013	11.09.2013	10.09.2020
2013-14	08.08.2014	13.09.2014	12.09.2021
2014-15	06.08.2015	12.09.2015	11.09.2022
2015-16	10.08.2016	15.09.2016	14.09.2023
2016-17	10.08.2017	15.09.2017	14.09.2024
2018-19	07.08.2018	12.09.2018	11.09.2025

The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend(s) are also uploaded as per the requirements, on the Company's website www.bombaydyeing.com

Members who have so far not encashed the Dividend for the above years are advised to submit their claim to the Company's R&TA at the aforesaid address immediately quoting their folio number/ DP ID & Client ID.

i. The Ministry of Corporate Affairs ("MCA") had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 ("IEPF Rules 2016"). Further, the MCA had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 on 28th February, 2017 ("IEPF Rules 2017").

The Rules, contain provisions for transfer of all those shares in respect of which dividend has not been encashed or claimed by shareholders for seven consecutive years or more in the account of the Investor Education and Protection Fund ("IEPF") Authority.

In terms of the said Rules, the Company has already transferred to the IEPF Authority those shares in respect of which dividend has not been encashed or claimed by shareholders for seven consecutive years or more in Financial Year 2018-19.

Accordingly, the Company would be transferring every year to the IEPF Authority those shares in respect of which dividend has not been encashed or claimed by shareholders for seven consecutive years. Members who have so far not encashed the Dividend for seven consecutive years are advised to submit their claim to the Company's R&TA at the aforesaid address immediately quoting their folio number/ DP ID & Client ID, to avoid of transfer of their shares to IEPF Authority.

j. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Registered Office or at Company's Corporate Office at C-1, Wadia International Center (Bombay Dyeing), Pandurang Budhkar Marg, Worli, Mumbai - 400025 or from its R&TA at their aforesaid address.

K. In accordance with the proviso to Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

l. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:

a) change in the residential status on return to India for permanent settlement.

b) particulars of the NRE account with a Bank in India, if not furnished earlier.

m. As part of the Company's Green Initiative, the Company sends documents like notice convening the general meetings, Annual Report and other notices to the e-mail address provided by the members.

We, therefore appeal to the members to be a part of the said 'Green Initiative' and request the members to register their name for receiving the said documents in electronic mode by sending an email giving their Registered Folio Number and/or DP ID/Client ID to the email address at einward@karvy.com and register their request.

n. Members intending to require information relating to the Financial Statements, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, as to enable the Company to keep the information ready.

o. Members/Proxies/Authorised Representatives should bring the attendance slip duly filled in for attending the Meeting.

p. Members are requested to bring their copy of the Annual Report to the meeting.

q. The instructions for shareholders voting electronically are as under:

1. Voting through electronic means

In compliance with provisions of Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 139th Annual General Meeting ("AGM") by electronic means and the business may be transacted through remote e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy Fintech Private Limited ("Karvy").

I. The facility for voting through electronic voting system or by ballot paper shall also be made available at the AGM and the members attending the meeting shall be able to exercise their right to vote at the meeting through electronic voting system/ballot paper in case they have not cast their vote by remote e-voting.

II. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

III. **The remote e-voting period commences on Friday, 2nd August, 2019 at 9:00 am and ends on Sunday, 4th August, 2019 at 5:00 pm. During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Monday 29th July, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter.**

IV. Once the vote on a resolution is cast by the member, such member will not be allowed to change it subsequently.

V. A person who is not a member as on cut-off date should treat this Notice for information purpose only.

VI. The process and manner for remote e-voting is as under:

A. Member whose email IDs are registered with the Company or its R&TA/DPs will receive an email from Karvy informing them of their User-ID and Password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process:

(i) Launch internet browser by typing the URL: https://evoting.karvy.com

(ii) Enter the login credentials (i.e. User ID and password) which will be sent separately. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting.karvy.com or contact toll free number 1-800-3454-001 for your existing password.

(iii) After entering these details appropriately, click on "LOGIN".

(iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$ etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(v) You need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the E-Voting Event Number for The Bombay Dyeing and Mfg. Co. Ltd.

(vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

(viii) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

(ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(x) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

(xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

(xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: grievance_redressal_cell@bombaydyeing.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

B. In case a member receives physical copy of the Notice of AGM [for members whose email IDs are not registered or have requested the physical copy]:

a) Initial password is provided in below format at the bottom of the Attendance Slip for the AGM:

EVSN NO.	USER ID	PASS WORD

b) Please follow all steps from Sr. No. (i) to Sr. No. (xii) of point A above to cast vote.

VII. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com

VIII. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

IX. 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.

X. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Monday, 29th July, 2019.

XI. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Monday, 29th July, 2019, may obtain the User ID and password in the manner as mentioned below:

a) If e-mail address or mobile number of the member is registered against Folio No. / DP ID/ Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID/ Client ID and PAN to generate a password.

b) Member may send an e-mail request to evoting@karvy.com. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

c) Member may call Karvy's toll free number 1-800-3454-001.

d) If the mobile number of the member is registered against Folio No. / DP ID/ Client ID, the member may send SMS : **MYEPWD** <space> E-Voting Event Number + Folio No. or DP ID/ Client ID to **9212993399**

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890

XII. 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, viz., Monday, 29th July, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through electronic voting system/ballot paper.

XIII. Mr. P. N. Parikh (FCS 327, CP 1228), and failing him, Mr. Mitesh Dhabliwala (FCS 8331, CP 9511) and failing him Ms. Sarvari Shah (ACS 27572) from M/s. Parikh & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

XIV. Voting shall be allowed at the end of discussion on the resolutions on which voting is to be held with the assistance of Scrutiniser, by use of electronic voting system/ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutiniser will after the conclusion of voting at the AGM, will 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 Forty Eight hours of the conclusion of the AGM, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared along with the report of the Scrutiniser will be placed on the website of the Company www.bombaydyeing.com and on the website of Karvy immediately after the declaration of result by the Chairman or Managing Director or any one Director of the Company. The results shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited, where the equity shares of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.

XVII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM i.e. 5th August, 2019.

r. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING A DOCUMENTARY PROOF OF THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

s. All documents referred to in Notice and the Explanatory Statement shall be open for inspection at the Registered office / Corporate Office of the Company during business hours, except on Saturdays, Sundays and public holidays upto and including the date of Annual General Meeting of the Company.

t. The Annual Report of the Company including the Notice convening the Annual General Meeting circulated to the members of the Company will be available on the Company's website at www.bombaydyeing.com.

By Order of the Board of Directors,

For THE BOMBAY DYEING & MFG. CO. LTD.

SANJIVE ARORA

Mumbai, 27th June, 2019 COMPANY SECRETARY

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Items 4 and 5

Pursuant to the provisions of Section 161 of the Companies Act, 2013, and the Articles of Association of the Company, the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Sunil S. Lalbhai (DIN: 00045590) and Ms. Gauri Kirloskar (DIN: 03366274) as Additional Directors in the category of Non-Executive Independent Director of the Company with effect from 5th February, 2019.

In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar would hold office up to the date of this Annual General Meeting. On recommendation of Nomination and Remuneration Committee, Board at its meeting held on 27th June, 2019 recommended to the Members of the Company, the appointment of both Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar as Non-Executive Independent Directors for a term of 5 (Five) consecutive years from 5th February, 2019 to 4th February, 2019 under Sections 149, 150 and 152 (including other applicable provisions if any) of the Companies Act, 2013 and rules made thereunder. The Company has received notices in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidatures of Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar for the office of Non-Executive Independent Directors of the Company.

Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar have given their individual consent to act as a Director and declaration that they are not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013.

The Company has also received declarations from Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar that they meet with the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and rules made thereunder ("Act") and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"). On the basis of above declarations, the Board is of the opinion that both Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar fulfil the conditions specified in the said Act and SEBI Regulations and also possesses appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively and both are independent of the management.

Brief resume of Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar, nature of their expertise in functional areas and names of listed companies in which they hold directorship and membership/chairmanship of Board Committees, shareholding and relationship between directors inter-se as stipulated under applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in this statement and annexure of the Notice.

The draft letters for the appointment of Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar as Non-Executive Independent Directors setting out the terms and conditions is available for inspection by the members at the Registered Office of the Company on all working days of the Company during business hours.

Except Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar, none of the other Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise in this resolution.

The Board recommends resolution set out in Item Nos. 4 and 5 of the notice for approval by the members.

Item 6

Members of the Company at the 134th Annual General Meeting held on 8th August, 2014 approved the appointment of Mr. S. Ragothaman (DIN:00042395) as a Non-Executive Independent Director of the Company for a period of 5 years from 8th August, 2014 upto 7th August, 2019.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

The Company has received a declaration from Mr. S. Ragothaman that, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Companies Act, 2013, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

Mr. S. Ragothaman is 73 years of age and to comply with the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a special resolution is being proposed to be passed by the members for continuation of holding office of Independent Director of the Company, by Mr. S. Ragothaman, after his attaining above the age of 75 years as on 10th May, 2022 till his remaining tenure.

The resolution seeks the approval of members for the re-appointment of Mr. S. Ragothaman as an Independent Director of the Company for a term of three consecutive years commencing from 8th August, 2019 upto 7th August, 2022 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation. In the opinion of the Board, Mr. S. Ragothaman fulfils the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management. Based on the recommendations of the Nomination and Remuneration Committee and keeping in view the expertise of Mr. S. Ragothaman, the Board of Directors at its meeting held on 27th June, 2019 approved the re-appointment of Mr. S. Ragothaman as mentioned in the resolution.

Brief resume of Mr. S. Ragothaman, nature of his expertise in functional areas and names of listed companies in which he holds directorship and membership/chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in this statement and Annexure of the Notice.

The draft letter of the appointment of Mr. S. Ragothaman as Non-Executive Independent Director setting out the terms and conditions is available for inspection by the members at the Registered Office of the Company on all working days of the Company during business hours.

Except Mr. S. Ragothaman, none of the other Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise in this resolution.

The Board recommends resolution set out in Item No. 6 of the notice for approval by the members.

Item 7

The Board of Directors on the recommendation of the Audit Committee has approved the appointment of M/s. D. C. Dave & Co., Cost Accountants, Mumbai, (Firm Registration No. 000611) as Cost Auditors at a remuneration of ₹ 5,50,000/- (Rupees Five Lakh Fifty Thousand only) plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit for the financial year 2019-20. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Registered Office of the Company during business hours except on Saturdays, Sundays and Holidays and shall also be available at the meeting.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020.

None of the Directors and Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board recommends resolution set out in Item No. 7 of the notice for approval by the members.

Item 8

The shareholders of the Company at their 136th Annual General Meeting held on August 10, 2016, had approved the re-appointment and terms including remuneration of Mr. Jehangir N Wadia ("Mr. Wadia") as the Managing Director of the Company for a period of 5 years w.e.f. April 1, 2016 to March 31, 2021. The remuneration payable to Mr. Wadia during the FY 2016-17 was approved by Nomination and Remuneration Committee of the Board and by the Board of Directors at their respective meetings held on March 31, 2016.

The maximum remuneration payable and terms of appointment of Mr. Wadia for the period 1st April, 2016 to 31st March, 2021, as approved by the shareholders at the 136th Annual General Meeting on August 10, 2016, are as under:

Basic Salary upto a maximum of ₹ 15,00,000/- per month.

Benefits, perquisites and allowances including housing as may be determined by the Nomination & Remuneration Committee or the Board of Directors from time to time, or as may be applicable in accordance with the rules and policies of the Company, upto a maximum of ₹ 37,50,000/- per month.

Reimbursement of actual medical expenses incurred on self and family (wife and children).

Bonus as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee based on performance criteria, upto a maximum of ₹1,00,00,000/-.

Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the Rules of the Company.

Entitled to leave in accordance with the policy of the Company.

For the purpose of computing the ceilings, wherever applicable, perquisites would be valued as per the Income Tax Rules, 1962, and provision for use of car for official duties and telephone at residence (including payment for local calls and long distance official calls) and Company's cars with drivers shall not be included in such computation.

As per Section II of Part II of Schedule V of the Companies Act, 2013, in case of no profit or inadequate profit, the Company may pay double the amount as mentioned therein by passing a Special Resolution of the Shareholders. Company had passed a Special Resolution at the 136th Annual General Meeting held on August 10, 2016 and as the remuneration was more than the limit permitted under the Schedule V.

The remuneration paid to Mr. Jehangir N. Wadia, Managing Director, for the period April 1, 2016 to March 31, 2017, was within the limits approved by the Nomination and Remuneration Committee and the Board on March 31, 2016 and the shareholders at the AGM held on August 10, 2016 was as under:

DETAILS	Remuneration paid to Mr. Jehangir N. Wadia in FY 2016-17 (in ₹)
Basic Salary	1,50,35,412
Allowances/HRA	1,80,42,000
Special Allowance	1,97,21,940
Leave Travel Allowance	6,00,000
Medical Allowance	2,25,000
Telephone at residence	Actuals
Total Cash Salary	5,36,24,352
Retirement Benefits	46,86,540
Perquisite	5,62,404
Total Salary	5,88,73,296

No Bonus was paid for FY 2016-17.

In accordance with the then existing provisions of Section 197 and other applicable provisions of the Act, the Company sought approval of the Central Government for the payment of remuneration to Mr. Wadia for the financial year ended March 31, 2017, in excess of the limits prescribed under the Act.

The Ministry of Corporate Affairs on a conservative basis approved a remuneration of only ₹ 2,11,99,000/- for FY 2016-17.

The Central Government over the years had been approving the remuneration of Mr. Wadia which was in the range of ₹ 5.29 crore p.a. for FY 2013-14; ₹ 5.90 crore p.a. for FY 2014-15 and ₹ 5.89 crore p.a. for FY 2015-16.

The Company therefore, made an application to the office of Ministry of Corporate Affairs on 28th July, 2017 for reconsideration of payment of remuneration to Managing Director for FY 2016-17.

Pursuant to the letter received from Ministry of Corporate Affairs and Sections 66 to 70 of the Companies (Amendment) Act, 2017, which has *inter alia* amended the section 197 of the companies Act, 2013, effective from September 12, 2018, the application made by the Company for reconsideration of payment of remuneration to Managing Director for FY 2016-17 stands abated.

Further, in accordance with the revised provisions of Section 197 of the Companies Act, 2013, and the section 67 of the Companies (Amendment) Act, 2017, the company is now required to obtain the approval of the members by way of a special resolution within one year of the commencement of the corresponding amendment i.e. by September 11, 2019.

Accordingly, approval of the members is being sought for the resolution at Item No. 8 for approval of the remuneration paid to Mr. Wadia in respect of the financial year 2016-2017. This resolution is only for regularising the remuneration already approved by the members of the Company, pursuant to the amended provisions of the Act and as provided in the resolution.

The company as on date is not in default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

The Company has turned around and the profit after tax has gone up from ₹ 41.71 crores in FY 2016-17 to ₹ 1229.98 crores in FY 2018-19. The Company's two iconic High Rise Towers ICC ONE & TWO hosting luxury residences with large carpet areas are nearing completion and the first phase Occupation Certificate has already been received for both the towers. The cash generation from these two towers will help in greatly reducing the debt burden of the Company.

The Nomination and Remuneration Committee at its meeting held on 27th June, 2019, has reviewed this matter and recommended to the Board of Directors for its approval. The Board of Directors has accordingly approved the same at their meeting held on 27th June, 2019.

The other Information as required under Section II of Part II of Schedule - V of the Companies Act, 2013 has been provided in the Notice dated 27th May, 2016 for the Company's 136th Annual General Meeting and is available on Company's website www.bombaydyeing.com.

Mr. Jehangir N. Wadia is interested in the resolution set out at Item No. 8 of the Notice. Mr. Nusli N. Wadia and Mr. Ness N. Wadia being related to Mr. Jehangir N. Wadia may be deemed to be interested in the said resolution. The other relatives of Mr. Jehangir N. Wadia may be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends resolution set out in Item No. 8 of the notice for approval by the members.

By Order of the Board of Directors,
For THE BOMBAY DYEING & MFG. CO. LTD.

SANJIVE ARORA
COMPANY SECRETARY

Mumbai, 27th June, 2019

ANNEXURE TO THE NOTICE

Brief resume of Directors proposed to be appointed/re-appointed.

1. **Mr. Ness N. Wadia (DIN: 00036049)**

Mr. Ness N. Wadia, 48, is currently a Director of the Company and was inducted as a Non-Executive Director on 1st April, 2011. He currently serves as Managing Director of The Bombay Burmah Trading Corporation Limited, Chairman of National Peroxide Limited, Director on Boards of Wadia Group companies including Britannia Industries Limited, The Bombay Dyeing and Manufacturing Company Limited and Go Airlines (India) Limited. He sits on the Audit Committees of Go Airlines (India) Limited, and Britannia Industries Limited; the Finance Committees of The Bombay Burmah Trading Corporation Limited and Britannia Industries Limited; and also the CSR Committees of The Bombay Dyeing and Manufacturing Company Limited, Britannia Industries Limited, National Peroxide Limited and Go Airlines (India) Limited.

He is also a member on the Board of the Wadia Hospitals; and Trustee of Sir Ness Wadia Foundation, F.E. Dinshaw Trust, Britannia Nutrition Foundation and Modern Education Society, Pune.

As a Trustee of Sir Ness Wadia Foundation and other Trusts, he leads the Group's efforts to empower the underprivileged sections of the society. He is actively involved in overseeing the award-winning Wadia Hospitals in addition to the Group's educational Institutions as well as education and housing institutions.

Mr. Wadia was active in major industry organisations namely FICCI and led several forums such as Lifestyle forum, Young Leaders forum as well as President of its Mumbai Chapter.

He did a Master's degree in Science (M.Sc.) of Engineering Management from the University of Warwick with a thesis titled "Leading to Success in India".

Mr. Wadia is also a co-owner of Kings XI Punjab, a prominent cricket team in the Indian Premier League.

Mr. Wadia is the Promoter of the Company and holds 12,19,418 shares of the Company in his name as on 31st March, 2019.

Directorship: National Peroxide Ltd. (Chairman); The Bombay Burmah Trading Corporation Ltd (Managing Director); The Bombay Dyeing & Manufacturing Company Ltd; Britannia Industries Ltd; Go Airlines (India) Ltd; Virtual Education Network Pvt. Ltd; K.P.H. Dream Cricket Pvt. Ltd; Go Investments & Trading Pvt. Ltd; Panella Foods and Beverages Pvt. Ltd; Leila Lands SB, Malaysia; Island Landscape & Nursery Pte. Ltd; Island Horti-Tech Holdings Pte. Ltd; and Strategic Foods Intl. Co. (LLC); School for Social Entrepreneurs India.

Committee Membership: Corporate Social Responsibility (CSR) Committee (Chairman) of The Bombay Dyeing & Mfg. Co. Ltd.; Audit Committee, CSR Committee (Chairman), Finance Committee, Strategy & Innovation Steering Committee of Britannia Industries Ltd.; Stakeholders' Relationship Committee and Finance Committee of The Bombay Burmah Trading Corporation Ltd; Audit Committee and CSR Committee of Go Airlines (India) Ltd; and Nomination & Remuneration Committee and CSR Committee (Chairman) of National Peroxide Ltd.

2. **Mr. Sunil S. Lalbhai (DIN: 00045590)**

Mr Sunil S Lalbhai, 59, is the Chairman of the Board of Atul Ltd. since August 2007 and its Managing Director since June 1984.

Mr Lalbhai is a Trustee on the Board of BAIF Development Research Foundation (BAIF). He is the Chairman of DHRUVA and GRISERV, two trusts promoted by BAIF. He is a Trustee or a Member of some of the other social institutions established by the Lalbhai Group.

Mr Lalbhai holds a post graduate degree in Chemistry from the University of Massachusetts and a post graduate degree in Economic Policy and Planning from Northeastern University.

Mr. Lalbhai is not related to other directors on the Board and does not hold any shares of the Company in his name as on 31st March, 2019.

Directorship in other listed Companies: Amal Limited (Chairman), Atul Limited (Chairman and MD), Navin Fluorine International Limited and Pfizer Limited.

Committee Membership: Atul Ltd. - Member of the Corporate Social Responsibility Committee, Investment Committee and Stakeholders Relationship Committee; Navin Fluorine International Ltd – Chairman of Nomination and Remuneration Committee and Member of the Audit Committee; Amal Ltd. – Member of the Nomination and Remuneration Committee; and Pfizer Ltd – Member of the Stakeholders Relationship Committee; The Bombay Dyeing and Manufacturing Co. Ltd. - Stakeholder Relationship Committee (Chairman) and Nomination and Remuneration Committee (Member).

3. **Ms. Gauri Kirloskar (DIN: 03366274)**

Mrs. Gauri Kirloskar, 35, attended Carnegie Mellon's Tepper School of Business, where she received a BSc. in Business Administration with a concentration in Finance. Previously she attended Phillips Academy, Andover, near Boston.

After graduation, she worked as an investment banking analyst at Merrill Lynch in their Mergers and Acquisitions group where she analyzed the impact of proposed mergers, acquisitions, spin-offs and various restructuring alternatives on earnings, credit profile and value creation of various clients across the technology, real estate and retail industries. She then moved on to Pearson's Corporate Finance and Strategy group where she looked at bolt on acquisitions for their education business.

Since moving back to India in 2010, she has been focusing her efforts on strategic initiatives for the Kirloskar Group into infrastructure and investments as well as functioning as a director and observer at several Kirloskar Group companies. Her primary role is establishment of the Group's real estate business in Pune. This involves strategic alternatives analysis of value creation opportunities around the sale and development of the group's land banks. She has been involved in title clearance and land approvals, building up of the design brief and working closely with the IPCs.

She is also strategically involved in the team hiring and overall business plan of Kirloskar Capital, the Group's foray into the financial services business. She was an active participant in the process of filing for the RBI license for this business.

She leads the Group's efforts on branding, corporate communications and shared services.

As a board member on Kirloskar Oil Engines since 2014, she is involved in regular compliance and performance reviews. She is also an active member of the committee that looks at new investments initiatives in the energy space.

Ms. Gauri Kirloskar is not related to other directors on the Board and does not hold any shares of the Company in her name as on 31st March, 2019.

Directorship in other listed companies: Kirloskar Oil Engines Limited and The Bombay Burmah Trading Corporation Limited.

Committee Membership: Kirloskar Oil Engines Limited – Stakeholders' Relationship Committee (Member); The Bombay Dyeing and Manufacturing Co. Ltd. - Audit Committee; The Bombay Burmah Trading Corporation Limited - Audit Committee.

4. **Mr. S. Ragothaman (DIN: 00042395)**

Mr. S. Ragothaman, 73, is a Graduate in Commerce and Fellow Member of the Institute of Chartered Accountants of India. He has a vast and rich experience in banking with specialization in the areas of project advice, risk assessment and financial management. Mr. Ragothaman also offers consultancy services.

Mr. S. Ragothaman is not related to other directors on the Board and holds 35,000 shares of the Company in his name as on 31st March, 2019.

Directorship in other listed Companies: National Peroxide Limited, Digjam Limited, Shreyas Shipping & Logistics Limited, Xpro India Limited, and Ultramarine & Pigments Limited

Committee Membership: (a) Audit Committee: The Bombay Dyeing & Mfg. Co. Ltd., National Peroxide Ltd., Digjam Ltd. (Chairman), Shreyas Shipping & Logistics Ltd., Xpro India Ltd. (Chairman) and Ultramarine & Pigments Limited. (b) Nomination and Remuneration Committee: Shreyas Shipping & Logistics Ltd. (Chairman), Digjam Ltd. (Chairman), and The Bombay Dyeing & Mfg. Co. Ltd.

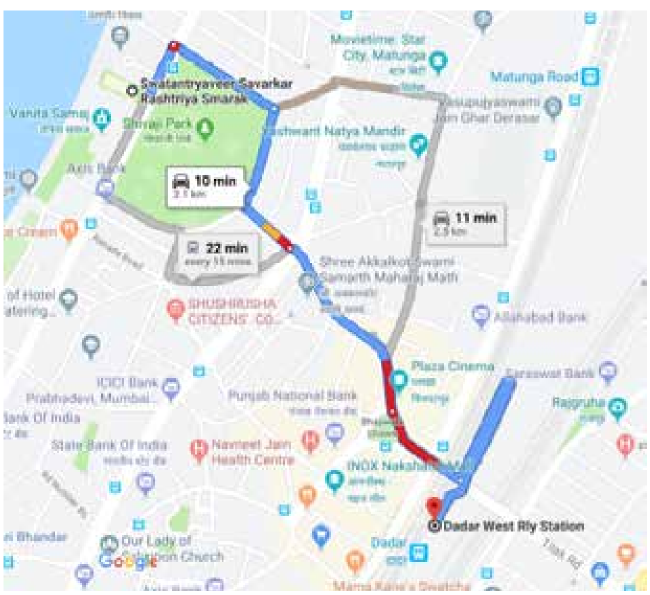
By Order of the Board of Directors,
For THE BOMBAY DYEING & MFG. CO. LTD.

SANJIVE ARORA
COMPANY SECRETARY

Mumbai, 27th June, 2019

Registered Office:
Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.
(CIN : L17120MH1879PLC000037)
Email: grievance_redressal_cell@bombaydyeing.com,
Website: www.bombaydyeing.com
Phone: (91) (22) 66620000, Fax: (91) (22) 66620069

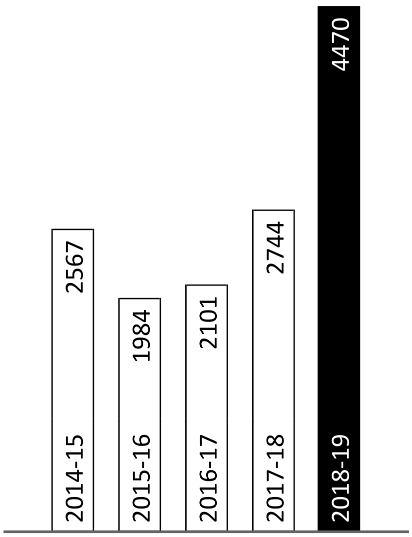
ROUTE MAP TO VENUE OF ANNUAL GENERAL MEETING



FINANCIAL PERFORMANCE

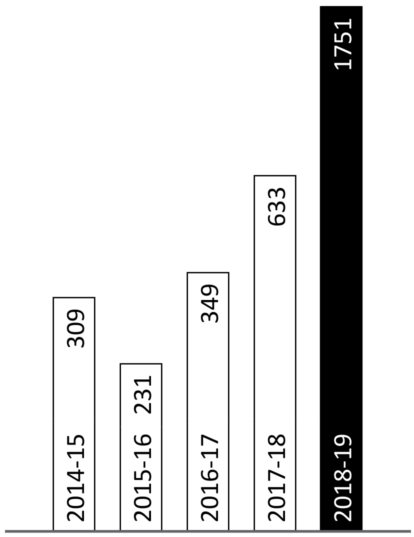
TOTAL REVENUE

₹ in crores



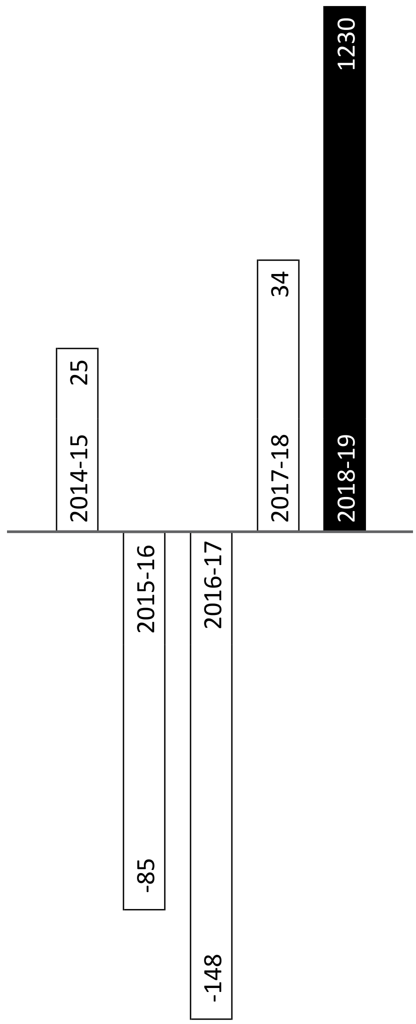
EBITDA

₹ in crores



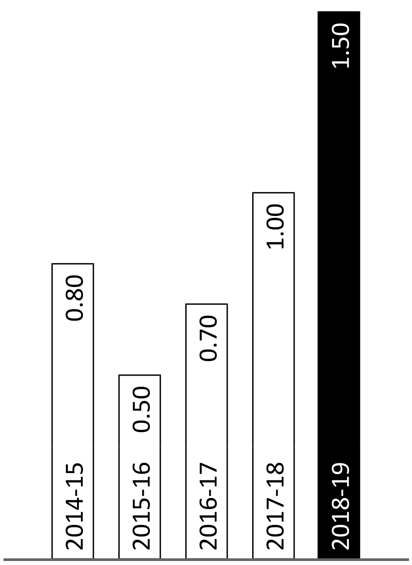
PAT

₹ in crores



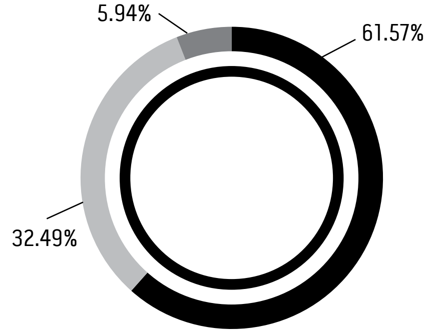
DIVIDEND PER SHARE

₹



Note: The equity shares of the Company were sub-divided from ₹ 10 per share to ₹ 2 per share effective 31st October '2012.

SEGMENT WISE BREAK UP OF REVENUES, FY 2018-19 (%)



	(₹ in crores)	
BOMBAY REALTY	2727	61.57%
PSF	1439	32.49%
TEXTILE/RETAIL	263	5.94%

10 YEARS' FINANCIAL REVIEW

(₹ in crores)

FINANCIAL POSITION	2018-19#	2017-18#	2016-17#	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Share Capital	41.31	41.31	41.31	41.31	41.31	41.31	41.31	41.31	40.54	38.61
Share Warrants			-	-	-	-	-	-	26.75	-
Other Equity	139.31	595.34	293.57	1270.81	1530.97	1422.24	1645.77	1751.09	1060.90	171.74
Net Worth :										
Total	**180.62**	**636.65**	**334.88**	**1312.12**	**1572.28**	**1463.55**	**1687.08**	**1792.40**	**1128.19**	**210.35**
Per Equity Share of ₹ 2/-*	8.74	30.82	16.21	63.53	76.12	70.86	81.68	86.78	271.96	54.49
Borrowings	3971.41	2803.33	2541.6	2431.49	1725.82	1435.25	1247.88	1295.30	1240.87	1775.11
Debt Equity Ratio	18.68 : 1	3.63:1	2.81:1	0.93:1	0.58:1	0.38:1	0.33:1	0.28:1	0.44:1	4.64:1
Property, plant and equipment, Investment property and Intangible assets(Including capital work-in-progress)	532.40	630.00	646.79	662.72	912.55	1011.14	1034.86	1031.46	1093.85	1160.57
Investments & other Assets	4645.48	3516.58	2990.90	3730.73	3080.14	2752.45	2749.77	2556.64	1581.80	824.89
OPERATING RESULTS										
Sales and other Income	4469.98	2744.00	2100.60	1983.72	2566.75	2822.68	2501.37	2402.63	2014.11	1732.04
Manufacturing and other expenses	3208.29	2523.68	2120.13	2035.05	2484.99	2729.52	2341.53	2266.39	1925.66	1650.31
Depreciation	29.79	29.88	31.66	33.91	46.82	60.02	62.03	61.39	62.08	59.54
Profit /(Loss) before exceptional items and tax	1231.90	190.44	(51.19)	(85.24)	34.94	33.14	97.81	74.85	26.37	22.19
Exceptional items	(3.87)	153.25	67.48	-	-	-	-	-	-	-
Current Taxation	5.79	2.78	29.57	-	10.38	8.80	22.11	15.50	5.26	3.77
Excess Provision of Tax -										
of earlier years	-	-	-	-	-	-	-	-	(0.28)	-
Profit after Tax	1229.98	34.41	(148.24)	(85.24)	24.56	24.34	75.70	59.35	21.39	18.42
Earnings per Equity Share of ₹2/- *	59.55	1.67	(7.18)	(4.13)	1.19	1.18	3.67	2.92	5.54	4.77
Dividends :										
Amount	37.35	24.87	17.40	12.43	19.89	19.33	24.16	24.02	16.49	11.26
Percentage	75	50	35	25	40	40	50	50	35	25

F.Y. 2018-19, F.Y. 2017-18 and F.Y. 2016-17 as per Ind AS; previous GAAP for earlier years.

* Valued for current and immediately preceeding 6 years only after sub-division of shares @ ₹2/- per share.

Notes :

1. Capital : Original ₹ 0.63 crore, Bonus Shares ₹ 21.02 crore, Conversion of Debentures ₹ 0.83 crore, Global Depositary Receipts (GDRs) representing Equity Shares ₹ 5.51 crore, Conversion of Equity Warrants relating to NCD/SPN Issue ₹ 9.81 crore and conversion of Preferential Warrants to to Promoters ₹ 3.20 crore, Equity Shares issued under Employee's Stock Option Scheme ₹0.16 crore. Equity Shares allotted on exercise of Warrants issued on Preferential Basis to Promoter/Promoter Group Company ₹ 2.70 crore. (Less) Equity Shares bought back and extinguished upto 31st March,2004 ₹ 2.55 crore. Average Share Capital - ₹ 41.31 crore.
2. Debt Equity Ratio is on Long Term Debt.
3. Dividend amount includes Corporate Dividend Tax on the proposed/interim dividend.
4. Previous year's figures have been regrouped where necessary.

DIRECTORS' REPORT to the members

Your Directors have pleasure in presenting their Report on the business and operations of the Company along with the audited financial statements for the year ended 31st March, 2019.

1. FINANCIAL RESULTS

(₹ in crore)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2019	31/03/2018	**31/03/2019**	31/03/2018
GROSS TURNOVER AND OTHER INCOME	4,469.98	2,744.00	4,469.98	2,744.00
Profit before Finance Cost, Depreciation, Amortization expenses and Exceptional item	1,751.39	632.83	1,751.39	632.83
Less: Finance Costs	489.70	412.51	489.70	412.51
Profit/(Loss) before Depreciation, Amortization expenses and Exceptional item	1,261.69	220.32	1,261.69	220.32
Less: Depreciation and Amortization expenses	29.79	29.88	29.79	29.88
PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEM	1,231.90	190.44	1,231.90	190.44
Add/(Less): Exceptional item	3.87	(153.25)	3.87	(153.25)
Add: Share of profit of equity accounted investees.	-	-	0.13	0.77
PROFIT/(LOSS) BEFORE TAX	1,235.77	37.19	1,235.90	37.96
Less: Tax (net)	5.79	2.78	5.79	2.78
PROFIT / (LOSS) FROM CONTINUNING OPERATIONS AFTER TAX	1,229.98	34.41	1,230.11	35.18
PROFIT / (LOSS) from DISCONTINUED OPERATIONS	-	-	(1.90)	-
Add: Other Comprehensive Income	111.19	284.76	110.02	284.76
Total Comprehensive Income	1,341.17	319.17	1,338.23	319.94
Add: Balance in Statement of Profit and Loss of Previous Year (Incl. OCI)	276.05	(25.72)	276.28	(26.26)
Ind AS 115 Adjustment	(1,773.23)	-	(1,773.23)	-
SURPLUS AVAILABLE FOR APPROPRIATIONS				
Appropriations to:				
Dividend	(20.65)	(14.46)	(20.65)	(14.46)
Dividend Distribution Tax	(4.25)	(2.94)	(4.25)	(2.94)
Balance carried to Balance Sheet (Incl. OCI)	(180.90)	276.05	(183.62)	276.28

Previous year figures have been regrouped where necessary and have been re-stated as per INDAS.

2. COMPANY RESULTS AND DIVIDEND

Company's turnover and other income for the year was ₹4,469.98 crore as against ₹ 2,744 crore in the previous year. The profit after tax is ₹ 1,229.98 crore as against a profit of ₹ 34.41 crore in the previous year.

The Accounts for the year has been drawn up in conformity with the new Accounting Standard Ind AS 115. The impact of the adoption of Ind AS 115 has been mainly on the revenue and the results of Bombay Realty. This has been spelt out in detail elsewhere in the Report. Consequently turnover and profit figures given in the earlier paragraph are not strictly comparable.

The construction of the two towers at Island City Center ("ICC"), Dadar, by Bombay Realty, is nearing completion and Company has received part occupancy certificates ("OC") for the project. The Company has started handover to the customers and payments received from them towards agreed milestones of OC will generate cash flows thereby easing the Company's debt burden.

The Polyester Division ("PSF Division") achieved a turnover of ₹ 1,439.28 crores during the year ended 31st March, 2019, as compared to ₹ 1,251.95 crore in the previous year. In volume terms there was an increase of slightly over 15%. The average capacity utilization was 89%, which though slightly lower than last year, on account of overall preventive maintenance as also introduction of additional capacities by competitors, was significantly better than the industry average capacity utilization of below 80%.

Home & You, the Company's Retail business, will be investing in design expansion, owning the digital printing space through TVC media campaigns to reinforce its leadership position. Sales channels proliferation will be a thrust area. The Company would be launching a new franchise model and will explore high volume institutional business in the current year.

There has also been an upward revision in the Company's Credit Ratings during the year.

Having regard to the above, your Directors have recommended a dividend of ₹ 1.50 per equity share of ₹ 2/- each which is subject to shareholders' approval. No transfer to Reserves has been proposed.

3. CONSOLIDATED FINANCIAL RESULTS

As stipulated by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"), the Company has prepared Consolidated Financial Statement in accordance with the applicable accounting standards as prescribed under the Companies (Accounts) Rules, 2014 of the Companies Act, 2013 ("the Act"). The Consolidated Financial Statement reflects the results of the Company and that of its and subsidiary and associates. As required under Regulation 34 of Listing Regulations, 2015, the Audited Consolidated Financial Statements together with the Independent Auditors' Report thereon is annexed and forms part of this Report.

The summarized Consolidated Financial Statements is provided above in point No. 1 of this Report.

4. BOMBAY REALTY

Bombay Realty has made good progress this year. With the receipt of the regulatory approvals the Division will complete the handover to its customers as per schedule.

With receipt of occupancy certificates the Company is also well placed to sell its balance inventory at nil GST, for the OC received inventory, which will help reduce the overall investment amount for the customer and will help drive sales in a buyers' market.

As mentioned earlier, during the year your Company adopted new Accounting Standard INDAS 115 and accordingly recognition of "Revenue from Contracts with Customers" is applicable w.e.f. 1st April, 2018. The Company has reported therefore revenues as per the said Accounting Standard. The new standard has brought comprehensive framework for evaluation, measurement, recognition and disclosures of revenues based on satisfaction of performance obligation over time or at a point in time. Accordingly, your Company has evaluated all its Realty Division contracts, through a leading audit firm and then opted to apply the modified retrospective approach to contracts which were not completed as on 1st April, 2018. The cumulative effect of applying this standard is recognised at the date of initial application i.e. 1st April, 2018 by reducing the opening balance of Retained Earnings, as per the requirements of the Ind AS 115 pertaining to recognition of revenue.

The revenues from real estate activity as per INDAS reporting for FY 2018-19 adopted during the year were ₹ 2,727.48 crore as compared to ₹ 1,182.91 crore in FY 2017-18, reporting a growth of 131% over last year. The business is poised to become the single largest revenue earning division of the Company on topline basis and a substantial contributor to its bottom line.

The Division is complying with RERA requirements in giving the clients transparent and fully compliant project information, the promise of timely delivery with world class construction quality and amenities. With part occupancy approvals coming for the two ICC towers, development of the balance of the project will proceed at faster speed enabling the completion of the towers in record time.

The Division is well poised to monetise its assets both in ICC and WIC and with the DCR 2034 enhancing the land potential for development; it is looking at forging additional projects in the coming year.

5. HOME & YOU

For first time in 4 years, the operations of division has resulted in a profit mainly because of margin expansion, aggressive control on non-required expenditures and other related income. Also re-engineering of quality and structural transformation of vendor production management in current year will bear fruit in future years enabling the division to consolidate its leadership position.

6. POLYESTER DIVISION

PSF industry saw a sluggish growth of 2.5% in volume in the country, which was mainly met through existing capacities. Continuing cheap imports from China disrupted the domestic market impacting the Company's PSF business. New capacities of around 11% of existing capacity became operational in the country towards the end of the financial year resulting in growth of installed capacity far exceeding the growth in domestic demand.

The raw material and PSF prices remained volatile during the year tracking the movement in petrochemicals and crude oil prices. Increased volatility in raw material prices, has posed challenges to the Company's Polyester business, which it has sought to counteract with innovative product mix and cost reduction initiatives.

7. SUBSIDIARIES AND ASSOCIATES

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's subsidiary and associates (in Form AOC-1) is forming part of the Consolidated Financial Statements.

8. DEMERGER

The Mumbai Bench of Hon'ble National Company Law Tribunal (NCLT) vide its order dated 21st February, 2019, approved the Scheme of Arrangement between Scal Services Limited ("Demerged Company") and The Bombay Dyeing and Manufacturing Company Limited ("Resulting Company") and their respective Shareholders ("Scheme") with effect from the Appointed Date of 1st July, 2018, pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. As per the Scheme of Arrangement 3 (Three) fully paid up 8% Redeemable Non-convertible Non-Cumulative Preference Shares of ₹ 100 each of the Resulting Company were to be issued and allotted for every 1 (One) equity share of ₹ 100 each held in the Demerged Company (other than the Resulting Company being a member in the Demerged Company) as consideration. Accordingly, 3,88,800, 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100 each fully paid up were issued and allotted to the shareholders of the Demerged Company.

Pursuant to Scheme becoming effective, authorised capital of the Company has been reclassified whereby the existing authorised share capital of the Company of 2,00,00,000 (Two Crore) equity shares of face value of ₹ 2 each has been reclassified to ₹106,00,00,000/- (Rupees One Hundred Six Crores only) divided into 51,00,00,000 (Fifty One Crore) Equity Shares of ₹ 2 each and 4,00,000 (Four Lakh) Preference Shares of ₹ 100 each. Memorandum and Articles of Association of the Company has been amended to incorporate the change in authorised capital.

9. FIXED DEPOSITS

During the year, the Company repaid the deposits aggregating to ₹ 75.14 crore. Total deposits outstanding as on 31st March, 2019 amounted to ₹ 1.95 crore out of which 165 deposits aggregating ₹1.37 crore had matured, but remained unclaimed.

10. CREDIT RATING

Brickwork Ratings India Pvt. Ltd has assigned and upgraded the ratings of bank loan facilities and fixed deposit instrument of the Company as follows:

Facility	Tenure	Previous Ratings	Current Ratings
Fund Based Term Loan Cash Credit	Long Term	BWR BBB+ (Pronounced as BWR Triple B Plus) Outlook: Stable	BWR A (Pronounced as BWR A) Outlook: Stable Assign/Upgrade
Non Fund Based Letter of Credit/ Bank Guarantee	Short Term	BWR A3+ (Pronounced as BWR A Three Plus)	BWR A2+ (Pronounced as BWR A Two Plus) Assign/Upgrade
Non Fund Based Fixed Deposit	Long Term	BWR FBBB+ (Pronounced as BWR F Triple B Plus) Outlook: Stable	BWR FA (Pronounced as BWR FA) Outlook: Stable Upgrade

11 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure - A".

12. RELATED PARTY TRANSACTIONS

There were no materially significant transactions with related parties during the financial year under review, which were in conflict with the interest of the Company. All the transactions entered into by the Company with Related Parties during year under review were at arms-length basis. Suitable disclosure as required by the Accounting Standard (IND AS 24) have been made in the notes to the Financial Statement.

As required under Regulation 23 of SEBI (Listing Obligations and Disclosures) Regulations, 2015, the Company has formulated a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions which has been put up on the website of the Company: http://www.bombaydyeing.com/pdfs/corporate/corporatepdf11.pdf

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statement.

14. INSURANCE

All the properties including buildings, plant and machinery and stocks have been adequately insured.

15. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors or the secretarial auditors have reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Director's Report.

16. ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 Annual Return of the Company as at 31st March, 2019 is uploaded on the website of the Company at www.bombaydyeing.com

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year Mr. S. S. Kelkar and Mr. S. M. Palia stepped down from the Board of the Company w.e.f. 8th August, 2018. The Board places on record its appreciation towards valuable contribution made by them during their tenure as Directors of the Company.

Mr. R. A. Shah and Mr. A. K. Hirjee have expressed their desire not to seek re-appointment for a second term on the completion of their current term which is upto 7th August, 2019.

Mr. S. Ragothaman, who was appointed as an Independent Director of the Company for a term of five years up to 7th August, 2019, by the members at the 134th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, is being re-appointed as an Independent Director of the Company for a second term of three consecutive years commencing from 8th August, 2019 upto 7th August, 2022, not liable to retire by rotation.

The Board has appointed Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar as Additional Directors of the Company with effect from 5th February, 2019, who hold office up to the date of ensuing AGM of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and are eligible for appointment.

In line with the provisions of Sections 149, 160 and other applicable provisions of the Companies Act, 2013 read with applicable rules made thereunder Mr. Sunil S. Lalbhai and Ms. Gauri Kirloskar, Additional Directors of the Company, are being appointed as Independent Directors for five consecutive years from their respective date of appointment by the Board.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ness N. Wadia retires by rotation and is eligible for re-appointment.

Necessary resolutions for the appointment/ re-appointment of the aforesaid Directors have been included in the Notice convening the ensuing AGM and requisite details have been provided in the explanatory statement of the Notice. The Board recommends their appointments / re-appointment.

All the Independent Directors have given a declaration that they meet the criteria of independence as laid down under Section 149 of the Act and affirmed compliance with Wadia Code of Ethics and Business Principles as required under Regulation 26(3) of SEBI (LODR) Regulations, 2015.

For the Non - Executive Directors apart from reimbursement of expenses incurred in the discharge of their duties, the remuneration that these Directors were entitled to under the Act as Non-Executive Directors and the remuneration that a Non-Executive Director may receive for professional services rendered to the Company through a firm in which he is a partner, none of these Directors have any other pecuniary relationships with your Company.

Five Board Meetings were duly convened and held during the year and the details of Board/Committee meetings held are provided in the Corporate Governance Report. The gap between meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations, 2015.

Mr. Vishnu Sundararajan Peruvemba, Chief Financial Officer of the Company, has given a notice of resignation from the services of the Company citing personal reasons, which has been accepted by the Company. He will continue in his current position as Chief Financial Officer and Key Managerial Personnel till 31st August, 2019.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance and that of its statutory committees viz. Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and that of the individual Directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Nomination and Remuneration Policy

The Board has adopted, on recommendation of the Nomination and Remuneration Committee, a policy for selection and appointment of Directors, Senior Management and their remuneration. A brief detail of the policy is given in the Corporate Governance Report and also posted on the website of the Company: http://www.bombaydyeing.com/pdfs/corporate/corporatepdf09.pdf

18. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;

b) they 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 of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the Annual Accounts on a going concern basis;

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

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

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s) and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.

19. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 17(7) of Listing Regulations, 2015, Management Discussion and Analysis Report is given in "Annexure B" to this Report.

20. CORPORATE GOVERNANCE

A separate report on Corporate Governance pursuant to Regulation 34(3) of Listing Regulations, 2015, read with Part C of Schedule V thereof, along with a certificate from the Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to this Report as "Annexure C".

21. BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2) of Listing Regulations, 2015, the Business Responsibility Report ("BRR") of the Company for FY 2018-19 is forming part of this Report as "Annexure D".

22. PARTICULARS OF EMPLOYEES

Details of remuneration of Directors, KMPs and employees as per Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as "Annexure E". However, as per the provisions of Section 136 of the Act, the Annual Report is being sent to the Members and others entitled thereto, excluding the information on employees' remuneration particulars as required under Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is available for inspection by the Members at the Registered Office /Corporate Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

23. AUDITORS

Statutory Auditors

Pursuant to Section 139 of the Companies Act, 2013 and Rules made thereunder, the Company at its 138th AGM appointed M/s. Bansi S. Mehta & Co. (Firm Registration No. 100991W) as the Statutory Auditors of the Company for a period of 5 years from the conclusion of 138th AGM until the conclusion of 143rd AGM of the Company.

Pursuant to amendments in Section 139 of the Companies Act, 2013, the requirements to place the matter relating to such appointment for ratification by members at every annual general meeting has been done away with.

The Report given by M/s. Bansi S. Mehta & Co., Chartered Accountants on the financial statements of the Company for FY 2018 - 19 is part of the Annual Report.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records of the Company are required to be audited. The Directors, on the recommendation of the Audit Committee, appointed M/s. D. C. Dave & Co., (Firm Registration No. 000611) Cost Accountants, to audit the cost accounts of the Company for the financial year ending 31st March, 2019 on a remuneration of ₹ 5,50,000/- (Rupees Five Lakh Fifty Thousand) plus out of pocket expenses and applicable taxes. The remuneration payable to the Cost Auditor is required to be ratified by the shareholders at the ensuing AGM.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has appointed Parikh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as "Annexure F".

Internal Auditors

At the Board Meeting held on 2nd May, 2019, M/s. Ernst & Young, Chartered Accountants, were re-appointed as the Internal Auditors of the Company for financial year 2019-20.

24. SIGNIFICANT OR MATERIAL ORDERS

There were no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status and the Company's operations in future.

25. MATERIAL CHANGES

There was no reportable material event in the Company during the year.

26. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Audit plays a key role in providing an assurance to the Board of Directors with respect to the Company having adequate Internal Financial Control Systems. The Internal Financial Control systems provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets. Details about the adequacy of Internal Financial Controls are provided in the Management Discussion and Analysis Report.

27. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013, comprising of three Directors including Independent Directors.

For the current financial year 2018-19, as the average profit for the last three years is negative, the Company decided not to spend any amount on CSR. Report on Corporate Social Responsibility is attached herewith as "Annexure - G"

28. AUDITORS QUALIFICATIONS

Statutory Auditors' Report and Secretarial Auditors' Report do not contain any qualification, reservation or adverse remarks.

29. RISK MANAGEMENT

The Company has formulated a Risk Assessment & Management Policy. Your attention is drawn to the Report on Corporate Governance for details.

In compliance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which is effective from 1st April, 2019, the Board has constituted a Risk Management Committee at its Meeting held on 13th November, 2018.

30. AUDIT COMMITTEE

The Audit Committee of the Company comprises of five Independent Directors. The composition of directors and other details are provided in the Corporate Governance Report of the Company. The Company has established a vigil mechanism through the Committee, wherein the genuine concerns can be expressed by the employees and directors. The Company has also provided adequate safeguards against victimisation of employees who express their concerns. The Company has provided the details of the vigil mechanism in the Whistle Blower Policy in the Corporate Governance Report and also posted these on the website of the Company: http://www.bombaydyeing.com/pdfs/corporate/Whistle_Blower_Policy.pdf

31. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS.

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

32. APPRECIATION

The Directors express their appreciation to all employees of the various divisions for their diligence and contribution to performance. The Directors also record their appreciation for the support and co-operation received from franchisees, dealers, agents, suppliers, bankers and all other stakeholders. Last but not the least, the Directors wish to thank all shareholders for their continued support.

On behalf of the Board of Directors

Place: Mumbai
Date: 27th June, 2019.

NUSLI N.WADIA
Chairman

ANNEXURE A to Directors' Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken

PSF operations

- Installation of energy efficient Chiller with ATC system.
- Polymer Pump with modified design bearings.
- Secondary Air curtain in Coal fired Boiler to improve fuel combustion.
- Dry saturated 3.5 Kg/cm² steam supply to all Draw lines.
- Diversion of HP steam condensate for Flash steam generation in Draw line.
- VFD in Fire Water / Chilled, DM Water, Boiler feed & Reactor feed pumps.
- Chiller operation philosophy optimized as per climatic condition.
- LUWA Cooling coils replacement to improve efficiency.
- Medium pressure steam provision in Draw steamer.
- PNLD Provision in Air Receiver & Cooler drains.
- Phase wise replacement of HPMV/ Metal halide fittings with LED.
- Ash conveying system operation on Probe mode.
- Replacement of cooling water NGEF Motor with Alsthom motor.

(b) Additional Investments & proposals, if any, being implemented for reduction of consumption of energy

PSF operations

- Modified nip roller provision to reduce steam consumption.
- Installation of solar cells.
- Step wise reduction of quenching in all spinning lines.
- Steam supply cut off on AUTO, during all Draw line stoppages.
- Provision of stripping column for Biogas generation & COD reduction.
- Energy efficient pack cleaning system.
- Modified Diffusers to reduce air consumption.
- Commissioning of Steam Turbine in place of PRDS.
- Installation of Energy efficient Cooling Tower pump & Chillers.
- Cooling tower revamp to improve efficiency.

(c) Impact of measures at (a) & (b) for reduction of energy consumption and consequent impact on the cost of production of goods.

PSF operations

- Improvement in specific energy consumption & cost per MT of PSF production.

(d) Total Energy Consumption and Energy Consumption per unit of production in prescribed Form A.

- As per 'Form A' attached.

B. TECHNOLOGY ABSORPTION

Research and Development (R & D).

1. Specific areas in which R&D carried out by the Company

PSF operations

- Infrastructure development & process optimization carried out for commercial production of semi dull & Black Micro Super Fibre.
- Development of anti-microbial, FR (SD/BLK) & Coloured Master Batches.
- Addition of various new products to increase the product portfolio.
- Hardware modification in Coal fired boiler to improve efficiency.
- SOP optimised for Vortex spinning & improvement in CSP.
- New spinnerets designed for super micro product.
- Use of Automatic Tube Cleaning system in Chiller unit.
- Improvement in Bale aesthetics for customer satisfaction.

2. Benefits derived as a result of the above R&D

PSF operations

- Diversity of product mix & availability of value-added products.
- Improved customer base & market share.
- Quality Consistency with improved operational performance at Customer end.
- Energy conservation with improved operational reliability.

3. Future plan of action

PSF operations

- Development of hardware and process optimization to manufacture various specialty products including nonwoven & technical textile end use.
- Execution of various process improvement projects for reduction in energy consumption & improve operational reliability.

4. Expenditure on R & D

- Expenditure reported on R & D during the year under report: ₹ 0.80 cr. (previous year ₹ 1.50 cr).

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. **Efforts in brief, made towards technology absorption, adaptation and innovation:**

   PSF operations

   - Use of modified design bearing with new MOC for Polymer pumps.
   - Process Optimisation to improve Coal Boiler efficiency.
   - Installation of energy efficient Chiller with ATC system.
   - Hardware change for Product quality improvement.
   - Process optimisation & design change for energy conservation.
   - Improvement in productivity of high Specialty Fibre.

2. **Benefits derived as a result of the above efforts:**

   PSF operations

   - Better yield & productivity
   - Increased volume of value-added speciality products.
   - Increased market share with diversified product mix
   - Improved customer satisfaction.
   - Reduction in cost of production.

3. **Information regarding technology imported during the last 3 years:**

   - Technology imported: – Nil
   - Year of import: – N/A
   - Has technology been fully absorbed – N/A
   - If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: – N/A
   - PSF operation – Nil

4. **Foreign Exchange Earnings & Outgo:**

   (i) Total foreign exchange used and earned:

	₹ in crore
Total foreign exchange used	489.62
Total foreign exchange earnings	350.42

   (ii) Activities relating to exports, initiatives taken to increase exports, development of export markets for products and services and export plans:

   PSF export volume increased by 10% over previous year. Export market was expanded both in terms of volume & new markets.

On behalf of the Board of Directors

Place: Mumbai
Date: 27th June, 2019

NUSLI N.WADIA
Chairman

FORM 'A'

Form for disclosure of particulars with respect to conservation of energy

	Production Unit	**2018-19 Current Year**	2017-18 Previous Year
A. POWER AND FUEL CONSUMPTION			
1 Electricity			
(a) Purchased			
Unit (KWH in lakhs)		504.76	526.37
Total Amount (Rupees in crores)		39.94	36.14
Rate/Unit (Rupees)		7.91	6.87
(b) Own Generation		-	-
(Through Diesel Generator)		-	-
Unit (KWH in lakhs)		-	-
Units per Ltr. of Diesel		-	-
Cost/Unit (Rupees)		-	-
2 Furnace Oil/L.S.H.S.			
Quantity (in M. Tons)		-	3.33
Total Cost (Rupees in crores)		-	0.01
Average Rate (in Rupees per M.T.)		-	24,519.62
3 RLN GAS			
Quantity in (MMBTU)		375,067.06	437,657.65
Total Cost (Rupees in crores)		32.98	27.74
Average Rate (in Rupees per MMBTU)		879.25	633.77
4 Coal			
Quantity (in M. Tons)		26,782.00	28,026.00
Total Cost (Rupees in crores)		16.26	16.81
Average Rate (in Rupees per M.T.)		6,070.85	5,996.39
B. CONSUMPTION PER UNIT OF PRODUCTION			
1 Electricity (KWH)			
PSF	per M.T.	343.63	345.50
2 Furnace Oil/L.S.H.S.(M.T.)			
PSF	M.T.	0.00	0.00
3 RLN GAS			
PSF	per MMBTU	2.55	2.87
4 Coal (M.T.)			
PSF	M.T.	0.182	0.184

ANNEXURE B to Directors' Report
MANAGEMENT DISCUSSION AND ANALYSIS

The Indian economy is now the sixth largest in the world and is poised to become as projected by IMF, the fifth-largest economy overtaking the United Kingdom by 2019. Growing private consumption as well as fading transitory effects of demonetisation and GST has provided a boost to the economy. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 % over the next decade.

The Real estate market is poised to benefit from the government's policy push towards reforms, speedy completion of several infrastructure projects, enhanced usage of technology and an over-arching positive spirit riding across private as well as public sector enterprises today. India's GDP is likely to grow at 7.3% in 2018-19, up from 6.7% in 2017-18, and is expected to accelerate further by 20 basis points in 2019-20 on the back of support from private consumption and investment.

BOMBAY REALTY

Industry Structure and Developments

The residential market continues to face challenges, post the slowdown witnessed in 2018. Though the industry will in the long run benefit from stable policy regime with the implementation of RERA, GST & DCPR (2034) for Mumbai the medium term prospect is expected to be muted due to inventory overhang across markets and the lack of liquidity in the financial system due to NBFC Crisis.

The government's policy push to housing through GST reduction on under construction property from an effective 8% to 1% for affordable housing and 12% to 5% for other housing projects from FY 2019-20, will help this segment gain traction and developers across the country are showing a keen interest in participating in this sector's growth story. Though GST reduction is positive for developers in terms of boosting overall demand, input tax credit cannot be claimed under the new measure eroding the developers' profitability.

Growing demand for Grade A office spaces across major cities, including new sectors like co-working spaces is expected to further push demand for commercial properties. The government's push towards promoting start-ups and developing smart cities will create a lucrative environment for businesses to work and expand.

Opportunities and Threats

Select micro markets with good infrastructure & easy connectivity as well as mixed-use development propositions will continue to do well. Further projects with OC will command a premium over under construction projects. With the receipt of part occupancy certificate, for premium residential development at ICC, Dadar, FY 2018-19 has been a significant event.One of the positives of 2018 has been DCPR 2034 bringing in greater clarity on permissible developments, eliminating the regulatory risk and helping developers plan better.

Outlook

Your Company enjoys the benefits of two large contiguous land parcels with clear titles, giving it a significant advantage over other real estate players. The strategic location of two sites, well connected with the commercial hub of Central Mumbai and equidistant from the commercial hubs of South Mumbai and Bandra-Kurla Complex, is expected to add value to the sites. The plan is to develop these sites as mixed-use developments, comprising of residences, offices and luxury retail, with well-planned amenities and large open spaces.

Risks and Concerns

Industry will see positive momentum as DCPR 2034 has been published but subsequent transition policies still keep coming. Delays in approvals and increase in development cost will be a major challenge for the industry.

The NBFC and HFC liquidity crisis in FY 2018-19 was a setback for the industry and it almost broke the back of the sector, as accessing capital from lenders was a lot tougher. A quicker resolution of the liquidity crisis has become more important. There is a large mismatch between supply and actual demand in terms of unit and ticket size. Focus on right sizing and right pricing is the need of the hour to meet the large unmet demand of end users.

Company has faced challenges due to legal and regulatory delays for the projects. Excessive supply of residential housing by competing developers and slow off-take with huge overhang, may not improve overall prices in short term. In 2019 the premium segment will continue to remain subdued in terms of overall sales but projects that give a greater value such as mixed-use developments will have an edge over the regular residential projects. Proximity to good infrastructure and easy connectivity are going to be the key driver for 2019. Nil GST post OC for mixed use development at the project like ICC, Dadar, will see upside in near future. Customers are going to value pick and creditworthy developers will benefit as a result.

HOME & YOU

Industry Structure and Developments

Domestic Home Textile category continues to evolve faster in India. Increased penetration of organized retail, favorable demographics, and rising income levels are likely to drive demand for home textiles. GST implementation has helped the organized retailers by reducing influx of cheap alternatives from abroad and domestic unorganized industry.

While on one hand, influence of competitively priced private labels in Modern Trade and E-com market places is bringing in new value conscious consumers to the industry; on other hand, fashion led premium consumer's preferences are switching over to product made from high end fabrics and innovative designs. The market is clearly drawing distinction between the value led and the fashion conscious consumers.

Increasing disposable income and nuclear families will continue to expand the growth opportunities for the category.

Opportunities & Threats

Your Company sees enormous opportunity in product and design innovations to address the changing tastes of young vibrant India. Sales Channels proliferation will be thrust area. We have a plan to open 100 new Franchise stores and explore high volume institutional business in FY 2019-20. The Company would also focus on widening its product availability, offering numerous product ranges and providing unique shopping experience to its customers in Company owned stores and franchise stores. The Company will also be investing aggressively in technology to improve efficiencies, process compliance and facilitate seamlessly integrated operations.

While industry continues to be influenced by swinging commodity prices, it is also facing major challenges in the form of rising production costs from increasing wages. Key threats for the Company continue to be constant inflow of cheaper alternatives from unorganized sector as well as neighboring countries. Launch of new brands and increasing competition have led to existing players to adopt aggressive pricing. Higher margin demand from channel partners is also putting pressure on the company's margin.

Outlook

Modern Trade and E-Commerce are two growing channels in retail sector. Last year your company reached 1000 plus Modern Trade stores and attained leadership position in a major E-commerce site. It is further geared up to exploit all emerging opportunities in the market place. Through investments in new franchise model, organization capabilities, brand image, vibrant new designs, new product portfolios and information technology, the company expects to grow ahead of the industry and retain its market leadership status.

Risks and Concerns

Emerging alternate channels like e-commerce, large life style and cash & carry stores have been investing in their private labels as alternatives to branded home textiles. Proliferation of such private labels may have direct impact on volumes and make the cost of merchandising expensive as well. This coupled with the intense competition from the existing players and new players and sluggish consumer demand will provide a major challenge.

POLYESTER BUSINESS

Industry Structure and Developments

Your Company is one of the seven producers of Polyester Staple Fibre (PSF) in the country with a market share of about 15%. While the market leader is fully vertically integrated, the other producers, including the Company are stand-alone PSF manufacturers. One new producer became operational during the year.

PSF industry saw a domestic sales volume growth of 2.5%. The overall polyester industry's capacity utilisation remained under 80%, but the Company's utilisation remained comparatively stable at 89%, as compared to 93% previous year. The reduction in capacity utilisation was due to overhaul and preventive maintenance activities carried out at Patalganga Plant. The Division recorded a growth in sales volume of slightly over 2% during the year.

Raw Materials, PTA and MEG prices were volatile during the year. Though the prices remained volatile, the availability of raw materials in the domestic market remained stable.

Recycled polyester has been gaining market share due to price differential and improved product quality. However, fibre produced by your Company is of superior quality and has wider usage compared to such recycled fibre. Therefore, despite competition from such cheaper fibre, your Company is able to maintain the market share and capacity utilisation rate.

Opportunities and threats

The opportunity for PSF is driven by its durability, versatility of end usage and lower prices as compared to cotton and other substitute fibres, natural or man-made. Polyester is used in apparels, sportswear, home furnishing, automotive and industrial textiles. India has an enormous market potential, with per capita consumption of all fibres being less than 50% of global per capita consumption. The Government of India's push to substantially increase the size of the textile industry output will pave the way for larger man-made fibre consumption due to limited availability of cotton, benefitting the polyester industry at large.

Disparity in tax structure between PSF and Cotton has continued under the GST regime and expected fibre neutrality did not materialise. One new PSF production plant having capacity to the extent of 11% of existing domestic PSF capacity became operational in March'19, creating new competition for your Company.

China continues to have a dominant influence on polyester, fibre intermediaries and downstream textile industries. Any significant developments in the Chinese polyester chain could impact your Company's business dynamics.

Outlook

Polyester business performance during the year 2018-19 was relatively stable, except for Q3, which saw high level of volatility in petrochemicals and crude oil prices. Improving GDP growth should help strengthen domestic demand and stable raw material prices should help improvement in margins. Firm cotton prices and relatively tight supply situation in cotton should also help improve PSF demand in FY 2019-20.

Risks and Concerns

Prices of raw materials as well as energy costs, the two major input costs for PSF division are significantly dependant on crude oil price. Changes in oil prices could lead to impact on margins and profitability. With the main input costs based in US$, fluctuations in the Indian Rupee/ US$ exchange rate could impact the business and margin. Supply and price of cotton crop in India and globally could have an impact on the demand of PSF. Increased competition from the new capacity in the country may result in pressure on margins due to price undercutting by the new entrant.

SEGMENT-WISE PERFORMANCE

Segment wise performance together with a discussion on operational and financial performance has been covered in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis Report.

GENERAL

INTERNAL CONTROLS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

M/s. Ernst & Young, Chartered Accountants, are the Internal Auditors of the Company. The reports and findings of the internal auditors and the internal control system are periodically reviewed by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiary. Based on the report of internal audit function, process owners 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.

HUMAN RESOURCES

At Bombay Dyeing, employees are its prime assets & a vital key to our success. Company is committed to creating a professional culture to nurture & enable people to grow in their careers alongside company's success. Company constantly strives to strengthen our manpower in alignment with the business needs and continue to engage them through various initiatives in the realm of learning & development opportunities, reward & recognition, employee engagement activities & career growth.

RESOURCES & LIQUIDITY

The construction of the two towers at Island City Center ("ICC"), Dadar, is nearing completion and the Company has received part Occupancy Certificate ("OC"), whereby majority of the project cost is incurred and will require less incremental investment. Further the customer payments towards agreed milestones of OC will generate net cash flows. Also improved sale of flats and disinvestment of its non-core assets and other investments will provide higher liquidity to the Company helping reduce the overall debt burden.

The working capital requirement of the Company is being funded through working capital limits which were restructured and consolidated during the last 2 years. This has substantially improved the operating efficiency.

KEY FINANCIAL RATIOS

The Company has identified the following ratios as key financial ratios:

Sr. No.	Particulars	2018 -19	2017-18	Explanation for Significant Change
1	Debtors Turnover Ratio (times)	6.79	15.38	Debtors Turnover ratio has reduced due to change in accounting policy as per requirement of Ind AS 115 for recognition of revenue from Percentage of Completion Method to Project Completion Method.
2	Inventory Turnover Ratio(times)	2.08	5.04	Inventory Turnover Ratio has come down due to increase in value of Inventory on account of change in accounting policy as per requirement of Ind AS 115 for recognition of revenue from Percentage of Completion Method to Project Completion Method.
3	Interest Coverage Ratio (times)	3.52	1.09	Interest Coverage Ratio has improved due to higher revenue and higher profits.
4	Current Ratio (times)	2.17	2.10	N/A
5	Debt Equity Ratio (times)*	18.68	3.63	Debt Equity Ratio is calculated on Long Term Debt, the ratio has increased due to increase in borrowings due to demerger of Real Estate Business Undertaking of SCAL Services Limited vesting into the Company and additional requirement for the existing and new projects. Further due to Ind AS 115 modified retrospective approach adopted, numbers are not comparable.
6	Operating Profit Margin (%)	38.86	22.39	Operating Profit Margin has improved due to higher revenue and higher profits and Ind AS 115 Modified retrospective approach adopted.
7	Net Profit Margin (%)	27.77	1.28	Net Profit Margin has improved due to higher revenue and higher profits and Ind AS 115 Modified retrospective approach adopted.
8	Return on Net Worth (%)*	680.98	5.40	Return on Net Worth has improved due to higher revenue and higher profits and Ind AS 115 Modified retrospective approach adopted

*Under modified retrospective approach adopted under implementation of Ind AS 115 as detailed in Note 46 of Financial statements, the corresponding previous period figures are not comparable.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulation, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

ANNEXURE C to Directors' Report
REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

In keeping with its commitment to the principles of good corporate governance, which it has always believed leads to efficiency and excellence in the operations of a company, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings. The Company continuously endeavours to review, strengthen and upgrade its systems and processes so as to bring in transparency and efficiency in its various business segments.

2. BOARD OF DIRECTORS

The Board is composed of eminent persons with considerable professional experience in diverse fields and comprises a majority of Non-Executive Directors. Over two thirds of the Board consists of Non-Executive Directors and of these, the majority are Independent Directors. Mr. Nusli N. Wadia is the Chairman of the Board. Composition of the Board as on 31st March, 2019 is as follows:

Name of the Director	Category	List and category of Directorship in other Listed Companies
Mr. Nusli N. Wadia (Chairman) (DIN:00015731)	Non-Executive/ Promoter Director	· The Bombay Burmah Trading Corporation Limited (Non-Executive Promoter Director-Chairman) · Britannia Industries Limited (Non-Executive Promoter Director-Chairman)
Mr. R. A. Shah (DIN: 00009851)	Non-Executive Independent Director	· Procter & Gamble Hygiene and Health Care Limited (Chairman/Independent Director) · Pfizer Limited (Chairman / Independent Director) · BASF India Limited (Independent Director) · Godfrey Phillips India Limited (Chairman/Non Executive-Non - Independent Director) · Abbott India Limited (Independent Director) · Colgate-Palmolive (India) Limited (Independent Director) · Lupin Limited (Independent Director) · Atul Limited (Non -Executive -Non - Independent Director)
Mr. S. Ragothaman (DIN: 00042395)	-do-	· Xpro India Limited (Independent Director) · Shreyas Shipping and Logistics Limited (Independent Director) · National Peroxide Limited (Independent Director) · Ultramarine & Pigments Limited (Independent Director) · DIGJAM Limited (Independent Director)
Mr. A. K. Hirjee (DIN: 00044765)	-do-	· Britannia Industries Limited (Non-Executive Promoter Director) · The Bombay Burmah Trading Corp. Ltd. (Independent Director)
Mr. V. K. Jairath (DIN: 00391684)	-do-	· Kirloskar Industries Limited (Non –Executive Non- Independent Director) · Tata Motors Limited (Independent Director) · Kirloskar Oil Engine Limited (Non –Executive Non Independent Director) · Wockhardt Limited (Independent Director) · The Bombay Burmah Trading Corp. Ltd. (Independent Director)

Name of the Director	Category	List and category of Directorship in other Listed Companies
Mr. Keki M. Elavia (DIN: 00003940)	-do-	· Goa Carbon Limited (Independent Director) · Dai-ichi Karkaria Limited (Independent Director) · Grindwell Norton Limited (Independent Director) · Godrej Industries Limited (Independent Director) · Britannia Industries Limited (Independent Director)
Mr. Sunil S. Lalbhai (DIN: 00045590) (w.e.f. 05.02.2019)	-do-	· Amal Limited (Chairman/ Non Independent Director) · Atul Limited (Chairman and Managing Director) · Navin Fluorine International Limited (Independent Director) · Pfizer Limited (Independent Director)
Ms. Gauri Kirloskar (DIN:03366274) (w.e.f. 05.02.2019)	-do-	· Kirloskar Oil Engine Limited (Non- Independent Director) · The Bombay Burmah Trading Corp. Ltd. (Additional Director)
Dr. (Mrs.) Minnie Bodhanwala (DIN: 00422067)	Non-Executive, Non-Independent Director	· The Bombay Burmah Trading Corp. Ltd (Non -Independent Director) · National Peroxide Limited (Non -Independent Director)
Mr. Ness N. Wadia (DIN: 00036049)	Non-Executive/ Promoter Director	· The Bombay Burmah Trading Corp. Ltd. (Managing Director) · National Peroxide Limited (Non-Executive Promoter Director-Chairman) · Britannia Industries Limited (Non-Executive Promoter Director)
Mr. Jehangir N. Wadia (DIN: 00088831)	Managing Director/ Promoter Director	· The Bombay Burmah Trading Corp. Ltd. (Non-Executive Promoter Director) · Britannia Industries Limited (Non-Executive Promoter Director)

Note: Other than Mr. Nusli N. Wadia, Mr. Ness N. Wadia and Mr. Jehangir N. Wadia who are related to each other, no Director is related to any other Director.

Matrix setting out the skills/expertise/competence of the Board

The Board of Directors have identified the following Core Skills/ Expertise/ Competencies as required in the context of its business(es) and sector(s) for it to function effectively:

Sr. No.	Skills/ Expertise/ Competencies identified by the Board	Whether available with the Board (Yes/No)
1	Leadership experience of running large enterprise	Yes
2	Business Strategies and innovations	Yes
3	Understanding of Consumer behavior in diverse environments and conditions pertaining to core business areas of Company	Yes
4	Understanding of the changing legal and regulatory landscape	Yes
5	Finance	Yes
6	Accountancy	Yes
7	Economics	Yes
8	Technology	Yes
9	Risk Management	Yes

Board Meetings

During the year under review, 5 Board Meetings were held, the dates being, 14th May, 2018, 1st August, 2018, 7th August, 2018, 13th November, 2018, and 5th February, 2019.

Attendance of each Director at the Meetings of Board and the last Annual General Meetings, number of other Directorship and Committee membership/chairmanship are as under:

Name	Category	No. of Board Meetings attended during 2018-19		Whether attended AGM held on 7th August, 2018	No. of Directorships in other public companies as on 31.3.2019*		No. of Committee positions held in other public companies** as on 31.3.2019	
		held	Attended		Chairman	Member	Chairman	Member
Mr. Nusli N. Wadia (Chairman) (DIN:00015731)	Non-Executive/ Promoter Director	5	5	Yes	3	-	-	-
Mr. R. A. Shah (DIN: 00009851)	Non-Executive Independent Director	5	5	Yes	3	6	3	2
Mr. S. S. Kelkar (DIN: 00015883) (Retired as director w.e.f. 8th August, 2018)	-do-	5	3	Yes	-	-	-	-
Mr. S. Ragothaman (DIN: 00042395)	-do-	5	4	Yes	-	7	3	3
Mr. A. K. Hirjee (DIN: 00044765)	-do-	5	5	Yes	1	2	3	2
Mr. S. M. Palia (DIN: 00031145) (Retired as Director w.e.f. 8th August, 2018)	-do-	5	3	Yes	-	-	-	-
Mr. V. K. Jairath (DIN: 00391684)	-do-	5	5	Yes	-	9	2	6
Mr. Keki M. Elavia (DIN: 00003940)	-do-	5	5	Yes	-	9	4	5
Mr. Sunil S. Lalbhai (DIN: 00045590) (w.e.f. 05.02.2019)	-do-	-	-	-	3	3	-	3
Ms. Gauri Kirloskar (DIN:03366274) (w.e.f. 05.02.2019)	-do-	-	-	-	-	2	-	1
Dr. (Mrs.) Minnie Bodhanwala (DIN: 00422067)	Non-Executive, Non-Independent	5	4	Yes	-	3	-	1
Mr. Ness N. Wadia (DIN: 00036049)	Non-Executive/ Promoter Director	5	5	Yes	1	4	-	3
Mr. Jehangir N. Wadia (DIN: 00088831)	Managing Director/ Promoter Director	5	5	Yes	-	3	-	1

* Excludes directorship in foreign companies, private companies and companies governed by Section 8 of the Companies Act, 2013.

** Includes only Audit Committee and Stakeholders Relationship Committee in public limited companies.

Independence of Directors

Our definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI (LODR) Regulations, 2015'). The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations / disclosures received from the Directors the Board confirms, that the Independent Directors fulfil the conditions as specified under SEBI (LODR) Regulations, 2015 and are independent of the management.

The Board members are provided with necessary documents/ brochures and reports to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business strategy and risks involved. Site visits are also arranged.

Quarterly updates on relevant statutory changes encompassing important laws are regularly circulated to the Directors.

The policy of such familiarization programmes for Independent Directors is posted on the website of the Company and can be accessed at http://www.bombaydyeing.com/pdfs/board/DirectorsFamiliarisationPolicy.pdf

3. BOARD COMMITTEES

The Board has constituted the following Committees of Directors:

(a) Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 read with Part C of Schedule II of SEBI (LODR) Regulations, 2015. The Committee comprises of members who possess financial and accounting expertise/exposure.

During the year under review, 9 Meetings of the Audit Committee were held, the dates being 5th April, 2018, 12th May, 2018, 9th July, 2018, 1st August, 2018, 7th August, 2018, 24th October, 2018, 13th November, 2018, 4th February, 2019 and 27th March, 2019.

Composition of the Committee and details of attendance of each member at the Audit Committee Meetings are as follows:

Name of the Member	Category	No. Meetings attended
Mr. Keki. M. Elavia, Chairman	Non-Executive Independent Director	9
Mr. S. Ragothaman	Non-Executive Independent Director	8
Mr. R. A. Shah	Non-Executive Independent Director	9
Mr. S. S. Kelkar (upto 7th August, 2018)	Non-Executive Independent Director	5
Mr. S. M. Palia (upto 7th August, 2018)	Non-Executive Independent Director	5
Mr. V. K. Jairath	Non-Executive Independent Director	9
Ms. Gauri Kirloskar (w.e.f. 2nd May, 2019)	Additional Director/ Non-Executive Independent Director	-

The Managing Director, Chief Financial Officer, Internal Auditors, Cost Auditors, Statutory Auditors and other senior executives of the Company attend the Audit Committee Meetings as invitees. The Company Secretary acts as the Secretary to the Audit Committee.

The role of the Audit Committee flows directly from the Board of Director's overview function on corporate governance, which holds the Management accountable to the Board and the Board accountable to the stakeholders. The term of reference of the Audit Committee broadly includes acting as a catalyst, in helping the organization achieve its objectives. The Audit Committee's primary role is to review the Company's financial statements, internal financial reporting process, internal financial controls, the audit process, adequacy, reliability and effectiveness of the internal control systems, vigil mechanism, related party transactions, monitoring process for compliance with laws and regulations and the code of conduct.

Internal Audit and Control:

M/s. Ernst and Young LLP, Internal Auditors of the Company have carried out the internal audit for the financial year 2018-19. The reports and findings of the Internal Auditor and the internal control systems are periodically reviewed by the Committee.

(b) Nomination and Remuneration Committee

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, 2015. Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time.

During the year under review, the Committee met 3 times on 14th May, 2018, 13th November, 2018 and 5th February, 2019.

Composition of Nomination and Remuneration Committee and details of attendance of the members at Meetings of the Committee are as follows:

Name of the Member	Category	No. Meetings attended
Mr. V. K. Jairath, Chairman	Non-Executive Independent Director	3
Mr. S. M. Palia (upto 7th August, 2018)	Non-Executive Independent Director	1
Mr. Nusli N. Wadia	Non-Executive Non Independent Director	3
Mr. R. A. Shah	Non-Executive Independent Director	3
Mr. S. Ragothaman	Non-Executive Independent Director	2
Mr. A. K. Hirjee	Non-Executive Independent Director	3
Mr. Sunil S. Lalbhai (w.e.f. 2nd May, 2019)	Non-Executive Independent Director	-

The broad terms of reference of the Nomination and Remuneration Committee includes:

- Setup and composition of the Board, its Committees, and Senior Management/executive team of the Company including Key Managerial Personnel ("KMP" as defined by the Companies Act, 2013).
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of Directors, their appointment and removal. Senior Management shall have the same meaning as defined in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Evaluation of performance of the Board, its Committees and individual Directors.
- Remuneration to Directors, KMP, Senior Management/ executive team and other employees.
- Oversight of the familiarisation programme of Directors.
- Oversight of the Human Resource ("HR") philosophy, HR and People strategy and key HR practices.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 read with the rules made thereunder SEBI (LODR) Regulations, 2015 and Guidance Note on Board Evaluation issued by SEBI vide its Circular dated 5th January, 2017, the Board of Directors ("Board") has carried out an annual evaluation of its own performance and that of its committees and individual directors.

The performance of the Board and individual directors was evaluated by the Board seeking inputs from all the Directors. The performance of the committees was evaluated by the Board seeking inputs from the committee members. The Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors. A separate meeting of Independent Directors was also held to review the performance of non-independent directors; performance of the Board as a whole and performance of the Chairperson of the Company, taking into account the views of executive director and non-executive directors. This was followed by a Board Meeting that discussed the performance of the Board, its committees and individual directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of committees of the Board included aspects like composition of committees, effectiveness of committee meetings, etc. The criteria for performance evaluation of the individual directors included aspects on contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairman was also evaluated on the key aspects of his role.

Remuneration of Directors

Payment of remuneration to the Managing Director is governed by the Agreement executed between him and the Company. His Agreement is approved by the Board and by the shareholders. His remuneration structure comprises salary, incentive, bonus, benefits, perquisites and allowances, contribution to provident fund, superannuation and gratuity. The Non-Executive Directors do not draw any remuneration from the Company other than sitting fees and such commission as may be determined by the Board from time to time.

(i) Details of remuneration paid to the Managing Director during the year 2018-19 are given below: -

(₹ in Crore)

Name	Salary	Benefits**	Bonus***	Total
*Mr. Jehangir. N. Wadia, Managing Director	1.65	4.72	1.75	8.13

* On the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on 31st March, 2016 re-appointed Mr. Jehangir N. Wadia as Managing Director for a further period of 5 years from 1st April, 2016 to 31st March, 2021. The shareholders' approved at the AGM held on 10th August, 2016 his appointment as Managing Director and the remuneration payable to him and subsequently revision in the remuneration at the AGM held on 7th August, 2018.

** Includes the Company's contribution to Provident and Superannuation Funds, but excludes gratuity and re-imbursement of Fuel and Maintenance of Car.

*** Bonus is for FY 2018-19 and will be paid in FY 2019-20.

Note:

The Agreement with the Managing Director is for a period of five years. Either party to the Agreement is entitled to terminate the Agreement by giving not less than six calendar months' prior notice in writing to the other party; provided that the Company shall be entitled to terminate the incumbent's employment at any time by payment to him of six months' salary in lieu of such notice.

(ii) Details of payments made to Non-Executive Directors during the year 2018-19 and the number of shares held by them are given below:

Name	Sitting Fees** (₹ in Crore)	Commission*** (₹ in Crore)	Total No. of Shares held in the Company as on 31st March, 2019
Mr. Nusli N. Wadia	0.09	1.00	Nil
Mr. R. A. Shah*	0.11	0.12	7,100
Mr. S. S. Kelkar #	0.05	0.07	50,000
Mr. S. Ragothaman	0.08	0.10	35,000
Mr. A. K. Hirjee	0.09	0.15	3,800
Mr. S. M. Palia #	0.05	0.06	5000
Mr. Ness N. Wadia	0.03	0.04	12,19,418
Mr. V. K. Jairath	0.16	0.23	Nil
Mr. Keki M. Elavia	0.09	0.14	Nil
Dr. (Mrs.) Minnie Bodhanwala	0.03	0.08	Nil
Total :	**0.79**	**2.00**	

*In the opinion of Nomination and Remuneration Committee, Mr. R. A. Shah, Director in the Company and also a partner of Crawford Bayley & Co., a solicitor firm, possesses the requisite qualification for the practice of legal professional and has rendered services of a professional nature to the Company. The quantum of professional fees received by Crawford Bayley & Co. from the Company constitutes less than 10% of the gross turnover of the legal firm.

**Includes sitting fees paid for Board and Committee Meetings.

***Commission is for FY 2018-19 and will be paid in FY 2019-20.

Retired as director w.e.f. 8th August, 2018.

Non-Executive Directors are paid sitting fees at the rate of ₹ 60,000/- per meeting for attending the meetings of the Board of Directors. Sitting fees for Meetings of Audit Committee, Nomination and Remuneration Committee, Strategic Committee and Meeting of Independent Director is ₹ 60,000/- per meeting. Sitting fees for meetings of CSR Committee is ₹ 40,000/- and Stakeholders Relationship Committee is ₹ 15,000/- per meeting.

No stock options have been granted to Non-Executive Directors.

Remuneration Policy

The Company has adopted the Remuneration Policy as required under the provisions of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015. The policy is available at company's website at: http://www.bombaydyeing.com/pdfs/corporate/corporatepdf09.pdf

Board Diversity

The Company has adopted the Policy on Board Diversity as required under Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015. The policy is available at company's website at: https://bombaydyeing.com/pdfs/corporate/corporatepdf05.pdf

(c) Stakeholders Relationship Committee (SRC)

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015.

The broad terms of reference of the said Committee are as follows:

i. To look into the redressal of grievances such as transfer of security, non-receipt of annual reports, dividends, interest etc. of various stakeholders of the Company viz. shareholders, debenture holders, fixed deposit holders and other security holders.

ii. To approve and monitor transfers, transmission, splitting, consolidation, dematerialisation, rematerialisation of securities issued by the Company and issue of duplicate security certificates.

iii. To carry out the functions as envisaged under the Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information adopted by the Company in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

During the year under review, the Committee met 2 times on 13th November, 2018 and 28th March, 2019.

Composition of the Stakeholders Relationship Committee and details of attendance of each member at the Meetings of the Committee are as follows:

Name of the Member	Category	No. Meetings attended
Mr. Sunil S. Lalbhai, Chairman (w.e.f. 2nd May, 2019)	Non-Executive Independent Director	-
Mr. S. S. Kelkar (Chairman and member upto 7th August, 2018)	Non-Executive Independent Director	-
Mr. A. K. Hirjee	Non-Executive Non Independent Director	2
Mr. Jehangir N. Wadia	Managing Director	1
Dr. (Mrs.) Minnie Bodhanwala (w.e.f. 13th November, 2018)	Non-Executive Non-Independent Director	1

The Stakeholders Relationship Committee's (Committee) role is to assist the Board and the Company to oversee the redressal mechanism of requests or complaints or grievances pertaining to various aspects of interest of the shareholders, debenture holders, deposit holders and any other securities holders (herein after referred to as the Securities holders), review the initiatives taken by the Company to provide the better service to the securities holders and review the status of compliance under the applicable Corporate and Securities Laws.

The Board at its meeting held on 20th October, 2010 and as modified by the Board at its meeting held on 28th May, 2013, had delegated the powers to approve transfer and transmission of securities, to issue consolidated/new certificates etc. subject to certain guidelines and limits laid down, severally to the Managing Director, Chief Financial Officer and the Company Secretary. Accordingly, the transfer and transmission of shares, issue of consolidated/new certificates, etc. upto the limits laid down are approved on a weekly basis by any of the above delegatees. As per Rule 6(2)(a) of the Companies (Share Capital and Debentures) Rules, 2014 the duplicate share certificate is to be issued in lieu of those lost or destroyed, only with the prior consent of the Board or Committee thereof. Duplicate share certificates are therefore issued with the prior approval of the Committee.

Name and designation of Compliance Officer

Mr. Sanjive Arora

Company Secretary

Shareholders Complaints

No. of shareholders' complaints received during the year: 56

No. of complaints not resolved to the satisfaction of shareholders: Nil

No. of pending complaints: Nil

(d) Corporate Social Responsibility (CSR) Committee

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 135 of the Companies Act, 2013.

During the year under review, the Committee met once on 5th February, 2019.

Composition of Corporate Responsibility Committee and the details of attendance of each member at the CSR Committee Meetings are as follows:

Name of the Member	Category	No. Meetings attended
Mr. Ness N. Wadia, Chairman	Non-Executive Non-Independent Director	1
Mr. S. M. Palia (upto 7th August, 2018)	Non-Executive Independent Director	0
Mr. S. S. Kelkar (upto 7th August, 2018)	Non-Executive Non Independent Director	0
Dr. (Mrs.) Minnie Bodhanwala	Non-Executive Non-Independent Director	1
Mr. V. K. Jairath (w.e.f. 13th November, 2018)	Non-Executive Non-Independent Director	1

The CSR Committee:

(i) reviews the existing CSR Policy from time to time and the activities to be undertaken by the Company towards CSR activities;

(ii) recommends the project/programme to be undertaken, amount of expenditure to be incurred, roles and responsibilities of various stakeholders, etc. in respect of CSR activities; and

(iii) monitors for ensuring implementation of the projects/programmes undertaken or the end use of the amount spent by the Company towards CSR activities.

Report on CSR activities has been provided as Annexure - G to the Directors' Report.

(e) Independent Directors' Meeting

During the year under review, the Independent Directors met on 5th February, 2019, inter alia, to discuss:

· Evaluation of the performance of the Board as a whole;

· Evaluation of performance of the Non-Independent Non-Executive Directors and Chairman of the Board.

· To assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting, except Mr. S. Ragothaman.

(f) Strategic Committee

Strategic Committee was formed to deliberate and take all strategic decisions for the Company.

During the year under review, the Committee met 7 times on 7th May, 2018, 19th June, 2018, 1st August, 2018, 11th October, 2018, 9th November, 2018, 18th December, 2018 and 29th January, 2019.

Composition of Strategic Committee and details of attendance of each member at the Strategic Committee Meetings are as follows:

Name of the Member	Category	No. Meetings attended
Mr. Nusli N. Wadia, Chairman	Non-Executive Non-Independent Director	7
Mr. A. K. Hirjee	Non-Executive Independent Director	5
Mr. V. K. Jairath	Non-Executive Independent Director	7

The Managing Director attends the Strategic Committee Meetings as a permanent invitee.

(g) Risk Management Committee

In compliance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which is effective from 1st April, 2019, the Board has constituted Risk Management Committee at its Meeting held on 13th November, 2018. During the year under review, the Committee met once on 4th February, 2019, all the members were present at the meeting.

Composition of Risk Management Committee and details of attendance of each member at the Committee Meeting are as follows:

Name of the Member	Category	No. Meetings attended
Mr. V. K. Jairath, Chairman	Non-Executive Independent Director	1
Mr. Keki M. Elavia	Non-Executive Independent Director	1
Mr. Jehangir N. Wadia	Managing Director	1
Mr. Vishnu Peruvemba*	Chief Financial Officer	1

*Resigned, however will continue in his current position as Chief Financial Officer and Key Managerial Personnel till 31st August, 2019.

4. GENERAL BODY MEETINGS

(a) Location and time where last three AGMs and National Company Law Tribunal (NCLT) Convened Meeting were held.

Annual General Meetings:

Date & Time	Location	Special Resolutions Passed
7th August, 2018 at 3.45 p.m.	Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021	(i) Approval for continuation of holding office of Non- Executive Director of the Company, by Mr. Nusli N. Wadia (DIN: 00015731) under Regulation 17(1A) of the SEBI (LODR) Regulations, 2015. (ii) Approval for continuation of holding office of Non- Executive Director of the Company, by Mr. R. A. Shah (DIN- 00009851) under Regulation 17(1A) of the SEBI (LODR) Regulations, 2015. (iii) Approval for continuation of holding office of Non- Executive Director of the Company, by Mr. A. K. Hirjee (DIN: 00044765) under Regulation 17(1A) of the SEBI (LODR) Regulations, 2015. (iv) Approval for revision in remuneration payable to Mr. Jehangir N Wadia (DIN: 00088831), Managing Director.
10th August, 2017 at 3.45 p.m.	Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021	Nil

Date & Time	Location	Special Resolutions Passed
10th August, 2016 at 3.45 p.m.	Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021	(i) Re-appointment of Mr. Jehangir N. Wadia (DIN: 00088831) as the Managing Director of the Company for 5 years and remuneration payable to him. (ii) Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing upto ₹ 3,000 crore. (iii) Resolution under Section 180(1)(a) of the Companies Act, 2013 for creating charges, mortgages and hypothecations in connection with the borrowing upto ₹ 3,000 crore.

NCLT Convened Meeting:

Date & Time	Location	Special Resolutions Passed
3rd January , 2019 at 11:00 AM	"Rangaswar" Hall, 4th Floor, Yashwantrao Chavan Center, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021	Approval of Scheme of Arrangement between Scal Services Limited and The Bombay Dyeing and Manufacturing Company Limited for demerger of Real Estate Business Undertaking of Scal Services Limited ("Demerged Company") vesting into The Bombay Dyeing and Manufacturing Company Limited ("Resulting Company")
27th March, 2017 at 11.30 a.m.	"Rangaswar" Hall, 4th Floor, Yashwantrao Chavan Center, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021	Resolution pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013, read with relevant Rules and SEBI Circulars and under relevant provisions of applicable law for approval of the Scheme of Amalgamation between Archway Investment Company Ltd. with The Bombay Dyeing & Mfg. Co. Ltd. and their respective shareholders.

(b) Whether any Special Resolutions were passed last year through postal ballot:

Last year the following resolution was passed through postal ballot:

Date of passing of Resolution	Purpose	Votes in favour of the Resolution		Votes against the Resolution	
		No of Votes	% to total votes	No of Votes	% to total votes
11th May, 2017	Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing upto ₹ 4,500 crore.	10,91,23,688	96.88	35,15,699	3.12
11th May, 2017	Resolution under Section 180(1)(a) of the Companies Act, 2013 for creating charges, mortgages and hypothecations in connection with the borrowing upto ₹ 4,500 crore.	10,91,20,693	96.88	35,15,699	3.12

5. MEANS OF COMMUNICATION:

(i) Financial Results:

Company submits quarterly and year-to-date financial results to the stock exchanges within forty-five days of end of each quarter, other than the last quarter. Company submits annual audited financial results for the financial year, within sixty days from the end of the financial year along with the audit report.

(ii) Newspapers wherein Financial Results normally published:

Financial Express (all editions) & Mumbai Lakshadeep (Mumbai).

(iii) Any Website where displayed:

www.bombaydyeing.com

(iv) Whether Website also displays official news releases:

Yes. Financial Results, shareholding pattern, notices and press releases, if any, are displayed on the website.

(v) Whether presentations made to institutional investors or to analysts:

No presentations were made to institutional investors or to analysts.

6. **GENERAL SHAREHOLDER INFORMATION**

(a) **AGM: Date, time and venue:**

Monday, 5th August, 2019, at 3.45 p.m. at the 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak Auditorium, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028

(b) **Financial Year:** 1st April to 31st March.

(c) **Book closure period:** Saturday, 27th July, 2019 to Monday, 5th August, 2019 both days inclusive.

(d) **Dividend payment date:** On or from 6th August, 2019.

(e) **Listing on Stock Exchanges:** Currently, the Company's securities are listed at:

1. BSE Limited, Mumbai.
2. National Stock Exchange of India Ltd. (NSE), Mumbai.

The Global Depository Receipts are listed at: Societe de la Bourse de Luxembourg.

Annual Listing Fees for the year 2019-20 have been paid to BSE Ltd. and National Stock Exchange of India Ltd.

Listing fee to the Societe de la Bourse de Luxembourg for listing of GDRs has been paid for the calendar year 2019.

(f) **Stock Code:**

BSE Ltd. (BSE): 500020

National Stock Exchange of India Ltd. (NSE): BOMDYEING

(g) **Stock Market Data:** Please see Annexure 1

(h) **Stock Performance:** Please see Annexure 2

(i) **Registrars and Transfer Agents ("R&TA")** - M/s. Karvy Fintech Private Limited (erstwhile known as Karvy Computershare Pvt. Ltd.) ("Karvy"):

M/s. Karvy Fintech Private Limited, Hyderabad, the Company's Registrar and Transfer Agent (R&TA) handle the entire share registry work, both physical and electronic. Accordingly, all documents, transfer deeds, demat requests and other communications in relation thereto including dividend should be addressed to the R&TA at its following offices:

1) **Corporate office:**

Karvy Fintech Private Limited

(Unit : Bombay Dyeing)

Karvy Selenium Tower B, Plot 31-32,Gachibowli,

Financial District, Nanakramguda, Hyderabad,

Telangana – 500 032, India

Telephone number: +91 40 6716 2222

Fax number: +91 40 2342 0814

E-mail: einward.ris@karvy.com

Website: www.karvyfintech.com

2) **Mumbai front office address where investor requests/complaints/queries are entertained:**

Karvy Fintech Private Limited

(Unit : Bombay Dyeing)

24-B ,Raja Bahadur Mansion,

Ground Floor,

Ambalal Doshi Marg,

Behind BSE , Fort.

Mumbai 400 001.

Tel: 022 6623 5454/412/427

(j) **Share Transfer Details:**

Share transfers in physical form are registered within a period of 15 days from the date of receipt in case documents are complete in all respects. The number of shares transferred/transmitted during the year is as under:

Category	No. of Applications	No. of Shares
Transfers	314	66,000
Transmissions	48	45,540
TOTAL	**362**	**1,11,540**

(k) **Dematerialisation of shares and liquidity:**

98.54% of the outstanding Equity Shares have been dematerialised up to 31st March, 2019. All shares held by Promoters/Promoter Group Companies have been dematerialised. Trading in Equity Shares of the Company on the stock exchanges is permitted only in dematerialised form effective from 29th November, 1999, as per Notification issued by the Securities & Exchange Board of India (SEBI).

(l) **Secretarial Audit:**

M/s Parikh & Associates, Practicing Company Secretaries, have carried out the Secretarial Audit of the Company for the Financial Year 2018-19 and as per the provisions of Section 204 of the Companies Act, 2013 a Secretarial Audit Report in the prescribed format given by M/s. Parikh & Associates is attached as Annexure F to the Director's Report.

Regulation 24 A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular no. CIR/CFD/CMD 1/27/2019 mandated all listed entities to obtain annual secretarial compliance Reports on compliance with SEBI Regulations and circulars / guidelines issued thereunder from a company secretary in practice.

Accordingly, the Company has obtained and filed with stock exchanges a Secretarial compliance Audit Report for FY 2018-19 from Parikh & Associates, Practicing Company Secretaries.

(m) Share Capital Audit:

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practising Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), shares held physically as per the register of members and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, NSDL and CDSL and is also placed before the Board of Directors.

(n) Outstanding GDRs/Warrants, Convertible Bonds, conversion date and likely impact on equity:

(i) 27,79,425 (1.35%) GDRs were outstanding as at 31st March, 2019, each GDR representing one underlying equity share of ₹ 2/- each.

(ii) 928 (2017-18: 928) Warrants as part of the rights entitlement kept in abeyance out of the rights issue of non-convertible debentures (NCDs)/secured premium notes (SPNs) with two detachable warrants attached to each NCD/SPN entitling the warrant-holder to apply for and be allotted five equity shares of the Company for each warrant at a price of ₹ 12 per share. Likely impact on full conversion will be ₹ 0.09 lakh on share capital and ₹ 0.46 lakh on share premium.

(O) Commodity price risk or foreign exchange risk and hedging activities:

The Company has robust mechanisms to manage commodity price risk and foreign risk through strategic forward contracts.

(p) Shareholding:

(i) Distribution of Shareholding as on 31st March, 2019:

Category (Shares)	No. of shareholders	% to total shareholders	No. of Shares	% To Equity capital
1 - 50	41661	37.68	1003810	0.49
51 - 100	18413	16.66	1649977	0.80
101 - 250	21613	19.55	4036647	1.95
251 - 500	13834	12.51	5624137	2.72
501 - 1000	7351	6.65	5889925	2.85
1001 - 5000	6100	5.52	13517178	6.54
5001 & Above	1582	1.43	174813226	84.64
TOTAL:	**110554**	**100.00**	**206534900**	**100.00**

(ii) Shareholding Pattern as on 31st March, 2019:

	No. of Shares	% To Equity capital
Promoter Group	10,81,22,618	52.35
Insurance Companies	76,65,349	3.71
Nationalised Banks	1,68,695	0.08
Mutual Funds	7,440	0.00
FIIs	32,10,718	1.55
GDR Holders	27,79,425	1.35
Others	8,45,80,655	40.96
Total	**20,65,34,900**	**100.00**

(q) During the financial year 2018-19, the Company has transferred ₹ 13,22,959 to Investor Education and Protection Fund in accordance with the provisions of Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

(r) The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 ('IEPF Rules 2016'). Further, the MCA had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) (Amendment) Rules, 2017 on 28th February, 2017 ('IEPF Rules 2017').

The Rules, contain provisions for transfer of all those shares in respect of which dividend has not been encashed or claimed by shareholders for seven consecutive years or more in the account of the Investor Education and Protection Fund (IEPF) Authority.

In terms of the said Rules, the Company has already transferred to the IEPF Authority following shares in respect of which dividend has not been encashed or claimed by shareholders for seven consecutive years or more:

Financial year	Number of shareholders	Number of shares
2017-18	4,243	7,91,907
2018-19	483	99,462

(s) Plant Location:

PSF Plant
A/1, M.I.D.C. Industrial Area
P.O. Patalganga, Dist.Raigad,
Maharashtra - 410220 (India)
T.: (+912192)258301
F: (+912192)250263

(t) Address for correspondence:

For share transfer/dematerialisation of shares/payment of dividend/other queries relating to shares:

Contact M/s. Karvy Fintech Private Limited at the addresses printed in Sr. No. 6(i) above.

For any queries on Annual Report or investors' assistance:

The Company Secretary OR

The Dy. General Manager (Secretarial),
at C-1, Wadia International Center (Bombay Dyeing),
Pandurang Budhkar Marg, Worli, Mumbai-400 025.
Tel: (91) (22) 66620000 Fax: (91) (22) 66620069.

Note: As required in terms of Regulation 13 of SEBI (Listing Obligations and Disclosures) Regulations, 2015, the Company has designated an e-mail ID exclusively for the purpose of registering complaints by investors. The e-mail ID is: grievance_redressal_cell@bombaydyeing.com

(u) Credit Rating

Brickwork Ratings India Pvt. Ltd has assigned and upgraded the ratings of bank loan facilities and fixed deposit instrument of the Company as follows:

Facility	Tenure	Previous Ratings	Current Ratings
Fund Based Term Loan Cash Credit	Long Term	BWR BBB+ (Pronounced as BWR Triple B Plus) Outlook: Stable	BWR A (Pronounced as BWR A) Outlook: Stable Assign/Upgrade
Non Fund Based Letter of Credit/ Bank Guarantee	Short Term	BWR A3+ (Pronounced as BWR A Three Plus)	BWR A2+ (Pronounced as BWR A Two Plus) Assign/Upgrade
Non Fund Based Fixed Deposit	Long Term	BWR FBBB+ (Pronounced as BWR F Triple B Plus) Outlook: Stable	BWR FA (Pronounced as BWR FA) Outlook: Stable Upgrade

(v) Green Initiative:

By virtue of Ministry of Corporate Affairs ("MCA") Circular Nos. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively, read with Rule 11 of the Companies (Accounts) Rules, 2014, service of documents may be made to members through electronic mode.

We therefore appeal to the members to be a part of the said 'Green Initiative' and request the members to register their name in getting the said documents in electronic mode by sending an email giving their Registered Folio Number and/or DP Id/Client ID at einward@karvy.com.

Those members who want the above documents in physical form, must indicate their option by sending a letter or an email to the Registrar's address or at the e-mail ID einward@karvy.com giving their Registered Folio Number and/or DP Id/Client ID.

(w) Corporate Identity Number (CIN):

CIN of the Company as allotted by the Ministry of Corporate Affairs, Government of India is L17120MH1879PLC000037.

(x) Information flow to the Board Members:

As required under Regulation 17(7), Part A of Schedule II of SEBI (LODR) 2015, information is provided to the Board members for their information, review, inputs and approval from time to time.

7. **OTHER DISCLOSURES**

(a) Related Party Transactions

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by applicable Accounting Standards (IND AS 24) has been made in the notes to the Financial Statements.

As required under Regulation 23(1) of SEBI (Listing Obligations and Disclosures) Regulations, 2015, the Company has formulated a policy on Related Party Transactions which has been put up on the website of the Company: http://www.bombaydyeing.com/pdfs/corporate/corporatepdf11.pdf

(b) Details of non-compliance

No penalty and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority nor has there been any instance of non – compliance with any legal requirements on any matter related to capital markets, during the last three years.

(c) Whistle Blower policy / Vigil Mechanism

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has implemented a Whistle Blower Policy, with a view to provide a mechanism for employees and Directors of the Company to approach the Ethics Committee or Chairman of the Audit Committee of the Company to report instances of violations of laws, rules and regulations, unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The vigil mechanism also provides adequate safeguards against victimisation of persons who use such mechanisms and also to ensure direct access to the Ethics Committee or Chairman of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee, if he/she wished to lodge a complaint under the Whistle Blower Policy.

In compliance with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, ("Amendment Regulations") Company has amended its Whistle-Blower Policy to enable employees to report instances of leak of unpublished price sensitive information.

As required under Listing Regulations Whistle Blower Policy is available on the Company's website at http://www.bombaydyeing.com/pdfs/corporate/Whistle_Blower_Policy.pdf

The Company had not received any complaint under the Whistle Blower Policy during the financial year 2018-19.

(d) Risk Management

The Company has adopted a Risk Assessment & Management Policy, which is also available at Company's website under the weblink: http://www.bombaydyeing.com/pdfs/corporate/corporatepdf10.pdf

(e) CEO/CFO Certification

Mr. Jehangir N. Wadia, Managing Director and Mr. Vishnu Peruvemba, Chief Financial Officer, have certified to the Board in accordance with Regulation 17(8) of SEBI (Listing Obligations and Disclosures) Regulations, 2015, pertaining to CEO/CFO certification for the financial year ended 31st March, 2019.

(f) Code of Conduct

The Board of Directors has adopted the Code of Ethics and Business Principles for Non-Executive Directors as also for the employees including Whole-Time Directors and other members of Senior Management. All members of the Board and senior management personnel have affirmed compliance with the Code. The said Code has been communicated to all the Directors and members of the Senior Management. The Code has also been posted on the Company's website: http://www.bombaydyeing.com/pdfs/corporate/corporatepdf01.pdf

(g) Prevention of Insider Trading Code

The Company has adopted a Code of Conduct to regulate, monitor and report trading by Designated Persons and code of practices and procedures for fair disclosures of unpublished price sensitive information ("Code") in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 and any statutory amendment (s)/ modification(s) thereof.

In compliance with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, ("Amendment Regulations"), Company has amended the Code.

The Code is applicable to Directors, Employees, Designated Persons and other Connected Persons of the Company.

(h) Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder and same is posted on the website of the Company and can be accessed at http://www.bombaydyeing.com/pdfs/corporate/corporatepdf08.pdf

No complaint under above said policy has been received during the financial year 2018-19.

(i) **Certificate from Practicing Company secretaries**

A certificate from Parikh and Associates, Practicing Company secretaries in practice has been obtained that none of the directors on the Board of the Company for financial year ending on 31st March, 2019, have 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 other statutory authority.

(j) **Fees paid to Statutory Auditors**

Company has paid fees of ₹ 1.19 Cr to Statutory Auditors for all services.

8. **COMPLIANCE WITH MANDATORY REQUIREMENTS**

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the SEBI (LODR) Regulations, 2015.

9. **NON-MANDATORY REQUIREMENTS**

(a) **Office of the Chairman of the Board**

The Company defrays the secretarial and travel expenses of the Chairman's Office.

(b) **Shareholder rights – furnishing of half yearly results**

The Company's half yearly results are published in the newspapers and also posted on its website and are, therefore, not sent to the shareholders. However, the Company furnishes the quarterly and half yearly results on receipt of a request from the shareholders.

(c) **Unqualified Financial Statements**

There are no qualifications in the Auditor's Report on the accounts for the year 2018-19.

(d) **Separate posts of Chairman and Managing Director**

As on date, the positions of Chairman and the Managing Director are separate.

(e) **Reporting of Internal Auditor**

The Internal Auditor of the Company directly reports to the Audit Committee.

Mumbai, 27th June, 2019.

DECLARATION

As required under SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, this is to confirm that all the Members of the Board and the Senior Management Personnel have affirmed compliance with the "Wadia Code of Ethics and Business Principles" (Code of Conduct) for the year ended 31st March, 2019.

For The Bombay Dyeing & Mfg. Co. Ltd.

Jehangir N. Wadia
Managing Director

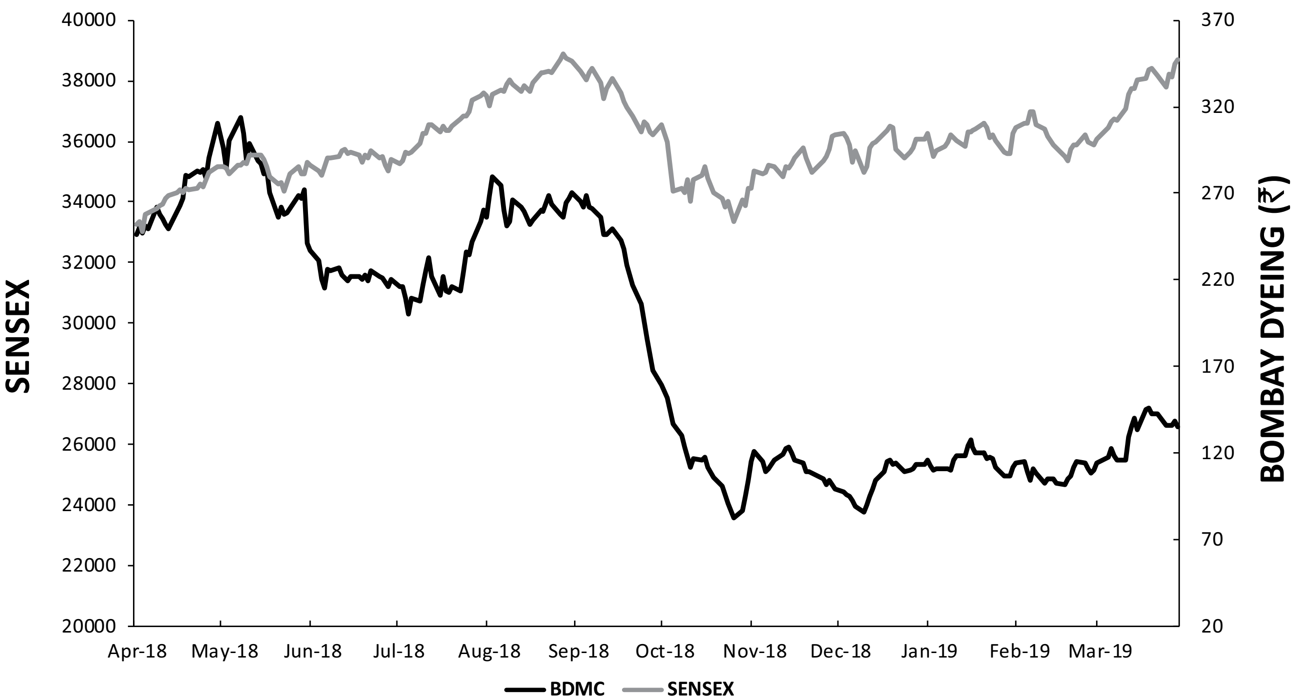
Mumbai, 27th June, 2019.

ANNEXURE -1

STOCK MARKET DATA

	Month's High Price (₹)		Month's Low Price (₹)		No. of shares Traded		No. of Trades		Turnover (₹ in Crores)	
	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
Apr-18	316.30	316.55	240.00	241.10	1,28,17,500	8,09,52,288	1,12,248	6,37,812	348.29	2210.76
May-18	321.60	321.90	225.00	224.60	1,51,24,930	8,55,30,733	1,41,930	7,67,869	432.68	2473.03
Jun-18	246.00	245.90	209.00	209.20	67,97,078	3,60,84,603	55,040	2,90,539	151.47	810.45
Jul-18	263.00	263.75	191.00	191.55	15,84,411	82,52,579	14,265	57,059	34.87	181.84
Aug-18	284.00	285.00	242.10	242.00	11,90,613	81,75,528	13,879	55,366	31.41	215.36
Sep-18	274.00	274.40	168.10	167.75	6,96,752	39,47,620	6,201	29,321	17.19	97.72
Oct-18	159.70	159.40	82.35	82.35	43,27,528	2,04,44,673	16,996	46,893	47.51	224.9
Nov-18	128.70	128.25	98.00	98.25	1,04,10,172	4,27,60,441	83,776	2,72,447	121.81	495.51
Dec-18	120.85	120.65	83.55	83.20	63,10,234	2,31,48,630	53,013	1,63,694	68.21	247.99
Jan-19	130.55	130.70	103.00	103.60	53,33,906	2,14,44,140	45,809	1,69,037	63.05	253.03
Feb-19	119.00	119.45	97.80	97.70	40,34,515	1,81,71,170	46,289	1,63,140	44.52	200.78
Mar-19	149.40	149.30	111.45	111.00	1,21,95,326	5,54,35,829	1,18,072	4,16,670	164.17	750.25

ANNEXURE 2



INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

The Bombay Dyeing and Manufacturing Company Limited

1. We, M/s Bansi S. Mehta & Co, Chartered Accountants, the Statutory Auditors of The Bombay Dyeing and Manufacturing Company Limited ("the Company"), have examined the compliance of conditions of Corporate Governance, for the year ended March 31, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management, including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("the ICAI"), the standard on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for special purpose issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of relevant records and according to the information and explanations provided to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the listing Regulations during the year ended March 31, 2019.

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

Restricted on use

9. The Certificate is issued solely for the purposes of complying with the aforesaid regulations 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 Certificate for events and circumstances occurring after the date of this Certificate.

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 036148

Place : Mumbai
Mumbai: May 2, 2019

ANNEXURE D to Directors' Report
BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, the Directors present the "Business Responsibility Report" (BRR) of the Company for FY 2018-19.

The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of the 9 Principles.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L17120MH1879PLC000037
2. Name of the Company: The Bombay Dyeing And Manufacturing Company Limited
3. Registered Office Address: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.
4. Website : www.bombaydyeing.com
5. E-mail Id : grievance_redressal_cell@bombaydyeing.com
6. Financial Year reported : 2018-19
7. Sector(s) that the Company is engaged :

   Real Estate activities – NIC Code: 6810

   Polyester Staple Fibre – NIC Code: 20302

   Retail Home Textiles – NIC Code: 4751
8. List three key products/services that the Company manufactures/provides (as in balance sheet): Real Estate, Polyester Staple Fibre & Retail Home Textiles.
9. Total number of locations where business activity is undertaken by the Company:
   (a) Number of International Locations: None.
   (b) Number of National Locations: Real Estate Business is concentrated at a single location i.e. Mumbai, the Retail Home Textiles Business of the Company is spread across the Country. The Polyester Staple Fibre is manufactured at its plant at Patalganga, Dist. Raigad, Maharashtra. Details of Plant Locations of the Company are provided under the head 'General Shareholders Information' in the Corporate Governance Report.
10. Markets served by the Company: Bombay Dyeing textile products have national presence and are also exported to other countries.

SECTION B: FINANCIAL DETAILS OF THE COMPANY (Standalone)

1. Paid up Capital (INR): ₹ 41.31 Crore
2. Total Turnover (INR) : ₹ 4469.98 Crore
3. Total Profit After Taxes (INR): ₹ 1229.98 Crore
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 2% of average net profit of last 3 financial years i.e., for the current financial year 2018-19, as the average profit for the last three years is negative, the Company decided not to spend any amount on CSR.
5. List of activities in which expenditure in 4 above has been incurred: N/A

SECTION C: OTHER DETAILS

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

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

   No.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company?**

   No

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

   (a) Details of the Director responsible for implementation of the BR policy/policies:

Sr. No.	Particulars	Details
1	DIN Number	00088831
2	Name	Mr. Jehangir N. Wadia
3	Designation	Managing Director

   (b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	N/A
2	Name	Mr. Vishnu Peruvemba
3	Designation	Chief Financial Officer
4	Telephone number	022 - 66620000
5	E-mail Id	grievance_redressal_cell@bombaydyeing.com

2. **Principle-wise (as per NVGs) BR Policy/Policies**

(a) Details of compliance - Reply in Yes (Y)/ No (N)

Sr. No.	Questions	Principles (as defined under Section E)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for the Principles	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Yes								
3	Does the policy conform to any National/ International standards?	Policies are prepared ensuring adherence to applicable laws and in line with international standards such as ISO, GRI, ILO.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Policies mandated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are approved by the Board and other applicable policies are approved by the Managing Director or Functional Heads of the Company as appropriate.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Company has Ethics Committee, Audit Committee, Stakeholders Relationship Committee, CSR Committee, Risk Management Committee and also adequate internal control systems to oversee the implementation of policies.								
6	Indicate the link for the policy to be viewed online?	The links to view the public policies online are given herein below*.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, wherever appropriate.								
8	Does the Company have in-house structure to implement the policy/ policies.	Yes								
9	Does the Company have a grievance Redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, wherever appropriate.								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes, wherever appropriate.								

*Links to Company's Policies:

➢ Code of Business Conduct for employees - http://www.bombaydyeing.com/media/bd/corporate/corporatepdf12.pdf and http://www.bombaydyeing.com/media/bd/corporate/corporatepdf01.pdf

➢ CSR Policy - http://www.bombaydyeing.com/media/bd/corporate/corporatepdf06.pdf

➢ Whistle Blower Policy - http://www.bombaydyeing.com/media/bd/corporate/Whistle_Blower_Policy.pdf

➢ Policy for prevention of sexual harassment - http://www.bombaydyeing.com/pdfs/corporate/corporatepdf08.pdf

(b) If answer to the question at serial number 1 against any principle is 'No', please explain why: Not Applicable

3. **Governance related to BR**

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

Annually

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

The Company started publishing the BR report for the first time since the previous year ended on March 31, 2018 and can be accessed at https://bombaydyeing.com/financial_updates.html in Annual Reports.

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

The Company has defined the Code of Conduct for its Directors and employees that cover issues related to ethics, workplace responsibilities and conflict of interest. It also covers all dealings with suppliers, customers and other business associates.

Further, the Company has adopted a Whistle Blower Policy to provide a mechanism for employees and Directors of the Company to approach the Ethics Committee or Chairman of the Audit Committee of the Company for reporting unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct. In compliance with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, Company has amended its Whistle Blower Policy to enable employees to report instances of leak of unpublished price sensitive information.

The Company has also in place Anti-Sexual Harassment Policy to maintain a work environment free from any form of conduct which can be considered as harassing, coercive or disruptive.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

During the year, no complaint was received from any stakeholder under the Code of Conduct.

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

The Company is into Real Estate Business, manufacture of Polyester Staple Fibre and Retail-Textiles. Our robust commitment to ensure compliance with relevant standards of health and safety commences at the design stage, wherein appropriate health and safety elements across manufacturing/construction activities, delivery and consumption are identified and evaluated. Environment, health and safety continue to be key focus areas and the Company strives to reduce its environmental impact through various initiatives in the field of Energy Efficiency and Conservation.

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

As an environmentally conscious Company, the Company continues to innovate and use efficient technologies to bring down our strain on ecology.

For example- the Retail-Textile Division we have phased out polybags in our company-owned stores, and also encouraging our retail partners to do the same.

PSF Division has incorporated following initiatives:

- Provision of air curtain in Coal fired Boiler to reduce air pollution.
- Phasing out diesel forklifts into battery forklifts.
- Effluent Treatment Plant (ETP) up gradation to reduce water intake & discharge.
- Ensuring energy efficient operations.
- Increase in Rain water harvesting capacity.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional).**

Details of conservation of energy are given in Annexure-A of the Directors' Report.

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

The Company strives to integrate social, ethical and environmental factors across the entire supply chain.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

Retail -Textile Division sources most of the raw materials from areas near by factories and works with vendors extensively to improve capacities and capabilities. Preference is also given to micro, small and medium enterprises (MSMED) for business opportunity and upliftment of lower middle class.

In PSF Division, major part of the spares & consumables are procured from local suppliers. The Company also extensively works with local suppliers to develop vendors' capabilities for import substitutions on an ongoing basis.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)?**

The company has launched digital printed bed sheets to minimize wastage of water and harmful chemicals, a step towards clean environment.

The Company has a mechanism to recycle products and waste. Waste heat and waste water generated during the production process is recycled within the plant. Product waste and scrap, generated is relatively low and is fully recycled either inhouse or through recycle industry.

Principle 3: Businesses should promote the wellbeing of all employees

Bombay Dyeing, as a Company ensures its development & growth by investing in the satisfaction and well being of its employees. The Company takes seriously its responsibility to provide a safe working environment and recognize that employees are more productive when they are healthy, feel good & work safely, and the Company's wellness programs raise awareness of health issues by encouraging its employees to adopt a healthy lifestyle. The Company also tailors its safety programs to minimize hazards at workplace.

1. Total number of employees : 639
2. Total number of employees hired on temporary/contractual/ casual basis : 150
3. Number of permanent women employees : 58
4. Number of permanent employees with disabilities : 1
5. Do you have an employee association that is recognized by management: Yes in PSF Plant.
6. What percentage of your permanent employees is members of this recognized employee association?

   100% of PSF Plant workers.
7. 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: Nil
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
   a. Permanent Employees : 100%
   b. Permanent Women Employees : 100%
   c. Casual/Temporary/Contractual Employees : 100%
   d. Employees with Disabilities : 100%

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

The Company aims to meet the expectations of its stakeholders that include shareholders, consumers, employees, suppliers and various service providers. The Company understands the needs of its stakeholders and develops action plans to fulfill them while achieving its business goals.

The Company also has in place investor grievance redressal system, consumer complaint redressal system and various other committees to protect the interest of all the stakeholders. It discloses all the relevant information about its products, business, financial performance and other statutory information on the website of the Company to ensure effective stakeholders engagement.

1. **Has the Company mapped its internal and external stakeholders?**

   Yes. The Company has mapped its internal and external stakeholders.
2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   The Company is committed towards proactively engaging with all the employees, business associates, customers and communities who may be disadvantaged, vulnerable and marginalized.
3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders.**

   The Company and the Wadia Group as a whole think beyond business and undertakes various initiatives to improve the lives of the lower socio- economic sections of the society and also through Wadia Group Children and Maternity Hospitals and Wadia Trusts which mostly caters to the lowest strata of the Society.

Principle 5: Businesses should respect and promote human rights

The Company firmly believes in upholding and promoting human rights. Human Rights are protected under Code of Business Conduct, Whistle Blower Policy, Anti - Sexual Harassment Policy, Labour and Employee Welfare Policies.

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

   Code of Business Conduct extends not only to employees of the Company but also others who work with, or represent the Company directly or indirectly. The Company's Anti-Sexual Harassment Policy is applicable to all the employees including contractual and also covers trainees, consultants, contractors and vendors.
2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   During the financial year 2018-19, the Company did not receive any complaint with regard to violation of human rights.

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

The Company understands its responsibility towards environment and has taken various initiatives to reduce its environmental impact. Energy conservation and use of clean fuels continue to be a priority area of the Company. A focused energy program has been established with a view to carry out specific initiatives in the field of Energy Efficiency and Conservation.

During FY 2018-19, the Company has taken various initiatives for conservation of energy and reducing its environmental impact as given in Annexure A of the Directors' Report.

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs/others.**

The Company adheres to all statutory compliances with respect to environment, health and safety requirements.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Climate change, global warming and environmental degradation pose unique challenges as well as opportunities for the Company. The Company is continuously implementing process improvements to reduce emissions and wastes.

   The Company's passion to incorporate sustainability in design, has taken the extra efforts to get its property certified under the LEED certification programme by the U.S. Green Building Council. The Company has IGBC green building in gold rating for its Island City Centre Project at Dadar.

3. **Does the Company identify and assess potential environmental risks?**

   Sustainable development is at the core of the Company's operations which is also outlined in the Environment, Health and Safety Practices. The Company follows sound environmental management practices at its manufacturing unit to assess and address potential environmental risks.

   We understand that environmental risks may affect business operations and once pose potential threat. The Company has its own ways to identify and assess the potential environmental risks at the design stage itself.

4. **Does the Company have any project related to Clean Development Mechanism?**

   While the Company has so far not registered any project related to Clean Development Mechanism, it is continuously endeavouring to identify opportunities to contribute in this regard.

5. **Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   The Company strives to adopt process improvement measures and invest in efficient technologies to reduce its impact on the environment.

   The details of initiatives taken for conservation of energy are given in Annexure-A to the Directors' Report and the same is available on the website of the Company.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   As per the Company's monitoring and measurement, all applicable statutory requirements with respect to emissions/ waste are complied with.

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

   Nil

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

1. **Is your Company a member of any trade and chamber or association?**

   Yes, the Company is the member of associations like NAREDCO.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No**

   The Company prefers to be part of the broader policy development process and do not practice lobbying on any specific issue.

Principle 8: Businesses should support inclusive growth and equitable development

The Company supports the principle of inclusive growth and equitable development through its Corporate Social Responsibility initiatives and also through its core business. The Company acknowledges the impact of its activities on social and economic development and strives to create positive environment

1. **Does the Company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company executes its CSR initiatives through various programs/initiatives, the details of which are given in Annexure-G- CSR Report forming part of the Director's Report.

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

   The CSR committee of the Board of Directors undertake CSR projects, through recognised foundations.

3. **Have you done any impact assessment of your initiative?**

   Yes, the impact assessment is done by the implementing organisations.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   For the current financial year 2018-19, as the average profit for the last three years is negative, the Company need not spend any amount on CSR.

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

   Yes, the Company works towards ensuring successful implementation of community development initiatives through the implementing agencies, partner NGOs and like - minded organisations. The Company facilitates in supporting community members by community development management for disaster relief, making best efforts to complement and support the priorities at local and national levels, and assuring appropriate aid to communities who seek disaster relief.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The Company's commitment to provide high quality products to consumers have made it one of the most trusted and popular brands among Indian consumers.

In Retail –Textiles, the Company has been providing great value to its customers. To keep the customers satisfaction levels high, the Company not only maintains high quality standards but also has efficient customer redressal system.

Polyester division makes consistent efforts to offer differentiated, specialty and value added PSF products at most competitive prices, thus creating value for the customers. By this initiative, the Company has positioned itself as one of the most trusted, valuable and popular brands among its customers. The Company provides the necessary information of its products to promote consumer awareness & handle customer feedback on all products in rational manner and exercise due care in utilization of natural resources.

In Realty Division, the Company has been providing Quality, Value and Services to its customers and has been receiving appreciation from its customers in domestic and overseas markets. To ensure effective customer complaints redressal system, there is a dedicated Customer Technical Service Department to provide support to its valued customers. The Company provides the necessary information of its products to promote consumer awareness and handle customer feedback on all products in rational manner and exercise due care in utilization of natural resources.

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   In Retail-Textile the Company has solution ratio of 100% during the financial year ended 31st March, 2019.

   In PSF Division the Company has successfully resolved >98% of the complaints received during the financial year ended 31st March, 2019.

   In Bombay Realty there were 74 complaints out of which 23 cases have been resolved and 51 are yet to be resolved as on 31st March, 2019.

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

   The Company displays sufficient information on the textile product label/ shew. Over and above the mandatory and legal information the Company also provides wash care tips which varies from product to product.

   PSF Division products being industrial products does not require any mandated display of product information. Nevertheless, all basic product information is displayed on the product label.

   In Real Estate it is not applicable. However, project informations are available in MahaRera website.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year.**

   As on 31st March 2019, there are no cases pending under Competition Act.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   As a process, Company stores collect customer feedback on regular basis. Reports of the same are shared with the stakeholders for necessary action to improve the products/ services.

   In PSF Division, as part of the customer complaint handling process, the Company carries out customer satisfaction survey by the Customer Technical Service team on monthly basis against certain defined attributes. Results are shared with the stakeholders for necessary action to improve the process.

   In Realty Division, Customer satisfaction is main goal which enables the Company to better its product and improve its customer experience. The Company collects feedback from its customers who visit the sales office.

ANNEXURE E to Directors' Report

DETAILS OF THE REMUNERATION OF DIRECTORS, KMPs AND EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2018-19 (₹ in crore)	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Nusli N. Wadia, Chairman	1.09	55.71	15.35
2	Mr. Jehangir N. Wadia, Managing Director	8.13	19.38	114.46
3	Mr. Ness N. Wadia, Promoter and Non-Executive Director	0.08	14.29	1.13
4	Mr. R. A. Shah, Non-Executive and Independent, Director	0.23	(4.17)	3.24
5	Mr. S. S. Kelkar,Non-Executive and Independent Director (Retired as director w.e.f. 8th August, 2018)	0.12	*	1.69
6	Mr. S. Ragothaman, Non-Executive and Independent Director	0.18	(5.26)	2.54
7	Mr. A. K. Hirjee, Non-Executive and Independent Director	0.24	20.00	3.38
8	Mr. S. M. Palia, Non-Executive and Independent Director (Retired as director w.e.f. 8th August, 2018)	0.12	*	1.69
9	Mr. V.K. Jairath, Non-Executive and Independent Director	0.39	25.81	5.49
10	Dr. (Mrs.) Minnie Bodhanwala, Non-Executive Non -Independent Director	0.11	22.22	1.55
11	Mr. Keki M. Elavia, Non-Executive and Independent Director	0.23	#	3.24
12	Mr. Sunil S. Lalbhai Non-Executive and Independent Director (w.e.f. 05.02.2019)	0.00	*	0.00
13	Ms. Gauri Kisloskar Non-Executive and Independent Director (w.e.f. 05.02.2019)	0.00	*	0.00
14	Mr. Sanjive Arora, Company Secretary	0.46	12.20	6.41
15	Mr. Vishnu Peruvemba, CFO	0.56	#	7.87

Note: (i) * Details not given as they were Director/Employee only for part of the financial year 2018-19.

(ii) # Details not given as they were Director/Employee only for part of the financial year 2017-18.

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year:** The median remuneration of employees of the Company during the Financial Year was ₹ 0.071 crore and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.

2. **The percentage increase in the median remuneration of employees in the financial year:** In the Financial Year, there was an increase of 3.2% in the median remuneration of employees.

3. **The number of permanent employees on the rolls of company:** There were 639 number of permanent employees on the rolls of Company as on 31st March, 2019.

4. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Average percentage increase in the salaries of employees other than Managerial Personnel in FY 2018-19 on comparable basis was 8.5% over previous year whereas Managerial Remuneration was increased by 17.42%, mainly due to inclusion of Bonus paid to Managing Director and Commission paid to Non- Executive Directors in view of the efforts being put in by them to enhance the overall performance of the Company and for sustained efforts for future growth.

5. **Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

On Behalf of the Board of Directors

Nusli N. Wadia

Mumbai, 27th June, 2019 Chairman

ANNEXURE F to Directors' Report

FORM No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

(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,

The Bombay Dyeing and Manufacturing Company Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Bombay Dyeing and Manufacturing Company Limited (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, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, generally 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 made available to us and maintained by the Company for the financial year ended on 31st March, 2019 according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (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, 2015 and amendments from time to time;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)

   (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; (Not applicable to the Company during the audit period)

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company, namely:

   1. Contract Labour (R&A) Act, 1970 & Maharashtra Rules, 1971

   2. Inter State Migrant Workers (Regulation of Employment & Condition of Service) Act, 1979

   3. Air, Water & Environment (Prevention & Control of Pollution)Act, 1974

   4. Air (Prevention & Control of Pollution) Act, 1974

   5. Building & Other Construction Workers-BOCW (Regulation of Employment & Conditions of Service)Act, 1996 with Maharashtra Rules, 2007

   6. Labour Welfare Cess under Building & Other Construction Workers Welfare Cess Act, 1996, Cess Rules, 1998 with Maharashtra Govt. Latest Notification.

   7. Copyright Act, 1957 and the Rules thereunder

   8. Designs Act, 2000 and the Rules thereunder

   9. Legal Metrology Act, 2009 and Rules thereunder

We have also examined compliance with the applicable clauses of the following which have been generally complied:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except that the remuneration payable to Managing Director for the year 2016-17 is subject to the approval of the members in the general meeting.

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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

Decisions at the Board Meetings were taken unanimously.

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 etc.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:-

1) The Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated 21st February, 2019, has approved the Scheme of Arrangement between Scal Services Limited ("SCAL" or "Demerged Company") and The Bombay Dyeing Manufacturing Company Limited ("BDMCL" or "Resulting Company") and their respective shareholders ("Scheme") with effect from the Appointed Date of 01st July, 2018, pursuant to Section 230 and 232 and other applicable provisions of the Companies Act, 2013.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: May 02, 2019

P. N. Parikh
partner
FCS No: 327 CP No: 1228

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

The Bombay Dyeing and Manufacturing Company Limited

Our 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 process 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 process 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 procedure 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 Parikh & Associates
Company Secretaries

Place: Mumbai
Date: May 02, 2019

P. N. Parikh
partner
FCS No: 327 CP No: 1228

ANNEXURE G to Directors' Report

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Company has already constituted a Corporate Social Responsibility ("CSR") Committee, and has aligned its CSR Policy in accordance with the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 to make it compliant with the provisions of the Act and the Rules and to undertake the admissible CSR activities notified by the Ministry of Corporate Affairs in Schedule VII to the Act.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILTY ACTIVITES

As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

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

   The CSR Policy of the Company has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The Company undertakes CSR activities specified in Schedule VII to the Companies Act, 2013.

   The Company has contributed towards projects like restoration of hospitals for children, Community Development Management for Disaster Relief, donation of textile products to areas affected adversely due to natural calamities like floods, landslides, earthquake, etc. Please refer the Corporate Social Responsibility Policy on the Company's website: https://bombaydyeing.com/pdfs/corporate/corporatepdf06.pdf

2. **The Composition of the CSR Committee:**

   Mr. Ness N. Wadia (Chairman),

   Dr. (Mrs.) Minnie Bodhanwala

   Mr. Vinesh Kumar Jairath (w.e.f. 13.11.2018).

3. **Average Net Profit of the Company for last three financial years (2015-16, 2016-17 & 2017-18):** Negative i.e. ₹ (-) 24.24 crore.
4. **Prescribed CSR expenditure (two percent of the Amount as in item 3 above) (2018-2019)**: Nil.
5. **Details of CSR spend during the financial Year 2018-19:**

   (a) Total amount spent during the Financial Year 2018-19: Nil

   (b) Amount unspent, if any: Nil

   (c) Manner in which the Amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	**CSR Project or Activity identified**	**Sector in which the project is covered**	**Projects or programmes [1] Local area or other [2] Specify the state and district where projects or programmes were undertaken**	**Amount outlay (Budget) projects or programmes wise (₹)**	**Amount spent on the projects or programmes**		**Cumulative expenditure up to the reporting period (₹)**	**Amount spent: directly or through implementing agency (₹)**
					Direct expenditure on programme or projects (₹)	Overheads (₹)		
	NIL							

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

   For the current financial year 2018-19, as the average profit for the last three years is negative, the Company need not spend any amount on CSR.

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

For and on behalf of the
Corporate Social Responsibility Committee of
The Bombay Dyeing and Mfg. Co. Limited

Jehangir N. Wadia
Managing Director

Ness N. Wadia
Chairman,
Corporate Social Responsibility Committee

Place: Mumbai
Date: 27th June, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of The Bombay Dyeing and Manufacturing Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **The Bombay Dyeing and Manufacturing Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone 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 opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, for the year ended March 31, 2019 and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matters	**How was the matter addressed in our audit**
Revenue Recognition for Real Estate Development activity	
Effective April 1, 2018, the Company has adopted a new accounting standard, Ind AS 115 on "Revenue from Contracts with Customers" and applied the modified retrospective approach to contracts that are not completed as on that date and to not restate the comparative periods. This standard, interalia, could have the significant impact on the manner in which a company in real estate industry recognises its revenue. Under Ind AS 115, revenue is recognised over a period (as known as Percentage of Completion Method – POCM) or at a point in time (as known as Project Completion Method - PCM). To determine the revenue to be recognised under Ind AS 115 and the impact thereof, the management undertook assessment of its contracts with customers that were not completed and more particularly, for its ongoing Real Estate Development Project ("the ongoing project"). On assessment, the management considered that it would have to recognise the revenue at a point in time (PCM) and accordingly, reversed the revenue hitherto recognised under POCM as per Ind AS 18 on "Revenue" and Ind AS 11 on "Construction Contracts" with corresponding impact to Retained Earnings as per transitional provisions specified under Ind AS 115.	Assessed the Company's process to identify the impact of adoption of Ind AS 115, the new revenue accounting standard, among other types of revenue, that for its ongoing real estate project. Our audit procedures included, among others, the following: ▪ Evaluated the design of the internal controls relating to implementation of Ind AS 115; ▪ Evaluated the requirements of Ind AS 115 for the manner of recognising revenue; ▪ Evaluated the accounting policy of recognising revenue and that based on POCM which was hitherto followed; ▪ Evaluated its existing contracts with customers and the analysis performed by management for each contract by selecting samples for such contracts with customers; ▪ Based on the evaluation of contracts, assessed the appropriateness to adopt PCM as policy for revenue recognition for the ongoing project; ▪ Examined the process and related documents (like OC, possession letter) to determine the satisfaction of performance obligations of contracts under ongoing project during the year;

Key Audit Matters	How was the matter addressed in our audit
Revenue Recognition for Real Estate Development activity	
During the year, the Company received part Occupancy Certificate ("OC") for the ongoing project and accordingly, on satisfying performance obligations under contracts, the Company recognised revenue as per PCM, that is, at a point in time. For the part of the project for which Occupancy Certificate is yet to be received, the amount is carried as Work-in-progress. The application and transition to Ind AS 115 is complex and involve certain key judgements relating to appropriateness of the basis used to recognise revenue and more particularly, for its ongoing project and hence, the same is considered to be a key audit matter. [Refer Note "o" to significant accounting policy and Notes 11 and 34 to the standalone financial statements]	▪ Evaluated and examined the effect of adjustment, as at April 1, 2018 for reversal of revenue hitherto recognised in terms of transition requirement under Ind AS 115; also evaluated the appropriateness of disclosure for reversal of revenue; ▪ Evaluated the appropriateness and assessed the completeness of disclosures in accordance with the requirements of Ind AS 115.
Uncertain tax positions - Direct and Indirect Taxes	
The Company has uncertain tax matters pending litigations under direct tax and various indirect tax laws. The litigation involves significant judgement to determine the possible outcome based on which accounting treatment is given to the disputed amount. Given the magnitude of potential outflow of economic resources and uncertainty of potential outcome, uncertain tax positions are considered to be key audit matters. [Refer Notes 17, 29 and 41 to the standalone financial statements.]	Our audit procedures included, among others, the following: ▪ Obtained details of uncertain tax position and gained understanding thereof; ▪ Obtained details of tax assessments and also demands raised; ▪ Alongwith our internal tax experts, read and analysed relevant communication with the authorities; ▪ Evaluated advice obtained by the management from legal consultants on possible outcome of the litigation; ▪ Discussed with senior management and evaluated management's assumptions regarding provisions made or reflected as contingent liabilities; ▪ Assessed whether the disclosures for uncertain tax positions are in accordance with the requirements of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets".
Transferable Development Rights (TDR)/ Floor Space Index (FSI)	
During the year, on entering the agreement with Municipal Corporation of Greater Mumbai (MCGM) and Maharashtra Housing and Development Authority (MAHADA), the Company received entitlement of Transferable Development Rights (TDR) and Floor Space Index (FSI) in lieu of lands earmarked and handed over to MCGM and MHADA under the Integrated Development Scheme as per the provisions of DCR 58. Based on Valuation Reports of Registered Valuers, the value of entitlement of TDR and FSI so determined have been recognised as Revenue from Real Estate Development activity and reflected as inventories. Considering the materiality of the amounts as also the valuation of TDR/FSI involve significant judgements and assumptions and the accounting thereof, this matter is considered to be key audit matter. [Refer Notes 11 and 48 to the standalone financial statements]	Our audit procedures included, among others, the following: ▪ Evaluated the details of land surrendered to MCGM and MHADA respectively and corresponding entitlement by way TDR and FSI entitlement; ▪ Evaluated the management's review of valuations provided by external experts, that is, independent valuers; ▪ Assessed the competence of the independent valuers; ▪ Evaluated the valuation reports of external experts for the basis adopted for fair valuation of TDR and FSI, benchmarks used such as the Stamp Duty Ready Reckoner rate as also the assumptions applied for the valuation; ▪ Evaluated the accounting treatment of TDR/FSI whether the same is in compliance with the related Ind AS; ▪ Assessed whether the disclosures in relation to TDR/FSI are in accordance with the related Ind AS.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Standalone 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and 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 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 financial statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial statements of the current period 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.

Emphasis of Matter

The remuneration paid to the Managing Director for the year ended March 31, 2017 is in excess of the limit prescribed under Section 197 read with Schedule V of the Act by ₹ 4.29 Crore . The Company has received an approval from the Central Government dated June 21, 2017 for payment of remuneration amounting to ₹ 2.12 Crore only. Fresh application for the approval of the pending amount was made to the Central Government, however, the same stands abated pursuant to the provisions of the Companies (Amendment) Act, 2017, and the same shall be regularised by taking approval from the shareholders at the ensuing Annual General Meeting pursuant to the said provisions.

Other Matter

The Comparative financial information of the Company for the year ended March 31, 2018 included in these standalone financial statements, are based on the previously issued financial statements prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and audited by the predecessor auditor (vide their unmodified audit report on May 14, 2018).

Our opinion on the standalone financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. 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 Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows and notes to the Standalone Financial Statements dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;

   f. With respect to the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

   g. With respect to the matter to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act and is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

   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 financial statements – Refer Note 41 of the standalone financial statements ;

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act we enclose in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148

PLACE : Mumbai
DATED : May 2, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 (f) under the heading of "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report of even date on the Standalone Financial Statements for the year ended March 31, 2019.

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

We have audited the internal financial controls with reference to standalone financial statements of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that:

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of the 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

c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements .

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2019, based on the internal financial controls with reference to financial statements criteria established by the Company, considering the essential components of internal control stated in the Guidance Note.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148

PLACE : Mumbai
DATED : May 2, 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date on the Standalone Financial Statements for the year ended March 31, 2019.

Report on the Companies (Auditor's Report) Order, 2016, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of The Bombay Dyeing and Manufacturing Company Limited ("the Company"):

i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE"). The records of certain assets need to be assimilated to make identification possible.

b. PPE have been physically verified by the management according to a phased programme designed to cover all the PPE over a period of three years, which, in our opinion, provides for physical verification of all the items of PPE at reasonable intervals. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as included in Note 3 to the standalone financial statements, are held in the name of the Company.

ii. Inventories (excluding stocks lying with third parties) have been physically verified by the management during the year. In respect of inventories lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between physical stock and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.

iii. The Company has granted unsecured loans and an interest-free shareholders' deposit to its Subsidiary Company (Jointly Controlled entity upto July 18, 2018) covered in the register maintained under Section 189 of the Companies Act.

a. The terms and conditions of the grant of such loans are not prima facie prejudicial to the interest of the Company;

b. The principal amount of the loans and shareholders' deposit and interest thereon was not repaid as due, against which the adequate provision has been made. During the year, the principal amount of loan is converted into Equity Share Capital of the Subsidiary.

c. The loans and shareholder's deposit and interest aggregating to ₹ 54.29 Crore are overdue for more than ninety days.

iv. The Company has obtained a legal opinion that it can avail the exemption provided in Section 186 (11) of the Companies Act, 2013 and that by virtue of such exemption the provisions of Section 186 (2) of the Companies Act 2013 are not applicable to the Company. Based on the legal opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to grant of loans, investments made, guarantees given and securities provided.

v. In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by Reserve Bank of India and the provision of Sections 73 to 76, or any other relevant provisions of the Act and the Companies (Acceptance and Deposits) Rules, 2014, as amended, with regard to deposit accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government for maintenance of cost records under Section 148(1) of the Act, in respect of the products manufactured by the Company and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete.

vii. a. According to the information and explanations given to us, and on the basis of the books and records examined by us, the Company has been generally regular in depositing undisputed statutory dues, including dues pertaining to Provident Fund, Income-tax, Goods and Service Tax, Duty of Customs, Employees' State Insurance, Cess and other material statutory dues, as applicable, with the appropriate authorities in India. There are no arrears of outstanding statutory dues on the last day of the financial year, for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, as may be applicable, given herein below are the details of dues of Income-tax, Sales-tax, Duty of Customs and Duty of Excise, Value Added Tax which have not been deposited on account of disputes and the forum where the dispute is pending :

Sr. No.	Name of statute	Nature of the dues	Amount (₹ in Crores)	Period to which the Amount relates	Forum where dispute is pending
1	Sales Tax and Value Added Tax	Sales Tax	0.09	1999-2000	Deputy Commissioner Appeal- II
		MVAT	0.38	2009-10	Maharashtra Sales Tax Tribunal
		CST	1.80	2009-10	Maharashtra Sales Tax Tribunal
		CST	1.52	2009-10	Assistant Commissioner of Sales Tax, New Delhi
		CST	0.50	2012-13	Joint Commissioner of Sales Tax (Appeals), Mumbai
		CST	2.97	2012-13	Joint Commissioner of Sales Tax (Appeals), New Delhi
		CST	0.16	2013-14	Joint Commissioner of Sales Tax (Appeals), Kerala
		CST	1.56	2013-14	Joint Commissioner of Sales Tax (Appeals), Mumbai
		CST	4.41	2013-14	Assistant Commissioner of Sales Tax (Appeals), New Delhi
		CST	0.14	2014-15	Joint Commissioner of Sales Tax (Appeals), West Bengal
		CST	1.47	2014-15	Appeal to be filed with Assistant Commissioner of Sales Tax, New Delhi
		CST	2.07	2014-15	Assistant Commissioner of Sales Tax (Appeals), New Delhi
		VAT	4.12	2014-15	Assessing Authority, Haryana
2	The Income-tax Act, 1961	Income Tax	4.63	2011-12	Commissioner of Income Tax (Appeal)
		Income Tax	0.13	2012-13	Commissioner of Income Tax (Appeal)
		Income Tax	17.69	2013-14	Commissioner of Income Tax (Appeal)
		Income Tax	25.44	2014-15	Commissioner of Income Tax (Appeal)
3	The Customs Act, 1962	Interest on customs duty	0.95	1995-2012	Commissioner of Customs (Appeals), Mumbai
4	The Central Excise Act, 1944	Excise Duty	0.16	1989-90 to 1995-96	Commissioner of Central Excise (Appeals), Mumbai
		Excise Duty	0.62	1995-96 to 1996-97	Deputy Commissioner of Central Excise
		Excise Duty	0.03	1997-98	Deputy Commissioner of Central Excise
		Service Tax	0.76	2003-04 to 2005-06	Commissioner of Service Tax, Mumbai, Tribunal

viii. According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not defaulted in repayment of dues to financial institutions or banks. The Company has not taken any loan or borrowing from Government and has not issued any debenture during the year.

ix. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order in respect thereof is not applicable. Moneys raised by way of term loans were applied for the purposes for which those are raised.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year in the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration during the financial year 2018-19 in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

The remuneration paid to the Managing Director for the year ended March 31, 2017 is in excess of the limit prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by ₹ 4.29 Crore. The Company has received an approval from the Central Government dated June 21, 2017 for payment of remuneration amounting to ₹ 2.12 Crore only. Fresh application for the approval of the pending amount was made to the Central Government, however, the same stands abated pursuant to the provisions of the Companies (Amendment) Act, 2017, and the same shall be regularised by taking approval from the shareholders at the ensuing Annual General Meeting pursuant to the said provisions.

xii. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not made a preferential allotment or private placement of shares fully paid or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148

PLACE : Mumbai
DATED : May 2, 2019

BALANCE SHEET as at March 31, 2019

(₹ in Crores)

	NOTES	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current Assets			
a. Property, Plant and Equipment	3	523.75	552.17
b. Capital Work-in-progress	4	4.81	74.04
c. Investment Property	5	3.63	3.68
d. Intangible Assets	6	0.21	0.11
e. Financial Assets			
i. Investments	7	1,061.61	950.24
ii. Loans	8	0.05	0.13
iii. Others	9	38.22	42.26
f. Other Non-current Assets	10	73.18	72.12
Total Non-current Assets		**1,705.46**	**1,694.75**
Current Assets			
a. Inventories	11	2,200.52	409.00
b. Financial Assets			
i. Trade Receivables	12	1,092.22	212.36
ii. Cash and Cash Equivalents	13	32.53	14.15
iii. Bank Balances other than (ii) above	14	41.97	119.23
iv. Loans	15	0.61	1.86
v. Others	16	1.49	1,512.20
c. Current Tax Assets (Net)	17	61.80	63.10
d. Other Current Assets	18	41.28	119.93
Total Current Assets		**3,472.42**	**2,451.83**
TOTAL ASSETS		**5,177.88**	**4,146.58**
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	19	41.31	41.31
b. Other Equity	20	139.31	595.34
Total Equity		**180.62**	**636.65**
Liabilities			
Non-current Liabilities			
a. Financial Liabilities			
i. Borrowings	21	3,373.38	2,312.45
ii. Other Financial Liabilities	22	7.97	15.16
b. Provisions	23	17.77	16.22
Total Non-current Liabilities		**3,399.12**	**2,343.83**
Current Liabilities			
a. Financial Liabilities			
i. Borrowings	24	574.39	414.83
ii. Trade Payables	25		
A. total outstanding dues of micro enterprises and small enterprises		20.71	2.02
B. total outstanding dues of creditors other than micro enterprises and small enterprises		502.30	349.09
iii. Other Financial Liabilities	26	43.05	93.35
b. Other Current Liabilities	27	393.91	251.79
c. Provisions	28	57.03	46.77
d. Current Tax Liabilities (Net)	29	6.75	8.25
Total Current Liabilities		**1,598.14**	**1,166.10**
TOTAL EQUITY AND LIABILITIES		**5,177.88**	**4,146.58**
NOTES (Including Significant Accounting Policies) FORMING PART OF THE FINANCIAL STATEMENTS	1-60		

The accompanying Notes are an integral part of the Standalone Financial Statements

As per our attached report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia — *Chairman*
Jehangir N. Wadia — *Managing Director*

Suresh Khurana
Alokendra Banerjee
Ramesh Ranganathan
— *Chief Executive Officers*

Vishnu Peruvemba — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

R. A. Shah
S. Ragothaman
A. K. Hirjee
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S. Lalbhai
Gauri Kirloskar
— *Directors*

Mumbai, May 2, 2019

STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2019

(₹ in Crores)

		NOTES	Year Ended March 31, 2019	Year Ended March 31, 2018
	INCOME			
I	Revenue from Operations	30	4,429.76	2,692.75
II	Other Income	31	40.22	51.25
III	**Total Income (I + II)**		**4,469.98**	**2,744.00**
IV	**EXPENSES**			
	Cost of Materials Consumed	32	1,177.03	968.27
	Purchases of Stock-in-Trade	33	220.90	164.52
	Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	34	494.40	12.03
	Excise Duty		-	30.43
	Employee Benefits Expense	35	94.66	87.31
	Finance Costs	36	489.70	412.51
	Depreciation and Amortisation Expense	37	29.79	29.88
	Other Expenses	38	731.60	848.61
	Total Expenses (IV)		**3,238.08**	**2,553.56**
V	**Profit /(Loss) before exceptional items and tax (III-IV)**		**1,231.90**	**190.44**
VI	Exceptional items	39	3.87	(153.25)
VII	**Profit /(Loss) before tax (V+VI)**		**1,235.77**	**37.19**
VIII	Tax expenses:			
	i. Current tax		7.64	-
	ii. (Excess)/Short provision of tax of earlier years		(1.85)	2.78
	Total Tax Expenses (VIII)		**5.79**	**2.78**
IX	**Profit /(Loss) for the year (VII-VIII)**		**1,229.98**	**34.41**
X	**Other Comprehensive Income**			
	i. Items that will not be reclassified to profit or loss			
	- Actuarial (loss)/gain on defined benefit obligation		(0.26)	5.36
	- Fair Value changes of investments in equity shares		111.36	280.54
	ii. Income tax relating to above		0.09	(1.14)
	Total Other Comprehensive Income for the year (X= i+ii)		**111.19**	**284.76**
XI	**Total Comprehensive Income for the year (IX+X)**		**1,341.17**	**319.17**
XII	Earnings per equity share of nominal value ₹ 2 each	51		
	i. Basic (in ₹)		59.55	1.67
	ii. Diluted (in ₹)		59.55	1.67
	NOTES (Including Significant Accounting Policies) FORMING PART OF THE FINANCIAL STATEMENTS	1-60		

The accompanying Notes are an integral part of the Standalone Financial Statements

As per our attached report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia — *Chairman*
Jehangir N. Wadia — *Managing Director*

Suresh Khurana, Alokendra Banerjee, Ramesh Ranganathan — *Chief Executive Officers*

Vishnu Peruvemba — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

R. A. Shah, S. Ragothaman, A. K. Hirjee, Ness N. Wadia, V. K. Jairath, Keki M. Elavia, Minnie Bodhanwala, Sunil S. Lalbhai, Gauri Kirloskar — *Directors*

Mumbai, May 2, 2019

STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2019

A. Equity Share Capital

(₹ in Crores)

	Number of Shares	Balance
As at April 1, 2017	**206,534,900**	**41.31**
Changes during the year	-	-
As at March 31, 2018	**206,534,900**	**41.31**
Changes during the year	-	-
As at March 31, 2019	**206,534,900**	**41.31**

B. Other Equity (Refer Note 20)

(₹ in Crores)

Particulars	Reserves and Surplus					Equity Instruments through Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	Investment Reserve	General Reserve	Retained Earnings		
Balance as at April 1, 2017	**28.60**	**133.57**	**1.31**	**155.81**	**(761.25)**	**735.53**	**293.57**
Profit for the year	-	-	-	-	34.41	-	34.41
Other Comprehensive Income for the year, net of income tax	-	-	-	-		-	
- Remeasurement of net defined benefit plans	-	-	-	-	4.22	-	4.22
- Net fair value gain / (loss) on investment in equity instrument through OCI	-	-	-	-		280.54	280.54
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**38.63**	**280.54**	**319.17**
Realised gain on sale of equity shares reclassified to retained earnings	-	-	-	-	98.83	(98.83)	-
Dividend on Equity Shares	-	-	-	-	(14.46)	-	(14.46)
Dividend Distribution Tax	-	-	-	-	(2.94)	-	(2.94)
Balance as at March 31, 2018	**28.60**	**133.57**	**1.31**	**155.81**	**(641.19)**	**917.24**	**595.34**
Profit for the year	-	-	-	-	1,229.98	-	1,229.98
Capital Reserve on Demerger of SCAL Services Limited	0.91	-	-	-		-	0.91
Ind AS implication of Real estate transactions	-	-	-	-	(1,773.23)	-	(1,773.23)
Other Comprehensive Income for the year, net of income tax	-	-	-	-		-	
- Remeasurement of net defined benefit plans	-	-	-	-	(0.16)	-	(0.16)
- Net fair value gain / (loss) on investment in equity instrument through OCI	-	-	-	-		111.36	111.36
Total Comprehensive Income for the year	**0.91**	**-**	**-**	**-**	**(543.41)**	**111.36**	**(431.14)**
Dividend on Equity Shares	-	-	-	-	(20.65)	-	(20.65)
Dividend Distribution Tax	-	-	-	-	(4.24)	-	(4.24)
Balance as at March 31, 2019	**29.51**	**133.57**	**1.31**	**155.81**	**(1,209.49)**	**1,028.60**	**139.31**

As per our attached report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia — *Chairman*
Jehangir N. Wadia — *Managing Director*

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Minnie Bodhanwala
Sunil S. Lalbhai
Gauri Kirloskar — *Directors*

Mumbai, May 2, 2019

STATEMENT OF CASH FLOWS for the year ended March 31, 2019

(₹ in Crores)

			Year Ended March 31, 2019	Year Ended March 31, 2018
A.	**Cash Flow from Operating Activities:**			
	Profit / (Loss) before Exceptional Item and Tax		1,231.90	190.44
	Adjustments for :			
	Depreciation and Amortisation Expense		29.79	29.88
	Unrealised Foreign exchange loss/(gain) (Net)		(0.40)	(0.95)
	Allowance for doubtful advances / debts /(Sundry balances / excess provisions written back)		(3.46)	2.96
	Interest Income		(7.64)	(42.92)
	Loss/(Profit) on sale of Property, Plant and Equipment		(4.48)	3.56
	Dividend Income		(2.61)	(1.72)
	Finance Costs		489.70	412.51
	Allowance for diminution in value of investments		-	0.31
	Capital Work-in-progress Written-off		71.04	-
	Incidental expenses Written-off		-	9.46
	Operating Profit before Working Capital Changes		**1,803.84**	**603.53**
	Working Capital Changes			
	(Increase) / decrease in Inventories		(597.09)	11.82
	(Increase) / decrease in Trade Receivables		(877.85)	(77.49)
	(Increase) / decrease in Other Current and Non-current Financial Assets		1,304.89	(786.53)
	(Increase) / decrease in Other Current and Non-current Assets		80.32	(92.77)
	Increase / (decrease) in Trade Payables		176.26	(14.53)
	Increase / (decrease) in Other Current and Non-current Financial Liabilities		(7.19)	(3.82)
	Increase / (decrease) in Other Current and Non-current Liabilities		(2,626.34)	(46.54)
	Increase / (decrease) in Current and Non-current Provisions		11.81	(5.20)
	Cash Generated / (Used) from Operations		**(731.35)**	**(411.53)**
	Income Taxes paid (net)		(5.99)	(39.88)
	Net Cash Generated / (Used) from Operating Activities	**(A)**	**(737.34)**	**(451.41)**
B.	**Cash Flow from Investing Activities:**			
	Purchase of Property, Plant and Equipment		(20.10)	(12.92)
	Proceeds from disposal of Property, Plant and Equipment		18.29	207.26
	Inter-corporate Deposits placed		-	(27.57)
	Inter-corporate Deposits received back		1.03	269.16
	Bank Deposits with maturity greater than three months		11.29	(12.00)
	Deposit under lien and in Escrow accounts		87.96	(45.35)
	Earmarked Balances with Banks		(17.89)	42.71
	Dividend received from Non-current Investments		2.61	1.72
	Interest received		8.91	32.32
	Exceptional Items			
	- Proceeds from Sale of Immoveable Property		9.55	-
	- Proceeds from Sale of Non-current Investments		-	103.30
	Net Cash Generated / (Used) from Investing Activities	**(B)**	**101.65**	**558.63**
C.	**Cash Flow from Financing Activities:**			
	Proceeds from Borrowings		1,796.89	2,347.12
	Repayment of Borrowings		(778.64)	(1,563.76)
	Proceeds from Inter-corporate Borrowings		135.00	810.68
	Repayment of Matured Inter-corporate Borrowings		-	(1,333.73)
	Repayment of demand loan, cash credit from bank		12.15	(74.54)
	Adjustment on account of Demerger of Real Estate Undertaking of Scal Services Limited		4.80	-
	Interest and other finance charges paid		(491.23)	(322.28)
	Dividend paid (including corporate dividend tax)		(24.90)	(17.40)
	Net Cash Generated / (Used) from Financing Activities	**(C)**	**654.07**	**(153.91)**
	Net (Decrease) / Increase in Cash and Cash Equivalents	**(A+B+C)**	**18.38**	**(46.69)**
	Add: Cash and Cash Equivalents at the Beginning of the Year		14.15	60.84
	Cash and Cash Equivalents at the End of the Year [Refer Note (2) below]		**32.53**	**14.15**

STATEMENT OF CASH FLOWS for the year ended March 31, 2019

Notes:

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

(₹ in Crores)

2.	Particulars	As at March 31, 2019	As at March 31, 2018
	Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows		
	Balances with Banks in Current Accounts	25.09	13.78
	Cheques on Hand	3.35	0.32
	Cash on Hand	0.05	0.05
	Bank Deposits with Original Maturity of three months or less	4.04	-
	Cash and Cash Equivalents at the End of the Year (Refer Note 13)	**32.53**	**14.15**

3. Purchase of Property, Plant and Equipment includes addition to other Intangible Assets and adjusted for movement in Capital Work-in-progress and Capital advances.

4. During the current year, loan amounting to ₹ 185.48 crores given by the Company to PT Five Star Textile Indonesia (PTFS), Subsidiary was converted into Equity Shares of PTFS. This being a non-cash transaction has been excluded from the Statement of Cash Flows.

5. Changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes:

(₹ in Crores)

Particulars	As at April 1, 2018	Cash Flows	Non-cash (Scheme of Arrangement between Scal Services Limited and the Company	Reclassification	As at March 31, 2019
Long-term Borrowing	2,312.45	530.18	550.50	(23.64)	3,369.49
Short-term Borrowing	414.83	159.56	-	-	574.39
Other Financial Liabilities (Term Loan and Fixed Deposits from Public)	76.79	(74.84)	-	23.64	25.59

6. Figures in the brackets are outflows/deductions.

7. Previous year figures have been regrouped wherever necessary.

As per our attached report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia — *Chairman*
Jehangir N. Wadia — *Managing Director*

Suresh Khurana
Alokendra Banerjee
Ramesh Ranganathan — *Chief Executive Officers*

Vishnu Peruvemba — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

R. A. Shah
S. Ragothaman
A. K. Hirjee
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S. Lalbhai
Gauri Kirloskar — *Directors*

Mumbai, May 2, 2019

NOTES to the financial statements for the year ended March 31, 2019

1. GENERAL INFORMATION ABOUT THE COMPANY

The Bombay Dyeing and Manufacturing Company Limited ("the Company") was incorporated on August 23, 1879. It originated as an integrated textile mill; however it is currently engaged primarily in the business of Real Estate Development, Polyester Staple Fibre and Retail / Textile. The Company is a public company limited by shares, incorporated and domiciled in India and is listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Global Depository Receipts (GDRs) are listed at Societe de la Bourse Luxembourg. The Company's registered office is at Neville House, J.N. Heredia Marg, Ballard Estate, Mumbai -400001.

These aforesaid Financial Statements for the year ended March 31, 2019 are approved by the Company's Board of Directors and authorised for issue in the meeting held on May 2, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Statement of Compliance

These Financial Statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, (Amended) 2015 and notified by Ministry of Corporate Affairs("MCA") pursuant to Section 133 of the Companies Act, 2013 read with Rule 3.

b. Basis of Preparation and Presentation

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these Financial Statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 'Leases' ("Ind AS 17") and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 'Inventories' ("Ind AS 2") or value in use in Ind AS 36 'Impairment of Assets' ("Ind AS 36").

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services rendered and the time between the rendering of the products/services and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities.

All the Indian Accounting Standards ("Ind AS") issued and notified by the MCA are effective and considered for the significant accounting policies to the extent relevant and applicable for the Company.

The Financial Statements are presented in Indian Rupee ("INR"), which is the Company's functional currency and all values are rounded to the nearest crores upto two decimals, except when otherwise indicated.

c. Key Accounting Estimates and Judgments

The preparation of Financial Statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these Financial Statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period, if the revision affects current and future periods.

NOTES to the financial statements for the year ended March 31, 2019

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are:

i. Determination of the timing of revenue recognition on the sale of completed and under development property in respect of Real Estate Development activity

Determination of revenue whether over time (Percentage Completion Method) or at a point in time (Project completion method) necessarily involves making judgement as to when the performance obligation under the contracts with customers is satisfied. It has been evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. It has further been evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate and the property is made available for possession to the customers.

ii. Determination of performance obligations

With respect to the sale of property, the Company has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

iii. Useful Lives of Property , Plant and Equipment and Intangible Assets

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

iv. Provisions, Liabilities and Contingencies

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgments to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre – tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised, but disclosed in the Financial Statements when an inflow of economic benefit is probable. Provisions, contingent liability and assets are reviewed at each reporting date and are adjusted to reflect the current best estimates.

v. Fair Value Measurements

When the fair value of financial assets or financial liabilities recorded or disclosed in the Financial Statements cannot be measured at the quoted price in the active markets, their fair value is measured using the valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration 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.

NOTES to the financial statements for the year ended March 31, 2019

vi. Recognition and Measurement of defined benefit obligation

The obligation arising from defined benefit plans is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vii. Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgements is also required in determining deferred tax assets and liabilities and recoverability of deferred tax assets which is based on estimates of taxable income.

d. Recent Accounting Developments (Ind AS)

Ind AS issued but not yet effective

On March 30, 2019, Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has issued the following new and amendments to Ind ASs and are effective from accounting periods beginning on or after April 1, 2019. The Company intends to adopt these standards, if applicable, from April 1, 2019.

Ind AS 116 – Leases

Ind AS 116 on "Leases" will replace the existing leases standard, Ind AS 17 on "Leases". The new standard sets out the principles of recognition, measurement, presentation and disclosure for both parties to a lease contract, i.e. the lessee and the lessor. The core principle of the new standard is that an entity should recognise most leases on its balance sheet. The new standard introduces a single lessee accounting model with limited exemptions and requires the lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. Further, the standard also requires the enhanced disclosures. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 on "Accounting Policies, Changes in Accounting Estimates and Errors"
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognised at the date of initial application

If a lessee elects to apply modified approach, the lessee shall not restate comparative information. Instead, the lessee shall recognise the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings on the date of initial application, that is on April 1, 2019. Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The Company has evaluated the effect of this on its financial statements and the impact is not material.

Ind AS 12 - Income Taxes

- **Appendix C, Uncertainty over Income Tax Treatment**

  This amendment is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, (1) the entity need to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which better predicts of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will right to examine and have full knowledge of all related information when making those examinations (3) entity has to consider whether it is probable that the taxation authority will accept the tax treatment and accordingly, determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

  The Company does not expect any significant impact of the amendment on its financial statements.

NOTES to the financial statements for the year ended March 31, 2019

- **Consequences of Dividend**

  The amendments are in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this amendment.

Ind AS 19 – Employee Benefits - Plan amendment, curtailment or settlement

The amendments require an entity:

- if a plan amendment, curtailment or settlement occurs, to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset are ready for its intended use or sale, that borrowing becomes part of the funds an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Ind AS 28 – Investments in Associates and Joint Ventures - Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 on "Financial Instruments", to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not have any long-term interests in associates and joint ventures, to which equity method is not applied.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control/joint control of a business that is joint operation.

Ind AS 109 – Financial Instruments - Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

e. Property, Plant and Equipment

i) Recognition and Measurement

Property, Plant and Equipment ("PPE") are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties and other direct costs incurred for bringing the asset to the condition of its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

ii) Depreciation

Depreciation on PPE other than Furniture & Fixtures and Motor Vehicles, is provided on the straight-line method, pro-rata to the period of use, over their useful life. Depreciation on Furniture & Fixtures and Motor Vehicles is provided on the written down value method, pro rata to the period of use, over their useful life. The estimated useful lives and residual values are as prescribed in Schedule II to the Companies Act, 2013 except for movable site offices and assets of retail shops (including leasehold improvements), which are based on technical evaluation of useful life by the management.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

NOTES to the financial statements for the year ended March 31, 2019

Estimated useful lives of the assets are as follows:

Asset	Useful Life	Asset	Useful Life
Buildings	30 to 60 Years	Computers	3 to 6 Years
Movable site offices	10 Years	Furniture and fixture	10 Years
Plant and Machinery	15 to 25 Years	Office equipment	5 Years
Assets of retail shops including leasehold improvements	6 Years	Vehicles	8 Years

The PSF manufacturing plant at Patalganga is treated as a Continuous process plants based on technical assessment.

An item of PPE is de-recognised 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 PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

iii) **Capital Work-in-progress and Capital Advances**

Cost of assets not ready for intended use, as on Balance Sheet date, is shown as Capital Work-in-progress. Advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed as Other Non-current Assets.

f. **Investment Property**

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes purchase price, taxes and duties and other direct costs incurred for bringing the asset to the condition of its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

Depreciation on investment property is provided on the straight-line method, pro-rata to the period of use, over the useful life as prescribed in Schedule II to the Companies Act, 2013

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is de-recognised.

g. **Intangible Assets**

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in Statement of Profit and Loss when the asset is de-recognised.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

Estimated useful lives of the finite-life intangible assets are as follows:

Asset	Useful Life
Computer Software	5 years
Technical know-how	10 years

An intangible asset having indefinite useful life is not amortized but is tested for impairment annually. Indefinite life intangibles mainly consist of brands/trademarks. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

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.

NOTES to the financial statements for the year ended March 31, 2019

h. **Impairment of Tangible Assets and Intangible Assets other than Goodwill**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

i. **Investments in Subsidiaries, Joint Venture and Associates:**

Investments in subsidiaries, joint venture and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, joint venture and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

j. **Inventories**

Inventories are valued at lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost is determined as follows:

i. Raw materials, stores and spares, finished goods and stock-in-trade on a weighted average method.

ii. Work-in-progress

PSF division

Material cost included in the valuation is determined on the basis of the weighted average rate and cost of conversion and other costs are determined on the basis of average cost of conversion of the preceding month.

iii. Real Estate Under Development

Real estate under development comprises cost of land, premium for development rights, rates & taxes, construction costs, borrowing costs, overheads and expenses incidental to the projects undertaken by the Company. Cost of land and construction / development costs are charged to Statement of Profit and Loss proportionate to area sold and at the time when corresponding revenue is recognised.

k. **Cash and Cash Equivalents**

Cash and cash equivalents includes cash in hand, demand deposits with banks and other short term highly liquid investments, which are readily convertible into cash and which are subject to an insignificant risk of change in value and have original maturities of three months or less.

l. **Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash.

NOTES to the financial statements for the year ended March 31, 2019

m. Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL") are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

Financial Assets:

On initial recognition, a financial asset is recognised at fair value. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI") depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the Effective Interest Rate ("EIR") method net of any Expected Credit Losses ("ECL"). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments:

Debt instruments are initially measured at amortised cost, FVOCI or FVTPL till derecognition, on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

i. **Measured at amortised cost:** Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

ii. **Measured at fair value through other comprehensive income:** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the Other Comprehensive Income ("OCI"). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

iii. **Measured at fair value through profit or loss:** A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

NOTES to the financial statements for the year ended March 31, 2019

Expected credit losses is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as FVTPL. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as cost of investment.

NOTES to the financial statements for the year ended March 31, 2019

Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Derivative Financial Instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately. The Company has not designated any derivative instruments as a hedging instrument.

n. Provisions, Liabilities and Contingencies

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 discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

o. Revenue Recognition

Effective April 1, 2018 the Company has applied Ind AS 115 which replaces Ind AS 18 on 'Revenue Recognition' and Ind AS 11 'Construction Contracts'. Refer Note 1(n) – Significant accounting policies – Revenue Recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition.

The Company derives revenues primarily from Sale of Polyester Staple Fibre and Retail/Textile and business of Real Estate Development; its other operating revenues include Lease Rentals and Subvention Income.

Revenue from contracts with customers for sale of goods or services is recognised when the Company satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Company is expected to be entitled to in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, incentives and returns, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The trade discounts incentives and right of return are estimated and provided for, based on historical, current and forecast information available. A refund liability is recognised for expected returns in relation to sales made, corresponding assets are recognised for the products expected to be returned.

The Company does not expect to have any contract where the period between the transfer of the promised goods or services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Sale of Goods

Revenue from sale of goods is recognised at a point in time when the control of the goods is transferred to the customer involving single performance obligation. The control of goods is transferred to the customer depending upon the incoterms or as agreed with customer, delivery basis or dispatch, as the case may be (i.e. at the point in time when goods are delivered at the dealer site or when the customer purchases the goods at the retail outlet). In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading / Mate Receipt.

Sale of Services

Revenue from services, which mainly consists of lease rentals from letting of space, is recognised over time on satisfying performance obligations as per the terms of agreement, that is, by reference to the period in which services are being rendered. Revenue from services, if any, involving single performance obligation is recognised at a point in time.

Export Incentives

Revenue from Export Incentives under various schemes of the Government of India is recognised in the year in which the revenue from related export sales is accounted for. Advance License Benefits on exports are recognised in the year of utilisation of license.

NOTES to the financial statements for the year ended March 31, 2019

Real Estate Transactions

The Company develops and sells residential and commercial properties. Revenue is recognised when the control over the property is transferred to the customer. An enforceable right to payment does not arise for performance completed to date and it arises only on the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of property is completed. The revenue is measured at the transaction price agreed under the contract. The Company invoices the customers for construction contracts based on achieving performance-related milestones. For other cases, the consideration is due when legal title has been transferred.

For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.

Revenue from Sale of land and other rights is generally a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements. The determination of transfer of control did not change upon the adoption of Ind AS 115 – Revenue from Contracts with Customers.

Trade Receivables, Contract Assets and Contract Liabilities

Trade Receivables

A receivable is recognised by the Company when the control over the goods and services is transferred to the customer such as when goods and services are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due (which is referred to as "Trade Receivable").

A receivable is recognised when the Company's right to an amount of consideration under the contract with the customer that is unconditional, as only the passage of time is required before payment is due.

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.

Contract liabilities

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

Interest Income and Dividend

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income from a financial asset is recognized using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income is recognised when the right to receive the payment is established. Incomes from investments are accounted on an accrual basis.

p. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

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

The Company as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in

NOTES to the financial statements for the year ended March 31, 2019

negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

q. Cost recognition

Costs and expenses are recognised when incurred and are classified according to their nature.

r. Employee Benefits

Long Term Post-employment benefits

Contributions to defined contribution schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

i. Provident and Family Pension Fund

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund and pension fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company has no further obligations beyond making the contribution, except that any shortfall in the fund assets based on the Government specified minimum rates of return in respect of provident fund set up by the Company. The Company does not expect a shortfall in the fund assets in the near term and has consequently classified the scheme as a defined contribution scheme and is committed to recognise such contributions and shortfall, if any, as an expense in the year it is incurred.

ii. Superannuation

The eligible employees of the Company who have opted for superannuation are entitled to receive post-employment benefits in respect of superannuation fund in which the Company makes annual contribution at a specified percentage of the employees' eligible salary (currently 10% or 15 % of employees' eligible salary). The contributions are made to the Superannuation fund set up as irrevocable trust by the Company. Superannuation is classified as Defined Contribution Plan as the Company has no further obligations beyond making the contribution. The Company's contribution to Defined Contribution Plan is charged to Statement of Profit and Loss as incurred.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Statement of Profit and Loss. Past service cost is recognised in Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

NOTES to the financial statements for the year ended March 31, 2019

The company has the following Defined Benefit Plans:

i. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days or 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Contributions are made to the Gratuity Fund set up as irrevocable trust by the Company.

ii. Other long-term employee benefits - Compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The leave accumulated to the credit of the employees up to December 31, 2014 is available for carry forward and encashment on separation. The Company makes provision for such compensated absences based on an actuarial valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method (PUCM). Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the Statement of Profit and Loss.

Post 2014, leave earned during the year has to be utilized by the employees within the following year. Such leave is a short term employee benefit and is provided at the undiscounted amount in the period in which it is incurred.

iii. Termination Benefits

The Company provides for compensation payable as part of termination benefits when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Termination benefits falling due more than twelve months after the balance sheet date are provided on the basis of an actuarial valuation by an independent actuary as at the year-end using Project Unit Credit Method.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short Term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

s. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

t. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

u. Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to Statement of Profit

NOTES to the financial statements for the year ended March 31, 2019

and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in Statement of Profit and Loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

v. Foreign Currency Transactions

The management of the Company has determined Indian Rupee ("INR") as the functional currency of the Company. In preparing the Financial Statements of the Company, transactions in currencies other than the Company's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

w. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

x. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

ii. Deferred Tax

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 generally 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 those deductible temporary differences which can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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 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.

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.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax liabilities and assets on a net or simultaneous basis.

Current and deferred tax for the year

Current and deferred tax are recognised in Statement of Profit and 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

NOTES to the financial statements for the year ended March 31, 2019

y. Segment Reporting

Ind AS 108 establishes standards for the way that public enterprises report information about operating segments and related disclosures about products, services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the company is required to present information in the manner which the Chief Operating Decision Maker ("CODM") evaluates the company's performance and allocates resources. The analysis is generally based on an analysis of various performance indicators by business segments.

The accounting principles used in the preparation of the Financial Statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the relevant applicable accounting policies above. Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment.

Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses. Inter-segment transfers are accounted at prevailing market prices.

NOTES to the financial statements for the year ended March 31, 2019

3 Property, Plant and Equipment

(₹ in Crores)

Description of Assets	Freehold land	Leasehold Land	Buildings	Office Equipment	Computers	Vehicles	Plant and machinery	Furniture and Fixture	Total
I. Cost									
Balance as at April 1, 2017	**109.00**	**0.37**	**55.78**	**0.43**	**3.65**	**3.57**	**413.34**	**11.93**	**598.07**
Additions	-	-	0.77	0.25	0.35	0.65	11.71	-	13.73
Disposals	-	-	-	(0.04)	(0.44)	(0.22)	(0.02)	(0.02)	(0.74)
Adjustments	-	-	-	-	0.04	-	-	-	0.04
Balance as at March 31, 2018	**109.00**	**0.37**	**56.55**	**0.64**	**3.60**	**4.00**	**425.03**	**11.91**	**611.10**
Additions	-	-	-	0.16	0.68	0.55	13.27	0.55	15.21
Disposals	(10.98)	-	(3.42)	(0.06)	(1.43)	-	(0.03)	(0.01)	(15.93)
Balance as at March 31, 2019	**98.02**	**0.37**	**53.13**	**0.74**	**2.85**	**4.55**	**438.27**	**12.45**	**610.38**
II. Accumulated Depreciation and Impairment									
Balance as at April 1, 2017	**-**	**0.01**	**1.97**	**0.38**	**1.05**	**0.15**	**23.47**	**3.28**	**30.31**
Depreciation / amortisation expense for the year	-	0.01	1.59	0.28	1.00	0.16	23.97	2.32	29.33
Eliminated on disposal of assets	-	-	-	(0.03)	(0.44)	(0.21)	(0.02)	(0.01)	(0.71)
Balance as at March 31, 2018	**-**	**0.02**	**3.56**	**0.63**	**1.61**	**0.10**	**47.42**	**5.59**	**58.93**
Depreciation / amortisation expense for the year	-	0.01	1.59	0.11	0.87	0.22	24.79	2.02	29.61
Eliminated on disposal of assets	-	-	(0.42)	(0.02)	(1.41)	-	(0.05)	(0.01)	(1.91)
Balance as at March 31, 2019	**-**	**0.03**	**4.73**	**0.72**	**1.07**	**0.32**	**72.16**	**7.60**	**86.63**
III. NET BLOCK (I-II)									
Balance as at March 31, 2019	**98.02**	**0.34**	**48.40**	**0.02**	**1.78**	**4.23**	**366.11**	**4.85**	**523.75**
Balance as at March 31, 2018	**109.00**	**0.35**	**52.99**	**0.01**	**1.99**	**3.90**	**377.61**	**6.32**	**552.17**

a. There is no adjustment to Property, Plant and Equipment on account of borrowing costs and exchange differences.

b. Certain Freehold Land and Buildings, Plant and Machinery are mortgaged against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

4 Capital Work - in - progress

Capital Work in Progress includes:

a. Balance as on March 31, 2019 - ₹ 4.81 crores towards Plant and Machinery yet to be installed at Polyester Plant in Patalganga.

b. Balance as on March 31, 2018 - ₹ 71.04 crores towards WIC High Street Retail (The Plaza) which has been written off in the current year as the project has been discontinued.

NOTES to the financial statements for the year ended March 31, 2019

5. Investment Property

(₹ in Crores)

Description of Assets		Buildings
I.	**Gross Block**	
	Balance as at April 1, 2017	**3.82**
	Additions	-
	Disposals	-
	Balance as at March 31, 2018	**3.82**
	Additions	-
	Disposals	-
	Balance as at March 31, 2019	**3.82**
II.	**Accumulated depreciation**	
	Balance as at April 1, 2017	**0.07**
	Depreciation expense for the year	0.07
	Balance as at March 31, 2018	**0.14**
	Depreciation expense for the year	0.05
	Balance as at March 31, 2019	**0.19**
III.	**Net block (I-II)**	
	Balance as at March 31, 2019	**3.63**
	Balance as at March 31, 2018	**3.68**
IV.	**Fair Value**	
	As at March 31, 2019	**213.51**
	As at March 31, 2018	**216.18**

a. The Company has given commercial premises on operating lease which form part of its premises at Neville House, Ballard Estate and C-1 Wadia International Centre, Worli. (Refer Note 52)

b. The fair value of Investment Property as at March 31, 2019 and March 31, 2018 has been arrived at on the basis of a valuation carried out by independent valuers registered with the authority which governs the valuers in India. All fair value estimates for Investment Property are included in Level 2.

i. Reconciliation of Fair Value (₹ in Crores)

Particulars	
Buildings	
Balance as at April 1, 2017	**214.06**
Fair value differences	2.12
Purchases	-
Balance as at March 31, 2018	**216.18**
Fair value differences	(2.67)
Purchases	-
Balance as at March 31, 2019	**213.51**

NOTES to the financial statements for the year ended March 31, 2019

ii. **Amounts recognised in profit and loss for Investment Property**

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Rental Income derived from Investment Property	28.58	35.22
Direct Operating Expenses arising from Investment Property that generate Rental Income	(6.35)	(6.15)
Profit arising from Investment Property before depreciation	**22.23**	**29.07**
Depreciation for the year	(0.05)	(0.07)
Profit arising from Investment Property	**22.18**	**29.00**

c. Certain Investment Property is mortgaged against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

6 Intangible Assets

(₹ in Crores)

Particulars	Software	Technical Know how	Total
I. Gross Block			
Balance as at April 1, 2017	**1.26**	**0.63**	**1.89**
Additions	0.02	-	0.02
Disposals	(0.09)	-	(0.09)
Adjustments	(0.04)	-	(0.04)
Balance as at March 31, 2018	**1.15**	**0.63**	**1.78**
Additions	0.23	-	0.23
Disposals	-	-	-
Adjustments	-	-	-
Balance as at March 31, 2019	**1.38**	**0.63**	**2.01**
II. Accumulated amortisation			
Balance as at April 1, 2017	**0.86**	**0.42**	**1.28**
Amortisation expense	0.27	0.21	0.48
Disposals	(0.09)	-	(0.09)
Balance as at March 31, 2018	**1.04**	**0.63**	**1.67**
Amortisation expense	0.13	-	0.13
Disposals	-	-	-
Balance as at March 31, 2019	**1.17**	**0.63**	**1.80**
III. Net block (I-II)			
Balance as at March 31, 2019	**0.21**	**-**	**0.21**
Balance as at March 31, 2018	**0.11**	**-**	**0.11**

NOTES to the financial statements for the year ended March 31, 2019

7 **Investments - Non-current**

Particulars	Paid up Value / Face Value	As at March 31, 2019		As at March 31, 2018	
		No. of shares	₹ in Crores	No. of shares	₹ in Crores
Investments in Equity Instruments					
Investments carried at cost					
Unquoted					
Subsidiary					
PT Five Star Textile Indonesia [Refer Note (b) below]	U.S. $ 1,000 Each	33,826	187.08	-	-
Less: Provision for diminution in value of Investments			(187.08)		-
Associate Companies					
Bombay Dyeing Real Estate Company Limited	₹ 10 Each	20,000	0.02	20,000	0.02
Pentafil Textile Dealers Limited	₹ 100 Each	88,200	0.88	88,200	0.88
Jointly Controlled Entity					
PT Five Star Textile Indonesia (upto July 17, 2018)	U.S. $ 1,000 Each	-	-	2,217	1.59
Less: Provision for diminution in value of Investments					(1.59)
Sub-total of Investments carried at cost - A			**0.90**		**0.90**
At Fair Value Through Other Comprehensive Income (FVOCI)					
Quoted					
Bombay Burmah Trading Corporation Limited *	₹ 2 Each	7,538,600	979.49	7,538,600	882.62
National Peroxide Limited	₹ 10 Each	285,000	80.29	285,000	66.60
D. B. Realty Limited	₹ 10 Each	25,262	0.05	25,262	0.12
Citurgia Biochemicals Limited **	₹ 10 Each	15,560	-	15,560	-
Unquoted					
BDS Urban Infrastructure Private Limited	₹ 10 Each	1,900	0.14	1,900	0.01
Roha Industries Association's Co-operative Consumers Society Limited	₹ 25 Each	100	***	100	***
SCAL Services Limited	₹ 100 Each	30,400	0.74	30,400	0.30
Less: Provision for diminution in value of Investments			-		(0.31)
Sub-total of Investments carried at FVOCI- B			1,060.71		949.34
Total (A + B)			**1,061.61**		**950.24**

* During the year, the Company has pledged 13,01,000 shares held as Investment by the Company, details relating to which have been described in Notes - 21 , 24 and 40.

** Investments in Citurgia Biochemicals Limited is listed on BSE but trading in the scrip has been suspended since January, 2013 for penal reasons.

*** denotes value less than ₹ 1 lakh

a. The carrying value and market value of quoted and unquoted investments are as under : (₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Aggregate Carrying Value of Quoted Investments	1,059.83	949.34
Aggregate Market Value of Quoted Investments	1,059.83	949.34
Aggregate Carrying Value of Unquoted Investments	188.86	2.80
Aggregate Provision for Impairment in the Value of Investments	187.08	1.90

b. The Company had shareholding of 33.89% in the joint venture PT Five Star Textile, Indonesia (PTFS). The Company took strategic move to wind up this loss making Joint Venture. With this strategic objective, on July 18, 2018, the Company acquired 3,409 Shares (52.11% Shareholding) in PTFS at a value of ₹ 3,818 (USD 34). Upon acquisition, the Company obtained control over PTFS and it became a Subsidiary of the Company, thereby enabling the Company to apply for liquidation as per the laws of Indonesia and winding up process is initiated.

On November 20, 2018, loan amounting to ₹ 185.48 crores which was earlier given by the Company to PTFS was converted into Equity Shares in PTFS and reflected as such. As a result of this conversion, the percentage holding of the Company increased to 97.36%.

In respect of Investments made in PTFS, a sum of ₹ 185.49 crores is provided during the year in addition to ₹ 1.59 already provided as diminution in value of Investments.

NOTES to the financial statements for the year ended March 31, 2019

8 Loans - Non-current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans Receivable Considered Good - Unsecured		
Loans to employees	0.05	0.13
Loans receivable which have significant increase in credit risk	-	-
Loans Receivable Credit Impaired		
Loans to related parties [Refer Note 57]	54.29	234.50
Less: Allowance for doubtful advances	(54.29)	(234.50)
Total	**0.05**	**0.13**

9 Other Financial Assets - Non-current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Security Deposits		
- Considered good		
Related Parties [Refer Note 57]	1.84	1.63
Others	5.37	5.72
- Considered doubtful	0.65	0.68
- Less : Allowance for doubtful deposits	(0.65)	(0.68)
	7.21	7.35
Industrial Subsidy Receivable		
- Considered good	31.01	31.01
- Considered doubtful	4.64	4.64
- Less : Allowance for doubtful receivables	(4.64)	(4.64)
	31.01	31.01
Earmarked Bank Deposits with Maturity more than twelve months [Refer Note (a) below]	-	1.75
Bank Deposits with Maturity more than twelve months [Refer Note (b) below]	-	2.00
Interest accrued on deposits	-	0.15
Total	**38.22**	**42.26**

a. Deposits with banks are under lien as security for guarantees issued on behalf of the Company. [Refer Note 40 and 41]

b. Bank Deposits with maturity more than twelve months is maintained with Scheduled Banks to be utilised for the repayment of Fixed Deposits from Public.

NOTES to the financial statements for the year ended March 31, 2019

10 Other Non-current Assets

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Capital advances	4.30	1.45
Prepaid expenses	66.99	66.86
Advances other than Capital advances		
Advances Receivable in cash or in kind		
- Considered Good	1.53	1.72
- Considered Doubtful	2.38	2.24
- Less: Allowance for doubtful advances	(2.38)	(2.24)
	1.53	1.72
Balances with Government authorities		
- Considered good	0.36	2.09
- Considered doubtful	2.87	1.98
- Less : Allowance for doubtful advances	(2.87)	(1.98)
	0.36	2.09
Total	**73.18**	**72.12**

11 Inventories

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Manufacturing and Retail		
Raw Materials	34.28	36.16
Raw Materials-in-transit	19.99	42.76
Work-in-progress	9.46	13.18
Finished goods	47.40	51.30
Finished goods-in-transit	2.81	8.39
Stock-in-Trade	47.58	36.34
Stores, Spares and Catalysts	12.76	9.62
Inventory - Manufacturing and Retail - (a)	**174.28**	**197.75**
Real Estate		
Work-in-progress	1,309.21	211.25
Others		
Transferable Development Rights	345.92	-
Floor Space Index	371.11	-
Inventory - Real Estate - (b)	2,026.24	211.25
Total (a) + (b)	**2,200.52**	**409.00**

a. The cost of inventories recognised as an expense during the current year is ₹ 1,892.33 crores (2017-18 : ₹ 1,144.82 crores)

b. The value of inventories above is stated after impairment of ₹ 9.77 crores (March 31, 2018 : ₹ 9.37 crores) for write down to net realisable value and provision for slow moving and obsolete items.

c. Certain Inventories are hypothecated against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

d For mode of valuation of inventories [Refer Note 2 (j)]

e. In the opinion of the management, the net realisable value of the construction Work-in- progress will not be lower than the costs so included therein.

NOTES to the financial statements for the year ended March 31, 2019

12 Trade Receivables

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured		
Considered Good	1,092.22	212.36
Credit Impaired	12.12	29.91
Less: Provision for Impairment	(12.12)	(29.91)
Total	**1,092.22**	**212.36**

a. In determining the allowances for credit losses of Trade Receivables, the Company has used a practical expedient by computing the Expected Credit Loss Allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The Expected Credit Loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

b. Since the Company calculates impairment under the simplified approach for Trade Receivables,it is not required to separately track changes in credit risk of Trade Receivables as the impairment amount represents Lifetime Expected Credit Loss. Accordingly, based on a harmonious reading of Ind AS 109 and the break-up requirements under Schedule III, the disclosure for all such Trade Receivables is made as shown above.

i. Reconciliation of Credit Loss allowance :

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Balance at the beginning of the year	29.91	28.23
Allowance for expected credit loss	-	1.68
Excess provision written back	(17.79)	-
Balance at the end of the year	**12.12**	**29.91**

ii. Ageing of Trade Receivables and credit risk arising there from is as below:

(₹ in Crores)

Particulars	As at March 31, 2019		
	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	633.94	0.14	633.80
30 days past due	349.63	0.09	349.54
31-60 days past due	2.57	0.05	2.52
61-90 days past due	0.50	0.02	0.48
91-120 days past due	0.77	0.03	0.74
121-180 days past due	0.18	0.01	0.17
181-360 days past due	25.73	0.57	25.16
more than 360 days past due	91.02	11.21	79.81
	1,104.34	**12.12**	**1,092.22**

NOTES to the financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	As at March 31, 2018		
	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	83.25	0.11	83.14
30 days past due	15.52	0.14	15.38
31-60 days past due	37.34	0.07	37.27
61-90 days past due	6.03	0.10	5.93
91-120 days past due	2.78	-	2.78
121-180 days past due	6.53	0.04	6.49
181-360 days past due	27.37	0.61	26.76
more than 360 days past due	63.45	28.84	34.61
	242.27	**29.91**	**212.36**

c. Trade Receivables includes ₹ 43.84 crores (March 31, 2018 : ₹ 42.01 crores) due from a customer towards part compensation for sale of property, common area maintenance charges and project related costs. The Receivables are under dispute and the matter has been referred to arbitration. Pending finalisation of arbitration proceedings, the Receivables are considered good.

d. Trade Receivables are hypothecated against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

13 Cash and Cash Equivalents

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Balances with Banks in Current Accounts	25.09	13.78
Cheques on Hand	3.35	0.32
Cash on Hand	0.05	0.05
Bank Deposits with Original Maturity of three months or less [Refer Note below]	4.04	-
Total	**32.53**	**14.15**

Note: Short term deposits held in escrow accounts relate to amounts held under Escrow in accordance with the direction of the Monitoring Committee for redevelopment of land of Cotton Textile Mill ₹ 4.04 crores (March 31, 2018 : ₹ Nil)

14 Bank Balances other than Cash and Cash Equivalents

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Earmarked balances with banks :		
Unpaid Dividend Accounts	1.65	1.30
Escrow Accounts [Refer Note (a) below]	24.19	6.30
Deposits under Lien [Refer Note (b) below]	15.42	101.63
Bank deposits with maturity less than twelve months [Refer Note (c) below]	0.71	10.00
Total	**41.97**	**119.23**

a. Balances with banks in escrow accounts represent amounts held in escrow in accordance with the directions of the Monitoring Committee for redevelopment of land of Cotton Textile Mills.

b. Bank deposits include restricted deposits as under:

- Deposits under lien towards security for guarantees issued on behalf of the Company ₹ 15.42 crores (March 31, 2018 : ₹ 67.82 crores). [Refer Note 40 and 41]

NOTES to the financial statements for the year ended March 31, 2019

- Short term deposits held in escrow accounts relate to amounts held under Escrow in accordance with the direction of the Monitoring Committee for redevelopment of land of Cotton Textile Mill (March 31, 2018 : ₹ 33.81 crores).

c. Bank Deposits with original maturity more than three months but less than twelve months includes ₹ 0.26 crores (March 31, 2018 : ₹ 10 crores) maintained with scheduled banks to be utilised for the repayment of public deposits .

15 Loans - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans Receivable Considered good - Unsecured		
Loans to employees	0.60	0.57
Loans to others	0.01	0.01
Inter Corporate Deposits		
Related Parties [Refer Note 57]	-	0.25
Others	-	1.03
Loans Receivable which have significant increase in credit risk	-	-
Total	**0.61**	**1.86**

16 Other Financial Assets - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Interest accrued on deposits	0.33	1.98
Export Benefits Receivable		
- Considered Good	0.10	-
	0.10	-
Unbilled Revenue [Refer Note (a) below]	-	1,502.13
Security Deposits	0.04	2.68
Derivatives - Forward Exchange Contracts [Refer Note (b) below]	-	0.33
Receivable from post Employment Benefit Fund	1.02	5.08
Total	**1.49**	**1,512.20**

a. Unbilled Revenue represents revenue recognised over and above amounts due as per payment plans agreed with customers, the same has been entirely classified as current as at March 31, 2018 as the project is expected to be completed within twelve months. In view of adoption to Ind AS 115 with effect from April 1, 2018 and recognition of revenue 'at a point in time' in the current year, Unbilled Revenue is Nil at the year end.

b. The Company has entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss. Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

c. Other Financial Assets are hypothecated against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

NOTES to the financial statements for the year ended March 31, 2019

17 Current Tax Assets (Net)

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance income-tax [net of provision for taxation]	61.80	63.10
Total	**61.80**	**63.10**

a. Components of Income Tax Expense / (Income)

(₹ in Crores)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Income tax expense recognised in the Statement of Profit and Loss from continuing operations:		
Current Tax:		
Current Tax on Profits for the year	7.64	-
(Excess) / Short Provision of tax of earlier years	(1.85)	2.78
Total Income Tax Expense	**5.79**	**2.78**

(₹ in Crores)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Deferred Tax related to items recognised in Other Comprehensive Income		
Tax effect on remeasurement (loss) /gain on defined benefit plans	0.09	(1.14)
Total Income Tax Expense	**0.09**	**(1.14)**

b. Reconciliation of Income Tax Expense and Accounting Profit

The reconciliation between estimated Income Tax Expense at statutory income tax rate / (MAT) into income tax expense reported in the Statement of Profit and Loss is given below.

(₹ in Crores)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before tax	**1,235.77**	**37.19**
Income tax expense calculated @ 21.5488% (March 31, 2018 : 21.3416%)	266.30	7.94
Effect of income that is exempt from taxation	(0.56)	(0.37)
Effect of expenses that are not deductible in determining taxable income / book profit	0.07	33.67
Allowance for doubtful advances/debts	1.18	21.09
Sundry balances / excess provisions written back	(3.77)	(3.35)
Tax on Actuarial gain/(loss) on employee defined benefits obligation	(0.06)	1.14
Adjustment to book profit due to adoption of Ind AS 115	(183.51)	
Adjustment to book profit as per provisions of Section 115JB (2) of I.T. Act,1961	(72.43)	(60.12)
Others	0.43	-
Tax Expense	**7.64**	**-**
(Excess) / Short Provision of tax of earlier years	(1.85)	2.78
Income Tax Expense recognised in Statement of Profit and Loss	**5.78**	**2.78**
Effective Tax Rate	**0.47%**	**7.47%**

NOTES to the financial statements for the year ended March 31, 2019

c. Components of Deferred Tax

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities		
Property, Plant and Equipment	107.36	108.02
Intangible Assets	0.41	0.52
Total Deferred Tax Liabilities	**107.77**	**108.54**
Deferred Tax Assets		
Defined Benefit Obligations	0.75	0.84
Allowance for doubtful advances/ debts	85.10	89.39
Accrued Expenses deductible on cash basis	2.00	1.59
Business Losses	19.92	16.72
Total Deferred Tax Assets	**107.77**	**108.54**
Net Deferred Tax Assets / (Liabilities)	**-**	**-**

Deferred Tax Assets on unused tax losses,that is, business losses have been recognised only to the extent of Deferred Tax Liability.

d. Movement of Deferred Tax

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2019

(₹ in Crores)

Particulars	Balance as at April 1, 2018	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2019
Defined benefit obligations	0.84	-	(0.09)	0.75
Allowance for doubtful advances/ debts	89.39	(4.29)		85.10
Accrued Expenses deductible on cash basis	1.59	0.41		2.00
Business Losses	16.72	3.11	0.09	19.92
Property, Plant and Equipment	(108.02)	0.66		(107.36)
Intangible Assets	(0.52)	0.11		(0.41)
Total	-	-	-	-

NOTES to the financial statements for the year ended March 31, 2019

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2018

(₹ in Crores)

Particulars	Balance as at April 1, 2017	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2018
Defined benefit obligations	(0.30)	-	1.14	0.84
Allowance for doubtful advances/ debts	40.14	49.25	-	89.39
Accrued Expenses deductible on cash basis	2.85	(1.26)		1.59
Business Losses	101.44	(83.58)	(1.14)	16.72
Property, Plant and Equipment	(143.58)	35.56	-	(108.02)
Intangible Assets	(0.55)	0.03	-	(0.52)
Total	-	-	-	-

e. **Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:**

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unused tax losses	1,561.11	869.80
Unused tax credits [Refer Note (ii)]	100.30	93.09
Total	**1,661.40**	**962.89**

Note :

i. As on March 31, 2019, the tax consequences with respect to the dividends proposed is ₹ 6.37 crores (March 31,2018 : ₹ 4.21 crores).

ii. During the year, the Company has not recognised for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ 7.21 crores (March 31, 2018 : ₹ Nil).

NOTES to the financial statements for the year ended March 31, 2019

The amount and expiry date of unused tax credits, that is, MAT credit and unused tax losses, that is, unabsorbed depreciation and business losses is as follows :

(₹ in Crores)

i.	Tax Credit Carried Forward(FY)	As at March 31, 2019	Expiry Date	As at March 31, 2018	Expiry Date
	2009-10	3.77	March 31,2020	3.77	March 31,2020
	2010-11	5.26	March 31,2021	5.26	March 31,2021
	2011-12	14.97	March 31,2022	14.97	March 31,2022
	2012-13	21.50	March 31,2023	21.50	March 31,2023
	2013-14	8.47	March 31,2024	8.47	March 31,2024
	2014-15	10.42	March 31,2025	10.42	March 31,2025
	2016-17	28.69	March 31,2027	28.69	March 31,2027
	2018-19	7.21	March 31,2034	-	-

(₹ in Crores)

ii.	Business Losses (FY)	As at March 31, 2019	Expiry Date	As at March 31, 2018	Expiry Date
	2012-13	10.47	March 31,2021	-	-
	2013-14	28.86	March 31,2022	-	-
	2014-15	52.12	March 31,2023	-	-
	2015-16	142.11	March 31,2024	62.91	March 31,2024
	2016-17	145.30	March 31,2025	79.78	March 31,2025
	2017-18	325.49	March 31,2026	243.74	March 31,2026
	2018-19	349.79	March 31,2027	-	-

iii. There is no expiry date for unabsorbed depreciation to set off against the future taxable income.

18 Other Current Assets

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Deposits	0.93	-
Prepaid expenses	2.48	22.12
Advances other than Capital advances		
Balances with Government Authorities	6.16	36.45
Advances Receivable in cash or in kind		
- Considered Good		
Related Parties [Refer Note 57]	0.93	0.53
Others	30.78	60.83
- Considered Doubtful	2.44	2.60
- Less: Allowance for Doubtful Advances	(2.44)	(2.60)
	31.71	**61.36**
Total	**41.28**	**119.93**

a. Other Current Assets are hypothecated against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

NOTES to the financial statements for the year ended March 31, 2019

19 Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	₹ in Crores	Number of Shares	₹ in Crores
Authorised Shared Capital				
Equity shares of ₹ 2 each	510,000,000	102.00	530,000,000	106.00
8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each	400,000	4.00	-	-
Total	**510,400,000**	**106.00**	**530,000,000**	**106.00**
Issued, Subscribed and Paid-up Share capital				
Equity shares of ₹ 2 each	206,534,900	41.31	206,534,900	41.31
Total	**206,534,900**	**41.31**	**206,534,900**	**41.31**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	(₹ in Crores)	Number of Shares	(₹ in Crores)
At the beginning of the year	206,534,900	41.31	206,534,900	41.31
Add: Shares issued during the year	-	-	-	-
At the end of the year	**206,534,900**	**41.31**	**206,534,900**	**41.31**

b. Rights, preferences and restrictions attached to Equity shares

The Company has issued and subscribed one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, 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.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	% Holding	Number of Shares	% Holding
Baymanco Investments Limited	47,312,000	22.91	47,312,000	22.91
The Bombay Burmah Trading Corporation Limited	31,550,713	15.28	31,550,713	15.28
	78,862,713	**38.19**	**78,862,713**	**38.19**

d. Information regarding issue of shares during last five years

i. No share is allotted pursuant to contracts without payment being received in cash.

ii. No bonus share has been issued.

iii. No share has been bought back.

e. Shares held in Abeyance

Under orders from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992, the allotment of 4,640 equity shares (March 31, 2018 : 4,640 shares) of face value of ₹ 2/- each against warrants carrying rights of conversion into equity shares of the Company has been kept in abeyance in accordance with Section 206A of the Companies Act, 1956, till such time as the title of the *bonafide* owner is certified by the concerned Stock Exchanges.

NOTES to the financial statements for the year ended March 31, 2019

20 Other Equity

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	29.51	28.60
Securities Premium	133.57	133.57
Investment Reserve	1.31	1.31
General Reserve	155.81	155.81
Retained Earnings	(1,209.49)	(641.19)
Items of Other Comprehensive Income		
Equity Instruments through Other Comprehensive Income	1,028.60	917.24
Total	139.31	595.34

Nature and purpose of reserves

a. Capital Reserve

Capital Reserve represents amounts forfeited on warrants not exercised.

There is an increase of ₹ 0.91 crores in Capital Reserve during the current year due to demerger of Real Estate Business Undertaking of Scal Services Limited vested in the Company. (Refer Note 43)

b. Securities Premium

Securities Premium represents premium on issue of shares on conversion of warrants. Securities Premium amounting to ₹ 7.80 crores is adjusted in accordance with the Scheme for Amalgamation of subsidiary with the Company, which was effected on April 1, 2016. There is no movement in securities premium during the current and previous year.

c. Investment Reserve

Investment Reserve represents gain or loss on sale of investments. There is no movement in Investment Reserve during the current and previous year.

d. General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. There is no movement in General Reserve during the current and previous year.

e. Equity instruments through Other Comprehensive Income

The fair value change of the equity instruments measured at fair value through Other Comprehensive Income is recognised and reflected under Equity Instruments through Other Comprehensive Income. On disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

f. Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to shareholders.

21 Non-current Borrowings

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Term Loans		
- from banks	53.20	-
- from others	3,339.93	2,312.14
Unsecured		
Fixed Deposits	-	76.36
Preference Share Capital Suspense [Refer Note (d) below]	3.89	-
	3,397.02	2,388.50
Less : Current maturities of Long-term Borrowings [included in Note 26]	(23.64)	(76.05)
Total	**3,373.38**	**2,312.45**

NOTES to the financial statements for the year ended March 31, 2019

a. Nature of Security and terms of repayment of secured borrowing:

From Banks :

Term loan amounting to ₹ 53.20 crores (March 31, 2018 : ₹ Nil) was secured by first and exclusive registered mortgage on Company's Jor Bagh property at New Delhi and exclusive charge by way of registered mortgage on the immoveable property being the entire commercial building at C-1,Wadia International Centre and Texturising Building at Worli together with the FSI consumed and the land on which the building stands. Repayable in 12 equated quarterly instalments commencing from August 2018 to May 2021.

From Other Parties :

i. Term loans aggregating ₹ 1700.00 crores (March 31, 2018 : ₹ 877.22 crores) are secured by way of registered mortgage of land underlying the project One ICC and Two ICC at Mumbai - along with the present and future unregistered flats thereon and exclusive charge by way of hypothecation on receivables arising out of all units from the project. Repayable in 24 equated quarterly instalments commencing from November 2021.

ii. Term loans aggregating ₹ 1434.93 crores (March 31, 2018 : ₹ 1434.93 crores) are secured by way of mortgage of plot of land at Pandurang Budhkar Marg, Worli, along with the present and future development. The term loan has not been fully drawn as on March 31, 2019. The repayment terms of the said loan are as under :-

Date of repayment	Amount (₹ in Crores)
5th June ,2020	167.00
5th June ,2021	334.00
5th June ,2022	584.50
5th June ,2023	584.50
Total	**1670.00**

iii. Term loans aggregating ₹ 75.00 crores (March 31, 2018 : ₹ Nil) are secured by way of pledge of shares held as Investment by the Company.

iv. Term loans aggregating ₹ 130.00 crores (March 31, 2018 : ₹ Nil) are secured by way of exclusive registered mortgage of land at G.D.Ambekar Marg, Wadala, Mumbai and exclusive charge by way of hypothecation on receivables arising from the future constructions.

b. There is no default in terms of repayment of principal borrowings and interest thereon.

c. The carrying amounts of financial and non-financial assets provided as security for above borrowings are disclosed in Note 40.

d. Preference Share Capital Suspense

Pursuant to the The Scheme of Arrangement ('the Scheme') between SCAL Services Limited ('SCAL') and the Company and their respective shareholders for demerger of Real Estate Business Undertaking of SCAL vesting into the Company, the Company is to issue 3,88,800, 8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each fully paid up. Such Preference Shares shall be redeemable any time within 36 months from the date of allotment. These Preference Shares are allotted on May 2, 2019. In terms of Ind AS 32 on "Financial Instruments : Presentation", such Preference Shares is to be treated as Compound Financial Instrument from the date of allotment.

NOTES to the financial statements for the year ended March 31, 2019

22 Other Financial Liabilities - Non-current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits	7.39	13.26
Others	0.58	-
Trade Payables	-	1.90
Total	**7.97**	**15.16**

23 Provisions - Non-current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
- Provision for compensated absences [Refer Note 49]	4.96	3.56
- Provision for loyalty / long service awards [Refer Note 49]	2.22	2.23
- Provision for termination benefits [Refer Note 45]	5.90	6.23
Provision for sales tax forms [Refer Note (a) below]	4.69	4.20
Total	**17.77**	**16.22**

a. Movement in provisions for Sales Tax Forms

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	4.20	3.48
- Additions	2.50	1.02
- Amounts utilised	(2.01)	(0.30)
Closing Balance	**4.69**	**4.20**

24 Borrowings - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Loans repayable on demand from banks	41.98	29.83
Facilities from banks		
- Packing credit	22.41	-
- Short Term loans	25.00	35.00
Unsecured		
Intercorporate deposits	135.00	-
Intercorporate deposits from Related Parties [Refer Note 57]	350.00	350.00
Total	**574.39**	**414.83**

NOTES to the financial statements for the year ended March 31, 2019

Nature of Security for Short term borrowings

a. Short-term loans from banks is secured by exclusive charge by way of registered mortgage on the immoveable property being the entire commercial building at C-1,Wadia International Centre and Texturising Building at Worli together with the FSI consumed and the land on which the building stands.

b. Loans repayable on demand from banks and Packing Credit from bank as on March 31, 2019 was secured by first charge on inventories and book debts of Retail and Polyester Divisions together with entire Property, Plant and Equipment aggregating of Polyester Division (including Factory Land and building).

c. Refer Note 40 for information on Financial and Non-financial Assets pledged as security for borrowings by the Company.

25 Trade Payables - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises [Refer Note (a) below]	20.71	2.02
Others :		
Total outstanding dues of creditors other than micro enterprises and small enterprises	489.88	349.09
Acceptances under suppliers line of credit [Refer Note (b) below]	12.42	-
Total	**523.01**	**351.11**

a. The dues payable to Micro and Small enterprises is based on the information available with the Company and takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose (Refer Note 50)

b. Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks while the Company continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 days.

26 Other Financial Liabilities - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Current Maturities of Long-term Borrowings [Refer Note 21]	23.64	76.05
Fixed Deposits from Public	0.30	-
Interest Accrued	13.68	15.21
Unpaid Dividends [Refer Note (a) below]	1.65	1.30
Unclaimed Matured Fixed Deposits from Public	1.65	0.74
Deposits	0.05	0.05
Derivatives - Forward Exchange Contracts [Refer Note (b) below]	2.08	-
Total	**43.05**	**93.35**

a. During the year, the Company has transferred an amount of ₹ 0.13 crores (March 31, 2018 : ₹ 0.11 crores) to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013. There is no amount due for payment to the Fund as at the year end.

b. The Company has 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 the financial statements for the year ended March 31, 2019

27 Other Current Liabilities

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances from Customers	285.77	40.41
Statutory Dues including Service Tax and Withholding Tax	12.88	13.60
Employee Benefits payable	14.47	8.20
Accrued Expenses	55.22	169.74
Other Liabilities	25.57	19.84
Total	**393.91**	**251.79**

28 Provisions - Current (₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Employee Benefits		
Provision for compensated absences [Refer Note 49]	4.22	4.67
Provision for termination benefits		
- Others [Refer Note 45]	0.63	0.63
Provision for loyalty / long service awards [Refer Note 49]	0.31	0.27
Other Provisions		
Provision for litigation and disputes [Refer Note below]	13.95	14.96
Provision for commercial and other matters [Refer Note below]	37.92	26.24
Total	**57.03**	**46.77**

Note: Movements in each of the class of other provisions during the financial year are set out below: (₹ in Crores)

Particulars	Commercial and other matters	Litigation and disputes
As at April 1, 2017	**31.50**	**13.69**
- Additions	3.34	1.55
- Amounts utilised	(8.60)	(0.28)
As at March 31, 2018	**26.24**	**14.96**
- Additions	11.68	1.15
- Amounts utilised	-	(2.16)
As at March 31, 2019	**37.92**	**13.95**

29 Current Tax Liabilities (Net) (₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Taxation (net of advance income-tax)	6.75	8.25
Total	**6.75**	**8.25**

NOTES to the financial statements for the year ended March 31, 2019

30 Revenue From Operations

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Sale of Products	1,683.05	1,502.81
Real Estate	2,509.26	1,110.18
Other Operating Revenue		
- Lease Rentals	23.62	30.39
- Subvention Income	194.61	42.34
- Others	19.22	7.03
Total Other Operating Revenue	237.45	79.76
Total	**4,429.76**	**2,692.75**

31 Other Income

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest Income		
- on Inter-corporate Deposits	0.04	17.67
- on Income-tax Refunds	0.43	2.20
- on Fixed Deposits with Banks	6.87	10.49
- on Fair Valuation of other Financial Assets carried at Amortised Cost	0.10	
- on Others	3.28	12.56
	10.72	**42.92**
Dividend Income		
- Dividend income from Non-current Investments	2.61	1.72
	2.61	**1.72**
Other Non - Operating Income		
- Sundry balances / excess provisions written back	3.46	1.56
- Other Non-operating Income	8.44	3.35
- Subsidy received for Electricity	8.08	-
	19.98	**4.91**
Other Gains		
- Profit on Sale of Property, Plant and Equipment	4.48	-
- Gain on Foreign Currency Transactions (Net)	2.43	1.70
	6.91	**1.70**
Total	**40.22**	**51.25**

32 Cost of Material Consumed

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Inventories at the beginning of the year	78.92	70.98
Add : Purchases	1,152.38	976.21
	1,231.30	**1,047.19**
Less: Inventories at the end of the year	(54.27)	(78.92)
Total	**1,177.03**	**968.27**

NOTES to the financial statements for the year ended March 31, 2019

33 Purchases of Stock-in-Trade

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Processed long length	165.74	107.97
Made ups	55.16	56.55
Total	**220.90**	**164.52**

34 Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-Progress

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Manufacturing and Retail		
Inventories at the beginning of the year		
Finished goods	59.69	79.86
Work-in-progress	13.18	9.92
Stock-in-trade	36.34	70.33
	109.21	**160.11**
Inventories at the end of the year		
Finished goods	50.20	59.69
Work-in-progress	9.47	13.18
Stock-in-trade	47.57	36.34
	107.24	**109.21**
Inventory change - Manufacturing and Retail - (a)	**1.97**	**50.90**
Real Estate		
Inventories at the beginning of the year		
Development work-in-progress	211.25	181.84
Add : Inventories acquired on demerger [Refer Note 43]	395.96	-
Add : Increase in value due to change in Accounting Policy [Refer Note 46]	1,194.43	-
	1,801.64	**181.84**
Inventories at the end of the year		
Development work-in-progress	1,309.21	211.25
Less: Incidental Overheads Written off	-	9.46
Inventory change - Real Estate - (b)	492.43	(38.87)
Total	**494.40**	**12.03**

35 Employee Benefit Expense

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries, Wages and bonus	84.94	76.75
Contribution to Provident and Other Funds	4.36	5.41
Gratuity Expenses	0.43	0.18
Workmen and Staff Welfare Expenses	4.93	4.97
Total	**94.66**	**87.31**

NOTES to the financial statements for the year ended March 31, 2019

36 Finance Costs

(₹ in Crores)

Particulars	**Year Ended March 31, 2019**	Year Ended March 31, 2018
Interest on Long-term Borrowings	383.11	255.57
Interest on Short-term Borrowings	57.23	92.35
Ancillary Borrowing Costs	38.65	52.37
Loss on Derecognition of Financial Liabilities	-	4.15
Exchange difference to the extent considered as an adjustment to Borrowing Costs	-	1.42
Others	10.71	6.65
Total	**489.70**	**412.51**

37 Depreciation and Amortisation Expenses

(₹ in Crores)

Particulars	**Year Ended March 31, 2019**	Year Ended March 31, 2018
Depreciation on Property, Plant and Equipment	29.61	29.33
Depreciation on Investment Property	0.05	0.07
Amortisation on Intangible Assets	0.13	0.48
Total	**29.79**	**29.88**

NOTES to the financial statements for the year ended March 31, 2019

38 Other Expenses

(₹ in Crores)

Particulars		Year Ended March 31, 2019	Year Ended March 31, 2018
Manufacturing Expenses			
Stores, Spare parts and Catalysts		33.68	30.41
Oil and coal consumed		49.95	45.24
Electric energy (net of refund receivable on account of regulatory liability charges)		44.65	40.51
Water charges		2.84	3.38
Repairs: Buildings		1.79	1.23
Machinery		8.46	6.11
Others		3.50	3.19
Job work / processing charges		0.17	
Subtotal		**145.04**	**130.07**
Construction Expenses			
Architect fees and technical /project related consultancy		19.24	24.36
Civil, Electrical, contracting, etc..		303.00	381.05
Payment to local agencies		25.49	164.62
Compensation for rehabilitation of tenants		5.75	3.83
Subtotal		**353.48**	**573.86**
Selling and Distribution Expenses			
Brokerage, commission		11.28	3.88
Freight and forwarding		29.56	26.88
Advertisement expense		19.88	16.41
Subtotal		**60.72**	**47.17**
Establishment Expenses			
Rent		10.92	15.07
Rates and taxes		20.88	9.69
Insurance		1.24	1.87
Incidental expenses written-off		-	9.46
Allowance for doubtful advances/debts		-	4.52
Allowance for diminution in the value of investment		-	0.31
Bad debts and advances written off	16.03		
Less: Allowance for doubtful debts written back	(16.03)	-	-
		-	-
Expenses on Corporate Social Responsibility activities		-	0.04
Payment to Auditors [Refer Note below]		1.31	1.11
Legal and Professional Fees		16.66	16.17
Retainership Fees		7.23	5.84
Loss on disposal of Property, Plant and Equipment		-	3.56
Capital Work-in Progress Written-off		71.04	-
Miscellaneous expenses		43.08	29.87
Subtotal		**172.36**	**97.51**
Total		**731.60**	**848.61**

Payment to auditor

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
As an auditor :		
Audit Fee	0.75	0.65
Limited Review	0.41	0.41
In other capacity:		
Taxation matters	0.08	-
Certification fees	0.06	0.04
Reimbursement of expenses	0.01	0.01
Total	**1.31**	**1.11**

NOTES to the financial statements for the year ended March 31, 2019

39 Exceptional Items

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Profit on sale of Property, Plant and Equipment - Immoveable Property	9.34	-
Allowance for doubtful debts / advances to Subsidiary [Refer Note below]	(5.47)	(153.25)
Total	**3.87**	**(153.25)**

Note

The Company had shareholding of 33.89% in the joint venture PT Five Star Textile Indonesia (PTFS). The Company took strategic move to wind up this loss making Joint Venture. With this strategic objective, on July 18, 2018, the Company acquired 3,409 Shares (52.11% Shareholding) in PTFS at a value of ₹ 3,818 (USD 34). Upon acquisition, the Company obtained control over PTFS and it became a Subsidiary of the Company, thereby enabling the Company to apply for liquidation as per the laws of Indonesia and winding up process is initiated.

On November 20, 2018, loan amounting to ₹ 185.48 crores which was earlier given by the Company to PTFS was converted into Equity Shares in PTFS and reflected as such. As a result of this conversion, the percentage holding of the Company increased to 97.36%.

The Company has reported the provision as an exceptional items of ₹ 5.47 crores [2017-18 : ₹ 153.25 crores]

40 Assets pledged / hypothecated / mortgaged as security

The carrying amounts of Assets pledged / hypothecated / mortgaged as security for Current and Non-current Borrowings or Contingent liabilities are:

(₹ in Crores)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
Current Assets			
Financial Assets			
First Charge			
Fixed Deposits under Lien	14	15.42	67.82
		15.42	**67.82**
Floating Charge			
Trade Receivables	12	1,092.22	212.36
Other Financial Assets	16	1.49	1,512.20
Other Current Assets	18	-	5.68
		1,093.71	**1,730.24**
Non-Financial Assets			
Floating Charge			
Inventories	11	1,353.47	409.00
		1,353.47	**409.00**
Total Current Assets pledged / hypothecated / mortgaged as security		**2,462.60**	**2,207.06**
Non-current Assets			
First Charge			
Property, Plant and Equipment	3	465.81	473.25
Investment Property	5	2.69	2.75
Investment	7	169.04	-
Fixed Deposits under Lien	9	-	1.75
Total Non-currents Assets pledged / hypothecated / mortgaged as security		**637.54**	**477.75**
Total Assets pledged / hypothecated / mortgaged as security		**3,100.14**	**2,684.81**

NOTES to the financial statements for the year ended March 31, 2019

41 Contingent Liabilities (₹ in Crores)

Particulars			As at March 31, 2019	As at March 31, 2018
A.	**Claims against the Company not acknowledged as debt.**			
	a.	Income-tax matters in respect of earlier years under dispute (including interest March 31, 2019 - ₹ 21.40 crores) [March 31, 2018 - ₹ 18.82 crores] as follows:		
		i Pending in appeal - matters decided against the Company	78.19	77.20
	b.	Sales Tax, Service Tax and Excise Duties	23.26	32.84
	c.	Custom Duty	0.95	0.95
	d.	Other Matters (Including claims related to real estate, employees and other matters)	112.40	113.29
	In respect of items (a) to (d) above, it is not possible for the Company to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/ authorities.			
	The Company does not expect any reimbursements in respect of the above contingent liabilities.			
	The Company's pending litigations comprise of claims against the Company by certain real estate customers and disputed by the Company, of which the significant ones are matters of arbitration, and pertaining to proceedings pending with Income Tax, Excise, Custom, Sales Tax / VAT and other authorities.			
B.	**Guarantees**			
	a.	**Counter indemnity** issued in favour of IDBI Bank Limited which in turn has guaranteed loans granted by Punjab National Bank (International) limited London and Axis Bank, UK to PTFS secured by first pari-passu charge on 36,617.13 square metres of land at Company's Spring Mill Dadar, Naigaon together with all buildings, structures and erections thereon.	-	81.31
	b.	**Bank Guarantee** Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 12.41 crores (March 31, 2018 : ₹ 4.55 crores)	34.96	29.15
C.	**Other money for which the company is contingently liable**			
	Bills Discounted		-	7.11
D.	**Other commitments**			
	a.	Estimated amount of contracts to be executed on capital account and not provided for	1.53	0.41
	b.	Other Commitments not provided for related to construction under development	267.27	569.33

42 Litigations

a. During the year 2010-11, the Company had agreed to sell certain area in the proposed tower TWO ICC to Shaan Realtors Private Limited, (formerly Accord Holding Private Limited) ("the claimants"). The area agreed to be sold is under dispute and the matter was referred to arbitration. The arbitrator vide order dated January 13, 2014 passed the final award directing the Company to allot to the claimants and/ or its associates, friends, nominees carpet area of 1,00,000 sq. ft. less the carpet area as already allotted to them in the proposed tower TWO ICC, namely, additional carpet area of 48,495 sq. ft. Accordingly, the requisite area has been set aside by the Company and no adjustment has been made in the financial statements in view of the uncertainty involved.

b. The Bombay High Court vide its order dated November 20, 2013 permitted the Company to surrender land at one location i.e. Wadala, as per the application made by the Company under Integrated Development Scheme. As per this order, the total of 66,651 sq. metres of land has been surrendered to MCGM and MHADA at Island City Centre, Wadala. During the year 2013-14, the Union had filed a

NOTES to the financial statements for the year ended March 31, 2019

writ petition requiring the Company to surrender non textile mill land. The Bombay High Court has directed the Company to reserve additional 10,000 sq. metres of land adjacent to the land to be surrendered. The Company believes that above said writ petition filed in Bombay High Court has no impact on the development of the two towers at ICC since the reserved land of 10,000 sq. metres is different from the one where construction of the two towers is in progress and part Occupancy Certificate (OC) has received for same.

c. The Company had during the year 2010-11 sold the building known as 'Wadia Tower A' to Axis Bank Limited for a consideration of ₹782.62 crores. The purchaser has till date paid a sum of ₹ 753.69 crores and the balance ₹ 28.93 crores is still outstanding. Axis Bank Limited has claimed damages and interest for delayed handover, non-completion of essential and basic amenities, failure to provide prominent signage, etc. and has not paid the common area maintenance charges amounting ₹ 14.91 crores (As on March 31, 2018 : ₹ 13.08 crores). Since the matter could not be amicably resolved, the same was referred to arbitration. Claims from the Bank regarding costs for work completed by the Bank on behalf of the Company and by the Company on behalf of Axis Bank are also matters under arbitration. Pending finalisation of arbitration proceedings, the receivables are Considered good.

43 Demerger of Real Estate Undertaking business of SCAL Services Limited

a. The Scheme of Arrangement ('the Scheme') between SCAL Services Limited ('SCAL') and the Company and their respective shareholders for demerger of Real Estate Business Undertaking of SCAL vesting into the Company was sanctioned by the Hon'ble NCLT, Bench at Mumbai vide Order dated February 21, 2019. The certified copy of the Order sanctioning the Scheme was filed with the Registrar of the Companies, Mumbai, on February 28, 2019. On giving effect of the Scheme, from the Appointed Date of the Scheme, i.e. July 1, 2018, all the assets and liabilities of Real Estate Business Undertaking of SCAL stands transferred and vested in the Company.

b. The assets and liabilities of SCAL Service Limited as at July 1, 2018 have been taken over at their respective book values and necessary adjustments have been made such that all the assets and liabilities acquired are reflected at their acquisition date fair value as required by Ind AS 103 on "Business Combinations". Accordingly, ₹ 0.91 crores has been credited to the Capital Reserve as shown below:

(₹ in Crores)

Impact on Balance Sheet	As at March 31, 2019
Particulars	
Non-current Assets	386.23
Current Assets other than Cash and Cash Equivalents	174.02
Cash and Cash Equivalents	0.53
	560.78
Non-current Liabilities	555.21
Current Liabilities	4.66
Capital Reserve	**0.91**

c. Pursuant to the Scheme, the Company is to issue 3,88,800 8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹100 each fully paid up. Pending issue and allotment of such Preference Shares, as required by Ind AS 32, a sum of ₹ 3.89 crores is credited to Preference Share Capital Suspense and reflected under Non-current Borrowings (Refer Note 21).

d. In view of the aforesaid arrangement with effect from July 1, 2018, the figures of assets, liabilities, expenses and income for the current year to that extent are not comparable to those of the previous year.

NOTES to the financial statements for the year ended March 31, 2019

44 During the year 2000-01, pursuant to the Scheme of Amalgamation between SCAL Investments Limited (SIL) and the Company, sanctioned by the jurisdictional court on April 20, 2001, the assets, liabilities and reserves of SIL had been transferred to and vested in the Company with effect from October 1, 2000. The titles in respect of certain immovable properties amalgamated into the Company are still in the process of transfer.

45 The Company vide notice dated January 8, 2013 notified the closure of its textile mills manufacturing undertaking at Worli, pursuant to which some of the textile workers accepted alternate employment in the Company and the remaining workers accepted closure of the undertaking and consequent termination of services under the memorandum of agreement signed by the Company with the workers union. In accordance with the agreement, the Company has paid / provided to such workers the terminal dues, closure compensation and ex-gratia compensation. Whilst some workers have accepted lump sum compensation, others have opted for a monthly payment up to age 63 or till demise, whichever is earlier. At the time of the previous voluntary retirement schemes, the initial cost relating to ex-gratia compensation was added to the development cost of land. The liability in respect of the monthly payments as actuarially determined is as under:

(₹ in Crores)

Particulars		**As at March 31, 2019**	As at March 31, 2018
a.	The liability in respect of the monthly payments that has been actuarially determined as on the Balance sheet date by the independent actuary	6.86	6.86
b.	The actuarial (gain)/loss for the year recorded in the Statement of Profit and Loss. [Refer Note 49]	(0.09)	(0.10)

46 **Disclosures under Ind AS 115 - Revenue from Contracts with Customers**

A. The Company generates revenue primarily from Sale of Polyester Staple Fibre, Retail and Real Estate Development; its other operating revenue include Lease Rentals and Subvention Income.

Effective April 1, 2018, the Company has adopted Ind AS 115 on “Revenue from Contracts with Customers”, using the cumulative effect method (modified retrospective application). The cumulative effect of initially applying this standard on all contracts that are not completed as at the date of initial application (i.e. April 1, 2018) is recognised in equity and the comparative information in the Statement of Profit and Loss is not restated, that is, the comparative information continues to be reported under Ind AS 18 on “”Revenue”” and Ind AS 11 on “”Construction Contracts””. The impact of adoption of Ind AS 115 on the financial statements on account of Revenue from Sale of Polyester Staple Fibre and Retail is insignificant or has remained unchanged; however, the impact of Revenue from Real Estate Development activity for its ongoing project at Wadala is significant and accordingly, is given effect to. [Refer Note 2(o)].The following is a summary of new and / or revised significant accounting policies related to revenue recognition. Refer Note 1 “Significant Accounting Policies,” in the Company’s 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018.

Hitherto, the Company recognised revenue from Real Estate Development activity in accordance with the Guidance Note on “Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)” issued by the Institute of Chartered Accountants of India, which was based on principles set out in Ind AS 18 and Ind AS 11. Accordingly, where the Company had obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue was recognised on the ‘Percentage of Completion Method’ (POCM). Revenue was recognised in relation to the sold areas, on the basis of percentage of actual cost incurred to the total estimated cost of project.

The Company has assessed effect of Ind AS 115 on its contracts with customers that are not completed as on April 1, 2018 for its ongoing project at Wadala and on the basis of such assessment and as legally advised, the Company has changed its accounting policy to recognise revneue from POCM, that is, over a period, to Project Completion Method(PCM), that is, at a point in time. Due to this change, in terms of transitional provisions under Ind AS 115, as on April 1, 2018, the cumulative revenue of ₹ 2,967.66 crores (of which ₹ 1,502.13 crores represents Unbilled Revenue) hitherto recognised is reversed and cumulative corresponding cost of ₹ 1,194.43 crores is reflected as Inventory - Work-in-progress and the resultant net impact thereof ₹ 1,773.23 crores is adjusted in Retained Earnings.

NOTES to the financial statements for the year ended March 31, 2019

Had the Company continued to recognise revenue on the basis of POCM as in the earlier years, the impact on its Total Revenue, Profit before Tax and EPS (excluding demerger) would have been as under:

₹ in Crores

Particulars	Year ended March 31, 2019 (as reported)	Impact due to adoption of Ind AS for the year ended March 31, 2019	Year ended March 31, 2019 (had POCM been followed)	Year ended March 31, 2018 (based on POCM)
Total Income (₹ in Crores)	4,469.98	(1,292.54)	3,177.44	2,744.00
Profit before Tax (₹ in Crores)	1,235.77	(653.00)	582.77	37.19
EPS (₹ per share)	59.55	(31.62)	27.94	1.67

B. During the year on receipt of part Occupation Certificate for the ongoing project at Wadala, as per the policy of recognising revenue by PCM, that is, at a point in time, revenue of ₹ 2,696.84 crores is recognised and reflected in Note 30.

₹ in Crores

	Particulars	Year Ended March 31, 2019
C.	**Details of Revenue from Contracts with Customers recognised by the Company, in its Statement of Profit and loss**	
	Revenue from Operations	
	Real Estate	2,727.48
	Polyester	1,439.28
	Retail / Textile	263.00
		4,429.76
D.	Reversal of Expected Credit Loss on Trade Receivables recognised in the Statement of Profit and Loss based on evaluation under Ind AS 109 (Refer Note 12)	(17.79)
E.	**Disaggregation of revenue from Contracts with Customers**	
	i. Revenue based on nature of products or service	
	Real Estate	
	- Real Estate Development activity	2,509.25
	- Subvention Income	194.61
	- Lease Rentals	23.62
	Polyester	
	- Polyester Staple Fibre	1,419.66
	- Others	19.62
	Retail / Textile	
	- Bed Linen Products	149.54
	- Bath Linen Products	36.75
	- Others	76.71
		4,429.76
	ii. Revenue based on Geography	
	India	
	- Real Estate	2,727.48
	- Polyester	1,040.38
	- Retail / Textile	263.00
	Out of India	
	- Polyester	398.90
		4,429.76
	iii. Revenue based on Contract duration	
	Short -term contracts	
	- Real Estate	0.17
	- Polyester	1,439.28
	- Retail / Textile	263.00
	Long terms contracts	
	- Real Estate	2,727.31
		4,429.76

NOTES to the financial statements for the year ended March 31, 2019

₹ in Crores

Particulars		Year Ended March 31, 2019
iv.	**Revenue based on its timing of recognition**	
	Point in time	
	- Real Estate	2,727.48
	- Polyester	1,439.28
	- Retail / Textile	263.00
	Over a period of time	-
		4,429.76

F. Contract Balances

The following table provides information about Trade Receivables and Contract Liabilities from contracts with customers:

₹ in Crores

Particulars		As at March 31, 2019	As at March 31, 2018
i.	**Trade Receivables (Gross) - Current [Refer Note 12]**	1,104.34	242.27
	Less: Provision for Impairment	(12.12)	(29.91)
	Net Receivables	**1,092.22**	**212.36**
ii.	**Contract Liabilities**		
	Advance from Customers - Current [Refer Note 27]	285.77	1,505.41
	Total Contract Liabilities	**285.77**	**1,505.41**

Notes :

i. Amounts received before the related performance obligation is satisfied are included in the balance sheet (Contract liability) as "Advances received from Customers" in (Refer Note 27) Other Current Liabilities. Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under Trade Receivables (Refer Note 12).

ii. During the year, the Company recognised Revenue of ₹ 1,266.01 crores from opening contract liability (after Ind AS 115 adoption) of ₹1505.41 crores on the policy of recognising revenue at a point in time on completion of its ongoing project (Refer Note 30).

iii. There were no significant changes in the composition of the contract liabilities and Trade Receivables during the reporting period other than on account of periodic invoicing and revenue recognition.

iv. Amounts previously recorded as contract liabilities increased due to further milestone based invoices raised during the year and decreased due to revenue recognised during the year on receipt of part Occupation Certificate (Refer Note 46B).

v. On account of Business Combination(Refer Note 48) the contract liabilities have been reduced by ₹ 157.84 crores during the current year.

vi. Amounts previously recorded as Trade Receivables increased due to further milestone based invoices raised during the year and decreased due to collections during the year.

vii. There are no contract assets, referred to Unbilled Revenue, outstanding at the end of the year (Refer Note 16).

viii. There has been no material impact on the Cash flows Statement as the Company continues to collects from its Customers based on payment plans. Additionally there is no material impact on Other Comprehensive Income on account of Ind AS 115 transition.

NOTES to the financial statements for the year ended March 31, 2019

G. Reconciliation of Revenue recognised from Contracts with Customers in the Statement of Profit and Loss with the contracted price

₹ in Crores

	Year Ended March 31, 2019
Contracted price with the Customers	4,500.28
Less: Discounts and rebates	70.51
Revenue from Contracts with Customers (as per Statement of Profit and Loss)	**4,429.76**

Note : Revenue from operations for the year ended March 31, 2019 is net of ₹ 23.72 crores towards input tax credit benefits passed on to the customers as per the provisions of Section 171 on Anti-Profiteering of Central Goods & Service Tax Act, 2017.

H. Performance Obligation on Contracts with Customers:

Revenue is recognised on transfer of control of goods or services to customers on satisfaction of performance obligation at a point in time.

Sale of Goods/Services:

The Company does not have any remaining performance obligation as contracts entered for sale of goods and services are for a shorter duration.

Real Estate Development activity:

In respect of the Real Estate Development activity, the Company has long-term contracts with customers aggregating to ₹ 241.16 crores for which revenue is to be recognised based on the performance obligation to be satisfied at a point in time.

The management expects to satisfy the performance obligation to these long-term contracts during the next reporting period and accordingly, expects to recognise the revenue thereon.

47 a. The remuneration paid to Managing Director amounting to ₹ 7.38 crores for the year ended March 31, 2019 (for the year ended March 31, 2018 : ₹ 6.81 crores) is within the limits laid down in Section 197 of the Companies Act, 2013.

b. Pursuant to the recent amendment to the Act introduced by the Companies (Amendment) Act, 2017, with effect from September 12, 2018, any application previously made by the Company to the Central Government under the provisions of Section 197 and which is pending with the Central Government shall abate on September 12, 2018 and the Company is required to obtain the approval of the members by way of a special resolution in accordance with the revised provisions of Section 197 within one year of the commencement of the corresponding amendment, that is, by September 11, 2019.

The remuneration paid to the Managing Director for the year ended March 31, 2017 is in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by ₹ 4.29 crores. The Company has received an approval from the Central Government dated June 21, 2017 for payment of remuneration amounting to ₹ 2.12 crores only. Fresh application for the approval of the pending amount was made to the Central Government, however, the same stands abated pursuant to the provisions of the Companies (Amendment) Act, 2017, and the same shall be regularised by taking approval from the shareholders at ensuing Annual General Meeting pursuant to the said provisions.

48 Pursuant to the Order of the Supreme Court dated August 2, 2013 and the Order of the Bombay High Court dated November 20, 2013 permitting the Company to surrender land at one location i.e. Spring Mills, Wadala, under the Integrated Development Scheme for consolidating handover obligation, the Company had in December 2014 given advance possession of 32,829.02 square metres of land to MCGM and 33,822.89 square metres of land to MHADA at Spring Mills, Wadala after completion of necessary boundary wall, and internal filling/ levelling, SWD, etc. as per the provisions of DCR 58 (6) read with DCR 58 (1) (a) and (b).

As per the provisions of DCR 54, the Company has entered into agreement with MHADA in September, 2018 for entitlement for TDR of 84,557.22 square metres in lieu of surrender of land to MHADA as aforesaid. The TDR received from MHADA is recognised as revenue and reflected under Revenue from Real Estate Development activity based on Valuation Report of a Registered Valuer at ₹ 350.05 crores. Such TDR forms part of the inventory and reflected as such (Refer Note 11).

As per the provisions of DCR 54, the Company has entered into an agreement with MCGM on March 28, 2019 for entitlement of FSI. The FSI received from MCGM is recognised as revenue and reflected under Revenue from Real Estate Development activity based on Valuation Report of a Registered Valuer at ₹ 371.11 crores. Such FSI forms part of the inventory and reflected as such (Refer Note 11). For the year ended March 31, 2019, the Company has sold 997.22 square metres of TDR and recognised gain of ₹ 0.17 crores and reflected under Revenue from Real Estate Development activity.

NOTES to the financial statements for the year ended March 31, 2019

49 Employee Benefits

A Defined Contribution Plan

Provident Fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company, post contribution of amount specified under the law to Employee Provident Fund Organisation on account of employee pension scheme.

Superannuation Fund

The Company has a superannuation plan for the benefit of some of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The contributions are recognised as an expense as and when incurred and the Company does not have any further obligations beyond this contribution.

The Company has recognized the following amounts in the Statement of Profit and Loss under Contribution to Provident and Other Funds as under:

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Employer's contribution to Provident Fund	2.72	3.02
Employer's contribution to Family Pension Fund	0.48	0.49
Employer's contribution to Superannuation Fund	0.30	0.28

B Defined benefit Plan

Retirement Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts or insurance companies. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

i. Gratuity - As per actuarial valuation as on March 31, 2019

Particulars	As at March 31, 2019	As at March 31, 2018
Actuarial Assumptions		
Expected Return on Plan Assets	7.59%	7.71%
Rate of Discounting	7.59%	7.71%
Rate of Salary Increase	8.50%	8.50%
Rate of Employee Turnover	For service 4 years and below 23.00% p.a., thereafter 3.00% p.a.	For service 4 years and below 23.00% p.a., thereafter 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

NOTES to the financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	17.26	21.12
Interest Cost	1.33	1.44
Current Service Cost	1.28	1.76
Benefit Paid Directly by the Employer	-	(1.64)
Benefit Paid from the Fund	(2.11)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.13	(1.00)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.39)	(4.42)
Present Value of Benefit Obligation at the End of the year	**17.50**	**17.26**

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Change in the Fair Value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the year	22.33	20.64
Interest Income	1.72	1.41
Contributions by the Employer	(3.99)	0.48
Benefit Paid from the Fund	(2.11)	-
Return on Plan Assets, Excluding Interest Income	(0.51)	(0.19)
Fair Value of Plan Assets at the End of the year	**17.44**	**22.34**

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	(17.51)	(17.26)
Fair Value of Plan Assets at the end of the year	17.45	22.34
Funded Status Surplus/ (Deficit)	(0.06)	5.08
Net (Liability)/Asset Recognized in the Balance Sheet	**(0.06)**	**5.08**

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Expenses Recognized in the Statement of Profit or Loss		
Current Service Cost	1.28	1.76
Net Interest Cost	(0.39)	0.03
Expenses Recognized	**0.89**	**1.79**

NOTES to the financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	**Year Ended March 31, 2019**	Year Ended March 31, 2018
Amount Recognized in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation	(0.25)	(5.42)
Return on Plan Assets, Excluding Interest Income	0.51	0.19
Net (Income)/Expense Recognized in OCI	**0.26**	**(5.23)**

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Category of Assets		
Government of India Assets	4.09	8.89
State Government Securities	-	10.53
Mutual Funds	1.55	-
Corporate Bonds	-	2.27
Cash And Cash Equivalents	0.61	0.36
Insurance Funds	12.13	-
Other	(0.94)	0.29
Total	**17.44**	**22.34**

Particulars	**As at March 31, 2019**	As at March 31, 2018
Other Details		
Weighted Average Duration of the Projected Benefit Obligation (years)	9.84	9.84
Prescribed Contribution for Next Year (₹ in crores)	1.47	-

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Maturity Analysis of the Benefit Payments: From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	1.94	2.49
2nd Following Year	1.56	1.00
3rd Following Year	1.97	2.09
4th Following Year	2.10	1.90
5th Following Year	2.03	2.14
Sum of Years 6 To 10	6.47	6.56
Sum of Years 11 and above	16.70	15.83

NOTES to the financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(1.06)	(1.00)
Delta Effect of -1% Change in Rate of Discounting	1.20	1.13
Delta Effect of +1% Change in Rate of Salary Increase	1.18	1.11
Delta Effect of -1% Change in Rate of Salary Increase	(1.06)	(1.00)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.10)	(0.09)
Delta Effect of -1% Change in Rate of Employee Turnover	0.11	0.09

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Qualitative Disclosures

- **Characteristics of defined benefit plan**

  The Company has a defined benefit gratuity plan in India (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 fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

- **Risks associated with defined benefit plan**

- Gratuity is a defined benefit plan and Company is exposed to the Following Risks:

  Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

  Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

  Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

  Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

  Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

- During the year, there were no plan amendments, curtailments and settlements.

- A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

NOTES to the financial statements for the year ended March 31, 2019

ii. Long Service Benefit - As per actuarial valuation as on March 31, 2019

Particulars	As at March 31, 2019	As at March 31, 2018
Actuarial Assumptions		
Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	7.59%	7.71%
Rate of Salary Increase	8.50%	8.50%
Rate of Employee Turnover	For service 4 years and below 23.00% p.a. & For service 5 years and above 3.00% p.a.	For service 4 years and below 23.00% p.a. & For service 5 years and above 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	2.50	2.57
Interest Cost	0.19	0.18
Current Service Cost	0.11	0.11
(Benefit Paid Directly by the Employer)	(0.18)	(0.23)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.06)	(0.07)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.06)	(0.06)
Present Value of Benefit Obligation at the End of the year	**2.50**	**2.50**

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	(2.51)	(2.50)
Fair Value of Plan Assets at the end of the year	-	-
Funded Status Surplus/ (Deficit)	(2.51)	(2.50)
Net (Liability)/Asset Recognized in the Balance Sheet	**(2.51)**	**(2.50)**

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Expenses Recognized in the Statement of Profit or Loss		
Current Service Cost	0.11	0.11
Net Interest Cost	0.19	0.18
Expenses Recognized	0.30	0.29
Amount Recognized in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation For the year	(0.11)	(0.13)
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income)/Expense Recognized in OCI	**(0.11)**	**(0.13)**

NOTES to the financial statements for the year ended March 31, 2019

Particulars	As at March 31, 2019	As at March 31, 2018
Other Details		
Weighted Average Duration of the Projected Benefit Obligation (years)	7.70	7.73
Prescribed Contribution for Next Year (₹ in crores)	-	-

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Maturity Analysis of the Benefit Payments: From the Employer		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.16	0.26
2nd Following Year	0.24	0.11
3rd Following Year	0.36	0.29
4th Following Year	0.33	0.36
5th Following Year	0.39	0.33
Sum of Years 6 To 10	1.15	1.22
Sum of Years 11 and above	2.16	2.24

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(0.02)	(0.07)
Delta Effect of -1% Change in Rate of Discounting	0.31	0.08
Delta Effect of +1% Change in Rate of Salary Increase	0.30	0.08
Delta Effect of -1% Change in Rate of Salary Increase	(0.02)	(0.07)
Delta Effect of +1% Change in Rate of Employee Turnover	0.12	-
Delta Effect of -1% Change in Rate of Employee Turnover	0.14	-

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Qualitative Disclosures

- **Characteristics of defined benefit plan**

  The Company has a defined benefit Long Service Benefit plan in India (unfunded). The company's defined benefit Long Service Benefit plan is a final salary plan for employees.

  Long Service Benefit is paid from company as and when it becomes due and is paid as per company scheme for Long Service Benefit.

NOTES to the financial statements for the year ended March 31, 2019

- **Risks associated with defined benefit plan**

  Long Service Benefit is a defined benefit plan and company is exposed to the Following Risks:

  Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision.

  Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

  Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

  Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

- During the year, there were no plan amendments, curtailments and settlements.

- Long Service Benefit plan is unfunded.

C Other long term benefits-

Amount recognised as a liability in respect of compensated leave absences as per the actuarial valuation / management estimate as on March 31, 2019 is ₹ 9.17 crores [As on March 31, 2018 : ₹ 8.23 crores].

50 Current Liabilities

The amount of dues owed to Micro, Small and Medium Enterprises as on March 31, 2019 amounted to ₹ 20.71 crores (March 31, 2018 : ₹ 2.02 crores). The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Company has sought confirmation from vendors whether they fall in the category of Micro, Small and Medium Enterprises. Based on the information available the required disclosure under Micro, Small and Medium Enterprises Development Act, 2006 is given below:

(₹ in Crores)

	Particulars	**As at March 31, 2019**	As at March 31, 2018
i.	Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	8.57	2.02
ii.	Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	0.36	-
iii.	Interest paid	-	-
iv.	Payment made to suppliers (other than interest) beyond the appointed day, during the year	46.81	26.59
v.	Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	0.32	0.61
vi.	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	0.69	0.61
vii.	Amount of further interest remaining due and payable in succeeding year	0.69	0.61

NOTES to the financial statements for the year ended March 31, 2019

51 Earnings per Equity Share

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
i. Profit computation for both Basic and Diluted Earnings per Equity Share of ₹ 2 each:		
Net profit / (loss) after tax as per Statement of profit and loss available for equity shareholders (₹ in Crores)	1,229.98	34.41
ii. Number of Equity Shares		
Number of Equity Shares at the beginning of the year	206,534,900	206,534,900
Add:- Shares allotted during the year	-	-
Number of Equity Shares at the end of the year	206,534,900	206,534,900
Weighted average number of equity shares		
a. For basic earnings	206,534,900	206,534,900
b. For diluted earnings	206,534,900	206,534,900
Face value per Equity Shares (In ₹)	2.00	2.00
iii. Earnings per equity share		
Basic (in ₹)	59.55	1.67
Diluted (in ₹)	59.55	1.67

52 Operating Lease

a. The Company has taken certain motor vehicles, retail shops and godown on operating lease. The particulars in respect of such leases are as follows:

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Lease rent expenses		
i Total of minimum lease payments for a period:		
- not later than one year	7.87	8.63
- later than one year but not later than five years	18.48	24.59
- later than five years	-	0.20
ii Lease payments recognised in the statement of profit and loss for the year	10.92	15.07

iii The lease agreements are for a period of four years for vehicles, for a period of one to nine years for retail shops including further periods for which the Company has the option to continue the lease of retail shops with the condition of increase in rent and for a period of five years for godowns.

b. The Company has given commercial space on operating lease. The lease agreements are for a period of one to four years. The particulars in respect of such leases are as follows:-

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Lease rental income		
i. Total of lease rent income for a period:		
- not later than one year	27.77	24.66
- later than one year but not later than five years	116.18	23.44
- later than five years	-	-
ii. Lease Income recognised in the Statement of Profit and Loss for the year	23.62	30.39

NOTES to the financial statements for the year ended March 31, 2019

53 Corporate Social Responsibility Statement (CSR)

The Company was required to spend ₹ Nil (March 31, 2018 : ₹ Nil) towards CSR during the year in accordance with the provisions of Section 135 of the Companies Act, 2013. The Company has spent ₹ Nil (March 31, 2018 : ₹0.04 crores) on CSR activities during the year.

54 Financial Instruments

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. Financial assets and financial liabilities such as cash and cash equivalents, other bank balances, trade receivables, loans, trade payables and unpaid dividends of which the carrying amount is a reasonable approximation of fair value due to their short term nature , are disclosed at carrying value.

(₹ in Crores)

As at March 31, 2019	Carrying amount / Fair Value				Fair Value Hierarchy		
Particulars	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
– Investments	-	1,060.71	-	1,060.71	1,059.83	0.88	-
– Cash and Cash Equivalent	-	-	32.53	32.53	-	-	-
– Other Bank Balances	-	-	41.97	41.97	-	-	-
– Trade Receivables	-	-	1,092.22	1,092.22	-	-	-
– Loans	-	-	0.66	0.66	-	-	-
– Other Financial Assets	-	-	39.71	39.71	-	-	-
	-	**1,060.71**	**1,207.09**	**2,267.80**	**1,059.83**	**0.88**	**-**
Financial liabilities							
– Borrowings	-	-	3,971.41	3,971.41	-	-	-
– Trade Payable	-	-	523.01	523.01	-	-	-
– Derivative Financial Liability	2.08	-	-	2.08		2.08	
– Other Financial Liabilities	-	-	25.30	25.30	-	-	-
	2.08	**-**	**4,519.72**	**4,521.80**	**-**	**2.08**	**-**

(₹ in Crores)

As at March 31, 2018	Carrying amount / Fair Value				Fair Value Hierarchy		
Particulars	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
– Investments	-	949.34	-	949.34	949.34	-	-
– Cash and Cash Equivalent	-	-	14.15	14.15	-	-	-
– Other Bank Balances	-	-	119.23	119.23	-	-	-
– Trade Receivables	-	-	212.36	212.36	-	-	-
– Loans	-	-	1.99	1.99	-	-	-
– Derivative Financial Assets	0.33	-	-	0.33	-	0.33	-
– Other Financial Assets	-	-	1,554.13	1,554.13	-	-	-
	0.33	**949.34**	**1,901.86**	**2,851.53**	**949.34**	**0.33**	**-**
Financial liabilities							
– Borrowings	-	-	2,803.33	2,803.33	-	-	-
– Trade Payable	-	-	351.11	351.11	-	-	-
– Other Financial Liabilities	-	-	32.46	32.46	-	-	-
	-	**-**	**3,186.90**	**3,186.90**	**-**	**-**	**-**

NOTES to the financial statements for the year ended March 31, 2019

B. Fair Value Hierarchy

The fair value of financial instruments as referred to in Note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1 : quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs)

C. Measurement of Fair Values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments are measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter - relationship between significant unobservable inputs and fair value measurements
Investments in equity instruments	Current bid price (quoted price)	NA	NA
Investments in Unquoted equity instruments	Asset based approach	NA	NA
Derivative financial instruments	MTM from Banks	NA	NA

55 Financial Risk Management

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

i. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

a. Foreign Currency Exchange Risk

The Company's functional currency is Indian Rupees (INR). The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. Volatility in exchange rates affects the Company's revenue from exports markets and the costs of imports, primarily in relation to raw materials with respect to the US-dollar.

Adverse movements in the exchange rate between the Rupee and the relevant foreign currency results in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt.

In order to minimize adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge foreign currency exchange risk. All hedging activities are carried out in accordance with the Company's internal Forex Risk Management Policy, as approved by the management, and in accordance with the applicable regulations where the Company operates.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

NOTES to the financial statements for the year ended March 31, 2019

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR (₹in crores) are as follows

Particulars	As at March 31, 2019		As at March 31, 2018	
	USD	EURO	USD	EURO
Financial Assets				
Trade Receivables	81.20	4.33	27.45	1.61
Derivative Assets				
Foreign Exchange Forward Contracts				
Sell Foreign Currency	(22.47)	(1.71)	(10.32)	(3.13)
Net Exposure to Foreign Currency Risk (Assets)	**58.73**	**2.62**	**17.13**	**(1.52)**
Financial Liabilities				
Foreign Currency Loan	-	-	-	-
Trade Payables	125.11	0.12	152.82	-
Derivatives Liabilities				
Foreign Exchange Forward Contracts				
Buy Foreign Currency	(66.60)	-	(136.15)	-
Net Exposure to Foreign Currency Risk (Liabilities)	**58.51**	**0.12**	**16.67**	**-**

At the end of the reporting period the total notional amount of outstanding foreign currency contracts that the Company has committed to are as below :

Particulars	As at March 31, 2019	As at March 31, 2018
Foreign currency forwards - Buy		
- USD	9,627,881	20,932,604
Foreign currency forwards - Sell		
- USD	3,248,865	1,586,826
- EURO	219,500	388,000

Sensitivity

The sensitivity of profit or loss before tax to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Crores)

Particulars	As at March 31, 2019		As at 31st March , 2018	
	5% strengthening	5% weakening	5% strengthening	5% weakening
USD	2.20	(2.20)	6.27	(6.27)
EURO	(0.21)	0.21	(0.08)	0.08

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107 on "Financial Instruments : Disclosures", since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

NOTES to the financial statements for the year ended March 31, 2019

Interest rate risk exposure

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Variable rate borrowing	3,486.41	2,376.97
Fixed rate borrowing	485.00	426.36
Total Borrowings	**3,971.41**	**2,803.33**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. If, the interest rates had been 100 basis points higher/ lower and all other variables were held constant on the Variable rate borrowings, the Company's profit before tax for the year ended 31 March 2019 would (decrease)/ increase by ₹ 34.86 crores (for the year ended 31 March 2018 : (decrease)/ increase by ₹ 23.77 crores).

c. **Price risk**

Exposure

The Company is exposed to equity price risks arising from equity investments. Equity investments were held for strategic rather than trading purposes. The Company does not actively trade in these investments.

Sensitivity

Following is the sensitivity analysis as a result of the changes in fair value of equity investments measured at FVOCI, determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/ lower, other comprehensive income would increase/ (decrease) as follows for:

The year ended March 31, 2019 : by ₹ 53.04 crores

The year ended March 31, 2018 : by ₹ 47.47 crores

ii. **Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral viz security deposit or bank guarantee, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, investments, cash & cash equivalents, derivative financial instruments and financial guarantees.

a. **Trade receivables:**

Customer credit risk is managed by the Company and is subject to established policy, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring the credit worthiness of the customers to which the Company extends the credit in the normal course of the business. Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

In determining the allowances for credit losses of trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

NOTES to the financial statements for the year ended March 31, 2019

b. Loans and investments:

The Company's centralised treasury function manages the financial risks relating to the Business. The treasury function focuses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. Counterparty credit limits are reviewed and approved by the Finance Committee of the Company. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counterparty's potential failure to make payments.

c. Cash and cash equivalents, derivative financial instruments and financial guarantees:

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counterparties. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

iii. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents, marketable securities and short term and long term borrowings provide liquidity. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity risk management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. 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. The table includes both interest and principal cash flows.

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.

Liquidity exposures as at March 31, 2019 (₹ in Crores)

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial Liabilities				
Borrowings	598.03	3,373.38	-	3,971.41
Trade payables	523.01	-	-	523.01
Derivative	2.08	-	-	2.08
Other financial liabilities	17.33	7.97	-	25.30
Total Financial Liabilities	**1,140.45**	**3,381.35**	**-**	**4,521.80**

NOTES to the financial statements for the year ended March 31, 2019

Liquidity exposures as at March 31, 2018 (₹ in Crores)

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial Liabilities				
Borrowings	490.88	2,312.45	-	2,803.33
Trade Payables	351.11	-	-	351.11
Other Financial Liabilities	17.30	15.16	-	32.46
Total Financial Liabilities	**859.29**	**2,327.61**	**-**	**3,186.90**

56 The Company is engaged in the business of Real Estate, Polyester and Retail / Textile. In accordance with Ind AS 108 "Operating Segments", the Company has presented segment information in the consolidated financial statements, which form part of this report and therefore no separate disclosure on segment information is given in these financial statements.

57 Disclosure pursuant to Ind AS 24 on " Related Party Disclosures"

A. List of Related Parties where control exists:

Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2019	As at March 31, 2018
i. Joint Venture			
PT Five Star Textile Indonesia (upto July 17, 2018)	Indonesia	NA	33.89
ii. Subsidiary			
PT Five Star Textile Indonesia (w.e.f. from July 18, 2018)	Indonesia	97.36	NA
iii. Associates			
Pentafil Textile Dealers Limited	India	49.00	49.00
Bombay Dyeing Real Estate Company Limited	India	40.00	40.00

iv. Key Managerial Personnel :	**Relationship**
Mr. Jehangir N. Wadia - Managing Director	Key Managerial Personnel (KMP)
Mr. Vishnu Peruvemba - Chief Financial Officer (w.e.f. January 5, 2018)	Key Managerial Personnel (KMP)
Mr. Pushpamitra Das - Chief Financial Officer (w.e.f. April 4, 2016 - June 30, 2017)	Key Managerial Personnel (KMP)
Mr. Sanjive Arora - Company Secretary	Key Managerial Personnel (KMP)
Mr. Nusli N. Wadia - Chairman	Relative of KMP (Father of Managing Director)
Mr. Ness N. Wadia - Director	Relative of KMP (Brother of Managing Director)
Mrs. Maureen N. Wadia	Relative of KMP (Mother of Managing Director)
Entities over which KMP and relatives exercise significant influence :	The Bombay Burmah Trading Corporation Ltd.
	Britannia Industries Ltd.
	Baymanco Investments Ltd.
	Go Airlines (India) Limited
	Crawford Bayley & Co.
	Gladrags Media Ltd.

NOTES to the financial statements for the year ended March 31, 2019

Non-Executive Directors :	Dr. Mrs. Minnie Bodhanwala
Independent Directors :	Mr. R. A. Shah
	Mr. S. Ragothaman
	Mr. A. K. Hirjee
	Mr. V. K. Jairath
	Mr. Keki M. Elavia (w.e.f. May 22, 2017)
	Mr. Sunil Lalbhai (w.e.f. February 5, 2019)
	Ms. Gauri Kirloskar (w.e.f. February 5, 2019)
	Mr. S. M. Palia (upto August 7, 2018)
	Mr. S. S. Kelkar (upto August 7, 2018)
Post- Employment Benefits Trust where reporting entities exercise significant influence :	The Bombay Dyeing and Manufacturing Company Limited Employees Provident Fund
	The Bombay Dyeing Superannuation and Group Insurance Scheme
	The Bombay Dyeing and Manufacturing Company Limited Staff Gratuity Fund

NOTES to the financial statements for the year ended March 31, 2019

57 B. The related party transactions are as under :

(₹ in Crores)

Nature of Transactions		Subsidiary		Joint Venture		Associate		Other related party		Key Management Personnel and Relatives		Non-Executive Directors		Independent Directors		Post Employment Benefit Trust		Total	
		Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018
i.	Interest income on ICD/Advance	-	-	-	8.65	0.01	1.30	-	-	-	-	-	-	-	-	-	-	0.01	9.95
ii.	Interest paid on ICD/ Advance	-	-	-	-	-	-	35.00	39.31	-	-	-	-	-	-	-	-	35.00	39.31
iii.	Dividend Paid	-	-	-	-	-	-	7.89	2.20	0.21	0.15	0.01	-	-	-	-	-	8.11	2.35
iv.	Lease Rent income	-	-	-	-	-	-	4.69	4.08	-	-	-	-	-	-	-	-	4.69	4.08
v.	Sale of Property	-	-	-	-	-	-	-	182.42	-	-	-	-	-	-	-	-	-	182.42
vi.	Sale of Plant & Equipment	-	-	-	-	-	-	-	5.60	-	-	-	-	-	-	-	-	-	5.60
vii.	Dividend Income	-	-	-	-	-	-	0.75	0.75	-	-	-	-	-	-	-	-	0.75	0.75
viii.	Inter-corporate Deposits (ICD)/ Advances given	-	-	5.13	137.44	-	-	-	-	-	-	-	-	-	-	-	-	5.13	137.44
ix.	Inter-corporate Deposits (ICD)/ Advances taken	-	-	-	-	-	-	-	450.00	-	-	-	-	-	-	-	-	-	450.00
x.	Repayment received against ICD/Advances	-	-	-	-	0.25	12.70	-	-	-	-	-	-	-	-	-	-	0.25	12.70
xi.	Repayment of ICD/ Advances taken	-	-	-	-	-	-	-	450.00	-	-	-	-	-	-	-	-	-	450.00
xii.	Expenses incurred by related parties on behalf of Company (reimbursable)	-	-	-	-	-	-	0.10	0.30	-	-	-	-	-	-	-	-	0.10	0.30
xiii.	Expenses incurred on the behalf of related parties (reimbursable)	0.34	-	-	7.16	-	-	3.00	4.62	-	-	-	-	-	-	-	-	3.34	11.78
xiv.	Legal and Professional expenses	-	-	-	-	-	-	0.60	0.23	-	-	-	-	-	-	-	-	0.60	0.23
xv.	Contribution during the year (including the Employee's share)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.68	4.25	3.68	4.25
xvi.	Directors sitting fees	-	-	-	-	-	-	-	-	0.12	0.14	0.03	0.04	0.64	0.81	-	-	0.79	0.99
xvii.	Commission to Directors	-	-	-	-	-	-	-	-	1.04	0.64	0.08	0.05	0.88	0.81	-	-	2.00	1.50

NOTES to the financial statements for the year ended March 31, 2019

(₹ in Crores)

Nature of Transactions	Subsidiary		Joint Venture		Associate		Other related party		Key Management Personnel and Relatives		Non-Executive Directors		Independent Directors		Post Employment Benefit Trust		Total	
	Year Ended March 31, 2019	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018
xviii. Guarantee and collaterals given / (expired) (net)	-	-	(81.31)	(129.80)	-	-	-	-	-	-	-	-	-	-	-	-	(81.31)	(129.80)
xix. Provision for doubtful advances	0.34	-	5.13	153.25	-	-	-	-	-	-	-	-	-	-	-	-	5.47	153.25
xx. Investment in Subsidiary	185.48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	185.48	
xxi. Provision for diminution in the value of investment in PT Five Star Textile Indonesia	185.48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	185.48	-
xxii. Short-term Employee Benefits	-	-	-	-	-	-	-	-	7.90	7.57	-	-	-	-	-	-	7.90	7.57
xxiii. Post Employee Benefits	-	-	-	-	-	-	-	-	0.49	0.45	-	-	-	-	-	-	0.49	0.45
xxiv. Other Long Term Benefits	-	-	-	-	-	-	-	-	0.11	(0.05)	-	-	-	-	-	-	0.11	(0.05)
xxv. Termination Benefits	-	-	-	-	-	-	-	-	0.16	0.01	-	-	-	-	-	-	0.16	0.01

NOTES to the financial statements for the year ended March 31, 2019

57 C. Outstanding Balance

(₹ in Crores)

Particulars	Receivables		Payables		Shareholders' deposit given		Deposit given		Guarantees and collaterals given	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Subsidiary	39.07	-	-	-	15.22	-	-	-	-	-
Joint Venture	-	219.28	-	-	-	15.22	-	-	-	81.31
Associates	-	0.25	-	-	-	-	-	-	-	-
Other related party	2.02	1.00	352.77	353.54	-	-	1.84	1.63	-	-
Key Management Personnel and Relatives	-	-	1.04	0.64	-	-	-	-	-	-
Non-Executive Directors	-	-	0.08	0.05	-	-	-	-	-	-
Independent Directors	-	-	0.88	1.01	-	-	-	-	-	-
Post Employment Benefit Trust	1.02	5.08	0.26	0.27	-	-	-	-	-	-

NOTES to the financial statements for the year ended March 31, 2019

58 Additional disclosure as required by the amended clause 34 and 53 of the listing agreements and section 186 of the Companies Act, 2013

(₹ in Crores)

Sr. No	Name	Nature of transaction	Balance as at March 31, 2019	Maximum amount outstanding during the year	No. of shares of the Company held by the loanees as at March 31, 2019
A.	**Investments and Loans and advances in associates**				
1	Pentafil Textile Dealers Ltd.	Investment in equity shares	1.26	1.26	-
			[0.88]	*[0.88]*	*[-]*
2	Bombay Dyeing Real Estate Company Limited	Investments in Equity Shares	0.02	0.02	-
			[0.02]	*[0.02]*	*[-]*
		Inter-corporate Deposit	-	0.25	-
		(Short term funding requirements at interest rates of 12%-13%)	*[0.25]*	*[0.84]*	*[-]*
			1.28	1.53	-
			[1.15]	*[1.74]*	*[-]*
B.	**Loans and advances in the nature of loans to Subsidiary**				
1	PT. Five Star Textile Indonesia	Interest free Shareholders' Deposit	15.22	15.22	-
	(Joint Venture upto July 17, 2018)		*[15.22]*	*[15.22]*	*[-]*
	(Subsidiary from July 18, 2018)	Loans and Advances	39.07	39.07	-
		(Technical fees and expenses recoverable)	*[219.28]*	*[219.28]*	*[-]*
		Investments in Equity Shares	187.08	187.08	-
			[1.59]	*[1.59]*	*[-]*
			241.37	241.37	-
			[234.50]	*[234.50]*	*[-]*

59 Subsequent Events

Proposed Dividend

The Board of Directors at its meeting held on May 2, 2019, has recommended a final dividend of ₹ 1.50 per equity share of ₹ 2 for the financial year ended March 31, 2019 (March 31, 2018 : ₹ 1 per equity share). The Proposed Dividend of ₹ 37.35 crores includes dividend distribution tax of ₹ 6.37 crores.

The above is subject to approval of shareholder at the ensuing Annual General Meeting of the Company hence is not recognised as a liability.

NOTES to the financial statements for the year ended March 31, 2019

60 General

a. All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore upto two decimals as per the requirements of Schedule III, unless otherwise stated.

b. Figures for the previous year have been regrouped / restated wherever necessary to conform to current year's presentation

As per our attached report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia — *Chairman*
Jehangir N. Wadia — *Managing Director*

Suresh Khurana
Alokendra Banerjee
Ramesh Ranganathan
Chief Executive Officers

Vishnu Peruvemba — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

R. A. Shah
S. Ragothaman
A. K. Hirjee
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S. Lalbhai
Gauri Kirloskar
Directors

Mumbai, May 2, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of The Bombay Dyeing and Manufacturing Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **The Bombay Dyeing and Manufacturing Company limited** (hereinafter referred to as "the Holding Company") and its subsidiary, P.T. Five Star Textile Indonesia (collectively referred to as "the Group"), and includes the Group's share of profit in its associates, which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiary and associates as were audited by other auditors, referred to in the Other Matters paragraph below ,the aforesaid consolidated 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, its consolidated profit, consolidated total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and its associates in accordance with the "Code of Ethics" issued by The Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, for the year ended March 31, 2019 and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matters	How was the matter addressed in our audit
Revenue Recognition for Real Estate Development activity	
Effective April 1, 2018, the Group has adopted a new accounting standard, Ind AS 115 on "Revenue from Contracts with Customers" and applied the modified retrospective approach to contracts that are not completed as on that date and to not restate the comparative periods. This standard, interalia, could have the significant impact on the manner in which a company in real estate industry recognises its revenue. Under Ind AS 115, revenue is recognised over a period (as known as Percentage of Completion Method – POCM) or at a point in time (as known as Project Completion Method - PCM). To determine the revenue to be recognised under Ind AS 115 and the impact thereof, the management undertook assessment of its contracts with customers that were not completed and more particularly, for its ongoing Real Estate Development Project ("the ongoing project"). On assessment, the management considered that it would have to recognise the revenue at a point in time (PCM) and accordingly, reversed the revenue hitherto recognised under POCM as per Ind AS 18 on "Revenue" and Ind AS 11 on "Construction Contracts" with corresponding impact to Retained Earnings as per transitional provisions specified under Ind AS 115.	Assessed the Group's process to identify the impact of adoption of Ind AS 115, the new revenue accounting standard, among other types of revenue, that for its ongoing real estate project. Our audit procedures included, among others, the following: ▪ Evaluated the design of the internal controls relating to implementation of Ind AS 115; ▪ Evaluated the requirements of Ind AS 115 for the manner of recognising revenue; ▪ Evaluated the accounting policy of recognising revenue and that based on POCM which was hitherto followed; ▪ Evaluated its existing contracts with customers and the analysis performed by management for each contract by selecting samples for such contracts with customers; ▪ Based on the evaluation of contracts, assessed the appropriateness to adopt PCM as policy for revenue recognition for the ongoing project; ▪ Examined the process and related documents (like OC, possession letter) to determine the satisfaction of performance obligations of contracts under ongoing project during the year;

Key Audit Matters	How was the matter addressed in our audit
Revenue Recognition for Real Estate Development activity	
During the year, the Group received part Occupancy Certificate ("OC") for the ongoing project and accordingly, on satisfying performance obligations under contracts, the Group recognised revenue as per PCM, that is, at a point in time. For the part of the project for which Occupancy Certificate is yet to be received, the amount is carried as Work-in-progress. The application and transition to Ind AS 115 is complex and involve certain key judgements relating to appropriateness of the basis used to recognise revenue and more particularly, for its ongoing project and hence, the same is considered to be a key audit matter. [Refer Note "p" to significant accounting policy and Notes 11 and 34 to the consolidated financial statements]	▪ Evaluated and examined the effect of adjustment, as at April 1, 2018 for reversal of revenue hitherto recognised in terms of transition requirement under Ind AS 115; also evaluated the appropriateness of disclosure for reversal of revenue; ▪ Evaluated the appropriateness and assessed the completeness of disclosures in accordance with the requirements of Ind AS 115.
Uncertain tax positions - Direct and Indirect Taxes	
The Group has uncertain tax matters pending litigations under direct tax and various indirect tax laws. The litigation involves significant judgement to determine the possible outcome based on which accounting treatment is given to the disputed amount. Given the magnitude of potential outflow of economic resources and uncertainty of potential outcome, uncertain tax positions are considered to be key audit matters. [Refer Notes 17, 29 and 41 to the consolidated financial statements.]	Our audit procedures included, among others, the following: ▪ Obtained details of uncertain tax position and gained understanding thereof; ▪ Obtained details of tax assessments and also demands raised; ▪ Alongwith our internal tax experts, read and analysed relevant communication with the authorities; ▪ Evaluated advice obtained by the management from legal consultants on possible outcome of the litigation; ▪ Discussed with senior management and evaluated management's assumptions regarding provisions made or reflected as contingent liabilities; ▪ Assessed whether the disclosures for uncertain tax positions are in accordance with the requirements of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets".
Transferable Development Rights (TDR)/ Floor Space Index (FSI)	
During the year, on entering the agreement with Municipal Corporation of Greater Mumbai (MCGM) and Maharashtra Housing and Development Authority (MAHADA), the Group received entitlement of Transferable Development Rights (TDR) and Floor Space Index (FSI) in lieu of lands earmarked and handed over to MCGM and MHADA under the Integrated Development Scheme as per the provisions of DCR 58. Based on Valuation Reports of Registered Valuers, the value of entitlement of TDR and FSI so determined have been recognised as Revenue from Real Estate Development activity and reflected as inventories. Considering the materiality of the amounts as also the valuation of TDR/FSI involve significant judgements and assumptions and the accounting thereof, this matter is considered to be key audit matter. [Refer Notes 11 and 48 to the consolidated financial statements]	Our audit procedures included, among others, the following: ▪ Evaluated the details of land surrendered to MCGM and MHADA respectively and corresponding entitlement by way TDR and FSI entitlement; ▪ Evaluated the management's review of valuations provided by external experts, that is, independent valuers; ▪ Assessed the competence of the independent valuers; ▪ Evaluated the valuation reports of external experts for the basis adopted for fair valuation of TDR and FSI, benchmarks used such as the Stamp Duty Ready Reckoner rate as also the assumptions applied for the valuation; ▪ Evaluated the accounting treatment of TDR/FSI whether the same is in compliance with the related Ind AS; ▪ Assessed whether the disclosures in relation to TDR/FSI are in accordance with the related Ind AS.

Key Audit Matters	How was the matter addressed in our audit
Assessment of the carrying value of goodwill	
The Holding Company has investments in a Joint Venture (JV) Company, however, diminution in value of such investments have already been provided; the Holding Company has also given loans to the JV Company which has also been fully provided for. During the year, the Holding Company increased its holding in the said JV Company by acquiring the share of the Joint Venture partner and thus, acquired control of the JV Company. In terms of provisions Ind AS 103, the consideration paid for acquiring the share of JV partner has resulted in recognising Goodwill on Consolidation. During the year, the loans given by the Holding Company have been converted into equity shares of the JV Company. The acquisition requires the management to apply judgement in identifying and valuing the goodwill arising from the transaction; on acquisition of control of JV Company, for the purpose of preparation of consolidated financial statements, goodwill worked out to ₹ 92.39 crores which is considered significant; However, the goodwill is to be tested for impairment which involves valuations which are complex and require significant judgement. Since the investments in JV Company has already been impaired and the subsidiary is already in the process of liquidation, the estimated recoverable amount from the subsidiary would be insignificant and hence, the amount of Goodwill on Consolidation was fully impaired. The appropriateness of accounting treatment of conversion of loans into equity shares as also the accounting treatment of recognition of Goodwill on Consolidation of the subsidiary and subsequent impairment thereof are of significant nature and are considered to be key audit matters. [Refer Notes 6a and 7 to the consolidated financial statements.]	Our audit procedures included, among others, the following: ▪ In relation to the acquisition of shares of JV partner, examined the legal agreements supporting the transaction as also the related valuation at which the shares were acquired; ▪ Assessed the competence of the independent valuers and evaluated the approach adopted for the valuation as also the information contained in valuation report as well as internal management presentations to the Board of Directors; ▪ Examined the process followed for the acquisition, including the required compliance with the Reserve Bank of India and filing of documents, etc.; ▪ Assessed whether the accounting treatment of conversion of loan/advances into equity shares is in terms of the provisions of the relevant Ind AS 109 on "Financial Instruments"; ▪ Considered the appropriateness of the methodology used by management in working out consequential amount of goodwill; ▪ Assessed in the light of facts, whether the impairment of goodwill is considered appropriate for the consolidated financial statements. Understood the management process for impairment assessment and also evaluated the design and tested the effectiveness of the internal controls surrounding such assessment; ▪ Assessed whether the accounting treatment of Goodwill on Consolidation and provision for impairment thereof is in terms of the related Ind AS 110 on "Consolidated Financial Statements" and Ind AS 36 on "Impairment of Assets"; ▪ Assessed whether the disclosures in relation to the acquisition of shares and goodwill, including its impairment, meet the requirements of the relevant Ind AS.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary and associates audited by the other auditors, to the extent it relates to the subsidiary and associates and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary and associates is traced from the financial statements audited by the other auditors.

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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the 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 Holding Company, its subsidiary and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management of the companies included in the Group and its associates 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 the Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associates are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its associates, which are incorporated in India, has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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, that is, the Holding Company, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity. For the other entity included in the consolidated financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further prescribed in section titled 'Other Matters' to this audit report.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company included in the consolidated 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 financial statements of the current period 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.

Emphasis of Matter

The remuneration paid to the Managing Director for the year ended March 31, 2017 is in excess of the limit prescribed under Section 197 read with Schedule V of the Act by ₹ 4.29 crores. The Company has received an approval from the Central Government dated June 21, 2017 for payment of remuneration amounting to ₹ 2.12 crores only. Fresh application for the approval of the pending amount was made to the Central Government, however, the same stands abated pursuant to the provisions of the Companies (Amendment) Act, 2017, and the same shall be regularised by taking approval from the shareholders at the ensuing Annual General Meeting pursuant to the said provisions.

Our opinion is not modified in respect of the above matter.

Other Matters

We did not audit the financial statements and the financial information of the subsidiary located outside India whose financial statements and financial information reflect total assets of ₹ 2.41 crores as at March 31, 2019, total loss of ₹ 1.9 crores and net cash outflows amounting to ₹ 1.75 crores for the year ended on that date, as considered in preparation of consolidated financial statements. These financial statements/financial information, have been prepared in accordance with accounting principles generally accepted in its respective country and have been audited by other auditors. The Company's management has converted these financial statements/financial information of such subsidiary to the Indian GAAP and the accounting principles generally accepted in India, which have been audited by us. Our opinion in so far as it relates to the balances and affairs of such subsidiary, is based on the report of the auditors and the conversion adjustments prepared by the management and audited by us.

The consolidated financial statements also includes the Group's share of net profit of ₹ 0.13 crore in respect of 2 (two) associates for the year ended March 31, 2019, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on the reports of the other auditors.

The comparative financial information of the Group for the year ended March 31, 2018 included in these consolidated financial statements, are based on the previously issued financial statements prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and audited by the predecessor auditor (vide their unmodified audit report on May 14, 2018).

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the Consolidated Financial Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS 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, 2019 taken on record by the Board of Directors of the Company and reported by the statutory auditors of the subsidiary and associates, none of the directors of the companies in the Group is disqualified as on March 31, 2019 from being appointed as a director of the respective company in terms of Section 164(2) of the Act;
   f. With respect to the internal financial controls with reference to financial statement of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
   g. With respect to the matter to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act and is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

      With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and as reported by the auditors of the subsidiary and associates:

      i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note 41 to the consolidated financial statements;
      ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended March 31, 2019.

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148

PLACE : Mumbai
DATED : May 2, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 of under the heading of 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date on the Consolidated Financial Statements for the year ended March 31, 2019.

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

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to the financial statements of The Bombay Dyeing and Manufacturing Company limited ("the Holding Company") and its associates, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its associates, which are companies incorporated in India, responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("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 internal financial controls with reference to financial statements of the Holding Company and its associates, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 with reference to the financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the associates, which are incorporated in India, in term of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its associates, which are incorporated in India.

Meaning of Internal Financial Controls with reference to these Consolidated Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that:

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;

c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to 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, to the best of our information and according to the explanations given to us and based on the consideration of other auditors referred in the Other Matter section below, the Holding Company and its associates, which are incorporated in India, have, in all material respects, an internal financial controls with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at March 31, 2019, based on the internal financial controls with reference to financial statements criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to its associates, which are incorporated in India, are based on the corresponding report of the auditors of such companies.

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148

PLACE : Mumbai
DATED : May 2, 2019

CONSOLIDATED BALANCE SHEET as at March 31, 2019

(₹ in Crores)

		NOTES	As at March 31, 2019	As at March 31, 2018
ASSETS				
Non-current Assets				
a.	Property, Plant and Equipment	3	523.75	552.17
b.	Capital Work-in-progress	4	4.81	74.04
c.	Investment Property	5	3.63	3.68
d.	Goodwill	6a	-	-
e.	Intangible Assets	6b	0.21	0.11
f.	Financial Assets			
	i. Investments	7	1,061.96	950.47
	ii. Loans	8	0.05	0.13
	iii. Others	9	38.22	42.26
g.	Other Non-current Assets	10	73.19	72.12
	Total Non-current Assets		**1,705.82**	**1,694.98**
Current Assets				
a.	Inventories	11	2,200.52	409.00
b.	Financial Assets			
	i. Trade Receivables	12	1,092.22	212.36
	ii. Cash and Cash Equivalents	13	34.89	14.15
	iii. Bank Balances other than (ii) above	14	41.97	119.23
	iv. Loans	15	0.61	1.86
	v. Others	16	1.49	1,512.20
c.	Current Tax Assets (Net)	17	61.80	63.10
d.	Other Current Assets	18	41.33	119.93
	Total Current Assets		**3,474.83**	**2,451.83**
	TOTAL ASSETS		**5,180.65**	**4,146.81**
EQUITY AND LIABILITIES				
Equity				
a.	Equity Share capital	19	41.31	41.31
b.	Other Equity	20	167.69	595.57
c.	Non-controlling Interest		(26.53)	-
	Total Equity		**182.47**	**636.88**
Liabilities				
Non-current Liabilities				
a.	Financial Liabilities			
	i. Borrowings	21	3,373.38	2,312.45
	ii. Other Financial Liabilities	22	7.97	15.16
b.	Provisions	23	17.77	16.22
	Total Non-current Liabilities		**3,399.12**	**2,343.83**
Current Liabilities				
a.	Financial Liabilities			
	i. Borrowings	24	574.39	414.83
	ii. Trade Payables	25		
	A. total outstanding dues of micro enterprises and small enterprises		20.71	2.02
	B. total outstanding dues of creditors other than micro enterprises and small enterprises		502.30	349.09
	iii. Other Financial Liabilities	26	43.05	93.35
b.	Other Current Liabilities	27	394.78	251.79
c.	Provisions	28	57.03	46.77
d.	Current Tax Liabilities (Net)	29	6.80	8.25
	Total Current Liabilities		**1,599.06**	**1,166.10**
	TOTAL EQUITY AND LIABILITIES		**5,180.65**	**4,146.81**
NOTES (Including Significant Accounting Policies) FORMING PART OF THE FINANCIAL STATEMENTS		1-63		

The accompanying Notes are an integral part of the Consolidated Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

Nusli N. Wadia — *Chairman*
Jehangir N. Wadia — *Managing Director*

Suresh Khurana
Alokendra Banerjee
Ramesh Ranganathan
Chief Executive Officers

Vishnu Peruvemba — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

R. A. Shah
S. Ragothaman
A. K. Hirjee
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S. Lalbhai
Gauri Kirloskar
Directors

Mumbai, May 2, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2019

(₹ in Crores)

		NOTES	Year Ended March 31, 2019	Year Ended March 31, 2018
	INCOME			
I	Revenue from Operations	30	4,429.76	2,692.75
II	Other Income	31	40.22	51.25
III	**Total Income (I + II)**		**4,469.98**	**2,744.00**
IV	**EXPENSES**			
	Cost of Materials Consumed	32	1,177.03	968.27
	Purchases of Stock-in-Trade	33	220.90	164.52
	Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	34	494.40	12.03
	Excise Duty		-	30.43
	Employee Benefits Expense	35	94.66	87.31
	Finance Costs	36	489.70	412.51
	Depreciation and Amortisation expense	37	29.79	29.88
	Other Expenses	38	731.60	848.61
	Total Expenses (IV)		**3,238.08**	**2,553.56**
V	**Profit /(Loss) before exceptional items and tax (III-IV)**		**1,231.90**	**190.44**
VI	Exceptional items	39	3.87	(153.25)
VII	**Profit /(Loss) before tax (V+VI)**		**1,235.77**	**37.19**
VIII	Share of Profit of Equity Accounted Investees (net of Income Tax)		0.13	0.77
IX	**Profit /(Loss) before tax (VII+VIII)**		**1,235.90**	**37.96**
X	Tax Expenses:			
	i. Current tax		7.64	-
	ii. (Excess) / Short provision of tax of earlier years		(1.85)	2.78
	Total Tax Expenses (X)		**5.79**	**2.78**
XI	**Profit / (Loss) for the period from continuing operations after tax (IX-X)**		**1,230.11**	**35.18**
	Profit / (Loss) for the period from discontinued operations		(1.90)	-
	Tax expense of discontinued operations		-	-
XII	Profit / (Loss) for the period from discontinued operations after tax		(1.90)	-
XIII	**Profit / (Loss) for the period after tax (XI + XII)**		**1,228.21**	**35.18**
XIV	Other Comprehensive Income			
	A i. Items that will not be reclassified to profit or loss			
	- Actuarial (loss)/gain on defined benefit obligation		(0.26)	5.36
	- Fair Value changes of investments in equity shares		111.36	280.54
	ii. Income tax relating to above		0.09	(1.14)
	B Items that will be reclassified to profit or loss			
	- Exchange differences on translation of discontinued operations		(1.17)	-
	Total Other Comprehensive Income for the year (XIV= A + B)		110.02	284.76
XV	**Total Comprehensive Income for the year (XIII+XIV)**		**1,338.23**	**319.94**
	Profit attributable to :			
	Owners of the Company		1,241.72	35.18
	Non-controlling interests		(13.51)	-
	Other Comprehensive Income attributable to :			
	Owners of the Company		110.05	284.76
	Non-controlling interests		(0.03)	-
	Total Comprehensive Income attributable to :			
	Owners of the Company		1,351.77	319.94
	Non-controlling interests		(13.54)	-
XVI	Earnings per equity share of (₹) 2 each (for continuing operations)	51		
	Basic (in ₹)		59.55	1.70
	Diluted (in ₹)		59.55	1.70
	Earnings per equity share of (₹) 2 each (for discontinued operations)	51		
	Basic (in ₹)		(0.09)	-
	Diluted (in ₹)		(0.09)	-
	Earnings per equity share of (₹) 2 each (for continuing & discontinued operations)	51		
	Basic (in ₹)		59.46	1.70
	Diluted (in ₹)		59.46	1.70
	NOTES (Including Significant Accounting Policies) FORMING PART OF THE FINANCIAL STATEMENTS	1-63		

The accompanying Notes are an integral part of the Consolidated Financial Statements

As per our attached report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia — *Chairman*
Jehangir N. Wadia — *Managing Director*

Suresh Khurana
Alokendra Banerjee
Ramesh Ranganathan
Chief Executive Officers

Vishnu Peruvemba — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

R. A. Shah
S. Ragothaman
A. K. Hirjee
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S. Lalbhai
Gauri Kirloskar
Directors

Mumbai, May 2, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2019

A. Equity Share Capital

(₹ in Crores)

	Number of Shares	Balance
As at April 1, 2017	**206,534,900**	**41.31**
Changes during the year	-	-
As at March 31, 2018	**206,534,900**	**41.31**
Changes during the year	-	-
As at March 31, 2019	**206,534,900**	**41.31**

B. Other Equity (Refer Note 20)

(₹ in Crores)

Particulars	Reserves and Surplus						Items of Other Comprehensive income		Owners of the Company	Non-controlling Interest	Total
	Capital Reserve	Securities Premium	Investment Reserve	Consolidation Adjustment on account of Share Capital	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Equity Instruments through Other Comprehensive Income			
Balance as at April 1, 2017	**28.60**	**133.57**	**1.31**	**-**	**155.81**	**(761.79)**	**-**	**735.53**	**293.03**	**-**	**293.03**
Profit for the year	-	-	-	-	-	35.18	-	-	35.18	-	35.18
Other Comprehensive Income for the year, net of income tax										-	-
- Remeasurement of net defined benefit plans	-					4.22			4.22	-	4.22
- Net fair value gain / (loss) on investment in equity instrument through OCI	-							280.54	280.54	-	280.54
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**39.40**	**-**	**280.54**	**319.94**	**-**	**319.94**
Realised gain on sale of equity shares reclassified to retained earnings	-	-	-	-	-	98.83	-	(98.83)	-	-	-
Dividend on Equity Shares	-	-	-	-	-	(14.46)	-	-	(14.46)	-	(14.46)
Dividend Distribution Tax	-	-	-	-	-	(2.94)	-	-	(2.94)	-	(2.94)
Balance as at March 31, 2018	**28.60**	**133.57**	**1.31**	**-**	**155.81**	**(640.96)**	**-**	**917.24**	**595.57**	**-**	**595.57**
Profit for the year	-	-	-	-	-	1,241.72	-	-	1,241.72	(26.50)	1,215.22
Capital Reserve on Demerger of SCAL Services Limited	0.91								0.91		0.91
Consolidation Adjustment on account of Share Capital				17.55					17.55		17.55
Ind AS implication of Real estate transactions	-	-	-	-	-	(1,773.23)		-	(1,773.23)		(1,773.23)
Other Comprehensive Income for the year, net of income tax											-
- Remeasurement of net defined benefit plans						(0.16)			(0.16)		(0.16)
- Net fair value gain / (loss) on investment in equity instrument through OCI								111.36	111.36		111.36
Exchange difference on translating Financial Statements of a foreign operation							(1.14)		(1.14)	(0.03)	(1.17)
Total Comprehensive Income for the year	0.91	-	-	17.55	-	(531.67)	(1.14)	111.36	(402.99)	(26.53)	(429.52)
Dividend on Equity Shares	-	-	-	-	-	(20.65)		-	(20.65)		(20.65)
Dividend Distribution Tax	-	-	-	-	-	(4.24)		-	(4.24)		(4.24)
Balance as at March 31, 2019	**29.51**	**133.57**	**1.31**	**17.55**	**155.81**	**(1,197.52)**	**(1.14)**	**1,028.60**	**167.69**	**(26.53)**	**141.16**

As per our attached report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia — *Chairman*
Jehangir N. Wadia — *Managing Director*

Suresh Khurana
Alokendra Banerjee
Ramesh Ranganathan
Chief Executive Officers

Vishnu Peruvemba — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

Mumbai, May 2, 2019

R. A. Shah
S. Ragothaman
A. K. Hirjee
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S. Lalbhai
Gauri Kirloskar
Directors

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended March 31, 2019

(₹ in Crores)

			Year Ended March 31, 2019	Year Ended March 31, 2018
A.	**Cash Flow from Operating Activities:**			
	Profit / (Loss) before Exceptional Item and Tax from Continuing Operations		1,231.90	190.44
	Profit / (Loss) from Discontinued Operations		(1.90)	-
	Adjustments for :			
	Depreciation and Amortisation Expense		29.81	29.88
	Unrealised Foreign exchange loss/(gain) (Net)		60.25	(0.95)
	Allowance for doubtful advances / debts / (excess sundry balances/ excess provisions written back)		(3.46)	2.96
	Interest Income		(7.72)	(42.92)
	Loss/(Profit) on Sale of Property, Plant and Equipment		(7.26)	3.56
	Dividend Income		(2.61)	(1.72)
	Finance Costs		490.85	412.51
	Allowance for diminution in value of investments		-	0.31
	Capital Work-in-progress written off		71.04	-
	Incidental expenses Written off		-	9.46
	Impairment of Goodwill		92.39	-
	Provision for Diminution in Value of Investment written back		(187.08)	-
	Operating Profit before Working Capital Changes		**1,766.21**	**603.53**
	Working Capital Changes			
	(Increase) / decrease in Inventories		(597.09)	11.82
	(Increase) / decrease in Trade Receivables		(877.85)	(77.49)
	(Increase) / decrease in Other Current and Non-current Financial Assets		1,306.05	(786.53)
	(Increase) / decrease in Other Current and Non-current Assets		80.28	(92.77)
	Increase / (decrease) in Trade Payables		176.26	(14.53)
	Increase / (decrease) in Other Current and Non-current Financial Liabilities		(7.46)	(3.82)
	Increase / (decrease) in Other Current and Non-current Liabilities		(2,626.34)	(46.54)
	Increase / (decrease) in Current and Non-current Provisions		11.81	(5.20)
	Cash Generated / (Used) from Operations		**(768.13)**	**(411.53)**
	Income Taxes paid (net)		(5.99)	(39.88)
	Net Cash Generated / (Used) from Operating Activities	**(A)**	**(774.12)**	**(451.41)**
B.	**Cash Flow from Investing Activities:**			
	Purchase of Property, Plant and Equipment		(20.10)	(12.92)
	Proceeds from disposal of Property, Plant and Equipment		110.77	207.26
	Inter-corporate Deposits placed		-	(27.57)
	Inter-corporate Deposits received back		1.28	269.16
	Bank Deposits with maturity greater than three months		11.55	(12.00)
	Deposit under lien and in Escrow accounts		87.70	(45.35)
	Earmarked Balances with Banks		(17.89)	42.71
	Dividend received from Non-current Investments		2.61	1.72
	Interest received		8.99	32.32
	Exceptional Items			
	- Proceeds from Sale of Immoveable Property		9.55	-
	- Proceeds from Sale of Non-current Investments		-	103.30
	Net Cash Generated / (Used) from Investing Activities	**(B)**	**194.46**	**558.63**

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended March 31, 2019

(₹ in Crores)

			Year Ended March 31, 2019	Year Ended March 31, 2018
C.	**Cash Flow from Financing Activities:**			
	Proceeds from Borrowings		1,796.89	2,347.12
	Repayment of Borrowings		(831.76)	(1,563.76)
	Proceeds from Inter-corporate Borrowings		135.00	810.68
	Repayment of Matured Inter-corporate Borrowings		-	(1,333.73)
	Repayment of demand loan, cash credit from bank		12.15	(74.54)
	Adjustment on account of Demerger of Real Estate Undertaking of Scal Services Limited		4.81	-
	Interest and other finance charges paid		(492.38)	(322.28)
	Dividend paid (including corporate dividend tax)		(24.90)	(17.40)
	Net Cash Generated / (Used) from Financing Activities	**(C)**	**599.81**	**(153.91)**
	Net (Decrease) / Increase in Cash and Cash Equivalents	**(A+B+C)**	**20.15**	**(46.69)**
	Add: Cash and Cash Equivalents at the Beginning of the Year		14.74	60.84
	Cash and Cash Equivalents at the End of the Year [Refer Note (2) below]		34.89	14.15

Notes:

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

(₹ in Crores)

2.	**Particulars**	**As at March 31, 2019**	As at March 31, 2018
	Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows		
	Balances with Banks in Current Accounts	25.41	13.78
	Cheques on Hand	3.35	0.32
	Cash on Hand	0.05	0.05
	Bank Deposits with Original Maturity of three months or less	6.08	-
	Cash and Cash Equivalents at the End of the Year (Refer Note 13)	**34.89**	**14.15**

3. Purchase of Property, Plant and Equipment includes addition to other Intangible Assets and adjusted for movement in Capital Work-in-progress and Capital advances.

4. Changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes: (₹ in Crores)

Particulars	**As at April 1, 2018**	**Cash Flows**	**Non-cash (Scheme of Arrangement between Scal Services Limited and the Company**	**Reclassification**	**As at March 31, 2019**
Long-term Borrowings	2,312.45	530.18	550.50	(23.64)	3,369.49
Short-term Borrowings	414.83	159.56	-	-	574.39
Other Financial Liabilities (Term Loan and Fixed Deposits from Public)	76.79	(74.84)	-	23.64	25.59

5. Figures in the brackets are outflows/deductions.

6. Previous year figures have been regrouped wherever necessary.

As per our attached report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia — *Chairman*
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Minnie Bodhanwala
Sunil S. Lalbhai
Gauri Kirloskar — *Directors*

Mumbai, May 2, 2019

NOTES to the Consolidated financial statements for the year ended March 31, 2019

1. GENERAL INFORMATION ABOUT THE COMPANY

The Consolidated Financial Statements comprise financial statements of The Bombay Dyeing and Manufacturing Company Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and includes share of profit of the associates for the year ended March 31, 2019.

The Company is a public company limited by shares, incorporated and domiciled in India and is listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Global Depository Receipts (GDRs) are listed at Societe de la Bourse Luxembourg. The registered office of the Company is Located at Neville House, J.N. Heredia Marg, Ballard Estate, Mumbai -400001. The Group is engaged in the business of Real Estate Polyester Staple Fibre and Retail / Textile.

These aforesaid Consolidated Financial Statements for the year ended March 31, 2019 are approved by the Company's Board of Directors and authorised for issue in the meeting held on May 2, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Statement of Compliance

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, (Amended) 2015 and notified by Ministry of Corporate Affairs ("MCA") pursuant to Section 133 of the Companies Act, 2013 read with Rule 3.

b. Basis of Preparation and Presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated Financial Statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 'Leases' ("Ind AS 17") and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 'Inventories' ("Ind AS 2") or value in use in Ind AS 36 'Impairment of Assets' ("Ind AS 36").

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as Current and Non-Current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services rendered and the time between the rendering of the products/services and their realisation in cash and cash equivalent, the Group has ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities.

All the Indian Accounting Standards ("Ind AS") issued and notified by the MCA are effective and considered for the significant accounting policies to the extent relevant and applicable for the Group.

The Consolidated Financial Statements are presented in Indian Rupee ("INR") which is the Company's functional currency and all values are rounded to the nearest crores upto two decimals, except when otherwise indicated.

c. Principles of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Group. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and

NOTES to the Consolidated financial statements for the year ended March 31, 2019

- Has the ability to use its power to affect its returns.

  The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

  When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Consolidated Financial Statements are prepared using the Financial Statements of the Parent Company and Associate companies drawn up to the same reporting date i.e. March 31, 2019. In case of the foreign subsidiary company, financial statements for the year ending December 31, 2018 have been considered for the purpose of consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in Consolidated Statement of Profit and Loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these Consolidated Financial Statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduces the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's Consolidated Financial Statements only to the extent of interests in the associate or joint venture that are not related to the Group.

d. Key Accounting Estimates and Judgments

The preparation of Consolidated Financial Statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these Financial Statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period, if the revision affects current and future periods.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are:

i. Determination of the timing of revenue recognition on the sale of completed and under development property in respect of Real Estate Development activity

Determination of revenue whether over time (Percentage Completion Method) or at a point in time (Project completion method) necessarily involves making judgement as to when the performance obligation under the contracts with customers is satisfied. It has been evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. It has further been evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate and the property is made available for possession to the customers.

ii. Determination of performance obligations

With respect to the sale of property, the Company has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

iii. Useful Lives of Property, Plant and Equipment and Intangible Assets

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

iv. Provisions, Liabilities and Contingencies

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgments to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre – tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised, but disclosed in the Consolidated Financial Statements when an inflow of economic benefit is probable. Provisions, contingent liability and assets are reviewed at each reporting date and are adjusted to reflect the current best estimates.

v. Fair Value Measurements

When the fair value of financial assets or financial liabilities recorded or disclosed in the Consolidated Financial Statements cannot be measured at the quoted price in the active markets, their fair value is measured using the valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration 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.

vi. Recognition and Measurement of defined benefit obligation

The obligation arising from defined benefit plans is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vii. Income Taxes

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgement is also required in determining deferred tax assets and liabilities and recoverability of deferred tax assets which is based on estimates of taxable income.

e. Recent Accounting Developments (Ind AS)

Ind AS issued but not yet effective

On March 30, 2019, Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has issued the following new and amendments to Ind ASs and are effective from accounting periods beginning on or after April 1, 2019. The Group intends to adopt these standards, if applicable, from April 1, 2019.

Ind AS 116 – Leases

Ind AS 116 on "Leases" will replace the existing leases standard, Ind AS 17 on "Leases". The new standard sets out

NOTES to the Consolidated financial statements for the year ended March 31, 2019

the principles of recognition, measurement, presentation and disclosure for both parties to a lease contract, i.e. the lessee and the lessor. The core principle of the new standard is that an entity should recognise most leases on its balance sheet. The new standard introduces a single lessee accounting model with limited exemptions and requires the lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. Further, the standard also requires the enhanced disclosures. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 on "Accounting Policies, Changes in Accounting Estimates and Errors"
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognised at the date of initial application

If a lessee elects to apply modified approach, the lessee shall not restate comparative information. Instead, the lessee shall recognise the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings on the date of initial application, that is on April 1, 2019. Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The Group has evaluated the effect of this on its financial statements and the impact is not material.

Ind AS 12 - Income Taxes

- **Appendix C, Uncertainty over Income Tax Treatment**

  This amendment is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, (1) the entity need to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which better predicts of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will right to examine and have full knowledge of all related information when making those examinations (3) entity has to consider whether it is probable that the taxation authority will accept the tax treatment and accordingly, determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

  The Group does not expect any significant impact of the amendment on its financial statements.

- **Consequences of Dividend**

  The amendments are in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this amendment.

Ind AS 19 – Employee Benefits - Plan amendment, curtailment or settlement

The amendments require an entity:

- if a plan amendment, curtailment or settlement occurs, to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

The Group does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset are ready for its intended use or sale, that borrowing becomes part of the funds an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this amendment.

Ind AS 28 – Investments in Associates and Joint Ventures - Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 on "Financial Instruments", to long-term interests in an associate or joint venture that form part of the net

NOTES to the Consolidated financial statements for the year ended March 31, 2019

investment in the associate or joint venture but to which the equity method is not applied. The Group does not have any long-term interests in associates and joint ventures, to which equity method is not applied.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. The Group will apply the pronouncement if and when it obtains control/joint control of a business that is joint operation.

Ind AS 109 – Financial Instruments - Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect this amendment to have any impact on its financial statements.

f. Property, Plant and Equipment

i. Recognition and Measurement

Property, Plant and Equipment ("PPE") are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties and other direct costs incurred for bringing the asset to the condition of its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Consolidated Statement of Profit and Loss as incurred. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

ii. Depreciation

Depreciation on PPE other than Furniture & Fixtures and Motor Vehicles, is provided on the straight-line method, pro-rata to the period of use, over their useful life. Depreciation on Furniture & Fixtures and Motor Vehicles is provided on the written down value method, pro rata to the period of use, over their useful life. The estimated useful lives and residual values are as prescribed in Schedule II to the Companies Act, 2013 except for movable site offices and assets of retail shops (including leasehold improvements), which are based on technical evaluation of useful life by the management.

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.

Estimated useful lives of the assets are as follows:

Asset	Useful Life	Asset	Useful Life
Buildings	30 to 60 Years	Computers	3 to 6 Years
Movable site offices	10 Years	Furniture and fixture	10 Years
Plant and Machinery	15 to 25 Years	Office equipment	5 Years
Assets of retail shops including leasehold improvements	6 Years	Vehicles	8 Years

The PSF manufacturing plant at Patalganga is treated as a Continuous process plants based on technical assessment.

An item of PPE is de-recognised 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 PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Consolidated Statement of Profit and Loss.

iii. Capital Work-in-progress and Capital Advances

Cost of assets not ready for intended use, as on Balance Sheet date, is shown as Capital Work-in-progress. Advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed as Other Non-current Assets.

g. Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Cost includes purchase price, taxes and duties and other direct costs incurred for bringing the asset to the condition of its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Consolidated Statement of Profit and Loss as incurred. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

Depreciation on investment property is provided on the straight-line method, pro-rata to the period of use, over the useful life as prescribed in Schedule II to the Companies Act, 2013

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Consolidated Statement of Profit and Loss in the period in which the property is de-recognised.

h. Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in Consolidated Statement of Profit and Loss when the asset is de-recognised.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

Estimated useful lives of the finite-life intangible assets are as follows:

Asset	Useful Life
Computer Software	5 years
Technical know-how	10 years

An intangible asset having indefinite useful life is not amortized but is tested for impairment annually. Indefinite life intangibles mainly consist of brands/trademarks. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

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.

i. Impairment of Tangible Assets and Intangible Assets other than Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Consolidated Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed

NOTES to the Consolidated financial statements for the year ended March 31, 2019

the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

j. Inventories

Inventories are valued at lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost is determined as follows:

i. Raw materials, stores and spares, finished goods and stock-in-trade on a weighted average method.

ii. Work-in-progress

PSF division

Material cost included in the valuation is determined on the basis of the weighted average rate and cost of conversion and other costs are determined on the basis of average cost of conversion of the preceding month.

iii. Real Estate Under Development

Real estate under development comprises cost of land, premium for development rights, rates & taxes, construction costs, borrowing costs, overheads and expenses incidental to the projects undertaken by the Group. Cost of land and construction / development costs are charged to Consolidated Statement of Profit and Loss proportionate to area sold and at the time when corresponding revenue is recognised.

k. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks and other short term highly liquid investments, which are readily convertible into cash and which are subject to an insignificant risk of change in value and have original maturities of three months or less.

l. Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash.

m. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL") are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Consolidated Statement of Profit and Loss.

Financial Assets:

On initial recognition, a financial asset is recognised at fair value. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI") depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the Effective Interest Rate ("EIR") method net of any Expected Credit Losses ("ECL"). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments:

Debt instruments are initially measured at amortised cost, FVOCI or FVTPL till derecognition, on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

i. **Measured at amortised cost:** Financial assets that are held within a business model whose objective is

NOTES to the Consolidated financial statements for the year ended March 31, 2019

to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, is recognised in the Consolidated Statement of Profit and Loss.

ii. **Measured at fair value through other comprehensive income:** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Consolidated Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Consolidated Statement of Profit and Loss.

iii. **Measured at fair value through profit or loss:** A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Consolidated Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value. The Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised in the Consolidated Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Consolidated Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Consolidated Statement of Profit and Loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

Expected credit losses is the weighted-average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial Liabilities

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as FVTPL. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the Consolidated Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as cost of investment.

Derecognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

Derivative Financial Instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss immediately. The Group has not designated any derivative instruments as a hedging instrument.

n. Provisions, Liabilities and Contingencies

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

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

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.

o. Revenue Recognition

Effective April 1, 2018 the Group has applied Ind AS 115 which replaces Ind AS 18 on 'Revenue Recognition' and Ind AS 11 'Construction Contracts'. Refer Note 1(n) – Significant

NOTES to the Consolidated financial statements for the year ended March 31, 2019

accounting policies – Revenue Recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition.

The Group derives revenues primarily from Sale of Polyester Staple Fibre and Retail/Textile and business of Real Estate Development; its other operating revenues include Lease Rentals and Subvention Income.

Revenue from contracts with customers for sale of goods or services is recognised when the Group satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Group is expected to be entitled to in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, incentives and returns, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The trade discounts incentives and right of return are estimated and provided for, based on historical, current and forecast information available. A refund liability is recognised for expected returns in relation to sales made, corresponding assets are recognised for the products expected to be returned.

The Group does not expect to have any contract where the period between the transfer of the promised goods or services to the customer and payment by the customer exceed one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Sale of Goods

Revenue from sale of goods is recognised at a point in time when the control of the goods is transferred to the customer involving single performance obligation. The control of goods is transferred to the customer depending upon the incoterms or as agreed with customer, delivery basis or dispatch, as the case may be (i.e. at the point in time when goods are delivered at the dealer site or when the customer purchases the goods at the retail outlet). In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading / Mate Receipt.

Sale of Services

Revenue from services, which mainly consists of lease rentals from letting of space, is recognised over time on satisfying performance obligations as per the terms of agreement, that is, by reference to the period in which services are being rendered. Revenue from services, if any, involving single performance obligation is recognised at a point in time.

Export Incentives

Revenue from Export Incentives under various schemes of the Government of India is recognised in the year in which the revenue from related export sales is accounted for. Advance License Benefits on exports are recognised in the year of utilisation of license.

Real Estate Transactions

The Group develops and sells residential and commercial properties. Revenue is recognised when the control over the property is transferred to the customer. An enforceable right to payment does not arise for performance completed to date and it arises only on the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of property is completed. The revenue is measured at the transaction price agreed under the contract. The Group invoices the customers for construction contracts based on achieving performance-related milestones. For other cases, the consideration is due when legal title has been transferred.

For certain contracts involving the sale of property under development, the Group offers deferred payment schemes to its customers. The Group adjusts the transaction price for the effects of the significant financing component.

Revenue from Sale of land and other rights is generally a single performance obligation and the Group has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements. The determination of transfer of control did not change upon the adoption of Ind AS 115 – Revenue from Contracts with Customers.

Trade Receivables, Contract Assets and Contract Liabilities

Trade Receivables

A receivable is recognised by the Group when the control over the goods and services is transferred to the customer such as when goods and services are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due (which is referred to as "Trade Receivable").

A receivable is recognised when the Group's right to an amount of consideration under the contract with the

NOTES to the Consolidated financial statements for the year ended March 31, 2019

customer that is unconditional, as only the passage of time is required before payment is due.

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.

Contract liabilities

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

Interest Income and Dividend

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income from a financial asset is recognized using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income is recognised when the right to receive the payment is established. Incomes from investments are accounted on an accrual basis.

p. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

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

The Group as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

q. Cost recognition

Costs and expenses are recognised when incurred and are classified according to their nature.

r. Employee Benefits

Long Term Post-employment benefits

Contributions to defined contribution schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

i. Provident and Family Pension Fund

The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Group make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund and pension fund set up as irrevocable trust by the Group or to respective Regional Provident Fund Commissioner. The Group has no further obligations beyond making the contribution, except that any shortfall in the fund assets based on the Government specified minimum rates of return in respect of provident fund set up by the Group. The Group does not expect a shortfall in the fund assets in the near term and has consequently classified the scheme as a defined contribution scheme and is committed to

NOTES to the Consolidated financial statements for the year ended March 31, 2019

recognise such contributions and shortfall, if any, as an expense in the year it is incurred.

ii. Superannuation

The eligible employees of the Group who have opted for superannuation are entitled to receive post-employment benefits in respect of superannuation fund in which the Group makes annual contribution at a specified percentage of the employees' eligible salary (currently 10% or 15% of employees' eligible salary). The contributions are made to the Superannuation fund set up as irrevocable trust by the Group. Superannuation is classified as Defined Contribution Plan as the Group has no further obligations beyond making the contribution. The Group's contribution to Defined Contribution Plan is charged to Consolidated Statement of Profit and Loss as incurred.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Consolidated Statement of Profit and Loss. Past service cost is recognised in Consolidated Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in Consolidated Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Group has the following Defined Benefit Plans:

i. Gratuity

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days or 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Contributions are made to the Gratuity Fund set up as irrevocable trust by the Group.

ii. Other long-term employee benefits - Compensated absences

The Group provides for encashment of leave or leave with pay subject to certain rules. The leave accumulated to the credit of the employees up to December 31, 2014 is available for carry forward and encashment on separation. The Group makes provision for such compensated absences based on an actuarial valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method (PUCM). Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss.

Post 2014, leave earned during the year has to be utilized by the employees within the following year. Such leave is a short term employee benefit and is provided at the undiscounted amount in the period in which it is incurred.

iii. Termination Benefits

The Group provides for compensation payable as part of termination benefits when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Termination benefits falling due more than twelve months after the balance sheet date are provided on the basis of an actuarial valuation by an independent actuary as at the year-end using Project Unit Credit Method.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Short Term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

s. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Consolidated Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

t. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Consolidated Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

u. Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Consolidated Statement of Profit and Loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Consolidated Balance Sheet and transferred to Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in Consolidated Statement of Profit and Loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

v. Foreign Currency Transactions

The management of the Group has determined Indian Rupee INR as the functional currency of the Group. In preparing the Consolidated Financial Statements of the Group, transactions in currencies other than the Group's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into ₹ (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Consolidated Statement of Other Comprehensive Income (OCI) I. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after adoption of Ind AS 103, Business Combination, and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

w. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

x. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

ii. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally 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 those deductible temporary differences which can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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 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.

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.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax liabilities and assets on a net or simultaneous basis.

Current and deferred tax for the year

Current and deferred tax are recognised in Consolidated Statement of Profit and 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

y. Segment Reporting

Ind AS 108 establishes standards for the way that public enterprises report information about operating segments and related disclosures about products, services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the Group is required to present information in the manner which the Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources. The analysis is generally based on an analysis of various performance indicators by business segments.

The accounting principles used in the preparation of the Consolidated Financial Statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the relevant applicable accounting policies above. Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment.

Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses. Inter-segment transfers are accounted at prevailing market prices.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

z. **Discontinued Operations**

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:

i. Represents a separate major line of business or geographical area of operations.

ii. Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or

iii. Is a subsidiary acquired exclusively with a view to resale.

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.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

3 Property, Plant and Equipment

(₹ in Crores)

Description of Assets	Freehold land	Leasehold Land	Buildings	Office Equipment	Computers	Vehicles	Plant and machinery	Furniture and Fixture	Total
I. Cost									
Balance as at April 1, 2017	109.00	0.37	55.78	0.43	3.65	3.57	413.34	11.93	598.07
Additions	-	-	0.77	0.25	0.35	0.65	11.71	-	13.73
Disposals	-	-	-	(0.04)	(0.44)	(0.22)	(0.02)	(0.02)	(0.74)
Adjustments					0.04				0.04
Balance as at March 31, 2018	**109.00**	**0.37**	**56.55**	**0.64**	**3.60**	**4.00**	**425.03**	**11.91**	**611.10**
Additions	-	-	-	0.16	0.68	0.55	13.27	0.55	15.21
On acquisition of Subsidiary		50.74	47.34						98.08
Disposals	(10.98)	(50.74)	(50.76)	(0.06)	(1.43)	-	(0.03)	(0.01)	(114.01)
Balance as at March 31, 2019	**98.02**	**0.37**	**53.13**	**0.74**	**2.85**	**4.55**	**438.27**	**12.45**	**610.38**
II. Accumulated Depreciation and Impairment									
Balance as at April 1, 2017	-	0.01	1.97	0.38	1.05	0.15	23.47	3.28	30.31
Depreciation / amortisation expense for the year	-	0.01	1.59	0.28	1.00	0.16	23.97	2.32	29.33
Eliminated on disposal of assets	-	-	-	(0.03)	(0.44)	(0.21)	(0.02)	(0.01)	(0.71)
Balance as at March 31, 2018	**-**	**0.02**	**3.56**	**0.63**	**1.61**	**0.10**	**47.42**	**5.59**	**58.93**
On acquisition of Subsidiary		-	6.55						6.55
Depreciation / amortisation expense for the year	-	0.01	1.59	0.11	0.87	0.22	24.79	2.02	29.61
Eliminated on disposal of assets	-	-	(6.97)	(0.02)	(1.41)	-	(0.05)	(0.01)	(8.46)
Balance as at March 31, 2019	**-**	**0.03**	**4.73**	**0.72**	**1.07**	**0.32**	**72.16**	**7.60**	**86.63**
III. NET BLOCK (I-II)									
Balance as at March 31, 2019	**98.02**	**0.34**	**48.40**	**0.02**	**1.78**	**4.23**	**366.11**	**4.85**	**523.75**
Balance as at March 31, 2018	**109.00**	**0.35**	**52.99**	**0.01**	**1.99**	**3.90**	**377.61**	**6.32**	**552.17**

a. There is no adjustment to Property, Plant and Equipment on account of borrowing costs and exchange differences.

b. Certain Freehold Land and Buildings, Plant and Machinery are mortgaged against borrowings, details relating to which have been described in Notes - 21, 24 and 40.

4 Capital Work - in - Progress

Capital Work in Progress includes:

a. Balance as on March 31, 2019 - ₹ 4.81 crores towards Plant and Machineries yet to be installed at Polyester Plant in Patalganga.

b. Balance as on March 31, 2018 - ₹ 71.04 crores towards WIC High Street Retail (The Plaza) which has been written off in the current year as the project has been discontinued.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

5 Investment Property

(₹ in Crores)

Description of Assets		Buildings
I.	**Gross Block**	
	Balance as at April 1, 2017	**3.82**
	Additions	-
	Disposals	-
	Balance as at March 31, 2018	**3.82**
	Additions	-
	Disposals	-
	Balance as at March 31, 2019	**3.82**
II.	**Accumulated depreciation**	
	Balance as at April 1, 2017	**0.07**
	Depreciation expense for the year	0.07
	Balance as at March 31, 2018	**0.14**
	Depreciation expense for the year	0.05
	Balance as at March 31, 2019	**0.19**
III.	**Net block (I-II)**	
	Balance as at March 31, 2019	**3.63**
	Balance as at March 31, 2018	**3.68**
IV.	**Fair Value**	
	As at March 31, 2019	**213.51**
	As at March 31, 2018	**216.18**

a. The Group has given commercial premises on operating lease which form part of its premises at Neville House, Ballard Estate and C-1 Wadia International Centre, Worli. (Refer Note 52)

b. The fair value of the Investment Property as at March 31, 2019 and March 31, 2018 has been arrived at on the basis of a valuation carried out by independent valuers registered with the authority which governs the valuers in India. All fair value estimates for Investment Property are included in Level 2.

i. Reconciliation of Fair Value

(₹ in Crores)

Particulars	
Buildings	
Balance as at April 1, 2017	**214.06**
Fair value differences	2.12
Purchases	-
Balance as at March 31, 2018	**216.18**
Fair value differences	(2.67)
Purchases	-
Balance as at March 31, 2019	**213.51**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

ii. **Amounts recognised in profit and loss for Investment Property**

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Rental Income derived from Investment Property	28.58	35.22
Direct Operating Expenses arising from Investment Property that generate Rental Income	(6.35)	(6.15)
Profit arising from Investment Property before depreciation	**22.23**	**29.07**
Depreciation for the year	(0.05)	(0.07)
Profit arising from Investment Property	**22.18**	**29.00**

c. Certain Investment Property is mortgaged against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

6a. Goodwill

(₹ in Crores)

Particulars	Buildings
I. Gross Block	
Balance as at April 1, 2017	**-**
Additions	-
Disposals	-
Adjustments	-
Balance as at March 31, 2018	**-**
On acquisition of Subsidiary	92.39
Disposals	-
Adjustments	-
Balance as at March 31, 2019	**92.39**
II. Accumulated amortisation	
Balance as at April 1, 2017	**-**
Amortisation expense	-
Disposals	-
Balance as at March 31, 2018	**-**
Impairment	92.39
Disposals	-
Balance as at March 31, 2019	**92.39**
III. Net block (I-II)	**-**
Balance as at March 31, 2019	**-**
Balance as at March 31, 2018	**-**

6b. Intangible Assets

(₹ in Crores)

Particulars	Software	Technical Know how	Total
I. Gross Block			
Balance as at April 1, 2017	**1.26**	**0.63**	**1.89**
Additions	0.02	-	0.02
Disposals	(0.09)	-	(0.09)
Adjustments	(0.04)	-	(0.04)
Balance as at March 31, 2018	**1.15**	**0.63**	**1.78**
Additions	0.23	-	0.23
Disposals	-	-	-
Adjustments	-	-	-
Balance as at March 31, 2019	**1.38**	**0.63**	**2.01**
II. Accumulated amortisation			
Balance as at April 1, 2017	**0.86**	**0.42**	**1.28**
Amortisation expense	0.27	0.21	0.48
Disposals	(0.09)	-	(0.09)
Balance as at March 31, 2018	**1.04**	**0.63**	**1.67**
Amortisation expense	0.13	-	0.13
Disposals	-	-	-
Balance as at March 31, 2019	**1.17**	**0.63**	**1.80**
III. Net block (I-II)			
Balance as at March 31, 2019	**0.21**	**-**	**0.21**
Balance as at March 31, 2018	**0.11**	**-**	**0.11**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

7 Investments - Non-current

Particulars	Paid up Value / Face Value	As at March 31, 2019		As at March 31, 2018	
		No. of shares	₹ in Crores	No. of shares	₹ in Crores
Investments in Equity Instruments					
Investments carried at cost					
Unquoted					
Subsidiary					
PT Five Star Textile Indonesia [Refer Note (b) below]	U.S. $ 1,000 Each	33,826	-	-	-
Less: Provision for diminution in value of Investments			-		-
Associate Companies					
Bombay Dyeing Real Estate Company Limited	₹ 10 Each	20,000	***	20,000	***
Pentafil Textile Dealers Limited	₹ 100 Each	88,200	1.25	88,200	1.13
Jointly Controlled Entity					
PT Five Star Textile Indonesia (upto July 17, 2018)	U.S. $ 1,000 Each	-	-	2,217	-
Less: Provision for diminution in value of Investments					-
Sub-Total of Investments carried at cost - A			**1.25**		**1.13**
At Fair Value Through Other Comprehensive Income (FVOCI)					
Quoted					
Bombay Burmah Trading Corporation Limited *	₹ 2 Each	7,538,600	979.49	7,538,600	882.62
National Peroxide Limited	₹ 10 Each	285,000	80.29	285,000	66.60
D. B. Realty Limited	₹ 10 Each	25,262	0.05	25,262	0.12
Citurgia Biochemicals Limited **	₹ 10 Each	15,560	-	15,560	-
Unquoted					
BDS Urban Infrastructure Private Limited	₹ 10 Each	1,900	0.14	1,900	0.01
Roha Industries Association's Co-operative Consumers Society Limited	₹ 25 Each	100	***	100	***
SCAL Services Limited	₹ 100 Each	30,400	0.74	30,400	0.30
Less: Provision for diminution in value of Investments			-		(0.31)
Sub-Total of Investments carried at FVOCI- B			1,060.71		949.34
Total (A + B)			1,061.96		950.47

* During the year, the Company has pledged 13,01,000 shares held as Investment by the Company, details relating to which have been described in Notes - 21 , 24 and 40.

** Investments in Citurgia Biochemicals Limited is listed on BSE but trading in the scrip has been suspended since January, 2013 for penal reasons.

*** denotes value less than ₹ 1 lakh

a. The carrying value and market value of quoted and unquoted investments are as under : (₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Aggregate Carrying Value of Quoted Investments	1,059.83	949.34
Aggregate Market Value of Quoted Investments	1,059.83	949.34
Aggregate Carrying Value of Unquoted Investments	2.13	1.44
Aggregate Provision for Impairment in the Value of Investments	-	0.31

b. The Company had shareholding of 33.89% in the joint venture PT Five Star Textile Indonesia (PTFS). The Company took strategic move to wind up this loss making Joint Venture. With this strategic objective, on July 18, 2018, the Company acquired 3,409 Shares (52.11% Shareholding) in PTFS at a value of ₹ 3,818 (USD $ 34). Further, on November 20, 2018, loan amounting to ₹ 185.48 crores given by the Company to PTFS was converted into equity shares in PTFS. As a result of this conversion, the percentage holding of the Company increased to 97.36%.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Upon acquisition, the Company obtained control over PTFS and it became a Subsidiary of the Company, thereby enabling the Company to apply for liquidation as per the laws of Indonesia and winding up process is initiated. Gain has not been recognised by the Company on re-measurement of its previously held equity interest at fair value since the amount of gain is immaterial. Accordingly, in terms of provisions Ind AS 103, Goodwill of ₹ 92.39 crores on acquisition is also recognised in Consolidated Financial Statements and subsequently impaired. There is no additional financial exposure.

Purchase consideration of ₹ 3,818 paid for this acquisition has been allocated as follows: (₹ in Crores)

Particulars	As at March 31, 2019
Cash and Cash Equivalents	0.61
Net Assets/(Liabilities) Acquired, at fair value other than Cash and Cash Equivalents	(93.01)
Goodwill	92.39
Purchase consideration	*

* denotes value less than ₹ 1 lakh

The Company has considered PTFS as discontinued operations in accordance with Ind AS 105 on "Non-current Assets held for sale and Discontinued Operations". [Refer Note 61]

8 Loans - Non-current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans Receivable Considered Good - Unsecured		
Loans to employees	0.05	0.13
Loans receivable which have significant increase in credit risk	-	-
Loans Receivable Credit Impaired		
Loans to related parties [Refer Note 57]	54.29	234.50
-Less: Allowance for doubtful advances	(54.29)	(234.50)
Total	**0.05**	**0.13**

9 Other Financial Assets - Non-current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Security Deposits		
- Considered good		
Related Parties [Refer Note 57]	1.84	1.63
Others	5.37	5.72
- Considered doubtful	0.65	0.68
- Less : Allowance for doubtful deposits	(0.65)	(0.68)
	7.21	7.35
Industrial Subsidy Receivable		
- Considered good	31.01	31.01
- Considered doubtful	4.64	4.64
- Less : Allowance for doubtful receivables	(4.64)	(4.64)
	31.01	31.01
Earmarked bank deposits with maturity more than twelve month [Refer Note (a) below]	-	1.75
Bank Deposits with Maturity more than twelve months [Refer Note (b) below]	-	2.00
Interest accrued on Deposits	-	0.15
Total	**38.22**	**42.26**

a. Deposits with banks are under lien as security for guarantees issued on behalf of the Company. [Refer Note 40 and 41]

b. Bank Deposits with maturity more than twelve months is maintained with Scheduled Banks to be utilised for the repayment of Fixed from Deposits Public.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

10 Other Non-current Assets

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Capital advances	4.30	1.45
Prepaid expenses	66.99	66.86
Advances other than Capital advances		
Advances Receivable in cash or in kind		
- Considered Good	1.53	1.72
- Considered Doubtful	2.38	2.24
- Less: Allowance for doubtful advances	(2.38)	(2.24)
	1.53	1.72
Balances with Government Authorities		
- Considered good	0.37	2.09
- Considered doubtful	2.87	1.98
- Less : Allowance for doubtful advances	(2.87)	(1.98)
	0.37	2.09
Total	**73.19**	**72.12**

11 Inventories

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Manufacturing and Retail		
Raw Materials	34.28	36.16
Raw Materials-in-transit	19.99	42.76
Work-in-progress	9.46	13.18
Finished goods	47.40	51.30
Finished goods-in-transit	2.81	8.39
Stock-in-Trade	47.58	36.34
Stores, Spares and Catalysts	12.76	9.62
Inventory - Manufacturing and Retail - (a)	**174.28**	**197.75**
Real Estate		
Work-in-progress	1,309.21	211.25
Others		
Transferable Development Rights	345.92	-
Floor Space Index	371.11	-
Inventory - Real Estate - (b)	2,026.24	211.25
Total (a) + (b)	**2,200.52**	**409.00**

a. The cost of inventories recognised as an expenses during the current year is ₹ 1,892.33 crores (2017-18 : ₹ 1,144.82 crores)

b. The value of inventories above is stated after impairment of ₹ 9.77 crores (March 31, 2018 : ₹ 9.37 crores) for write down to net realisable value and provision for slow moving and obsolete items.

c. Certain Inventories are hypothecated against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

d. For mode of valuation of Inventories [Refer Note 2 (j)]

e. In the opinion of the management, the net realisable value of the construction Work-in- progress will not be lower than the costs so included therein.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

12 Trade Receivables

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured		
Considered Good	1,092.22	212.36
Credit Impaired	12.12	29.91
- Less: Provision for Impairment	(12.12)	(29.91)
Total	**1,092.22**	**212.36**

a. In determining the allowances for credit losses of Trade Receivables, the Group has used a practical expedient by computing the Expected Credit Loss Allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The Expected Credit Loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

b. Since the Group calculates impairment under the simplified approach for Trade Receivables, it is not required to separately track changes in credit risk of Trade Receivables as the impairment amount represents Lifetime Expected Credit Loss. Accordingly, based on a harmonious reading of Ind AS 109 and the break-up requirements under Schedule III, the disclosure for all such Trade Receivables is made as shown above.

i. Reconciliation of Credit Loss Allowance :

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Balance at the beginning of the year	29.91	28.23
Allowance for Expected Credit Loss	-	1.68
Excess provision written back	(17.79)	-
Balance at the end of the year	**12.12**	**29.91**

ii. Ageing of Trade Receivables and credit risk arising there from is as below:

(₹ in Crores)

Particulars	As at March 31, 2019		
	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	633.94	0.14	633.80
30 days past due	349.63	0.09	349.54
31-60 days past due	2.57	0.05	2.52
61-90 days past due	0.50	0.02	0.48
91-120 days past due	0.77	0.03	0.74
121-180 days past due	0.18	0.01	0.17
181-360 days past due	25.73	0.57	25.16
more than 360 days past due	91.02	11.21	79.81
	1,104.34	**12.12**	**1,092.22**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	As at March 31, 2018		
	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	83.25	0.11	83.14
30 days past due	15.52	0.14	15.38
31-60 days past due	37.34	0.07	37.27
61-90 days past due	6.03	0.10	5.93
91-120 days past due	2.78	-	2.78
121-180 days past due	6.53	0.04	6.49
181-360 days past due	27.37	0.61	26.76
more than 360 days past due	63.45	28.84	34.61
	242.27	**29.91**	**212.36**

c. Trade Receivables includes ₹ 43.84 crores (March 31, 2018 : ₹ 42.01 crores) due from a customer towards part compensation for sale of property, common area maintenance charges and project related costs. The Receivables are under dispute and the matter has been referred to arbitration. Pending finalisation of arbitration proceedings, the Receivables are considered good.

d. Trade Receivables are hypothecated against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

13 Cash and Cash Equivalents

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Balances with Banks in Current Accounts	25.41	13.78
Cheques on Hand	3.35	0.32
Cash on Hand	0.05	0.05
Bank Deposits with Original Maturity of three months or less [Refer Note below]	6.08	-
Total	**34.89**	**14.15**

Note Short term deposits held in escrow accounts relate to amounts held under Escrow in accordance with the direction of the Monitoring Committee for redevelopment of land of Cotton Textile Mill ₹ 4.04 crores (March 31, 2018 : ₹ Nil).

14 Bank Balances other than Cash and Cash Equivalents

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Earmarked balances with banks :		
Unpaid Dividend Accounts	1.65	1.30
Escrow Accounts [Refer Note (a) below]	24.19	6.30
Deposits under Lien [Refer Note (b) below]	15.42	101.63
Bank deposits with maturity more than three months but less than twelve months [Refer Note (c) below]	0.71	10.00
Total	**41.97**	**119.23**

a. Balances with banks in escrow accounts represent amounts held in escrow in accordance with the directions of the Monitoring Committee for redevelopment of land of Cotton Textile Mills.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

b. Bank deposits include restricted deposits as under:
   - Deposits under lien towards security for guarantees issued on behalf of the Company ₹ 15.42 crores (March 31, 2018 : ₹ 67.82 crores). [Refer Note 40 and 41]
   - Short term deposits held in escrow accounts relate to amounts held under Escrow in accordance with the direction of the Monitoring Committee for redevelopment of land of Cotton Textile Mill (March 31, 2018 : ₹ 33.81 crores).

c. Bank Deposits with original maturity more than three months but less than twelve months includes ₹ 0.26 crores (March 31, 2018 : ₹ 10 crores) maintained with scheduled banks to be utilised for the repayment of public deposits .

15 Loans - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans Receivable Considered good - Unsecured		
Loans to employees	0.60	0.57
Loans to others	0.01	0.01
Inter Corporate Deposits		
Related Parties [Refer Note 57]	-	0.25
Others	-	1.03
Loans Receivable which have significant increase in credit risk	-	-
Total	**0.61**	**1.86**

16 Other Financial Assets - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Interest accrued on deposits	0.33	1.98
Export Benefits Receivable		
- Considered Good	0.10	-
	0.10	-
Unbilled Revenue [Refer Note (a) below]	-	1,502.13
Security Deposits	0.04	2.68
Derivatives - Forward Exchange Contracts [Refer Note (b) below]	-	0.33
Receivable from post Employment Benefit Fund	1.02	5.08
Total	**1.49**	**1,512.20**

a. Unbilled Revenue represents revenue recognised over and above amounts due as per payment plans agreed with customers, the same has been entirely classified as current as at March 31, 2018 as the project is expected to be completed within twelve months. In view of adoption to Ind AS 115 with effect from April 1, 2018 and recognition of revenue 'at a point in time' in current year, Unbilled Revenue is Nil at the year end.

b. The Group has entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss. Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

c. Other Financial Assets are hypothecated against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

17 Current Tax Assets (Net)

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance income-tax [net of provision for taxation]	61.80	63.10
Total	**61.80**	**63.10**

a. Components of Income Tax Expense / (Income)

(₹ in Crores)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Income tax expense recognised in the Statement of Profit and Loss from continuing operations:		
Current Tax:		
Current Tax on Profits for the year	7.64	-
(Excess) / Short Provision of tax of earlier years	(1.85)	2.78
Total Income Tax Expense on Continuing Operations	**5.79**	**2.78**

(₹ in Crores)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Deferred Tax related to items recognised in Other Comprehensive Income		
Tax effect on remeasurement (loss) /gain on defined benefit plans	0.09	(1.14)
Total Income Tax Expense on Continuing Operations	**0.09**	**(1.14)**

b. Reconciliation of Income Tax Expense and Accounting Profit

The reconciliation between estimated Income Tax expense at statutory income tax rate / (MAT) into income tax expense reported in the Statement of Profit and Loss is given below.

(₹ in Crores)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before tax from Continuing Operations	**1,235.77**	**37.19**
Profit before tax from Discontinuing Operations*	(1.90)	-
Income tax expense calculated @ 21.5488% (March 31, 2018 : 21.3416%)	266.30	7.94
Effect of income that is exempt from taxation	(0.56)	(0.37)
Effect of expenses that are not deductible in determining taxable income / book profit	0.07	33.67
Allowance for doubtful advances/ debts	1.18	21.09
Sundry balances / excess provisions written back	(3.77)	(3.35)
Tax on Actuarial gain/(loss) on employee defined benefits obligation	(0.06)	1.14
Adjustment to book profit due to adoption of Ind AS 115	(183.51)	
Adjustment to book profit as per provisions of Section 115JB (2) of I.T. Act,1961	(72.43)	(60.12)
Others	0.43	-
Tax Expense	**7.64**	**-**
(Excess) / Short Provision of tax of earlier years	(1.85)	2.78
Income Tax Expense recognised in Statement of Profit and Loss	**5.79**	**2.78**
Effective Tax Rate	**0.47%**	**7.47%**

* In view of loss, Tax on Accounting Profit is Nil for the year ended March 31, 2019

NOTES to the Consolidated financial statements for the year ended March 31, 2019

c. Components of Deferred Tax

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities		
Property, Plant and Equipment	107.36	108.02
Intangible Assets	0.41	0.52
Total Deferred Tax Liabilities	**107.77**	**108.54**
Deferred Tax Assets		
Defined Benefit Obligations	0.75	0.84
Allowance for doubtful advances/ debts	85.10	89.39
Accrued Expenses deductible on cash basis	2.00	1.59
Business losses	19.92	16.72
Total Deferred Tax Assets	**107.77**	**108.54**
Net Deferred Tax Assets / (Liabilities)	**-**	**-**

Deferred Tax Assets on unused tax losses, that is business losses, have been recognised only to the extent of Deferred Tax Liability.

d. Movement of Deferred Tax

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2019

(₹ in Crores)

Particulars	Balance as at April 1, 2018	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2019
Defined Benefit Obligations	0.84	-	(0.09)	0.75
Allowance for doubtful advances/ debts	89.39	(4.29)	-	85.10
Accrued Expenses deductible on cash basis	1.59	0.41	-	2.00
Business Losses	16.72	3.11	0.09	19.92
Property, Plant and Equipment	(108.02)	0.66	-	(107.36)
Intangible Assets	(0.52)	0.11	-	(0.41)
Total	-	-	-	-

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2018

(₹ in Crores)

Particulars	Balance as at April 1, 2017	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2018
Defined Benefit Obligations	(0.30)	-	1.14	0.84
Allowance for doubtful advances/ debts	40.14	49.25	-	89.39
Accrued Expenses deductible on cash basis	2.85	(1.26)		1.59
Business Losses	101.44	(83.58)	(1.14)	16.72
Property, Plant and Equipment	(143.58)	35.56	-	(108.02)
Intangible Assets	(0.55)	0.03	-	(0.52)
Total	-	-	-	-

e. Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unused tax losses	1,561.11	869.80
Unused tax credits [Refer Note (ii)]	100.30	93.09
Total	**1,661.40**	**962.89**

Note

i. As on March 31, 2019, the tax consequences with respect to the dividends proposed is ₹ 6.37 crores (March 31,2018 : ₹ 4.21 crores).

ii. During the year, the Group has not recognised for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ 7.21 crores (March 31,2018 : ₹ Nil).

The amount and expiry date of unused tax credits, that is, MAT credit and unused tax losses, that is, unabsorbed depreciation and business losses is as follows :

(₹ in Crores)

i.	Tax Credit Carried Forward(FY)	As at March 31, 2019	Expiry Date	As at March 31, 2018	Expiry Date
	2009-10	3.77	March 31,2020	3.77	March 31,2020
	2010-11	5.26	March 31,2021	5.26	March 31,2021
	2011-12	14.97	March 31,2022	14.97	March 31,2022
	2012-13	21.50	March 31,2023	21.50	March 31,2023
	2013-14	8.47	March 31,2024	8.47	March 31,2024
	2014-15	10.42	March 31,2025	10.42	March 31,2025
	2016-17	28.69	March 31,2027	28.69	March 31,2027
	2018-19	7.21	March 31,2034	-	-

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(₹ in Crores)

ii.	Business Losses (FY)	As at March 31, 2019	Expiry Date	As at March 31, 2018	Expiry Date
	2012-13	10.47	March 31,2021	-	-
	2013-14	28.86	March 31,2022	-	-
	2014-15	52.12	March 31,2023	-	-
	2015-16	142.11	March 31,2024	62.91	March 31,2024
	2016-17	145.30	March 31,2025	79.78	March 31,2025
	2017-18	325.49	March 31,2026	243.74	March 31,2026
	2018-19	349.79	March 31,2027	-	-

iii. There is no expiry date for unabsorbed depreciation to set off against the future taxable income.

18 Other Current Assets

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good unless otherwise stated		
Deposits	0.93	-
Prepaid expenses	2.48	22.12
Advances other than Capital advances		
Balances with Government Authorities	6.16	36.45
Advances Receivable in cash or in kind		
Considered Good		
- Related Parties [Refer Note 57]	0.93	0.53
- Others	30.83	60.83
Considered Doubtful	2.44	2.60
- Less: Allowance for Doubtful Advances	(2.44)	(2.60)
	31.76	**61.36**
Total	**41.33**	**119.93**

a. Other Current Assets are hypothecated against borrowings, details relating to which have been described in Notes - 21 , 24 and 40.

19 Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	₹ in Crores	Number of Shares	₹ in Crores
Authorised Shared Capital				
Equity shares of ₹ 2 each	510,000,000	102.00	530,000,000	106.00
8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each	400,000	4.00	-	-
Total	**510,400,000**	**106.00**	**530,000,000**	**106.00**
Issued, Subscribed and Paid-up Share capital				
Equity shares of ₹ 2 each	206,534,900	41.31	206,534,900	41.31
Total	**206,534,900**	**41.31**	**206,534,900**	**41.31**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	(₹ in Crores)	Number of Shares	(₹ in Crores)
At the beginning of the year	206,534,900	41.31	206,534,900	41.31
Add: Shares issued during the year	-	-	-	-
At the end of the year	**206,534,900**	**41.31**	**206,534,900**	**41.31**

b. Rights, preferences and restrictions attached to Equity shares

The Company has issued and subscribed one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, 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.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	% Holding	Number of Shares	% Holding
Baymanco Investments Limited	47,312,000	22.91	47,312,000	22.91
The Bombay Burmah Trading Corporation Limited	31,550,713	15.28	31,550,713	15.28
	78,862,713	**38.19**	**78,862,713**	**38.19**

d. Information regarding issue of shares during last five years

i. No share is allotted pursuant to contracts without payment being received in cash.

ii. No bonus share has been issued.

iii. No share has been bought back.

e. Shares held in Abeyance

Under orders from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992, the allotment of 4,640 equity shares (March 31, 2018 : 4,640 shares) of face value of ₹ 2/- each against warrants carrying rights of conversion into equity shares of the Company has been kept in abeyance in accordance with Section 206A of the Companies Act, 1956, till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges.

20 Other Equity

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	29.51	28.60
Securities Premium	133.57	133.57
Investment Reserve	1.31	1.31
Consolidation Adjustment on account of Share Capital	17.55	-
General Reserve	155.81	155.81
Retained Earnings	(1,197.52)	(640.96)
Items of Other Comprehensive Income		
- Equity Instruments through Other Comprehensive Income	1,028.60	917.24
- Foreign Currency Translation Reserve	(1.14)	-
Total	**167.69**	**595.57**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Nature and purpose of reserves

a. Capital Reserve

Capital Reserve represents amounts forfeited on warrants not exercised. There is a an increase of ₹ 0.91 crores in Capital Reserve during the current year due to demerger of Real Estate Business Undertaking of Scal Services Limited vested in the Company. (Refer Note. 43)

b. Securities Premium

Securities Premium represents premium on issue of shares on conversion of warrants. Securities Premium amounting to ₹ 7.80 crores is adjusted in accordance with the Scheme for Amalgamation of subsidiary with the Company, which was effected on April 1, 2016. There is no movement in securities premium reserve during the current and previous year.

c. Investment Reserve

Investment Reserve represents gain or loss on sale of investments. There is no movement in Investment Reserve during the current and previous year.

d. General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. There is no movement in General Reserve during the current and previous year.

e. Equity instruments through Other Comprehensive Income

The fair value change of the equity instruments measured at fair value through Other Comprehensive Income is recognised to and reflected under Equity Instruments through Other Comprehensive Income. On disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

f. Retained Earnings

Retained Earnings are the profits that the Group has earned till date, less any transfer to General Reserve, dividends or other distributions paid to shareholders.

g. Foreign Currency Translation Reserve

Exchange differences related to the translation of the results and net assets of the Group's foreign operations from their functional currency to the Group's presentation currency (i.e. INR) are recognised directly in the Other Comprehensive Income and accumulated in Foreign Currency Translation Reserve. Exchange difference accumulated in the Foreign Currency Translation Reserve are to be reclassified to Profit and Loss on the disposal of the foreign operation.

21 Non-current Borrowings

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Secured		
Term Loans		
- from banks	53.20	-
- from others	3,339.93	2,312.15
Unsecured		
Fixed Deposits	-	76.36
Preference Share Capital Suspense [Refer Note (d) below]	3.89	-
	3,397.02	2,388.51
Less : Current maturities of Long-term Borrowings [included in Note 26]	(23.64)	(76.06)
Total	**3,373.38**	**2,312.45**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

a. Nature of Security and terms of repayment of secured borrowing:

From Banks :

Term loan amounting to ₹ 53.20 crores (March 31, 2018 : ₹ Nil) was secured by first and exclusive registered mortgage on Group's Jor Bagh property at New Delhi and exclusive charge by way of registered mortgage on the immoveable property being the entire commercial building at C-1,Wadia International Centre and Texturising Building at Worli together with the FSI consumed and the land on which the building stands. Repayable in 12 equated monthly instalments commencing from August 2018 to May 2021.

From Other Parties :

i. Term loans aggregating ₹ 1700.00 crores (March 31, 2018 : ₹ 878.22 crores) are secured by way of registered mortgage of land underlying the project One ICC and Two ICC at Mumbai - along with the present and future unregistered flats thereon and exclusive charge by way of hypothecation on receivables arising out of all units from the project. Repayable in 24 equated monthly instalments commencing from November 2021.

ii. Term loans aggregating ₹ 1434.93 crores (March 31, 2018 : ₹ 1434.93 crores) are secured by way of mortgage of plot of land at Pandurang Budhkar Marg, Worli along with the present and future development. The term loan has not been fully drawn as on March 31, 2019. The repayment terms of the said loan are as under :-

Date of repayment	Amount (₹ in Crores)
5th June ,2020	167.00
5th June ,2021	334.00
5th June ,2022	584.50
5th June ,2023	584.50
Total	**1670.00**

iii. Term loans aggregating ₹ 75.00 crores (March 31, 2018 : ₹ Nil) are secured by way of pledge of shares held as Investment by the Group.

iv. Term loans aggregating ₹ 130.00 crores (March 31, 2018 : ₹ Nil) are secured by way of exclusive registered mortgage of land at G.D.Ambekar Marg, Wadala, Mumbai and exclusive charge by way of hypothecation on receivables arising from the future constructions.

b. There is no default in terms of repayment of principal borrowings and interest thereon.

c. The carrying amounts of financial and non-financial assets provided as security for above borrowings are disclosed in Note 40.

d. Preference Share Capital Suspense

Pursuant to the The Scheme of Arrangement ('the Scheme') between SCAL Services Limited ('SCAL') and the Company and their respective shareholders for demerger of Real Estate Business Undertaking of SCAL vesting into the Company, the Company is to issue 3,88,800, 8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each fully paid up. Such Preference Shares shall be redeemable any time within 36 months from the date of allotment. These Preference Shares are allotted on May 2, 2019. In terms of Ind AS 32 on "Financial Instruments : Presentation", such Preference Shares is to be treated as Compound Financial Instrument from the date of allotment.

22 Other Financial Liabilities - Non-current

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Deposits	7.39	13.26
Others	0.58	-
Trade Payables	-	1.90
Total	**7.97**	**15.16**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

23 Provisions - Non-Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
- Provision for compensated absences [Refer Note 49]	4.96	3.56
- Provision for loyalty / long service awards [Refer Note 49]	2.22	2.23
- Provision for termination benefits [Refer Note 45]	5.90	6.23
Provision for sales tax forms [Refer Note (a) below]	4.69	4.20
Total	**17.77**	**16.22**

a. Movement in provisions for Sales Tax Forms

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	4.20	3.48
- Additions	2.50	1.02
- Amounts utilised	(2.01)	(0.30)
Closing Balance	**4.69**	**4.20**

24 Borrowings - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Loans repayable on demand from banks	41.98	29.83
Facilities from banks		
- Packing credit	22.41	-
- Short Term loans	25.00	35.00
Unsecured		
Intercorporate deposits	135.00	-
Intercorporate deposits from Related Parties [Refer Note 57]	350.00	350.00
Total	**574.39**	**414.83**

Nature of Security for Short term borrowings

a. Short Term loans from banks is secured by exclusive charge by way of registered mortgage on the immoveable property being the entire commercial building at C-1,Wadia International Centre and Texturising Building at Worli together with the FSI consumed and the land on which the building stands.

b. Loans repayable on demand from banks and Packing Credit from bank as on March 31, 2019 was secured by first charge on inventories and book debts of Retail and Polyester Divisions together with entire Property, Plant and Equipment aggregating of Polyester Division (including Factory Land and building).

c. The carrying amounts of financial and non-financial assets provided as security for above borrowings are disclosed in Note 40.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

25 Trade Payables - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Total Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note (a) below]	20.71	2.02
Others		
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	489.88	349.09
Acceptances under suppliers line of credit [Refer Note (b) below]	12.42	-
Total	**523.01**	**351.11**

a. The dues payable to Micro and Small enterprises is based on the information available with the Group and takes into account only those suppliers who have responded to the enquiries made by the Group for this purpose (Refer Note 50)

b. Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks while the Group continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 days.

26 Other Financial Liabilities - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Current Maturities of Long-term Borrowings [Refer Note 21]	23.64	76.05
Fixed Deposits from Public	0.30	-
Interest Accrued	13.68	15.21
Unpaid Dividends [Refer Note (a) below]	1.65	1.30
Unclaimed Matured Fixed Deposits from Public	1.65	0.74
Deposits	0.05	0.05
Derivatives - Forward Exchange Contracts [Refer Note (b) below]	2.08	-
Total	**43.05**	**93.35**

a. During the year, the Group has transferred an amount of ₹ 0.13 crores (March 31, 2018 : ₹ 0.11 crores) to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013. There is no amount due for payment to the Fund as at the year end.

b. The Group has 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.

27 Other Current Liabilities

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances from Customers	285.77	40.41
Statutory Dues including Service Tax and Withholding Tax	12.87	13.60
Employee Benefits payable	14.47	8.20
Accrued Expenses	56.10	169.74
Other Liabilities	25.57	19.84
Total	**394.78**	**251.79**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

28 Provisions - Current

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Employee Benefits		
Provision for compensated absences [Refer Note 49]	4.22	4.67
Provision for termination benefits		
- Others [Refer Note 45]	0.64	0.63
Provision for loyalty / long service awards [Refer Note 49]	0.30	0.27
Other Provisions		
Provision for litigation and disputes [Refer Note below]	13.95	14.96
Provision for commercial and other matters [Refer Note below]	37.92	26.24
Total	**57.03**	**46.77**

Note: Movements in each of the class of other provisions during the financial year are set out below:

(₹ in Crores)

Particulars	Commercial and other matters	Litigation and disputes
As at April 1, 2017	**31.50**	**13.69**
- Additions	3.34	1.55
- Amounts utilised	(8.60)	(0.28)
As at March 31, 2018	**26.24**	**14.96**
- Additions	11.68	1.15
- Amounts utilised		(2.16)
As at March 31, 2019	**37.92**	**13.95**

29 Current Tax Liabilities (Net)

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Taxation (net of advance income-tax)	6.80	8.25
Total	**6.80**	**8.25**

30 Revenue from Operations

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Sale of Products	1,683.05	1,502.81
Real Estate	2,509.26	1,110.18
Other Operating Revenue		
- Lease Rentals	23.62	30.39
- Subvention Income	194.61	42.34
- Others	19.22	7.03
Total Other Operating Revenue	237.45	79.76
Total	**4,429.76**	**2,692.75**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

31 Other Income

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest Income		
- on Inter-corporate Deposits	0.04	17.67
- on Income-tax Refunds	0.43	2.20
- on Fixed Deposits with Banks	6.87	10.49
- on Fair Valuation of other Financial Assets carried at Amortised Cost	0.10	
- on Others	3.28	12.56
	10.72	**42.92**
Dividend Income		
- Dividend income from Non-current Investments	2.61	1.72
	2.61	**1.72**
Other Non - Operating Income		
- Sundry balances / excess provisions written back	3.46	1.56
- Other Non-operating Income	8.44	3.35
- Subsidy received for Electricity	8.08	-
	19.98	**4.91**
Other Gains		
- Profit on Sale of Property, Plant and Equipment	4.48	-
- Gain on Foreign Currency Transactions (Net)	2.43	1.70
	6.91	**1.70**
Total	**40.22**	**51.25**

32 Cost of Material Consumed

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Inventories at the beginning of the year	78.92	70.98
Add : Purchases	1,152.38	976.21
	1,231.30	**1,047.19**
Less: Inventories at the end of the year	(54.27)	(78.92)
Total	**1,177.03**	**968.27**

33 Purchases of Stock-in-trade

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Processed long length	165.74	107.97
Made ups	55.16	56.55
Total	**220.90**	**164.52**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

34 Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Manufacturing and Retail		
Inventories at the beginning of the year		
Finished goods	59.69	79.86
Work-in-progress	13.18	9.92
Stock-in-trade	36.34	70.33
	109.21	**160.11**
Inventories at the end of the year		
Finished goods	50.20	59.69
Work-in-progress	9.47	13.18
Stock-in-trade	47.57	36.34
	107.24	**109.21**
Inventory change - Manufacturing and Retail - (a)	**1.97**	**50.90**
Real Estate		
Inventories at the beginning of the year		
Development work-in-progress	211.25	181.84
Add : Inventories acquired on demerger [Refer Note 43]	395.96	
Add : Increase in value due to change in Accounting Policy [Refer Note 46]	1,194.43	-
	1,801.64	**181.84**
Inventories at the end of the year		
Development work-in-progress	1,309.21	211.25
Less: Incidental Overheads Written off	-	9.46
Inventory change - Real Estate - (b)	492.43	(38.87)
Total	**494.40**	**12.03**

35 Employee Benefit Expense

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries, Wages and bonus	84.94	76.75
Contribution to Provident and Other Funds	4.36	5.41
Gratuity Expenses	0.43	0.18
Workmen and Staff Welfare Expenses	4.93	4.97
Total	**94.66**	**87.31**

36 Finance Costs

(₹ in Crores)

	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest on Long-term Borrowings	383.11	255.57
Interest on Short-term Borrowings	57.23	92.35
Ancillary Borrowing Costs	38.65	52.37
Loss on Derecognition of Financial Liabilities	-	4.15
Exchange difference to the extent considered as an adjustment to Borrowing Costs	-	1.42
Others	10.71	6.65
Total	**489.70**	**412.51**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

37 Depreciation and Amortisation Expenses

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Depreciation on Property, Plant and Equipment	29.61	29.33
Depreciation on Investment Property	0.05	0.07
Amortisation on Intangible Assets	0.13	0.48
Total	**29.79**	**29.88**

38 Other Expenses

(₹ in Crores)

Particulars		Year Ended March 31, 2019	Year Ended March 31, 2018
Manufacturing Expenses			
Stores, Spare parts and Catalysts		33.68	30.41
Oil and coal consumed		49.95	45.24
Electric energy (net of refund receivable on account of regulatory liability charges)		44.65	40.51
Water charges		2.84	3.38
Repairs: Buildings		1.79	1.23
Machinery		8.46	6.11
Others		3.50	3.19
Job work / processing charges		0.17	-
Subtotal		**145.04**	**130.07**
Construction Expenses			
Architect fees and technical /project related consultancy		19.24	24.36
Civil, Electrical, contracting, etc..		303.00	381.05
Payment to local agencies		25.49	164.62
Compensation for rehabilitation of tenants		5.75	3.83
Subtotal		**353.48**	**573.86**
Selling and Distribution Expenses			
Brokerage, commission		11.28	3.88
Freight and forwarding		29.56	26.88
Advertisement expense		19.88	16.41
Subtotal		**60.72**	**47.17**
Establishment Expenses			
Rent		10.92	15.07
Rates and taxes		20.88	9.69
Insurance		1.24	1.87
Incidental expenses written-off		-	9.46
Allowance for doubtful advances/debts		-	4.52
Allowance for diminution in the value of investment		-	0.31
Bad debts and advances written off	16.03		
Less: Allowance for doubtful debts written back	(16.03)	-	-
Expenses on Corporate Social Responsibility activities		-	0.04
Payment to Auditors [Refer Note below]		1.31	1.11
Legal and Professional Fees		16.66	16.17
Retainership Fees		7.23	5.84
Loss on disposal of Property Plant and Equipment		-	3.56
Capital Work-in Progress Written-off		71.04	(0.03)
Miscellaneous expenses		43.08	29.90
Subtotal		**172.36**	**97.51**
Total		**731.60**	**848.61**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Payment to auditor

(₹ in Crores)

Particulars	**Year Ended March 31, 2019**	Year Ended March 31, 2018
As an auditor :		
Audit Fee	0.75	0.65
Limited Review	0.41	0.41
In other capacity:		
Taxation Matters	0.08	-
Certification fees	0.06	0.04
Reimbursement of expenses	0.01	0.01
Total	**1.31**	**1.11**

39 Exceptional Items

(₹ in Crores)

Particulars	**Year Ended March 31, 2019**	Year Ended March 31, 2018
Profit on sale of Property, Plant and Equipment - Immoveable Property	9.34	-
Allowance for doubtful debts / advances to Joint Venture [Refer Note below]	(5.47)	(153.25)
Total	**3.87**	**(153.25)**

Note

The Company had shareholding of 33.89% in the joint venture PT Five Star Textile Indonesia (PTFS). The Company took strategic move to wind up this loss making Joint Venture. With this strategic objective, on July 18, 2018, the Company acquired 3,409 Shares (52.11% Shareholding) in PTFS at a value of ₹ 3,818 (USD 34). Upon acquisition, the Company obtained control over PTFS and it became a Subsidiary of the Company, thereby enabling the Company to apply for liquidation as per the laws of Indonesia and winding up process is initiated.

On November 20, 2018, loan amounting to ₹ 185.48 crores which was earlier given by the Company to PTFS was converted into Equity Shares in PTFS and reflected as such. As a result of this conversion ,the percentage holding of the Company increased to 97.36%.

The Company has reported the provision as an exceptional items of ₹ 5.47 crores (2017-18 : ₹ 153.25 crores).

NOTES to the Consolidated financial statements for the year ended March 31, 2019

40 Assets pledged / hypothecated / mortgaged as security

The carrying amounts of assets pledged / hypothecated / mortgaged as security as collateral for Current and Non-current Borrowings or Contingent liabilities are:

(₹ in Crores)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
Current Assets			
Financial Assets			
First Charge			
Fixed Deposits under Lien	14	15.42	67.82
		15.42	**67.82**
Floating Charge			
Trade Receivables	12	1,092.22	212.36
Other Financial Assets	16	1.49	1,512.20
Other Current Assets	18	-	5.68
		1,093.71	**1,730.24**
Non-Financial Assets			
Floating Charge			
Inventories	11	1,353.47	409.00
		1,353.47	**409.00**
Total Current Assets pledged / hypothecated / mortgaged as security		**2,462.60**	**2,207.06**
Non-current Assets			
First Charge			
Property, Plant and Equipment	3	465.81	473.25
Investment Property	5	2.69	2.75
Investments	7	169.04	-
Fixed Deposits under Lien	9	-	1.75
Total Non-currents Assets pledged / hypothecated / mortgaged as security		**637.54**	**477.75**
Total Assets pledged / hypothecated / mortgaged as security		**3,100.14**	**2,684.81**

41 Contingent Liabilities

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
A. Claims against the company not acknowledged as debt.		
a. Income-tax matters in respect of earlier years under dispute (including interest March 31, 2019 - ₹ 21.40 crores) [March 31, 2018 - ₹ 18.82 crores] as follows:		
i Pending in appeal - matters decided against the Company	78.19	77.20
b. Sales Tax, Service Tax and Excise Duties	23.26	32.84
c. Custom Duty	0.95	0.95
d. Other Matters (Including claims related to real estate, employees and other matters)	112.40	113.29
In respect of items (a) to (d) above, it is not possible for the Company to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/ authorities.		
The Company does not expect any reimbursements in respect of the above contingent liabilities.		
The Company's pending litigations comprise of claims against the Company by certain real estate customers and disputed by the Company, of which the significant ones are matters of arbitration, and pertaining to proceedings pending with Income Tax, Excise, Custom, Sales Tax / VAT and other authorities.		

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Particulars	As at March 31, 2019	As at March 31, 2018
B. Guarantees		
a. **Counter indemnity** issued in favour of IDBI Bank Limited which in turn has guaranteed loans granted by Punjab National Bank (International) limited London and Axis Bank, UK to PTFS secured by first pari-passu charge on 36,617.13 square metres of land at Company's Spring Mill Dadar, Naigaon together with all buildings, structures and erections thereon.	-	81.31
b. **Bank Guarantee** Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 12.41 crores (March 31, 2018 : ₹ 4.55 crores)	34.96	29.15
C. Other money for which the company is contingently liable		
Bills Discounted	-	7.11
D. Other commitments		
a. Estimated amount of contracts to be executed on capital account and not provided for	1.53	0.41
b. Other Commitments not provided for related to construction under development	267.27	569.33

42 Litigations

a. During the year 2010-11, the Company had agreed to sell certain area in the proposed tower TWO ICC to Shaan Realtors Private Limited, (formerly Accord Holding Private Limited) ("the claimants"). The area agreed to be sold is under dispute and the matter was referred to arbitration. The arbitrator vide order dated January 13, 2014 passed the final award directing the Company to allot to the claimants and/ or its associates, friends, nominees carpet area of 1,00,000 sq. ft. less the carpet area as already allotted to them in the proposed tower TWO ICC, namely, additional carpet area of 48,495 sq. ft. The Company has filed an appeal in the Bombay High Court under Section 34 of the Arbitration & Conciliation Act, 1996 against the said award, for which the hearings are in progress. The Company is confident that the final award passed by the learned arbitrator will get reversed in view of the strong merits in the case. However, the requisite area has been set aside by the Company and the total area to be allotted to the claimants will be accounted on disposal of the appeal filed in the High Court. No adjustment has been made in the financial statements in view of the uncertainty involved.

b. The Bombay High Court vide its order dated November 20, 2013 permitted the Company to surrender land at one location i.e. Wadala, as per the application made by the Company under Integrated Development Scheme. As per this order, the total of 66,651 sq. metres of land has been surrendered to MCGM and MHADA at Island City Centre, Wadala. During the year 2013-14, the Union had filed a writ petition requiring the Company to surrender non textile mill land. The Bombay High Court has directed the Company to reserve additional 10,000 sq. metres of land adjacent to the land to be surrendered. The Company believes that above said writ petition filed in Bombay High Court has no impact on the development of the two towers at ICC since the reserved land of 10,000 sq. metres is different from the one where construction of the two towers is in progress and part Occupancy Certificate (OC) has received for same.

c. The Company had during the year 2010-11 sold the building known as 'Wadia Tower A' to Axis Bank Limited for a consideration of ₹782.62 crores. The purchaser has till date paid a sum of ₹ 753.69 crores and the balance ₹ 28.93 crores is still outstanding. Axis Bank Limited has claimed damages and interest for delayed handover, non-completion of essential and basic amenities, failure to provide prominent signage, etc. and has not paid the common area maintenance charges amounting ₹ 14.91 crores (As on March 31, 2018 : ₹13.08 crores). Since the matter could not be amicably resolved, the same was referred to arbitration. Claims from the Bank regarding costs for work completed by the Bank on behalf of the Company and by the Company on behalf of Axis Bank are also matters under arbitration. Pending finalisation of arbitration proceedings, the receivables are Considered good.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

43 Demerger of Real Estate Undertaking Business of Scal Services Limited.

a. The Scheme of Arrangement ('the Scheme') between SCAL Services Limited ('SCAL') and the Company and their respective shareholders for demerger of Real Estate Business Undertaking of SCAL vesting into the Company was sanctioned by the Hon'ble NCLT, Bench at Mumbai vide Order dated February 21, 2019. The certified copy of the Order sanctioning the Scheme was filed with the Registrar of the Companies, Mumbai, on February 28, 2019. On giving effect of the Scheme, from the Appointed Date of the Scheme, i.e. July 1, 2018, all the assets and liabilities of Real Estate Business Undertaking of SCAL stands transferred and vested in the Company.

b. The assets and liabilities of SCAL as at July 1, 2018 have been taken over at their respective book values and necessary adjustments have been made such that all the assets and liabilities acquired are reflected at their acquisition date fair value as required by Ind AS 103 on "Business Combinations". Accordingly, ₹ 0.91 crores has been credited to the Capital Reserve as shown below:

(₹ in Crores)

Impact on Balance Sheet	As at March 31, 2019
Particulars	
Non-current Assets	386.23
Current Assets other than Cash and Cash Equivalents	174.02
Cash and Cash Equivalents	0.53
	560.78
Non-current Liabilities	555.21
Current Liabilities	4.66
Capital Reserve	**0.91**

c. Pursuant to the Scheme, the Company is to issue 3,88,800 8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹100 each fully paid up. Pending issue and allotment of such Preference Shares, as required by Ind AS 32 a sum of ₹ 3.89 crores is credited to Preference Share Capital Suspense and reflected under Non-current Borrowings (Refer Note 21).

d. In view of the aforesaid arrangement with effect from July 1, 2018, the figures of assets, liabilities, expenses and income for the current year to that extent are not comparable to those of the previous year.

44 During the year 2000-01, pursuant to the Scheme of Amalgamation between Scal Investments Limited (SIL) and the Company, sanctioned by the jurisdictional court on April 20, 2001, the assets, liabilities and reserves of SIL had been transferred to and vested in the Company with effect from October 1, 2000. The titles in respect of certain immovable properties amalgamated into the Company are still in the process of transfer.

45 The Company vide notice dated January 8, 2013 notified the closure of its textile mills manufacturing undertaking at Worli, pursuant to which some of the textile workers accepted alternate employment in the Company and the remaining workers accepted closure of the undertaking and consequent termination of services under the memorandum of agreement signed by the Company with the workers union. In accordance with the agreement, the Company has paid / provided to such workers the terminal dues, closure compensation and ex-gratia compensation. Whilst some workers have accepted lump sum compensation, others have opted for a monthly payment up to age 63 or till demise, whichever is earlier. At the time of the previous voluntary retirement schemes, the initial cost relating to ex-gratia compensation was added to the development cost of land. The liability in respect of the monthly payments as actuarially determined is as under:

(₹ in Crores)

Particulars		**As at March 31, 2019**	As at March 31, 2018
a.	The liability in respect of the monthly payments that has been actuarially determined as on the Balance sheet date by the independent actuary	6.53	6.86
b.	The actuarial (gain)/loss for the year recorded in the Statement of Profit and Loss. [Refer Note 49]	(0.09)	(0.10)

NOTES to the Consolidated financial statements for the year ended March 31, 2019

46 Disclosures under Ind AS 115 - Revenue from Contracts with Customers

A. The Company generates revenue primarily from Sale of Polyester Staple Fibre, Retail and Real Estate Development; its other operating revenue include Lease Rentals and Subvention Income.

Effective April 1, 2018, the Group has adopted Ind AS 115 on "Revenue from Contracts with Customers", using the cumulative effect method (modified retrospective application). The cumulative effect of initially applying this standard on all contracts that are not completed as at the date of initial application (i.e. April 1, 2018) is recognised in equity and the comparative information in the Statement of Profit and Loss is not restated, that is, the comparative information continues to be reported under Ind AS 18 on ""Revenue"" and Ind AS 11 on ""Construction Contracts"". The impact of adoption of Ind AS 115 on the financial statements on account of Revenue from Sale of Polyester Staple Fibre and Retail is insignificant or has remained unchanged; however, the impact of Revenue from Real Estate Development activity for its ongoing project at Wadala is significant and accordingly, is given effect to. [Refer Note 2(o)].The following is a summary of new and / or revised significant accounting policies related to revenue recognition. Refer Note 1 "Significant Accounting Policies," in the Company's 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018.

Hitherto, the Company recognised revenue from Real Estate Development activity in accordance with the Guidance Note on "Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)" issued by the Institute of Chartered Accountants of India, which was based on principles set out in Ind AS 18 and Ind AS 11. Accordingly, where the Company had obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue was recognised on the 'Percentage of Completion Method' (POCM). Revenue was recognised in relation to the sold areas, on the basis of percentage of actual cost incurred to the total estimated cost of project.

The Company has assessed effect of Ind AS 115 on its contracts with customers that are not completed as on April 1, 2018 for its ongoing project at Wadala and on the basis of such assessment and as legally advised, the Company has changed its accounting policy to recognise revneue from POCM, that is, over a period, to Project Completion Method(PCM), that is, at a point in time. Due to this change, in terms of transitional provisions under Ind AS 115, as on April 1, 2018, the cumulative revenue of ₹ 2,967.66 crores (of which ₹ 1,502.13 crores represents Unbilled Revenue) hitherto recognised is reversed and cumulative corresponding cost of ₹ 1,194.43 crores is reflected as Inventory - Work-in-progress and the resultant net impact thereof ₹ 1,773.23 crores is adjusted in Retained Earnings.

Had the Company continued to recognise revenue on the basis of POCM as in the earlier years, the impact on its Total Revenue, Profit before Tax and EPS, (excluding demerger) would have been as under:

₹ in Crores

Particulars	**Year ended March 31, 2019 (as reported)**	**Impact due to adoption of Ind AS for the year ended March 31, 2019**	**Year ended March 31, 2019 (had POCM been followed)**	Year ended March 31, 2018 (based on POCM)
Total Income (₹ in Crores)	4,469.98	(1,292.54)	3,177.44	2,744.00
Profit before Tax (₹ in Crores)	1,235.77	(653.00)	582.77	37.19
EPS (₹ per share)	59.55	(31.62)	27.94	1.67

B. During the year on receipt of part Occupation Certificate for the ongoing project at Wadala, as per the policy of recgonising revenue by PCM, that is, at a point in time, revenue of ₹ 2,696.84 crores is recognised and reflected in Note 30.

₹ in Crores

	Particulars	**Year Ended March 31, 2019**
C.	**Details of Revenue from Contracts with Customers recognised by the Company, in its Statement of Profit and loss**	
	Revenue from Operations	
	Real Estate	2,727.48
	Polyester	1,439.28
	Retail / Textile	263.00
		4,429.76

NOTES to the Consolidated financial statements for the year ended March 31, 2019

₹ in Crores

	Particulars	Year Ended March 31, 2019
D.	**Reversal of Expected Credit Loss on Trade Receivables recognised in the Statement of Profit and Loss based on evaluation under Ind AS 109 (Refer Note 12)**	**(17.79)**
E.	**Disaggregation of revenue from Contracts with Customers**	
i.	**Revenue based on nature of products or service**	
	Real Estate	
	- Real Estate Development activity	2,509.25
	- Subvention Income	194.61
	- Lease Rentals	23.62
	Polyester	
	- Polyester Staple Fibre	1,419.66
	- Others	19.62
	Retail / Textile	
	- Bed Linen Products	149.54
	- Bath Linen Products	36.75
	- Others	76.71
		4,429.76
ii.	**Revenue based on Geography**	
	India	
	- Real Estate	2,727.48
	- Polyester	1,040.38
	- Retail / Textile	263.00
	Out of India	
	- Polyester	398.90
		4,429.76
iii.	**Revenue based on Contract duration**	
	Short -term contracts	
	- Real Estate	0.17
	- Polyester	1,439.28
	- Retail / Textile	263.00
	Long terms contracts	
	- Real Estate	2,727.31
		4,429.76
iv.	**Revenue based on its timing of recognition**	
	Point in time	
	- Real Estate	2,727.48
	- Polyester	1,439.28
	- Retail / Textile	263.00
	Over a period of time	-
		4,429.76

F. Contract Balances

The following table provides information about Trade Receivables and Contract Liabilities from contracts with customers:

₹ in Crores

	Particulars	As at March 31, 2019	As at March 31, 2018
i.	**Trade Receivables (Gross) - Current [Refer Note 12]**	1,104.34	242.27
	Less: Provision for Impairment	(12.12)	(29.91)
	Net Receivables	**1,092.22**	**212.36**
ii.	**Contract Liabilities**		
	Advance from Customers - Current [Refer Note 27]	285.77	1,505.41
	Total Contract Liabilities	**285.77**	**1,505.41**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Notes :

i. Amounts received before the related performance obligation is satisfied are included in the balance sheet (Contract liability) as "Advances received from Customers" in (Refer Note 27) Other Current Liabilities. Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under Trade Receivables (Refer Note 12).

ii. During the year, the Company recognised Revenue of ₹ 1,266.01 crores from opening contract liability (after Ind AS 115 adoption) of ₹ 1505.41 crores on the policy of recognising revenue at a point in time on completion of its ongoing project (Refer Note 30).

iii. There were no significant changes in the composition of the contract liabilities and Trade Receivables during the reporting period other than on account of periodic invoicing and revenue recognition.

iv. Amounts previously recorded as contract liabilities increased due to further milestone based invoices raised during the year and decreased due to revenue recognised during the year on receipt of part Occupation Certificate (Refer Note 46B).

v. On account of Business Combination(Refer Note 48) the contract liabilities have been reduced by ₹ 157.84 crores during the current year.

vi. Amounts previously recorded as Trade Receivables increased due to further milestone based invoices raised during the year and decreased due to collections during the year.

vii. There are no contract assets, referred to Unbilled Revenue, outstanding at the end of the year (Refer Note 16).

viii. There has been no material impact on the Cash flows Statement as the Group continues to collects from its Customers based on payment plans. Additionally there is no material impact on Other Comprehensive Income on account of Ind AS 115 transition.

G. Reconciliation of Revenue recognised from Contracts with Customers in the Statement of Profit and Loss with the contracted price

₹ in Crores

	Year Ended March 31, 2019
Contracted price with the Customers	4,500.28
Less: Discounts and rebates	70.51
Revenue from Contracts with Customers (as per Statement of Profit and Loss)	**4,429.76**

Note : Revenue from operations for the year ended March 31, 2019 is net of ₹ 23.72 crores towards input tax credit benefits passed on to the customers as per the provisions of Section 171 on Anti-Profiteering of Central Goods & Service Tax Act, 2017.

H. Performance Obligation on Contracts with Customers:

Revenue is recognised on transfer of control of goods or services to customers on satisfaction of performance obligation at a point in time.

Sale of Goods/Services:

The Company does not have any remaining performance obligation as contracts entered for sale of goods and services are for a shorter duration.

Real Estate Development activity:

In respect of the Real Estate Development activity, the Company has long-term contracts with customers aggregating to ₹ 241.16 crores for which revenue is to be recognised based on the performance obligation to be satisfied at a point in time.

The management expects to satisfy the performance obligation to these long-term contracts during the next reporting period and accordingly, expects to recognise the revenue thereon.

47 a. The remuneration paid to Managing Director amounting to ₹ 7.38 crores for the year ended March 31, 2019 (for the year ended March 31, 2018 : ₹ 6.81 crores) is within the limits laid down in Section 197 of the Companies Act, 2013.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

b. Pursuant to the recent amendment to the Act introduced by the Companies (Amendment) Act, 2017, with effect from September 12, 2018, any application previously made by the Company to the Central Government under the provisions of Section 197 and which is pending with the Central Government shall abate on September 12, 2018 and the Company is required to obtain the approval of the members by way of a special resolution in accordance with the revised provisions of Section 197 within one year of the commencement of the corresponding amendment, that is, by September 11, 2019.

The remuneration paid to the Managing Director for the year ended March 31, 2017 is in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by ₹ 4.29 crore. The Company has received an approval from the Central Government dated June 21, 2017 for payment of remuneration amounting to ₹ 2.12 crores only. Fresh application for the approval of the pending amount was made to the Central Government, however, the same stands abated pursuant to the provisions of the Companies (Amendment) Act, 2017, and the same shall be regularised by taking approval from the shareholders at ensuing Annual General Meeting pursuant to the said provisions.

48 Pursuant to the Order of the Supreme Court dated August 2, 2013 and the Order of the Bombay High Court dated November 20, 2013 permitting the Company to surrender land at one location i.e. Spring Mills, Wadala, under the Integrated Development Scheme for consolidating handover obligation, the Company had in December 2014 given advance possession of 32,829.02 square metres of land to MCGM and 33,822.89 square metres of land to MHADA at Spring Mills, Wadala after completion of necessary boundary wall, and internal filling/ levelling, SWD, etc. as per the provisions of DCR 58 (6) read with DCR 58 (1) (a) and (b).

As per the provisions of DCR 54, the Company has entered into agreement with MHADA in September, 2018 for entitlement for TDR of 84,557.22 square metres in lieu of surrender of land to MHADA as aforesaid. The TDR received from MHADA is recognised as revenue and reflected under Revenue from Real Estate Development activity based on Valuation Report of a Registered Valuer at ₹350.05 crores. Such TDR forms part of the inventory and reflected as such (Refer Note 11).

As per the provisions of DCR 54, the Company has entered into an agreement with MCGM on March 28, 2019 for entitlement of FSI. The FSI received from MCGM is recognised as revenue and reflected under Revenue from Real Estate Development activity based on Valuation Report of a Registered Valuer at ₹ 371.11 crores. Such FSI forms part of the inventory and reflected as such (Refer Note 11). For the year ended March 31, 2019, the Company has sold 997.22 square metres of TDR and recognised gain of ₹ 0.17 crores and reflected under Revenue from Real Estate Development activity.

49 Employee Benefits

A. Defined Contribution Plan

Provident Fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Group, post contribution of amount specified under the law to Employee Provident Fund Organisation on account of employee pension scheme.

Superannuation Fund

The Group has a superannuation plan for the benefit of some of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The contributions are recognised as an expense as and when incurred and the Group does not have any further obligations beyond this contribution.

The Group has recognized the following amounts in the Statement of Profit and Loss under Contribution to Provident and Other Funds as under:

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Employer's contribution to Provident Fund	2.72	3.02
Employer's contribution to Family Pension Fund	0.48	0.49
Employer's contribution to Superannuation Fund	0.30	0.28

NOTES to the Consolidated financial statements for the year ended March 31, 2019

B. Defined benefit Plan

Retirement Gratuity

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group makes annual contributions to gratuity funds established as trusts or insurance companies. The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

i. Gratuity - As per actuarial valuation as on March 31, 2019

Particulars	**As at March 31, 2019**	As at March 31, 2018
Actuarial Assumptions		
Expected Return on Plan Assets	7.59%	7.71%
Rate of Discounting	7.59%	7.71%
Rate of Salary Increase	8.50%	8.50%
Rate of Employee Turnover	For service 4 years and below 23.00% p.a., thereafter 3.00% p.a.	For service 4 years and below 23.00% p.a., thereafter 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	17.26	21.12
Interest Cost	1.33	1.44
Current Service Cost	1.28	1.76
Benefit Paid Directly by the Employer	-	(1.64)
Benefit Paid from the Fund	(2.11)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.13	(1.00)
Actuarial (Gains)/Losses on Obligations - Due to Experience	**(0.39)**	**(4.42)**
Present Value of Benefit Obligation at the End of the year	**17.50**	**17.26**

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Change in the Fair Value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the year	22.33	20.64
Interest Income	1.72	1.41
Contributions by the Employer	(3.99)	0.48
Benefit Paid from the Fund	(2.11)	-
Return on Plan Assets, Excluding Interest Income	(0.51)	(0.19)
Fair Value of Plan Assets at the End of the year	**17.44**	**22.34**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	(17.51)	(17.26)
Fair Value of Plan Assets at the end of the year	17.45	22.34
Funded Status Surplus/ (Deficit)	(0.06)	5.08
Net (Liability)/Asset Recognized in the Balance Sheet	**(0.06)**	**5.08**

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Expenses Recognized in the Statement of Profit or Loss		
Current Service Cost	1.28	1.76
Net Interest Cost	(0.39)	0.03
Expenses Recognized	**0.89**	**1.79**

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Amount Recognized in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation	(0.25)	(5.42)
Return on Plan Assets, Excluding Interest Income	0.51	0.19
Net (Income)/Expense Recognized in OCI	**0.26**	**(5.23)**

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Category of Assets		
Government of India Assets	4.09	8.89
State Government Securities	-	10.53
Mutual Funds	1.55	-
Corporate Bonds	-	2.27
Cash And Cash Equivalents	0.61	0.36
Insurance Funds	12.13	-
Other	(0.94)	0.29
Total	**17.44**	**22.34**

Particulars	As at March 31, 2019	As at March 31, 2018
Other Details		
Weighted Average Duration of the Projected Benefit Obligation (years)	9.84	9.84
Prescribed Contribution For Next Year (₹ in Crores)	1.47	-

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Maturity Analysis of the Benefit Payments: From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	1.94	2.49
2nd Following Year	1.56	1.00
3rd Following Year	1.97	2.09
4th Following Year	2.10	1.90
5th Following Year	2.03	2.14
Sum of Years 6 To 10	6.47	6.56
Sum of Years 11 and above	16.70	15.83

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(1.06)	(1.00)
Delta Effect of -1% Change in Rate of Discounting	1.20	1.13
Delta Effect of +1% Change in Rate of Salary Increase	1.18	1.11
Delta Effect of -1% Change in Rate of Salary Increase	(1.06)	(1.00)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.10)	(0.09)
Delta Effect of -1% Change in Rate of Employee Turnover	0.11	0.09

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Qualitative Disclosures

- **Characteristics of defined benefit plan**

  The Group has a defined benefit gratuity plan in India (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 fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

- **Risks associated with defined benefit plan**

- Gratuity is a defined benefit plan and Group is exposed to the Following Risks:

  Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

- During the year, there were no plan amendments, curtailments and settlements.
- A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

ii. Long Service Benefit - As per actuarial valuation as on March 31, 2019

Particulars	**As at March 31, 2019**	As at March 31, 2018
Actuarial Assumptions		
Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	7.59%	7.71%
Rate of Salary Increase	8.50%	8.50%
Rate of Employee Turnover	For service 4 years and below 23.00% p.a. & For service 5 years and above 3.00% p.a.	For service 4 years and below 23.00% p.a. & For service 5 years and above 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(₹ in Crores)

Particulars	**As at March 31, 2019**	As at March 31, 2018
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	2.50	2.57
Interest Cost	0.19	0.18
Current Service Cost	0.11	0.11
(Benefit Paid Directly by the Employer)	(0.18)	(0.23)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.06)	(0.07)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.06)	(0.06)
Present Value of Benefit Obligation at the End of the year	**2.50**	**2.50**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	(2.51)	(2.50)
Fair Value of Plan Assets at the end of the year	-	-
Funded Status Surplus/ (Deficit)	(2.51)	(2.50)
Net (Liability)/Asset Recognized in the Balance Sheet	**(2.51)**	**(2.50)**

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Expenses Recognized in the Statement of Profit or Loss		
Current Service Cost	0.11	0.11
Net Interest Cost	0.19	0.18
Net (Income)/Expense Recognized in the Statement of Profit or Loss	0.30	0.29
Amount Recognized in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation For the year	(0.11)	(0.13)
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income)/Expense Recognized in OCI	**(0.11)**	**(0.13)**

Particulars	As at March 31, 2019	As at March 31, 2018
Other Details		
Weighted Average Duration of the Projected Benefit Obligation	7.70	7.73
Prescribed Contribution For Next Year (12 Months)	-	-

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Maturity Analysis of the Benefit Payments: From the Employer		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.16	0.26
2nd Following Year	0.24	0.11
3rd Following Year	0.36	0.29
4th Following Year	0.33	0.36
5th Following Year	0.39	0.33
Sum of Years 6 To 10	1.15	1.22
Sum of Years 11 and above	2.16	2.24

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(0.02)	(0.07)
Delta Effect of -1% Change in Rate of Discounting	0.31	0.08
Delta Effect of +1% Change in Rate of Salary Increase	0.30	0.08
Delta Effect of -1% Change in Rate of Salary Increase	(0.02)	(0.07)
Delta Effect of +1% Change in Rate of Employee Turnover	0.12	(0.00)
Delta Effect of -1% Change in Rate of Employee Turnover	0.14	0.00

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Qualitative Disclosures

- **Characteristics of defined benefit plan**

  The Group has a defined benefit Long Service Benefit plan in India (unfunded). The Group's defined benefit Long Service Benefit plan is a final salary plan for employees.

  Long Service Benefit is paid from Group as and when it becomes due and is paid as per Group scheme for Long Service Benefit.

- **Risks associated with defined benefit plan**

  Long Service Benefit is a defined benefit plan and Group is exposed to the Following Risks:

  Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision.

  Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

  Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

  Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

- During the year, there were no plan amendments, curtailments and settlements.

- Long Service Benefit plan is unfunded.

C. Other long term benefits-

Amount recognised as a liability in respect of compensated leave absences as per the actuarial valuation / management estimate as on March 31, 2019 is ₹ 9.17 crores [As on March 31, 2018 : ₹ 8.23 crores].

NOTES to the Consolidated financial statements for the year ended March 31, 2019

50 Current Liabilities

The amount of dues owed to Micro, Small and Medium Enterprises as on March 31, 2019 amounted to ₹ 20.71 crores (March 31, 2018 : ₹ 2.02 crores). The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Group has sought confirmation from vendors whether they fall in the category of Micro, Small and Medium Enterprises. Based on the information available the required disclosure under Micro, Small and Medium Enterprises Development Act, 2006 is given below:

(₹ in Crores)

	Particulars	As at March 31, 2019	As at March 31, 2018
i.	Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	0.27	2.02
ii.	Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	-	-
iii.	Interest paid	-	-
iv.	Payment made to suppliers (other than interest) beyond the appointed day, during the year	7.91	26.59
v.	Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	0.06	0.61
vi.	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	0.06	0.61
vii.	Amount of further interest remaining due and payable in succeeding year	0.00	0.61

51 Earnings per Equity Share

	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
i.	**Profit computation for both basic and diluted earnings per equity share of ₹ 2 each:**		
	Net profit / (loss) after tax as per Statement of Profit and Loss available for equity shareholders (₹ in Crores)	1,230.11	35.21
ii.	**Number of Equity Shares**		
	Number of Equity Shares at the beginning of the year	206,534,900	206,534,900
	Add:- Shares allotted during the year	-	-
	Number of Equity Shares at the end of the year	206,534,900	206,534,900
	Weighted average number of equity shares		
	For basic earnings	206,534,900	206,534,900
	For diluted earnings	206,534,900	206,534,900
	Face value per Equity Shares (In ₹)	2.00	2.00
iii.	**Earnings per Equity Share of (₹) 2 each (for Continuing Operations)**		
	Basic (in ₹)	59.55	1.70
	Diluted (in ₹)	59.55	1.70
	Earnings per Equity Share of (₹) 2 each (for Discontinued Operations)	(0.09)	-
	Basic (in ₹)	(0.09)	-
	Diluted (in ₹)		
	Earnings per Equity Share of (₹) 2 each (for Continuing & Discontinued Operations)		
	Basic (in ₹)	59.46	1.70
	Diluted (in ₹)	59.46	1.70

NOTES to the Consolidated financial statements for the year ended March 31, 2019

52 Operating Lease

a. The Group has taken certain motor vehicles, retail shops and godown on operating lease. The particulars in respect of such leases are as follows:

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Lease rent expenses		
i. Total of minimum lease payments for a period:		
- not later than one year	7.87	8.63
- later than one year but not later than five years	18.48	24.59
- later than five years	-	0.20
ii. Lease payments recognised in the Statement of Profit and Loss for the year	10.92	15.07

iii. The lease agreements are for a period of four years for vehicles, for a period of one to nine years for retail shops including further periods for which the Company has the option to continue the lease of retail shops with the condition of increase in rent and for a period of five years for godowns.

b. The Group has given commercial space on operating lease. The lease agreements are for a period of one to four years. The particulars in respect of such leases are as follows:-

(₹ in Crores)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Lease rental income		
i. Total of lease rent income for a period:		
- not later than one year	27.77	24.66
- later than one year but not later than five years	116.18	23.44
- later than five years	-	-
ii. Lease Income recognised in the Statement of Profit and Loss for the year	23.62	30.39

53 Corporate Social Responsibility Statement (CSR)

The Group was required to spend ₹ Nil (March 31, 2018 : ₹ Nil) towards CSR during the year in accordance with the provisions of Section 135 of the Companies Act, 2013. The Group has spent ₹ Nil (March 31, 2018 : ₹ 0.04 crores) on CSR activities during the year.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

54 Financial Instruments

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. Financial assets and financial liabilities such as cash and cash equivalents, other bank balances, trade receivables, loans, trade payables and unpaid dividends of which the carrying amount is a reasonable approximation of fair value due to their short term nature , are disclosed at carrying value.

(₹ in Crores)

As at March 31, 2019	Carrying amount / Fair Value				Fair Value Hierarchy		
Particulars	**FVTPL**	**FVOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	1,060.71	-	1,060.71	1,059.83	0.88	-
– Cash and Cash Equivalent	-	-	32.53	32.53	-	-	-
– Other Bank Balances	-	-	41.97	41.97	-	-	-
– Trade Receivables	-	-	1,092.22	1,092.22	-	-	-
– Loans	-	-	0.66	0.66	-	-	-
– Other Financial Assets	-	-	39.71	39.71	-	-	-
	-	**1,060.71**	**1,207.09**	**2,267.80**	**1,059.83**	**0.88**	**-**
Financial liabilities							
– Borrowings	-	-	3,971.41	3,971.41	-	-	-
– Trade Payable	-	-	523.01	523.01	-	-	-
– Derivative Financial Liability	2.08	-	-	2.08		2.08	
– Other Financial Liabilities	-	-	25.30	25.30	-	-	-
	2.08	**-**	**4,519.72**	**4,521.80**	**-**	**2.08**	**-**

(₹ in Crores)

As at March 31, 2018	Carrying amount / Fair Value				Fair Value Hierarchy		
Particulars	**FVTPL**	**FVOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	949.34	-	949.34	949.34	-	-
– Cash and Cash Equivalent	-	-	14.15	14.15	-	-	-
– Other Bank Balances	-	-	119.23	119.23	-	-	-
– Trade Receivables	-	-	212.36	212.36	-	-	-
– Loans	-	-	1.99	1.99	-	-	-
– Derivative Financial Assets	0.33	-	-	0.33	-	0.33	-
– Other Financial Assets	-	-	1,554.13	1,554.13	-	-	-
	0.33	**949.34**	**1,901.86**	**2,851.53**	**949.34**	**0.33**	**-**
Financial liabilities							
– Borrowings	-	-	2,803.33	2,803.33	-	-	-
– Trade Payable	-	-	351.11	351.11	-	-	-
– Other Financial Liabilities	-	-	32.46	32.46	-	-	-
	-	**-**	**3,186.90**	**3,186.90**	**-**	**-**	**-**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

B. Fair Value Hierarchy

The fair value of financial instruments as referred to in Note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1 : quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs)

C. Measurement of Fair Values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments are measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter - relationship between significant unobservable inputs and fair value measurements
Investments in equity instruments	Current bid price (quoted price)	NA	NA
Investments in Unquoted equity instruments	Asset based approach	NA	NA
Derivative financial instruments	MTM from Banks	NA	NA

55 Financial Risk Management

The Group's activities expose it to market risk, credit risk and liquidity risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

i. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

a. Foreign Currency Exchange Risk

The Group's functional currency is Indian Rupees (INR). The Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. Volatility in exchange rates affects the Group's revenue from exports markets and the costs of imports, primarily in relation to raw materials with respect to the US-dollar.

Adverse movements in the exchange rate between the Rupee and the relevant foreign currency results in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt.

In order to minimize adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge foreign currency exchange risk. All hedging activities are carried out in accordance with the Group's internal Forex Risk Management Policy, as approved by the management, and in accordance with the applicable regulations where the Group operates.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR (₹in crores) are as follows:

Particulars	As at March 31, 2019		As at March 31, 2018	
	USD	EURO	USD	EURO
Financial Assets				
Trade Receivables	81.20	4.33	27.45	1.61
Derivative Assets				
Foreign Exchange Forward Contracts				
Sell Foreign Currency	(22.47)	(1.71)	(10.32)	(3.13)
Net Exposure to Foreign Currency Risk (Assets)	**58.73**	**2.62**	**17.13**	**(1.52)**
Financial Liabilities				
Foreign Currency Loan	-	-	-	-
Trade Payables	125.11	0.12	152.82	-
Derivatives Liabilities				
Foreign Exchange Forward Contracts				
Buy Foreign Currency	(66.60)	-	(136.15)	-
Net Exposure to Foreign Currency Risk (Liabilities)	**58.51**	**0.12**	**16.67**	**-**

At the end of the reporting period the total notional amount of outstanding foreign currency contracts that the Company has committed to are as below :

Particulars	As at March 31, 2019	As at March 31, 2018
Foreign currency forwards - Buy		
- USD	9,627,881	20,932,604
Foreign currency forwards - Sell		
- USD	3,248,865	1,586,826
- EURO	219,500	388,000

Sensitivity

The sensitivity of profit or loss before tax to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Crores)

Particulars	As at March 31, 2019		As at March 31, 2018	
	5% strengthening	5% weakening	5% strengthening	5% weakening
USD	2.20	(2.20)	6.27	(6.27)
EURO	(0.21)	0.21	(0.08)	0.08

NOTES to the Consolidated financial statements for the year ended March 31, 2019

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The Group's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Variable rate borrowing	3,486.41	2,376.97
Fixed rate borrowing	485.00	426.36
Total Borrowings	3,971.41	2,803.33

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. If, the interest rates had been 100 basis points higher/ lower and all other variables were held constant on the Variable rate borrowings, the Group's profit before tax for the year ended 31 March 2019 would (decrease)/ increase by ₹ 34.86 crores (for the year ended 31 March 2018 : (decrease)/ increase by ₹ 23.77 crores).

c. Price risk

Exposure

The Group is exposed to equity price risks arising from equity investments. Equity investments were held for strategic rather than trading purposes. The Group does not actively trade in these investments.

Sensitivity

Following is the sensitivity analysis as a result of the changes in fair value of equity investments measured at FVOCI, determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/ lower, other comprehensive income would increase/ (decrease) as follows for:

The year ended March 31, 2019 : by ₹ 53.04 crores

The year ended March 31, 2018 : by ₹ 47.47 crores

ii. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral viz security deposit or bank guarantee, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Group's credit risk arises principally from the trade receivables, loans, investments, cash & cash equivalents, derivative financial instruments and financial guarantees.

a. Trade receivables:

Customer credit risk is managed by the Group and is subject to established policy, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring the credit worthiness of the customers to which the Group extends the credit in the normal course of the business. Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

b. **Loans and investments:**

The Group's centralised treasury function manages the financial risks relating to the Business. The treasury function focuses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. Counterparty credit limits are reviewed and approved by the Finance Committee of the Group. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counterparty's potential failure to make payments.

c. **Cash and cash equivalents, derivative financial instruments and financial guarantees:**

Credit risks from balances with banks and financial institutions are managed in accordance with the Group policy. For derivative financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks and other counterparties. The Group's maximum exposure in this respect is the maximum amount the Group would have to pay if the guarantee is called upon.

iii. **Liquidity risk management**

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds for short term operational needs as well as for long term capital expenditure growth projects. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents, marketable securities and short term and long term borrowings provide liquidity. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity risk management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. 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. The table includes both interest and principal cash flows.

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.

Liquidity exposures as at March 31, 2019 (₹ in Crores)

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial Liabilities				
Borrowings	598.03	3,373.38	-	3,971.41
Trade payables	523.01	-	-	523.01
Derivative	2.08	-	-	2.08
Other financial liabilities	17.33	7.97	-	25.30
Total Financial Liabilities	**1,140.45**	**3,381.35**	**-**	**4,521.80**

Liquidity exposures as at March 31, 2018 (₹ in Crores)

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial Liabilities				
Borrowings	490.88	2,312.45	-	2,803.33
Trade Payables	351.11	-	-	351.11
Other Financial Liabilities	17.30	15.16	-	32.46
Total Financial Liabilities	**859.29**	**2,327.61**	**-**	**3,186.90**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

56 SEGMENT REPORTING AS PER IND AS 108 ON " OPERATING SEGMENT"

1 Description of segments and principal activities:

The Group has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM'):

- Segment-1,Real Estate
- Segment-2, Polyster
- Segment-3, Retail/Textile

The above business segments have been identified considering :

a. the nature of products and services

b. the differing risks and returns

c. the internal organisation and management structure, and

d. the internal financial reporting system

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and profit as the performance indicator for all of the operating segments.

The Group is primarily engaged in the business of Real Estate, Polyester Staple fiber and Retail/Textiles

(₹ in Crores)

		Year ended March 31, 2019			Year ended March 31, 2018		
		External	**Internal Segments**	**Total**	External	Internal Segments	Total
1	**Segment Revenue**						
	Real Estate	2727.48	-	2,727.48	1,182.91	-	1,182.91
	Polyester	1439.28	-	1,439.28	1,251.95	-	1,251.95
	Retail/Textile	263.00	-	263.00	257.89	-	257.89
	Total	**4429.76**	**-**	**4429.76**	**2692.75**	**-**	**2692.75**
	Eliminations	-		-	-	-	-
	Revenue from Operations	**4,429.76**	**-**	**4,429.76**	**2,692.75**	**-**	**2,692.75**
2	**Segment Results**						
	Real Estate	1,742.42	-	1,742.42	586.43	-	586.43
	Polyester	18.54	-	18.54	39.68	-	39.68
	Retail/Textile	1.84	-	1.84	(14.40)	-	(14.40)
	Total	**1,762.80**	**-**	**1,762.80**	**611.71**	**-**	**611.71**
	Eliminations	-	-	1,762.80			611.71
	Consolidated Total			**(41.20)**			**(8.76)**
	Unallocated (corporate expense) net unallocated income			1,721.60			602.95
	Profit before Interest and Taxation			**(489.70)**			**(412.51)**
	Finance Costs						
	Exceptional Items			3.87			(153.25)
	Share of Profit of Equity Accounted Investees (net of income tax)			0.13			0.77
	Profit Before Tax			**1,235.90**			**37.96**
	Tax Expense			(5.79)			(2.78)
	Profit After Tax from Continuing Operations			1,230.11			35.18
	Loss for the period from Discontinued Operations			(1.90)			-
	Profit for the period after Tax			**1,228.21**			**35.18**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

3 Other Informations (₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Segment Assets		
Real Estate	3,254.49	2,187.39
Polyester	618.36	657.49
Retail/Textile	80.17	70.49
Textile Discontinued Operations(Foreign Subsidiary)	2.41	
less : Intersegment Eliminations	-	-
	3,955.43	**2,915.37**
Add:Unallocable Assets	1,225.22	1,231.44
Total Assets	**5,180.65**	**4,146.81**
Segment Liabilities		
Real Estate	600.93	280.19
Polyester	322.04	358.91
Retail/Textile	93.02	55.43
Textile Discontinued Operations(Foreign Subsidiary)	0.93	
less : Intersegment Eliminations	-	-
	1,016.92	**694.53**
Add: Unallocable Liabilities	3,981.27	2,815.40
Total Liabilities	**4,998.19**	**3,509.93**

(₹ in Crores)

Particulars	Year ended March 31, 2019			Year ended March 31, 2018		
	Capital Expenditure	**Non-Cash Expenditure other than depreciation**	**Depreciation & Amortization**	Capital Expenditure	Non-Cash Expenditure other than depreciation	Depreciation & Amortization
Real Estate	0.62	-	2.76	0.15	-	3.57
Polyester	13.93	-	24.85	13.13	-	24.11
Retail/Textile	0.49	-	1.36	0.04	-	1.49
Segment Total	**15.04**	**-**	**28.97**	**13.32**	**-**	**29.17**
Unallocated	0.17	-	0.64	0.43	-	0.71
Total	**15.21**	**-**	**29.61**	**13.75**	**-**	**29.88**

Additional Information by Geographies (₹ in Crores)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue by geographical segment		
India	4,030.86	2,406.43
Outside India	398.90	286.32
	4,429.76	**2,692.75**

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amount of segment assets		
India	3,934.31	2,897.99
Outside India	21.12	17.38
	3,955.43	**2,915.37**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cost incurred during the year to acquire fixed assets		
India	15.04	9.32
Outside India	-	4.00
	15.04	**13.32**

The Group has presented segment information on the basis of Consolidated Financial Statements in accordance with Ind AS 108 "Operating Segments",

57 Disclosure pursuant to Ind AS 24 on " Related Party Disclosure"

A. List of Related Parties where control exists:

Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2019	As at March 31, 2018
i. Joint Venture			
P.T. Five Star Textile Indonesia (upto July 17, 2018)	Indonesia	NA	33.89
ii. Associates			
Pentafil Textile Dealers Limited	India	49.00	49.00
Bombay Dyeing Real Estate Company Limited	India	40.00	40.00

iii. **Key Managerial Personnel :**	**Relationship**
Mr. Jehangir N. Wadia - Managing Director	Key Managerial Personnel (KMP)
Mr. Vishnu Peruvemba - Chief Financial Officer (w.e.f. January 5, 2018)	Key Managerial Personnel (KMP)
Mr. Pushpamitra Das - Chief Financial Officer (w.e.f. April 4, 2016 - June 30, 2017)	Key Managerial Personnel (KMP)
Mr. Sanjive Arora - Company Secretary	Key Managerial Personnel (KMP)
Mr. Nusli N. Wadia - Chairman	Relative of KMP (Father of Managing Director)
Mr. Ness N. Wadia - Director	Relative of KMP (Brother of Managing Director)
Mrs. Maureen N. Wadia	Relative of KMP (Mother of Managing Director)
Entities over which KMP and relatives exercise significant influence :	The Bombay Burmah Trading Corporation Ltd.
	Britannia Industries Ltd.
	Baymanco Investments Ltd.
	Go Airlines (India) Limited
	Crawford Bayley & Co.
	Gladrags Media Ltd.
Non-Executive Directors :	Dr. Mrs. Minnie Bodhanwala
Independent Directors :	Mr. R. A. Shah
	Mr. S. Ragothaman
	Mr. A. K. Hirjee
	Mr. V. K. Jairath
	Mr. Keki M. Elavia (w.e.f. May 22, 2017)
	Mr. Sunil Lalbhai (w.e.f. February 5, 2019)
	Ms. Gauri Kirloskar (w.e.f. February 5, 2019)
	Mr. S. M. Palia (upto August 7, 2018)
	Mr. S. S. Kelkar (upto August 7, 2018)
Post- Employment Benefits Trust where reporting entities exercise significant influence :	The Bombay Dyeing and Manufacturing Company Limited Employees Provident Fund
	The Bombay Dyeing Superannuation and Group Insurance Scheme
	The Bombay Dyeing and Manufacturing Company Limited Staff Gratuity Fund

NOTES to the Consolidated financial statements for the year ended March 31, 2019

57 (B) The related party transactions are as under :

(₹ in Crores)

	Nature of Transactions	Joint Venture		Associate		Other related party		Key Management Personnel and Relatives		Non-Executive Directors		Independent Directors		Post Employment Benefit Trust		Total	
		Year Ended March 31, 2019	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018
i.	Interest income on ICD/Advance	-	8.65	0.01	1.30	-	-	-	-	-	-	-	-	-	-	0.01	9.95
ii.	Interest paid on ICD/Advance	-	-	-	-	35.00	39.31	-	-	-	-	-	-	-	-	35.00	39.31
iii.	Dividend Paid	-	-	-	-	7.89	2.21	0.21	0.15	0.01	-	-	-	-	-	8.11	2.35
iv.	Lease Rent income	-	-	-	-	4.69	4.08	-	-	-	-	-	-	-	-	4.69	4.08
v.	Sale of Property	-	-	-	-	-	182.42	-	-	-	-	-	-	-	-	-	182.42
vi.	Sale of Plant & Equipment	-	-	-	-	-	5.60	-	-	-	-	-	-	-	-	-	5.60
vii.	Dividend Income	-	-	-	-	0.75	0.75	-	-	-	-	-	-	-	-	0.75	0.75
viii.	Inter-corporate Deposits (ICD)/Advances given	5.13	137.44	-	-	-	-	-	-	-	-	-	-	-	-	5.13	137.44
ix.	Inter-corporate Deposits (ICD)/Advances taken	-	-	-	-	-	450.00	-	-	-	-	-	-	-	-	-	450.00
x.	Repayment received against ICD/Advances	-	-	0.25	12.70	-	-	-	-	-	-	-	-	-	-	0.25	12.70
xi.	Repayment of ICD/Advances taken	-	-	-	-	-	450.00	-	-	-	-	-	-	-	-	-	450.00
xii.	Expenses incurred by related parties on behalf of Company (reimbursable)	-	-	-	-	0.10	0.30	-	-	-	-	-	-	-	-	0.10	0.30
xiii.	Expenses incurred on the behalf of related parties (reimbursable)	-	7.16	-	-	3.00	4.62	-	-	-	-	-	-	-	-	3.00	11.78
xiv.	Legal and Professional expenses	-	-	-	-	0.60	0.23	-	-	-	-	-	-	-	-	0.60	0.23
xv.	Contribution during the year (including the Employee's share)	-	-	-	-	-	-	-	-	-	-	-	-	3.68	4.25	3.68	4.25
xvi.	Directors sitting fees	-	-	-	-	-	-	0.12	0.14	0.03	0.04	0.64	0.81	-	-	0.79	0.99
xvii.	Commission to Directors	-	-	-	-	-	-	1.04	0.64	0.08	0.05	0.88	0.81	-	-	2.00	1.50
xviii.	Guarantee and collaterals given / (expired) (net)	(81.31)	(129.80)	-	-	-	-	-	-	-	-	-	-	-	-	(81.31)	(129.80)
xix.	Provision for doubtful advances	5.13	153.25	-	-	-	-	-	-	-	-	-	-	-	-	5.13	153.25
xx.	Short-term Employee Benefits	-	-	-	-	-	-	7.90	7.57	-	-	-	-	-	-	7.90	7.57
xxi	Post Employee Benefits	-	-	-	-	-	-	0.49	0.45	-	-	-	-	-	-	0.49	0.45
xxii	Other Long Term Benefits	-	-	-	-	-	-	0.11	(0.05)	-	-	-	-	-	-	0.11	(0.05)
xxiii	Termination Benefits	-	-	-	-	-	-	0.16	0.01	-	-	-	-	-	-	0.16	0.01

NOTES to the Consolidated financial statements for the year ended March 31, 2019

57 C. Outstanding Balance

(₹ in Crores)

Particulars	Receivables		Payables		Shareholders' deposit given		Deposit given		Guarantees and collaterals given	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Joint Venture	-	199.21	-	-	-	15.22	-	-	-	81.31
Associates	-	0.25	-	-	-	-	-	-	-	-
Other related party	2.02	1.00	352.77	353.54	-	-	1.84	1.63	-	-
Key Management Personnel and Relatives	-	-	1.04	0.64	-	-	-	-	-	-
Non-Executive Directors	-	-	0.08	0.05	-	-	-	-	-	-
Independent Directors	-	-	0.88	1.01	-	-	-	-	-	-
Post Employment Benefit Trust	1.02	5.08	0.26	0.27	-	-	-	-	-	-

NOTES to the Consolidated financial statements for the year ended March 31, 2019

58 Additional disclosure as required by the amended clause 34 and 53 of the listing agreements and section 186 of the Companies Act, 2013

(₹ in Crores)

Sr. No	NAME	NATURE OF TRANSACTION	Balance as at March 31, 2019	Maximum amount outstanding during the year	No. of shares of the Company held by the loanees as at March 31, 2019
A.	Investments and Loans and advances in associates				
1	Pentafil Textile Dealers Ltd.	Investment in equity shares	1.26	1.26	-
			[0.88]	*[0.88]*	*[-]*
2	Bombay Dyeing Real Estate Company Limited	Investments in Equity Shares	0.02	0.02	-
			[0.02]	*[0.02]*	*[-]*
		Inter-corporate Deposit	-	0.25	-
		(Short term funding requirements at interest rates of 12%-13%)	*[0.25]*	*[0.84]*	*[-]*
			1.28	1.53	-
			[1.15]	*[1.74]*	*[-]*

59 **Details of the Company's Immaterial Joint Venture and Associates at the end of the reporting period is as Follows:-**

Name	Place of incorporation and Principal Place of business	% Shareholding and Voting Power	
		As at March 31, 2019	As at March 31, 2018
i. Joint Venture			
PT Five Star Textile Indonesia (upto July 17, 2018)	Indonesia	NA	33.89
ii. Associates			
Bombay Dyeing Real Estate Company Limited	India	40.00%	40.00%
Pentafil Textile Dealers Limited	India	49.00%	49.00%

a. Above listed entities are non-quoted industries hence no quoted prices are available.

b. The above joint venture and associates are accounted for using the equity method in these consolidated financial statements.

Financial information in respect to immaterial Joint Venture and Associates ₹ in Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amount of investment in immaterial associates	1.26	1.13
Aggregate amounts of the Company's share of:		
Profit/(Loss) for the year	0.13	0.77
Other Comprehensive Income for the year	1.17	-
Total Comprehensive Income	**1.30**	**0.77**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Unrecognized share of losses ₹ in Crores

Particulars	As at March 31, 2019	As at March 31, 2018
i. **Joint Venture**		
PT Five Star Textile Indonesia (upto July 17, 2018)		
Opening Balance	-	(24.38)
For the year	-	(2.69)
Closing Balance	**-**	**(27.07)**

60 **Additional information as required under Schedule III to the Companies Act, 2013 of Enterprise Consolidated as Subsidiary and Associates**

	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	₹ in Crores	As % of Consolidated Profit and Loss	₹ in Crores	As % of Consolidated OCI	₹ in Crores	As % of Consolidated Total OCI	₹ in Crores
i. **Parent**								
The Bombay Dyeing and Manufacturing Company Limited	99.19%	180.62	100.14%	1229.98	100.00%	110.02	100.13%	1340.00
ii. **Subsidiary**								
PT Five Star Textile Indonesia (Discontinued Operations)	0.81%	1.48	(0.15%)	(1.90)	-	-	(0.14%)	(1.90)
iii. **Associates (Investment accounted as per Equity method)**								
Pentafil Textile Dealers Limited	-	-	0.01%	0.13	-	-	0.01%	0.13
Bombay Dyeing Real Estate Company Limited	-	-	-	*	-	-	-	-
Total	**100.00%**	**182.10**	**100.00%**	**1,228.21**	**100.00%**	**110.02**	**100.00%**	**1,338.23**

* Denotes value less than ₹ 1 lakh

61 **Discontinued Operations**

The Company had shareholding of 33.89% in the Joint Venture PT Five Star Textile Indonesia (PTFS). The Company took strategic move to wind up this loss making Joint Venture. With this strategic objective, on July 18, 2018, the Company acquired 3,409 Shares (52.11% Shareholding) in PTFS at a value of ₹ 3,818 (USD $34). Further, on November 20, 2018, loan amounting to ₹ 185.48 crores given by the Company to PTFS was converted into equity shares in PTFS. As a result of this conversion, the percentage holding of the Company increased to 97.36%.

Upon acquisition, the Company obtained control over PTFS and it became a Subsidiary of the Company, thereby enabling the Company to apply for liquidation as per the laws of Indonesia and winding up process is initiated. Gain has not been recognised by the Company on re-measurement of its previously held equity interest at fair value since the amount of gain is immaterial. Accordingly, in terms of provisions Ind AS 103, Goodwill of ₹ 92.39 Crores on acquisition is also recognised in Consolidated Financial Statements and subsequently impaired. There is no additional financial exposure.

The above Consolidated Assets and Liabilities include assets of ₹ 2.41 crores and liabilities of ₹ 0.93 crores of PTFS which is classified as a Discontinued Operation in accordance with Ind AS 105 on "Non-Current Assets Held for Sale and Discontinued Operations".

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Particulars	**Year ended March 31, 2019**
Analysis of loss for the year from Discontinued Operations	
Revenue including other income	187.08
Expense	(96.59)
Impairment of Goodwill	(92.39)
Loss before Income Tax	(1.90)
Income Tax	-
Loss after Income Tax	(1.90)
Analysis of cash flow from Discontinued Operations	
Net Cash Flow from Operating activities	(36.54)
Net Cash Flow from Investing activities	92.56
Net Cash Flow from Financing activities	(54.27)
Net Cash Flow generated from Discontinued Operations	1.75

62 Subsequent Events

Proposed Dividend

The Board of Directors at its meeting held on May 2, 2019, has recommended a final dividend of ₹ 1.50 per equity share of ₹ 2 for the financial year ended March 31, 2019 (March 31, 2018 : ₹ 1 per equity share). The Proposed Dividend of ₹ 37.35 crores includes dividend distribution tax of ₹ 6.37 crores.

The above is subject to approval of shareholder at the ensuing Annual General Meeting of the Company hense is not recongnised as a liability.

63 General

a. All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore upto two decimals as per the requirements of Schedule III, unless otherwise stated.

b. Figures for the previous year have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our attached report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No.36148

Mumbai, May 2, 2019

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia — *Chairman*
Jehangir N. Wadia — *Managing Director*

Suresh Khurana
Alokendra Banerjee
Ramesh Ranganathan — *Chief Executive Officers*

Vishnu Peruvemba — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

R. A. Shah
S. Ragothaman
A. K. Hirjee
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S. Lalbhai
Gauri Kirloskar — *Directors*

Mumbai, May 2, 2019

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 STATEMENTS OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURES AS PER THE COMPANIES ACT, 2013

Part "A" : Subsidiaries

Sr. No.	Name of Foreign Subsidiary Company	The date since when subsidiary was acquired	Reporting Period	Reporting Currency	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Total Income	Profit/ (Loss)before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	Effective shareholding
1	PT Five Star Textile Indonesia	July 18 ,2018	January 2018 to December 2018	IDR	209.17	(182.23)	27.87	0.93	-	0.12	(17.82)	-	(17.82)	-	97.36%

Notes:

i) Exchange rate as on December 31, 2018 : 1 INR = 208.33 IDR

ii) Average Exchange rate for the year (for Profit and Loss items) : 1 INR = 210.14 IDR

iii) Names of subsidiaries which are yet to commence operations -None

Part "B" : Associates and Joint Ventures

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

Sr. No.	Name of Joint Ventures / Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures / Associates held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year	
			No. of Shares	Amount of Investment in Associate /Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Pentafil Textile Dealers Limited	March 31,2019	88,200	0.88	49.00%	through % of holding	NA	3.79	0.13	0.14
2	Bombay Dyeing Real Estate Company Limited	March 31,2019	20,000	0.02	40.00%	through % of holding	NA	0.42	#	#

# denotes value less than ₹ 1 lakh

Notes:

i. Names of Associates / Joint Ventures which are yet to commence operations -None

For and on behalf of the Board of Directors of
THE BOMBAY DYEING & MANUFACTURING CO. LTD.

Nusli N. Wadia	*Chairman*	R. A. Shah	*Directors*
Jehangir N. Wadia	*Managing Director*	S. Ragothaman	
		A. K. Hirjee	
Suresh Khurana	*Chief Executive Officers*	Ness N. Wadia	
Alokendra Banerjee		V. K. Jairath	
Ramesh Ranganathan		Keki M. Elavia	
		Minnie Bodhanwala	
Vishnu Peruvemba	*Chief Financial Officer*	Sunil S. Lalbhai	
Sanjive Arora	*Company Secretary*	Gauri Kirloskar	

Mumbai, May 2, 2019

THE WADIA GROUP

The Group has scaled great heights in innovation and entrepreneurship, inspired by the centuries-old legacy of goodwill and trust. The British Coat of Arms, granted to Nowrosjee Wadia, symbolises this legacy and the Wadia Group's commitment to advancement and innovation.

The crest is a representation of the Group, its philosophy, beliefs and businesses.

The crest and base of the shield represent the family origins in the shipbuilding industry during the 1700s. The middle and upper parts of the shield depict the Group's interests in cotton growing and its links with England in the form of the Lancastrian rose. The hand holding the hammer atop the shield signifies industriousness, together with workmanship and skill. The sun that surrounds the hand stands for global recognition and merit.

The motto, IN DEO FIDE ET PERSEVERANTIA means 'Trust in God and Perseverance'.

AFTER 282 YEARS, OUR BRANDS:

FLY SMART go
SINCE 2005

Bombay Dyeing
SINCE 1879

BRITANNIA
SINCE 1918

NPL
SINCE 1954

Bombay Burmah
SINCE 1863

BOMBAY REALTY
A BETTER LIFE
SINCE 2011

Home & You
SINCE 2015

www.wadiagroup.com

The Bombay Dyeing and Manufacturing Company Limited
Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001

www.sapprints.com

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED
(CIN: L17120MH1879PLC000037)
Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.
Corporate Office: C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai-400 025.
Email: grievance_redressal_cell@bombaydyeing.com **Phone:** (91) (22) 66620000; **Fax:** (91) (22) 66620069; **Website:** www.bombaydyeing.com

ATTENDANCE SLIP

139TH ANNUAL GENERAL MEETING - 5TH AUGUST, 2019

Serial No.

Name and Address of the Shareholder :

Registered Folio No./DP ID & Client ID :

No. of shares held :

I certify that I am a registered Member/Proxy for the registered Member of the Company. I hereby record my presence at the 139th Annual General Meeting of the Company to be held at 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak Auditorium, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028, on Monday, 5th August, 2019, at 3.45 p.m.

______________________ Name of the Member/Proxy

______________________ Signature of Member/Proxy

NOTE:

1. Members/Proxy holders are requested to bring this Attendance Slip to the Meeting and hand over the same at the entrance duly signed.
2. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

ELECTRONIC VOTING PARTICULARS

EVSN	USER ID	# DEFAULT PAN/ SEQUENCE NUMBER

If you have not registered / updated your PAN with the Company / Depository Participant, please use the number mentioned in above column under PAN field to login for e-Voting.

* Please use your actual PAN, if you have already registered / updated your PAN with the Company / Depository Participant.

Note: Please turn over for detailed e-voting instructions.

The instructions for shareholders voting electronically are as under:

The voting period begins on Friday, 2nd August, 2019 at 9:00 am and ends on Sunday, 4th August, 2019 at 5:00 pm. During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 29th July, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter.

I **The process and manner for remote e-voting is as under:**

A. Member whose email IDs are registered with the Company/DPs will receive an email from Karvy informing them of their User-ID and Password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process:

(i) Launch internet browser by typing the URL: https://evoting.karvy.com

(ii) Enter the login credentials (i.e. User ID and password) which will be sent separately. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting.karvy.com or contact toll free number 1-800-3454-001 for your existing password.

(iii) After entering these details appropriately, click on "LOGIN".

(iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(v) You need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the E-Voting Event Number for The Bombay Dyeing and Mfg. Co. Ltd.

(vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

(viii) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

(ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(x) You may then cast your vote by selecting an appropriate option and click on "Submit".

(xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

(xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: grievance_redressal_cell@bombaydyeing.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

B. In case a member receives physical copy of the Notice of AGM [for members whose email IDs are not registered or have requested the physical copy]:

a) Initial password is provided in below format at the bottom of the Attendance Slip for the AGM:

EVSN NO.	USER ID	PASS WORD

b) Please follow all steps from Sr. No. (i) to Sr. No. (xii) above to cast vote.

VII. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com.

VIII. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

IX. 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.

X. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 29th July, 2019.

XI. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 29th July, 2019, may obtain the User ID and password in the manner as mentioned below:

a) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

b) Member may send an e-mail request to evoting@karvy.com. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

c) Member may call Karvy's toll free number 1-800-3454-001.

d) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890

XII. 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, viz., 29th July, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through electronic voting system/ballot paper.

XIII. Mr. P. N. Parikh (FCS 327 CP 1228), and failing him, Mr. Mitesh Dhabliwala (FCS 8331 CP 9511) and failing him Ms. Sarvari Shah (ACS 27572) from M/s. Parikh & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

XIV. Voting shall be allowed at the end of discussion on the resolutions on which voting is to be held with the assistance of Scrutiniser, by use of electronic voting system/ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutiniser will after the conclusion of voting at the AGM, will 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 Forty Eight hours of the conclusion of the AGM, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared along with the report of the Scrutiniser will be placed on the website of the Company www.bombaydyeing.com and on the website of Karvy immediately after the declaration of result by the Chairman or Managing Director or any one Director of the Company. The results shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited, where the equity shares of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.

XVII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM i.e. 5th August, 2019.

p. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

q. All documents referred to in Notice and the Explanatory Statement shall be open for inspection at the Registered office / Corporate Office of the Company during business hours, except on Saturdays, Sundays and public holidays upto and including the date of Annual General Meeting of the Company.

r. The Annual Report of the Company including the Notice convening the Annual General Meeting circulated to the members of the Company will be available on the Company's website at www.bombaydyeing.com

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED
(CIN: L17120MH1879PLC000037)
Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.
Corporate Office: C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai-400 025.
Email: grievance_redressal_cell@bombaydyeing.com **Phone:** (91) (22) 66620000; **Fax:** (91) (22) 66620069; **Website:** www.bombaydyeing.com

Form MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Serial No.

Name and Address of the Shareholder(s) :

E-mail Id :

Registered Folio No./DP ID & Client ID :

No. of shares held :

I/We, being the member(s) of ____________________ shares of the above named Company, hereby appoint:

1. Name: ____ of ____
   ____________ E-mail: ___________________________________ Signature __________________________ or failing him/her

2. Name: ____ of ____
   ____________ E-mail: ___________________________________ Signature __________________________ or failing him/her

3. Name: ____ of ____
   ____________ E-mail: ___________________________________ Signature __________________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 139th Annual General Meeting of the Company to be held on Monday, 5th August, 2019, at 3.45 p.m. at 4th Floor, Swatantryaveer Savarkar Rashtriya Smarak Auditorium, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For	Against
Ordinary Business			
1	To receive, consider and adopt (a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2019, together with the Reports of the Board of Directors and the Auditors thereon. (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2019, together with the Report of the Auditors thereon.		
2	Declaration of Dividend on Equity Shares for the financial year ended 31st March, 2019.		

Resolution No.	Resolutions	For	Against
Ordinary Business			
3	To appoint a Director in place of Mr. Ness N. Wadia (DIN: 00036049), a Non- Executive/Non Independent Director, who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
4	Appointment of Mr. Sunil S. Lalbhai (DIN : 00045590) as Non-Executive Independent Director of the Company .		
5	Appointment of Mrs. Gauri Kirloskar (DIN : 03366274) as Non-Executive Independent Director of the Company.		
6	Re-appointment of Mr. S. Ragothaman (DIN : 00042395) as Non-Executive Independent Director of the Company for a second term of three years.		
7	Approval of remuneration of Cost Auditors for the financial year ending 31st March, 2020.		
8	Approval of remuneration of Managing Director for FY 2016-17 pursuant to the amended Section 197 of the Companies Act, 2013.		

Signed this ___________________________ day of ________________ 2019

Affix Revenue Stamp

____
Signature of the Shareholder(s)

____
Signature of Proxy

Notes:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

(2) Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.