Draft Letter of Offer
Dated: October 3, 2022
For Eligible Equity Shareholders only

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

Our Company was incorporated as "*The Bombay Dyeing and Manufacturing Company Limited*" on August 23, 1879, under the Indian Companies Act, 1866. For further details, see "*General Information*" on page 45.

Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400 001, Maharashtra, India;
Corporate Office: C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai – 400 025, Maharashtra, India;
Tel: + 91 22 6662 0000; **Contact Person:** Sanjive Arora, Company Secretary and Compliance Officer;
Email: grievance_redressal_cell@bombaydyeing.com; **Website:** www.bombaydyeing.com;
Corporate Identity Number: L17120MH1879PLC000037

OUR PROMOTERS: NUSLI NEVILLE WADIA, NESS NUSLI WADIA, MAUREEN NUSLI WADIA, JEHANGIR NUSLI WADIA, THE BOMBAY BURMAH TRADING CORPORATION LIMITED AND BAYMANCO INVESTMENTS LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("RIGHTS EQUITY SHARES") OF THE COMPANY FOR CASH AT A PRICE OF ₹ [●] PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE) FOR AN AMOUNT AGGREGATING UP TO ₹ 940 CRORES ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE SEE "*TERMS OF THE ISSUE*" ON PAGE 236.

WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company nor our Promoters or any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on Wilful Defaulter(s) or Fraudulent Borrower(s) issued by the Reserve Bank of India.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of investors is invited to the statement of "*Risk Factors*" on page 18.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" together with BSE, the "**Stock Exchanges**"). The Global Depositary Receipts ("**GDRs**"), each of which represents one underlying Equity Share, issued by Citibank, N.A., as the depositary (the "**GDR Depositary**"), are currently listed on the Societe de la Bourse Luxembourg (Luxembourg Stock Exchange). Our Company has received "in-principle" approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to the Issue through their letters dated [●] and [●] respectively. Our Company will also make applications to the Stock Exchanges to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of the Issue, the Designated Stock Exchange is [●].

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
Vivro Financial Services Private Limited 607/608, Marathon Icon, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai – 400 013, Maharashtra, India. **Telephone:** +91 22 6666 8040 **E-mail:** investors@vivro.net **Website:** www.vivro.net **Investor Grievance E-mail:** investors@vivro.net **Contact Person:** Jay Shah / Samir Santara **SEBI Registration No.:** INM000010122	**KFin Technologies Limited** *(Formerly KFin Technologies Private Limited)* Selenium Tower – B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad 500 032, Telangana, India. **Telephone:** +91 40 6716 2222 **E-mail:** bombaydyeing.rights@kfintech.com **Investor grievance E-mail:** einward.ris@kfintech.com **Website:** www.kfintech.com **Contact Person:** M. Murali Krishna **SEBI Registration No.:** INR000000221

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON#
[●]	[●]	[●]

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

#Our Board or Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of thirty days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

CONTENTS

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates, requires or implies or unless otherwise specified, shall have the meaning as provided in this section. References to any statutes, regulations, rules, guidelines or policies shall be to such act, regulation, rule, guideline or policy as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have, to the extent applicable, the same meanings ascribed to such terms under the SEBI ICDR Regulations, the SEBI Listing Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. The following list of capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Notwithstanding the foregoing, terms used in 'Industry Overview', 'Summary of this Draft Letter of Offer', 'Statement of Special Tax Benefits', 'Financial Information' and 'Outstanding Litigation and Other Material Developments' on pages 61, 16, 58, 109 and 225, respectively, shall, unless indicated otherwise, have the meaning ascribed to such terms in these respective sections.

General terms

Terms	Description
"Company", "our Company", "the Company", "the Issuer", "Bombay Dyeing" or "BDMCL", "we", "us", or "our"	The Bombay Dyeing and Manufacturing Company Limited, a public limited company incorporated under the Indian Companies Act, 1866 and having its registered office at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400 001, Maharashtra, India and its corporate office at C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai – 400 025, Maharashtra, India.

Company related terms

Terms	Description
Articles of Association or Articles / AOA	Articles of Association of our Company, as amended from time to time
Associate Companies	Pentafil Textile Dealers Limited and Bombay Dyeing Real Estate Company Limited
Auditor or Statutory Auditor	The current statutory auditor of our Company, namely, M/s. Bansi S. Mehta & Co., Chartered Accountants
Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company and its Subsidiary for the year ended March 31, 2022 (along with comparatives for the year ended March 31, 2021) which comprises the consolidated balance sheet as at March 31, 2022 and March 31, 2021, the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended March 31, 2022 and March 31, 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information read along with the report thereon.
Board / Board of Directors	The board of directors of our Company or a duly constituted committee thereof. For details of the Board of Directors, see "*Our Management and Organisational Structure*" on page 104.
Chief Financial Officer and Chief Risk Officer	Chief financial officer and chief risk officer of our Company, Vinod Jain
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, Sanjive Arora
CRISIL Report / Industry Report	Report entitled "Assessment of Polyester Staple Fibre (PSF) and Real Estate Industry" dated September, 2022 prepared by CRISIL Limited.
Deposit Agreement	Deposit Agreement dated December 2, 1993 and amendment of November

Terms	Description
	01, 1994 entered into between our Company and the GDR Depositary.
Director(s)	Director(s) on the Board of Directors of our Company, unless otherwise specified.
Equity Shares	The equity shares of our Company of a face value of ₹ 2 each, unless otherwise specified in the context thereof.
Equity Shareholder	The equity shareholders of our Company, from time to time.
Group Company(ies)	Group companies of our Company as determined in terms of Regulation 2(1)(t) of SEBI ICDR Regulations.
GDRs	Global Depositary Receipts, each of which represents one underlying Equity Share.
GDR Depositary	Citibank, N.A.
Independent Directors	The independent director(s) of our Company as per section 2(47) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. and as described in the chapter "*Our Management and Organisational Structure"* on page 104.
Key Managerial Personnel	Key management / managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and as described in the chapter *"Our Management and Organisational Structure – Our Key Management Personnel and Senior Management Personnel"* on page 107.
Materiality Threshold	Materiality threshold adopted by our Company for the purpose of disclosure litigations in this Draft Letter of Offer involving our Company, solely for the purpose of the Issue, i.e., ₹ 21.06 crores (being 1% of the total income from operations of our Company, in terms of the Audited Consolidated Financial Statements as of March 31, 2022) or above.
Memorandum or Memorandum of Association	Memorandum of association of our Company, as amended from time to time.
Non - Executive Director(s)	A Director, not being an Executive Director of our Company. For details of the Non-Executive Directors, see "*Our Management and Organisational Structure*" on page 104.
Promoters	The promoters of our Company, being Nusli Neville Wadia, Ness Nusli Wadia, Jehangir Nusli Wadia, Maureen Nusli Wadia, The Bombay Burmah Trading Corporation Limited and Baymanco Investments Limited.
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.
Registered Office	Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001, Maharashtra, India.
Rights Issue Committee	The committee of our Board constituted through the resolution dated September 22, 2022.
Subsidiary	Subsidiary of our Company as defined under Companies Act, 2013 and the applicable accounting standard, P.T. Five Star Textile Indonesia*. **In December, 2018 the shareholders of the P.T. Five Star Textile Indonesia passed the resolution for its voluntary liquidation. For further details, see "Audited Consolidated Financial Statements"* on page 119.
Unaudited Consolidated Financial Results	The unaudited quarterly consolidated financial results of our Company and Subsidiary for the quarter ended June 30, 2022 in accordance with Regulation 33 of SEBI Listing Regulations, including the notes thereto.

Issue related terms

Term	Description
Abridged Letter of Offer / ALOF	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot / Allotment / Allotted	Allotment of the Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the amounts blocked by Application Supported by Blocked Amount in the

Term	Description
	ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being [●].
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Rights Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment Date	Date on which the Allotment is made pursuant to this Issue.
Allottee(s)	Person(s) who is Allotted the Rights Equity Shares pursuant to the Allotment.
Applicant(s) / Investors	Eligible Equity Shareholder(s) and / or Renouncee(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of the Letter of Offer.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online / electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of the Rights Equity Shares in the Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB or to block the Bid Amount using the UPI Mechanism.
ASBA Account	An account maintained with an SCSB which may be blocked by such SCSB or the account of the RIBs blocked upon acceptance of UPI Mandate Request by the RIBs using the UPI Mechanism to the extent of the Bid Amount of the ASBA Applicant / Investor
ASBA Circulars	Collectively, the SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 and the SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
Banker(s) to the Issue	The Allotment Account Bank cum the Refund Bank to the Issue, in this case being [●].
Banker to the Issue Agreement	Agreement dated [●] entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Banker to the Issue for receipt of the Application Money.
Controlling Branches	Such branches of the SCSBs which co-ordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father / husband, investor status, occupation and bank account details, wherever applicable.
Depository(ies)	A depository registered with SEBI under the SEBI Depositories Regulations, in this case being CDSL and NSDL.
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors

Term	Description
	and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.
Designated Stock Exchange	[●]
Draft Letter of Offer/ DLoF	This draft letter of offer dated October 3, 2022 filed with SEBI, in accordance with the SEBI ICDR Regulations, for its observations.
Eligible Equity Shareholder(s)	Holder(s) of the Equity Shares of our Company as on the Record Date.
Issue / Rights Issue	Issue of up to [●] Rights Equity Shares for cash at a price of ₹ [●] per Equity Share aggregating to ₹ 940 crores* on a rights basis to the Eligible Equity Shareholders of the Company in the ratio of [●] Rights Equity Share for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date. **Assuming full subscription*
Issue Agreement	Agreement dated October 3, 2022 entered into between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	[●]
Issue Documents	Collectively, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form, the Rights Entitlement Letter, any other issue material relating to the Issue.
Issue Opening Date	[●]
Issue Period	[●]
Issue Price	[●]
Issue Size	The Issue of up to [●] Equity Shares aggregating to an amount up to ₹ 940 crores* **Assuming full subscription.*
Lead Manager	Vivro Financial Services Private Limited
Letter of Offer / LOF	The final letter of offer to be filed with the Stock Exchanges and SEBI after incorporating observations received from SEBI on this Draft Letter of Offer, including any addenda or corrigenda thereto.
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement dated [●] entered into between the Company and the Monitoring Agency in relation to monitoring of Net Proceeds.
Multiple Application Forms	More than one application forms submitted by an Eligible Equity Shareholder / Renouncee in respect of the same Rights Entitlement available in their demat account. However, supplementary applications in relation to further the Equity Shares with / without using additional Rights Entitlement will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue related expenses. For details, see *'Objects of the Issue'* on page 53.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [●].
QIBs / Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for the Rights Equity Shares, being [●].
Refund Bank	The Banker(s) to the Issue with whom the Refund Accounts will be opened, in this case being [●].
Registrar to the Issue / Registrar	KFin Technologies Limited (Formerly KFin Technologies Private Limited)
Registrar Agreement	Agreement dated September 23, 2022 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of

Term	Description
	the Registrar to the Issue pertaining to this Issue.
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circulars, the Companies Act and any other applicable law.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date and shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
RIB(s)	Retail Individual Bidder(s)
Rights Entitlement(s)	Number of the Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of the Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements shall be credited in dematerialised form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares	The Equity Shares offered and to be issued and allotted pursuant to the Issue.
Self-Certified Syndicate Bank/ SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at the website of SEBI and/or such other website(s) as may be prescribed by SEBI from time to time.
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 read with SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, being BSE and NSE.
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter / Fraudulent Borrower	An entity or person categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1) (lll) of the SEBI ICDR Regulations.
Working Day(s)	In terms of Regulation 2(1) (mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Industry and Business related terms

Term	Description
ARR	Average Room Rate
BFSI	Banking, Financial Services and Insurance
BRIC	Brazil, Russia, India, and China
CAGR	Compound Annual Growth Rate
CD	Cationic Semi Dull Cationic Super Bright
CIS	Competitiveness Incentive Support
CPI	Consumer Price Index
CSO	Central Statistics Office
CRM	Client relationship Management
DCPR – 2034	Development Control and Promotion Regulation 2034
DCR – 58	Development Control Regulation – 58
DCS	Development Capital Support
DGT	Di-Glycol Terephthalate
DMT	Di-Methyl Terephthalate
ERP	Enterprise Resource Planning
FD	Full Dull
FSI	Floor Space Index
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
GVA	Gross Value Add
HS Code	Harmonized System Codes
ICC	Island City Centre located at Dadar, Mumbai
IMF	International Monetary Fund
ISO	International Organization for Standardization
M.I.D.C.	Maharashtra Industrial Development Corporation
MAHTI	Market-specific Average HH income level to buy a house in a city
MEG	Mono Ethylene Glycol
MITRA	Mega Integrated Textile Region and Apparel Parks
MMF	Man-Made Fibres
MMR	Mumbai Metropolitan Region
MMRDA	Mumbai Metropolitan Region Development Authority
MoSPI	Ministry of Statistics and Programme Implementation
MSF	Million Square Feet
N.E.C.	Not Elsewhere Classified
NICD	National Industrial Corridor Development
NSO	National Statistical Office
OECD	Organisation for Economic Co-operation and Development
PET	Polyethylene Terephthalate
PFCE	Private Final Consumption Expenditure
PFY	Polyester filament yarn
PLI	Production Linked Incentives
PMAY	Pradhan Mantri Awas Yojana
POY	Partially oriented yarn
PQS	Professional Quantity Surveyor
PSF	Polyester Staple Fibre
PTA	Purified Terephthalic Acid
RERA	Real Estate Regulatory Authority
SB	Super Bright
SD	Semi Dull
TDR	Transferable Development Rights
UHNIs	Ultra-High Networth Individuals
VFY	Viscose Filament Yarn
VSF	Viscose Staple Fibre
WIC	Wadia International Centre located at Worli, Mumbai

Conventional and General Terms or Abbreviations

Term	Description
'₹', 'Rs.', 'Rupees' or 'INR'	Indian Rupees
AIF(s)	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations.
'AS' or 'Accounting Standards'	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
CDSL	Central Depository Services (India) Limited
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act / Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
COVID-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020 by the World Health Organization
CRISIL	CRISIL Limited
Depositories Act	The Depositories Act, 1996, as amended.
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade
DP ID	Depository Participant's Identification
'DP' or 'Depository Participant'	A depository participant as defined under the Depositories Act.
EBITDA	Earnings before interest, taxes, depreciation, and amortization
FDI	Foreign Direct Investment
FDI Policy	Consolidated FDI Policy dated October 15, 2020 issued by the DPIIT Ministry of Commerce and Industry, Government of India.
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
'Financial Year', 'Fiscal', 'fiscal', 'Fiscal Year' or 'FY'	Unless stated otherwise, the period of 12 months ending March 31 of that particular year.
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations.
GAAP	Generally accepted accounting principles
GDR	Global Depositary Receipt
'GoI' or 'Government'	Government of India
IEPF	Investor Education and Protection Fund
'Income Tax Act' or 'IT Act'	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as referred to in and notified under the Ind AS Rules.
India	Republic of India
ISIN	International Securities Identification Number
MOU	Memorandum of Understanding
'N.A.' or 'NA'	Not Applicable
NACH	National Automated Clearing House
NBFC	Non-Banking Financial Company
NBFC-SI	Systemically Important NBFC
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
Non-GAAP Measures	EBITDA, RoNW and Net Asset Value per Equity Share
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts,

Term	Description
	in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA.
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments
p.a.	Per annum
PAN	Permanent Account Number
Prospectus Regulations	Prospectus Regulation (EU) 2017 / 1129
'Qualified Institutional Buyers' or 'QIBs'	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
RBI	Reserve Bank of India
Regulations S	Regulation S under the U.S. Securities Act
RoNW	Return on net worth
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended.
SEBI Depositories Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed by the SEBI AIF Regulations
Stock Exchanges	Together, BSE and NSE
UPI	Unified Payment Interface
'U.S.' or 'USA' or 'United States'	United States of America
'USD' or 'US$'	United States Dollars, the lawful currency of the United States
U.S. Securities Act	United States Securities Act of 1933, as amended
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and Application Form and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to observe such restrictions. For more details, see "*Restrictions on Purchases and Resales*" on page 263.

In accordance with the SEBI ICDR Regulations, this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (collectively, the "**Issue Materials**") will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders, who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to e-mail or send a physical copy of this Draft Letter of Offer, the Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and other applicable Issue materials, shall not be sent this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter the Application Form and other applicable Issue materials.

Investors can also access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, the Lead Manager and the Stock Exchanges.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with SEBI and the Stock Exchanges. In particular, the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The Rights Entitlements and Rights Equity Shares are being offered and sold only to persons outside the United States in offshore transactions as defined in and in reliance on Regulation S under the Securities Act ("**Regulation S**"). Accordingly, the Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone (i) in the United States or (ii) in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer and any other Issue Materials should not distribute or send this Draft Letter of Offer or any such documents in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the Lead Manager or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see "*Restrictions on Purchases and Resales*" on page 263.

Rights Entitlements may not be transferred or sold to any person outside India.

Any person who makes an application to acquire Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that such person is outside the United States and is authorized to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or its respective affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the section entitled "*Restrictions on Purchases and Resales*" on page 263.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

The Rights Entitlements and the Rights Equity Shares have not been approved, disapproved or recommended by the securities authorities of any jurisdiction or any regulatory authority in any jurisdiction. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary may be a criminal offence in certain jurisdictions.

Neither the receipt of this Draft Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information.

The contents of this Draft Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements.

Neither our Company nor the Lead Manager or its affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

This Draft Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Notice to Existing GDR Holders

The Global Depositary Receipts ("**GDRs**"), each of which represents one underlying Equity Share, issued by Citibank, N.A., as the depositary (the "**GDR Depositary**"), are currently listed on the Societe de la Bourse Luxembourg (Luxembourg Stock Exchange). The GDRs have been issued in terms of the deposit agreement between our Company and Citibank, N.A. dated December 02, 1993 and amendment of November 01, 1994 (the "**Deposit Agreement**"). Further, our Company is in the process of appointment of new depositary in relation to the GDR. In accordance with the provisions of the Deposit Agreement, the GDR Depositary will use reasonable endeavours to sell the Rights Entitlements that relate to the underlying Equity Shares that are represented by GDRs and distribute the net proceeds of any such sale to the GDR holders after deducting applicable taxes and expenses and its fees for making that distribution.

Notice to Nominees, Custodians and Financial Intermediaries

Any person, including nominees, custodians and other financial intermediaries who would, or otherwise intends to, or has a contractual or legal obligation to forward this Draft Letter of Offer or any other Issue Material to a person in any jurisdiction outside India must adhere to the restrictions set forth above and in the section entitled "*Restrictions on Purchases and Resales*" on page 263. In connection with any subscription or purchases of Rights Equity Shares, nominees, custodians and financial intermediaries will be deemed to have represented and warranted that they have complied with the terms of the Issue, including the terms set forth above and in the section entitled "*Restrictions on Purchases and Resales*" on page 263.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to 'India' contained in this Draft Letter of Offer are to the Republic of India. All references to the 'Government', 'Indian Government', 'GoI', 'Central Government' are to the Government of India and all references to the 'State Government' are to the government of the relevant state. All references to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Draft Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

In this Draft Letter of Offer, references to the singular also refer to the plural and one gender also refers to any other gender, where applicable.

Page Numbers

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated or the context requires otherwise, our financial data as at and for the year ended March 31, 2022 and three months period ended June 30, 2022 included in this Draft Letter of Offer is derived from the Audited Consolidated Financial Statements as at and for the year ended March 31, 2022 and Unaudited Consolidated Financial Results for the quarter ended June 30, 2022, respectively. For further information, see "*Financial Information*" on page 109.

We have prepared our annual Audited Consolidated Financial Statements in accordance with Ind AS and Unaudited Consolidated Financial Results in accordance with recognition and measurement principles laid down in Ind AS 34 prescribed under the Section 133 of the Companies Act 2013 and Regulation 33 of SEBI Listing Regulations. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

Our Company's Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in crores.

Currency and Units of Presentation

All references to "Rupees" or "₹" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to "US$", "U.S. Dollar", "USD" or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

Certain numerical information has been presented in this Draft Letter of Offer in "Crores" units. 1,00,00,000 represents one crores and 10,00,000 represents one million.

Any percentage amounts, as set forth in *"Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations"* on pages 18, 93 and 201 respectively, and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results.

Non-GAAP Measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, Adjusted EBITDA, Net Worth, Return on Net Worth and Net Asset Value per share and total expenses have been included in this Draft Letter of Offer. These may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Exchange Rates

This Draft Letter of Offer contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupees and USD:

Currency	Exchange rate as on		
	June 30, 2022	March 31, 2022	March 31, 2021
1 US$	78.94	75.81	73.50

(Source: www.fbil.org.in. Note: Rounded off to two decimals)
Wherever the exchange rate was not available on account of March 31st being a holiday, the exchange rate as of the immediately preceding working day has been provided.

Industry and Market Data

Unless stated otherwise, industry, market data and demographic used in this Draft Letter of Offer has been obtained or derived from industry publication and sources. Further, the information has also been derived from the report titled 'Assessment of Polyester Staple Fibre (PSF) and Real Estate Industry' dated September, 2022 (CRISIL Report) which has been commissioned and paid for by our Company from CRISIL Limited. For risks in relation to commissioned reports, see "*Risk Factor – We have commissioned a report from CRISIL which have been used for industry related data in this Draft Letter of Offer and such data has not been independently verified by us.*" on page 34. Except for the CRISIL Report, we have not commissioned any report for purposes of this Draft Letter of Offer.

The CRISIL Report contains the following disclaimer:

"CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. The Bombay Dyeing and Manufacturing Company Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL Ratings Limited / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL Ratings Limited / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the "*Risk Factors*" on page 18. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

Further, the extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. In addition, certain data in relation to our Company used in this Draft Letter of Offer has been obtained or derived from the CRISIL Report which may differ in certain respects from our Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results as a result of, inter alia, the methodologies used in compiling such data. Accordingly, investment decision should not be made based on such information.

FORWARD-LOOKING STATEMENTS

This Draft Letter of Offer contains certain "forward-looking statements" which are not historical facts. These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "can", "could", "continue", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "propose", "project", "seek to", "will", "will continue", "will pursue", "would", "will likely result", "is likely", "are likely", "expected to", "will achieve" or other words or phrases of similar import but are not the exclusive means of identifying such statements. Similarly, statements that describe our strategies, objectives, plans, goals, future events, future financial performance, or financial needs are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Any delay, interruption, or reduction in the supply of raw materials to manufacture our products may adversely affect our business, results of operations, cash flows and financial condition.

- Changes in laws and regulations relating to the realty sector centrally or Mumbai, Maharashtra may adversely affect our business, results of operations and financial condition.

- Failure to obtain or maintain the necessary licenses and Government Approvals in PSF business and Realty Business

- Increase in the prices of petrochemicals may affect the profitability of the Company;

- Fluctuation in the Forex rate may adversely affect our business, results of operations and financial condition.

For further discussion on factors that could cause actual results to differ from expectations, see *"Risk Factors"*, *"Our Business"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 18, 93 and 201, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure you that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Lead Manager nor any of their respective affiliates has any obligation to update or otherwise revise any statements whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise reflecting circumstances arising after the date of this Draft Letter of Offer or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. All forward looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with the SEBI ICDR Regulations, our Company and the Lead Manager will ensure that Eligible Equity Shareholders are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock.

SUMMARY OF THIS DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective investors. This summary should be read in conjunction with and is qualified by the more detailed information appearing in this Draft Letter of Offer, including the chapters titled "*Risk Factors*", "*Objects of the Issue*", "*Our Business*" and "*Outstanding Litigations and Defaults*" on pages 18, 53, 93 and 225, respectively.

Summary of our Business

We are a diversified company with a 143-year legacy, currently focused on the manufacture of polyester staple fibre, real estate development under the brand name "*Bombay Realty*" and sale and distribution of textile products.

For further details, see "*Our Business*" on page 93.

Objects of the Issue

Our Company intends to utilize the Net Proceeds raised through the Issue towards the following objects:

(in ₹ crores)

Particulars	Amount
Repayment of all or a portion of certain outstanding borrowings availed by our Company	850.00
General corporate purpose*	[●]
Net Proceeds**	[●]

** The amount utilised for general corporate purpose shall not exceed 25% of the Gross Proceeds.*
*** Subject to finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.*

For further details, see "*Objects of the Issue*" on page 53.

Intention and extent of participation by our Promoters in the Issue

The Bombay Burmah Trading Corporation Limited and Baymanco Investments Limited, members of the Promoter and Promoter Group by their respective letters dated September 23, 2022 (the "**Promoters Subscription Letters**"), have confirmed their intention to (a) subscribe to the full extent of their aggregate Rights Entitlements in the Issue including the renunciation of Rights Entitlements made in their favour by the other members of the Promoter and Promoter Group; and (b) subscribe to additional Rights Equity Shares, over and above their Rights Entitlements (including the unsubscribed portion in the Issue, if any) jointly or severally, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations in order to achieve the minimum subscription of 90% of the Issue in accordance with Regulation 86 of the SEBI ICDR Regulations.

The acquisition of Rights Equity Shares by our Promoters, over and above their Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with SEBI SAST Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Summary of Outstanding Litigations and Default

A summary of outstanding legal proceedings involving our Company as on the date of this Draft Letter of Offer is set forth in the table below:

Nature of Cases		Number of cases	Aggregate amount involved* (₹ in Crores)
Litigations involving our Company			
A.	**Proceedings involving moral turpitude or criminal liability on our Company**		
	- Filed by our Company	10	6.45
	- Filed against our Company	3	34.77
B.	**Proceedings involving material violations of statutory regulation by our Company**	2	0.04
C.	**Tax Matters**		
	- Direct Tax	24	1,024.55
	- Indirect Tax	18	29.95
D.	**Matters involving economic offences where proceedings have been initiated against our Company**	-	-
E.	**Other proceedings involving our Company which involve an amount exceeding Materiality Threshold and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company**		
	- Filed by our Company	-	-
	- Filed against our Company	18	140.31

** To the extent quantifiable.*

For further details, see "*Outstanding Litigations and Defaults*" beginning on page 225**.**

Risk Factors

For details, see "*Risk Factors*" on page 18.

Contingent Liabilities

For details of contingent liabilities, see "*Financial Statements – Notes to Consolidated Audited Financial Statements – Note 41 – Contingent Liabilities*" on page 172.

Related Party Transactions

For details of our related party transactions as per Ind AS 24 during Fiscal 2022, see *"Financial Statements – Notes to Consolidated Audited Financial Statements – Note 56 – Disclosure pursuant to Ind AS 24 on Related Party Disclosure"* on page 193**.**

Issue of Equity Shares for consideration other than cash

Our Company has not made any issuances of Equity Shares for consideration other than cash in the last one year immediately preceding the date of filing of this Draft Letter of Offer.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Draft Letter of Offer, including the risks and uncertainties described below and "Financial Statements" on page 109, before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 93 and 201, respectively, included in this Draft Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.

Our financial year ends on March 31 of each year, so all references to a particular Fiscal are to the 12 months ended March 31 of that year. Unless otherwise stated, the financial information used in this section is derived from our Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results, which are included in "Financial Statements" on page 109.

INTERNAL RISK FACTORS

Risk related to Polyester Staple Fibre ("PSF") Business

1. ***Any inability to pass on increased price of primary raw materials i.e. Purified Terephthalic Acid ("PTA") and Mono Ethylene Glycol ("MEG"), used for manufacturing of our product may affect our profitability.***

Our primary raw materials in our PSF Business are PTA and MEG. The price and supply of such raw materials may be affected by changes in the price of petrochemicals in the international markets, global supply and demand, weather conditions, governmental policies, exchange rates, competition and other macroeconomic factors. We cannot assure you that fluctuation or uncertainty in the price of petrochemicals will not affect the availability and price of raw materials needed for our manufacturing process. Crude prices globally have been volatile in recent times. In Fiscal 2021 and Fiscal 2022, crude oil prices fluctuated significantly in large part due to the COVID-19 pandemic and the resulting slowdown in global economic output. Further, in the last quarter of Fiscal 2022, crude oil prices have risen significantly due to supply constraints and Ukraine - Russia conflict. Any long-term disruption in supplies or fluctuations in prices of our raw materials could significantly impact our manufacturing operations which could adversely affect our results of operations, financial conditions and profitability. While we have generally been able to pass on increase in prices of such raw materials to our customers, our inability to do so in the future or off-set the increase in cost of raw materials by increasing the prices of our products, could adversely affect our ability to price our products competitively and consequently, would adversely affect our business, financial condition and results of operations.

2. ***A disruption or shutdown of our manufacturing operations or under-utilisation of our manufacturing facilities or a shortage or non-availability of fuel and electricity, could have an adverse effect on our PSF business thereby impacting our financial condition and results of operations.***

Our PSF business contributes to 77.39% and 63.29% of our total revenue from operations for the Fiscals 2022 and 2021, respectively. We conduct our operations through our manufacturing facility located at A/1, M.I.D.C.

Industrial Area P.O., Patalganga, Dist. Raigad, Maharashtra – 410 220 ("**Manufacturing Facility**"). Our Manufacturing Facility is subjected to various operational risks, such as breakdown of our machineries, equipments, automation systems, IT systems or any other part of our manufacturing processes or systems (together, our **"Manufacturing Assets"**), power supply, performance below expected levels of efficiency, industrial accidents, the need to comply with the directives of relevant Government authorities as well as risks which are beyond our control. Any significant malfunction or breakdown of our Manufacturing Assets may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair Manufacturing Assets in a timely manner or at all, our operations may need to be suspended until we procure the appropriate Manufacturing Assets to replace them.

Our business is dependent upon our ability to manage our manufacturing operations effectively and efficiently utilise our installed capacity to produce our products. While we have operated our Manufacturing Facility at a capacity utilisation factor of 93% for Fiscal 2022, we were able to operate our facility at a capacity utilisation factor of 63% in Fiscal 2021 primarily on account of trade and business restrictions due to the COVID-19 pandemic. Any under-utilisation or inefficient utilisation of our manufacturing capacity would adversely affect our business, financial condition and results of operations.

Further, our operations require a significant amount and continuous supply of electricity, fuel such as liquified natural gas, furnace oil, coal and water. The quantum and nature of power and fuel requirements of our Company is such that it cannot be supplemented/augmented by alternative/ independent sources of power supply since it involves significant capital expenditure. We source the power requirements for our Manufacturing Facility mainly from state electricity boards. We source our fuel requirements, mainly liquified natural gas, furnace oil and coal, under agreements with various suppliers. Although we have not faced any power outages in the past, we cannot assure you that there will be no power outages in the future. Any failure on our part to obtain alternate sources of electricity or fuel, in a timely manner, and at an acceptable cost, may have an adverse effect on our business, financial condition, results of operations and prospects.

Further, any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or state or local governments in the region we operate could adversely affect our manufacturing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuing operations at our Manufacturing Facility could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects. Further, continuous addition of industries in and around our Manufacturing Facility without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure therein, which may adversely affect our business. Further, the spiralling cost of living around our Manufacturing Facility may push our manpower costs higher, which may reduce our margin and cost competitiveness.

3. ***We are heavily dependent on machinery for our operations and any disruption to the same may cause interruption in business.***

Our business operation is heavily dependent on plant and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Any significant malfunction or breakdown of our machineries may entail significant repair and maintenance costs and cause delays in our operations. While our Company has not entered into any technical support service agreements for our machineries which are repaired, our Company has its own in-house maintenance team to service/ repair the machinery. Any failure to quickly redress any technical issue may increase our downtime which may affect our business, results of operations and financial condition. Further, while we maintain necessary supplies of spare parts and maintenance related equipment, if we are unable to procure the necessary spare parts in a timely manner, or if we are unable to repair malfunctioning machinery promptly, our manufacturing operations may be hampered, which could have an adverse impact on our business, results of operations and financial condition.

4. ***We are dependent on third party transportation and logistics providers for the delivery of our raw materials and the distribution of our products. Any deficiency or interruption in their services could adversely affect our business and reputation.***

We rely on third party transportation and logistics providers including for transportation services at multiple stages of our business activities, including for procurement of raw materials from our suppliers and for transportation of our finished products from our Manufacturing Facility to our customers. We mostly depend on the roadways, railways and waterways to receive raw materials required for our production and to deliver our finished products to our customers. As of March 31, 2022, we exported our products to more than 20 countries including geographies such as USA, Europe and Japan. This makes us dependent on various intermediaries such as international, regional and domestic logistics companies, container freight station operators and shipping lines. Our business is also vulnerable to increased transportation costs or delivery delays due to various factors, including increase in fuel costs, freight rates, increase in port, road and toll taxes, shipping congestions, damage or losses of goods in transit, disruption of transportation services because of weather related problems, inadequacies in waterways, railways and road infrastructure or other similar events.

Further, majority of our import and export activities take place from Nava Sheva port and Bombay Port situated in Maharashtra on the western coast and therefore we are heavily dependent on the smooth functioning of these ports. Adverse weather conditions, improper handling of our products, strikes, or other events could impair our ability to deliver the requisite quantities of products in time and could adversely affect the performance of our business, financial condition, results of operations and prospects.

Except certain yearly contracts with domestic transportation and logistics providers, we do not have any long-term contractual arrangements with such third-party transportation and logistics providers for our product sale or distribution and raw materials procurement. Disruptions of logistics or material fluctuations in the cost of transportation could impair our ability to procure raw materials and/or deliver our products on time or we may not be able to secure adequate container space, leading to delivery delays, which could materially and adversely affect our business, financial condition and results of operations. Although, there have been no occurrence of such instances in the past, there can be no assurance that upon occurrence of any such losses in the future we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and prospects. Our third-party transportation providers may not carry enough insurance coverage and therefore, any losses that may arise during the transportation process may have to be claimed under our marine insurance policy.

5. ***We do not have long-term agreements with our customers for our PSF business. If our customers choose not to source their requirements from us or manufacture such products in-house, our business and results of operations may be adversely affected.***

Our customer base for the PSF products currently comprises of a host of foreign and domestic companies. We have, over a period of time, established long-term relationships with our customers. We do not have long-term supply agreements with our customers and instead rely on short term purchase orders to govern the volume and other terms of our sales of products, from our customers. The purchase orders which we receive from our customers specify quantity and delivery schedule among other matters. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our revenue and production schedules. Cancellations or unanticipated variations or scope or schedule adjustments may occur due to unforeseen circumstances. The occurrence of any such events may lead to the cancellation of orders or the deferment of revenue, which may adversely affect our business, results of operations and financial condition.

Additionally, certain customers have high and stringent standards for product quantity and quality as well as delivery schedules among other matters. Any failure to meet agreed quality standards for the product could result in the cancellation or non-renewal of contracts or purchase orders. There are also a number of factors, other than our performance that could cause the loss of a customer. Customers may demand, among others, price reductions, setoff any payment obligations, require indemnification for themselves or their affiliates, change their suppliers, work towards backward integration, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

6. ***We do not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortage in the availability or quality of such raw materials could have an adverse effect on our business, financial condition and results of operations in our PSF business.***

We are dependent on third party suppliers for certain raw materials in our PSF business. Our PSF product pricing is majorly determined by the cost of our raw materials. We source our raw materials that we use in our business from India and overseas market. For our raw materials, we enter into quantity based annual contracts with suppliers which are determined based on international reference price. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass on these costs onto our customers, which may result in lower sales or reduce our profit margins. We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our business, financial condition and results of operations.

Although there have not been any instances in the past where we have faced a shortage of raw materials impacting our operations, we cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations.

7. We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may impact our results of operations.

Our operations involve extending credit to our customers in respect of sale of our PSF product and Textile products. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result, we have and may continue to have high levels of outstanding receivables. For the quarter ended June 30, 2022, Fiscal 2022 and Fiscal 2021, our trade receivables for polyester division were ₹ 53.84 crores, ₹ 54.71 crores and ₹ 33.28 crores, respectively. There is no assurance that we will accurately assess the creditworthiness of our customers. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Due to the nature of, and the inherent risks in, the agreements and arrangements with our customers, we are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations.

8. We are subject to strict quality requirements, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our business, financial condition, results of operations and prospects.

We manufacture diverse range of PSF products which are used by textile industries. Our products go through various quality checks at various stages including random sampling check and quality check internally. Our products undergo a qualification process throughout the entire value chain to ensure that quality products are being provided to customers. Our quality control programs at our Manufacturing Facility involve subjecting the manufacturing processes and quality management systems to periodic reviews and observations for various periods, and we also monitor the customer complaints routinely.

If we fail to supply products meeting the specifications agreed with our customers and/or our customers are dissatisfied with the quality of our products in any manner, our reputation could be harmed and our customers may terminate/modify/refuse to renew their purchase orders. This may have an adverse impact on our business, financial condition, results of operations and future prospects.

9. Our business is dependent on the performance of textile industries where our products are utilized. Uncertainty regarding textile industries could adversely affect demand for our products, our costs of doing business and our financial performance.

Our products are primarily used in the textile industries. The textile industry is cyclical in nature and is sensitive to general economic conditions and factors such as consumer demand, consumer confidence, inflation, employment, disposable income levels and demographic trends. A slowdown in the textile industry may result in a reduction in the volume of our business, which could materially and adversely affect our business, financial condition and results of operations. The performance of these sectors, and consequently the demand for our products in these sectors, are dependent on economic and other factors such as government policies, regulations and budgetary allocations as well as investments made in these industries and sectors.

10. ***Our business has high working capital requirements and if we are unable to secure financing for our additional working capital requirements, there may be an adverse effect on our business and results of operations.***

Our business requires significant infusion of working capital. As on September 30, 2022, our total utilization of non-fund based working capital limits were to the extent of ₹ 289.86 crores. Further, we would require additional working capital to fund our future operations and business strategies. The amount and timing of our future funding requirements may vary and will depend largely on our additional working capital requirements and the nature of our capital expenditures.

Further, if we are unable to provide sufficient collateral to secure the working capital facilities obtained by our Company, we may not be able to obtain the additional working capital facilities which may affect our business and growth prospects. The scale of operations of our business will significantly depend on quantum of total working capital available to our Company. Any inability on our part to secure additional working capital facilities from banks/other sources could adversely affect our business and financial operations.

11. ***Any failure to upgrade/refurbish/debottleneck our manufacturing unit(s) could adversely impact our business operations.***

Our Manufacturing Facility was set up in 2007 for the manufacture of our PSF products. It requires investment in upgradation or refurbishment or debottlenecking by purchase and installation of process equipment and utilities, quality control instruments, along with strengthening of environment control systems.

Any failure on our part to make timely and adequate investment on upgradation/refurbishment/ debottlenecking for any future investment required for this purpose, will run the risk of breakdown, disruption in the business operations of our Company, which in turn, could adversely impact our financial operations of our Company.

12. ***Our failure to compete effectively in the highly competitive industry could have an adverse effect on our business, results of operations, financial condition and future prospects.***

The industry in which we operate is highly competitive. We compete with regional companies, as well as large multi-national companies that are larger and have substantially greater resources than we do. We also face competition from new entrants who may have more flexibility in responding to changing business and economic conditions. Competition in our business can be based on, among other things, pricing, innovation, greater access to capital, perceived value, brand recognition, advertising, new product introductions and other activities. It is difficult for us to predict the timing and scale of our competitors' actions in these areas. We expect competition to continue to be intense as our existing competitors expand their operations and introduce new products. Our failure to compete effectively, including any delay in responding to changes in the industry and market, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

Our competitors in certain regions may also have better access or exclusive arrangements to procure raw materials required in our operations and may procure them at lower costs than us, and consequently be able to sell their products at lower prices. As a result, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition.

Some of our competitors may be able to price their products more attractively or may be able to distribute their products more effectively through establishing distribution networks, or may have greater access to capital, superior manufacturing techniques, research and development, marketing and other resources. Our inability to remain sufficiently competitive will adversely and materially affect our business and operating results.

Risk Related to Realty Business

13. ***We may not be aware of legal uncertainties and defects on our land parcels or completed projects or other properties, which may have an adverse impact on our ability to develop and market our projects.***

In relation to our land parcels, we may be unable to identify various legal defects and irregularities to the title of the land or properties. Property records in India have not been fully computerized and are generally maintained and updated manually through physical records of all land-related documents. This process may take a significant amount of time and result in inaccuracies or errors. For example, there could be discrepancies in the land area in revenue records, the area in title deeds or the actual physical area of some of our land. In certain cases, our name may not have been updated in the land records (including revenue records, mutation extracts and 7/12 extracts) as owners or developers of the land.

In addition, we may not be aware of all the risks associated with the land or property or our completed projects. We may not have good and marketable title to some of our land as a result of non-execution, non-registration or inadequate stamping of conveyance deeds and other acquisition documents, or not having obtained requisite approvals from courts or concerned governmental authorities for acquisition of land or property, or may be subject to, or affected by, encumbrances of which we may not be aware. We may not be able to assess or identify disputes, unregistered encumbrances or adverse possession rights over title to real property which we own or may invest in. Further, there may be premium (including lease premium) which may be pending to be paid by us to the governmental authorities with respect to acquisition of certain land or property, and we may also be exposed to risk of litigation on account of acquisition of land or property without requisite approvals, which could affect our title to such land or property. Legal disputes in respect of land title can take several years and considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. If either we or the owner of the land which is the subject of our future development agreements are unable to resolve such disputes with these claimants, we may lose our interest in the land. Further, if we are unable to comply with the terms and conditions of such development agreements in the future, we may be exposed to risk of litigation as well as termination, and we may lose our interest in the land or property.

Further, we may also be subject to claims resulting from defects in our completed projects and from the buyers and tenants of our completed projects. Our failure to settle such claims from our buyers and tenants, may expose us to risk of litigation and could have a material adverse effect on our business, financial condition and results of operations.

14. ***While we have obtained independent title reports or search reports for a large part of the land comprising our land reserves, we do not have and may not obtain title insurance guaranteeing title or land development rights.***

The title to the lands in India is often fragmented and the land may, in many cases, have multiple owners. This also makes the acquisition and development process more complicated and may expose us to legal disputes and adversely affect our land valuations. Typically, we conduct diligence and assessment exercises internally prior to acquiring land, entering into development agreements with landowners and assessing the financial viability of the projects on the basis of the documents made available. We may thereafter engage local counsel to issue title reports. With regard to certain land parcels, it is often difficult for legal counsels to satisfy themselves of certain technical requirements while assessing the title. While, we have obtained independent title reports or search reports for a large part of the land comprising our land reserve, we cannot assure you that such title reports or search reports will not be disputed and we may face litigations in relation to such land in the future which may adversely affect our business operations, financial condition and results of operations.

Our failure to obtain legal opinions and search reports in respect of our land reserves in the future may result in our inability to obtain financing or sell our units constructed on such land reserves in the future in a timely manner, which may adversely affect our business and results of operations.

Further, title guarantee insurance is not available in India at a commercially viable cost to guarantee title or development rights in respect of land. As a result, we may not obtain title guarantee insurance or obtain inadequate coverage for the title guarantee insurance. This, coupled with difficulties in verifying title to land, may increase our exposure to third parties claiming title to the property. Consequently, we may be required to sell the property or lose our title to the property, which could adversely affect our business, results of operations and financial condition.

15. ***Compliance with, and changes in, environmental, health and safety and labour laws and other regulations could adversely affect the development of our projects and our financial condition.***

We are subject to environmental, health and safety regulations in the ordinary course of our business. If we face any environmental concerns during the development of a project or if the government introduces more stringent regulations, we may incur delays in our estimated timelines and may need to incur additional expenses. We are subject to various national and local laws and regulations relating to the protection of the environment that may require a current or previous owner of a property to investigate and clean-up hazardous or toxic substances at a property. Under these laws, owners and operators of property may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, any environmental damage or pollution and the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. Environmental laws including regulations pertaining to coastal regulation zone activities may also impose compliance obligations on owners and operators of real property with respect to the management of hazardous materials and other regulated substances. Failure to comply with these laws can result in penalties or other sanctions.

Environmental reports that we may request a third party to prepare with respect to any of our properties may not reveal (i) all environmental liabilities, (ii) that any prior owner or operator of our properties did not create or comply any material environmental condition not known to us or (iii) that a material environmental condition does not otherwise exist as to any one or more of our properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability. We may be subject to liabilities or penalties relating to environmental matters, which could adversely affect the development of our projects and our financial condition. Additionally, we are required to comply with the Development Control Regulation – 58 introduced in the year 1991 ("**DCR – 58**") which covers the development of mill land. While we have complied with the various obligations as required under the DCR – 58 in the past, we cannot assure you that there may not be any further obligations which we may not have complied with. Further, we cannot assure you that there may not be any change in such regulations, the non-compliance of which may affect our business, financial condition and results of operations.

16. It is difficult to compare our performance between periods, as our revenues and expenses fluctuate significantly from period to period.

We derive income from the sale of residential units and the sale or lease of office and retail spaces we have developed. We recognize revenue as per Ind AS 115 "Revenue from Contracts with Customers". This standard specifies the accounting for an individual contract and establishes a five-step model to account for revenue arising from contracts with customers. We believe that our contracts with customers satisfy the conditions of Ind AS 115 for recognition of revenue under point in time approach, and we recognise revenue at a point in time when control transfers which coincides with receipt of Occupancy Certificate and the property is made available for possession to the customers. Ind AS 115 is applicable since April 1, 2018 and accordingly, our results of operations and cash flows may vary significantly from period to period, year to year and over time.

Therefore, we believe that period-to-period comparisons of our results of operations may not be indicative of our future performance.

17. Changing laws, rules and regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect our business, prospects and results of operations.

In India and more particularly in Mumbai, our business is governed by various laws and regulations including the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, the RERA and the rules made thereunder, including state specific rules, the Maharashtra Tenancy and Agricultural Lands Act, 1948, as amended, the Maharashtra Land Revenue Code, 1966, as amended, and rules made thereunder, the Indian Stamp Act, 1899, as amended, the Maharashtra Regional and Town Planning Act, 1966, as amended, the Maharashtra Stamp Act, 1958, as amended, the Indian Registration Act, 1908, as amended, the Maharashtra Ownership of Flats (Regulation of the Promotion, Construction, Sale, Management and Transfer) Act, 1963, as amended, the Environment (Protection) Act, 1986, the Maharashtra Co-operative Societies Act, 1960, Maharashtra Housing and Area Development Act, 1976 and the Consumer Protection Act, 1986, as amended.

Further, our development activities are governed by laws such as the Development Control Regulations for Mumbai Metropolitan Region and other laws issued and made by various regulatory authorities in the state and centre. Our business and development activities could be adversely affected by any change in such laws, municipal plans or interpretation of existing laws, or promulgation of new laws, rules and regulations as applicable to us.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, prospects and results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect our business, prospects and results of operations.

18. ***Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.***

We experience seasonality in our business. For example, our operations may be adversely affected by difficult working conditions during monsoons that restrict our ability to carry on construction activities and fully utilize our resources. Our revenues are also impacted due to the increase and decrease of sales basis various external factors such as festivals, inauspicious periods, strike in city, etc. Accordingly, our results of operations in one quarter and month may not accurately reflect the trends for the entire financial year and may not be comparable with our results of operations for other quarters.

19. ***We may not be able to identify the most ideal use of our land parcels or enter into development agreements for land development rights at reasonable or favourable terms which may adversely affect our business and results of operations.***

Our Real Estate Division holds two key land parcels in South and Central Mumbai at Wadia International Center, Lower Parel/Worli and at Island City Center, Dadar/Naigaon. Our performance is dependent on our ability to monetize these land parcels for appropriate use such as commercial or residential at an appropriate price and on favourable terms. However, we are yet to enter into any agreement or development agreements for our land parcels. Further, there are other factors that are beyond our control such as the ability of real estate developer to perceive the best use of our land and the inability to obtain the necessary permits and approvals for land development, etc.

The real estate market in the Mumbai may be affected by various factors outside our control, including prevailing socio-economic and market conditions, changes in supply of and demand for real estate developments, changes in applicable governmental regulations and related policies, availability of financing for real estate projects and applicable interest rates, change in demographic trends, employment and income levels, among other factors. The development of real estate projects may involve a significant time period, and the real estate market is relatively illiquid, which may limit our ability to respond promptly to changing market conditions. Such factors may delay our efforts to optimize the value from the land parcels this may cause us to modify, delay or abandon projects, which could adversely affect our business and results of operations.

20. ***Most of our projects are in the preliminary stages of planning and require approvals or permits and we are required to fulfill certain conditions precedent in respect of some of them, which may require us to reschedule our current or planned projects.***

We require statutory and regulatory approvals and permits, and applications need to be made at appropriate stages for us to successfully execute our projects. For example, we are required to obtain requisite development certificate, fire safety clearances and the commencement, completion and occupation certificates from the competent governmental authorities. Any delay or our inability to obtain such statutory and regulatory approvals may require us to reschedule or completely stop our plans on the current or planned projects which will adversely affect all aspects of our business.

Further, if we may not be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to the real estate industry in general or the particular processes with respect to the granting of approvals, we may have to reschedule the implementation schedule of some of our planned projects in the future. This may lead to delay in executing our planned/ proposed projects which will further adversely affect our business, financial condition and results of operations.

21. ***Our business and growth plan could be adversely affected by the incidence and change in the rate of property taxes and stamp duties.***

As a real estate development company focused on the Mumbai, we are subject to the property tax regime in the State of Maharashtra and goods and services tax under the Goods and Services Tax Act, 2017, as amended, (“**GST**”). We are also subject to stamp duty for the agreement entered into in respect of the properties we sell. These taxes could increase in the future, and new forms of property taxes and stamp duties may be introduced which may increase our overall costs. Further, in order to boost the demand in the real-estate sector and to enable the real-estate developers to liquidate their unsold inventory at a lower rate to home buyers, as part of the Finance Act, 2021, safe harbour threshold under Section 43CA of the IT Act has been increased from the existing 10% to 20%, subject to compliance with certain conditions. If the prevailing property taxes and stamp duties increase or change in form, the cost of buying, selling and owning properties may rise and could have an adverse effect on our financial condition and results of operations. Unfavourable changes in or interpretations of existing or withdrawal of any benefits or adverse application of tax laws or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations.

22. ***We rely on specialized contractors and professional project management firms to execute our development projects and any failure on their part to perform their obligations could adversely affect our business, results of operations and cash flows.***

We appoint specialized contractors to construct our development projects and specific specialized sub-contractors for completion of various technical aspects of the building. Further, aspects of project construction with respect to cost, schedule, safety, adherence to safety standards etc. are managed by a professional project management firm. If such a contractor or professional project management firm fails to perform its obligations satisfactorily or within the prescribed time periods with regard to a project, or terminates its arrangement with us or not able to adhere to cost, schedule, safety, adherence to safety standards etc., we may be unable to develop the project within the intended timeframe and at the intended cost or face potential litigation or pay fines or other penalties for non-compliance. If this occurs, we may be required to incur additional cost or time to develop the property to appropriate quality standards in a manner consistent with our development objective, which could result in reduced profits or, in some cases, significant penalties and losses, which we may not be able to recover from the relevant independent contractor. In addition, we may be subject to claims in the future in relation to defaults and late payments to our contractors, which may adversely affect our business, results of operations, and cash flows. We cannot assure you that the services rendered by any of our independent contractors will always be satisfactory or match our requirements for quality. Further, we may be subject to litigation challenging the quality of our projects, which may adversely affect our business and reputation. In addition, we may be subject to claims in the future in relation to defaults and late payments to our contractors, which may adversely affect our business, results of operations, and cash flows.

23. ***Our realty business is subject to the RERA and any non-compliance of the provisions of RERA or the applicable state specific legislations may have an adverse effect on our business, results of operations and financial condition.***

The Central Government had notified the RERA in the official gazette on March 26, 2016. The RERA was introduced to regulate the real estate industry and to ensure, amongst others, imposition of certain responsibilities on real estate developers and accountability towards customers and protection of their interest. The RERA has imposed certain obligations on real estate developers, including us, such as mandatory registration of real estate projects, not issuing any advertisements or accepting advances unless real estate projects are registered under RERA, maintenance of a separate escrow account for amounts realized from each real estate project and restrictions on withdrawal of amounts from such escrow accounts and taking customer approval for major changes in sanction plan. Any non-compliance of the provisions of RERA or the applicable state specific legislations may result in punishments (including penalties and/or imprisonment), revocation of registration of the ongoing projects, if any which may have an adverse effect on our business, results of operations and financial condition.

The RERA also requires real estate developers to disclose certain information on their proposed projects on the web portal of the relevant authorities, incorporate certain details in the letters of allotment issued to their customers, specify the responsibilities of customers until conveyance of residential units, adhere to sanctioned plans and project specifications, obtain prior consent from allottees in the event of any deviations from the sanctioned plans, obtain insurance for, among other things, title and construction of the real estate project, and return amounts collected from allottees (with interest) if they are unable to grant possession of a residential unit in accordance with the terms of the underlying agreement for sale or due to discontinuation of their business as developers. In order to ensure compliance with the requirements of the RERA, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. Further, we may face challenges in interpreting and complying with the provisions of the RERA due to limited jurisprudence on them. Any non-compliance of the provisions of RERA or such state-specific legislations may result in litigation or fines or penalties and revocation of registration of our Forthcoming Projects, which may have an adverse effect on our business, operations and financial condition.

24. If we are not able to sell our project inventories in a timely manner or at all, it may adversely affect our business, results of operations and financial condition.

We have certain unsold residential project inventory in our completed constructed projects. If we are unable to sell such inventory at acceptable prices and in a timely manner or at all, our business, results of operations and financial condition could be adversely affected.

25. Our business is dependent on the availability/supply and cost of raw materials. Any significant increase in the prices including the taxes and levies or decrease in the availability of any of the raw materials may adversely affect our results of operations.

Our major raw materials include cement, bricks, water, wood, iron rods, steel, aluminium and plotting equipment's besides from the other materials. The timely availability, cost and quality of the raw materials being supplied to us plays an important role in the construction of the projects. In case any of our or our contractor's regular suppliers curtail or discontinue supply of key raw materials at competitive prices or at all, our business and results of operations could be adversely affected. The prices and supply of such plotting and/ or building materials depend on factors not under our control, including cost of the raw materials, increased demand or reduced supply, general economic conditions, competition, production costs and levels, transportation costs, indirect taxes, etc. Our ability to develop the projects profitably is dependent upon our ability and the ability of our contractors to source adequate and timely building supplies within our estimated budget. Any disruption in either of the factors mentioned above are not under our control, including general economic conditions, competition, production levels, transportation costs and government taxes and levies. Real estate business is also dependant on supply of various products, in case of any force majeure change in laws and impact that supply timeline and can in turn impact the final delivery timeline. If, for any reason, our regular/primary suppliers of materials refuse or delay or discontinue the delivery of the raw materials to us in the quantities we need and at prices that are competitive, our ability to meet our raw material requirements for real estate projects shall come to a temporary standstill and our project schedules could be disrupted. Further, we may also not be able to pass on any increase in the prices of these raw materials to our customers which could affect our results of operations and impact our financial condition.

During periods of shortages in materials, especially cement and steel, we may not be able to complete projects according to our project schedules, at our estimated cost, or at all, which could adversely affect our results of operations and financial condition. In addition, during periods where the prices of materials or labour significantly increase, we may not be able to pass these price increases on to our customers, which could reduce or eliminate the profits we intend to attain from our projects our cause us to incur losses. Prices of certain materials, such as cement and steel, in particular, are susceptible to rapid increases. In addition, our contractors may also revise the agreed contract price in the event the price of certain raw materials increases above an agreed threshold. These factors could adversely affect our business, results of operations and cash flows. Additionally, our supply chain for these building supplies may be periodically interrupted by circumstances beyond our control, including shortages of skilled labour, work stoppages, transport strikes and labour disputes affecting our suppliers, their distributors, or the transporters of our supplies, including poor quality roads and other transportation related infrastructure problems, inclement weather, and road accidents. If any of these risks occur, our financial condition and results of operations could be adversely affected. We also require adequate supply of labour for the timely execution of our projects. Our supply of labour may be adversely affected by, among other things, work stoppages and labour disputes. Such events may also increase the cost of labour that we can source for our projects. The occurrence of any of these events could adversely affect our business, financial condition and results of operations.

26. Our business is capital intensive and requires significant expenditure for real estate project development and is therefore dependent on the availability of real estate financing, which may not be available on terms acceptable to us in a timely manner or at all.

Development of real estate projects involves significant expenses. The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our projects, change in business plans due to prevailing economic conditions and unanticipated expenses. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment. If we are unable to sell our inventory of units, or there are cancellation of pre-sales or regulatory changes restricting the use of revenue generated from presales, our working capital requirements are likely to increase significantly and may thereby adversely impact our operations and our ability to service our borrowings, increase or refinance our borrowings. All these factors may result in increases in the amount of our receivables and short-term borrowings. Our ability to make payments on our future indebtedness will depend on our future performance and our ability to generate cash, which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, many of which are beyond our control. If our future cash flows from operations and other capital resources are insufficient to pay our future debt obligations, our contractual obligations, or to fund our other liquidity needs, we may be forced to sell our assets or attempt to restructure or refinance our existing indebtedness.

27. ***Certain information contained in this Draft Letter of Offer is based on assumptions and current management plans and estimates which may change, and we cannot assure you of the completeness or the accuracy of other statistical and financial data contained in this Draft Letter of Offer.***

Certain information contained in this Draft Letter of Offer, such as completed projects and future projects, such as the amount of land or development rights owned by us, the location and type of development, the Saleable Area, the Developable Area, our funding requirements, are based on certain available documents, existing regulatory environment, assumptions, management estimates and our business plan, and have not been verified by any bank or financial institution.

The total area of property that is ultimately developed and the actual total Saleable Area may differ from the descriptions of the property presented herein. In certain instances, there may be a discrepancy between the areas mentioned in the revenue records, the area mentioned in the title deeds or the actual physical area of some of our land reserves, thereby affecting the management estimates in terms of our land reserves. Although, we have calculated the saleable area and developable area based on certain assumptions including the approvals that we have obtained, we cannot assure you of the completeness or the accuracy of other statistical and financial data contained in this Draft Letter of Offer.

28. ***The Government of India or state governments may exercise rights of compulsory purchase over our land, which could adversely affect our business.***

The right to own property in India is subject to restrictions that may be imposed by the Government. In particular, the Government, under the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 ("**Land Acquisition Act**") has right to compulsorily acquire any land if such acquisition is for a public purpose, after providing compensation to the owner. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. The likelihood of such acquisitions may increase as central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships.

Additionally, we may face difficulties in interpreting and complying with the provisions of the Land Acquisition Act due to limited jurisprudence on them or if our interpretation differs from or contradicts any judicial pronouncements or clarifications issued by the government. In the future, we may face regulatory actions or we may be required to undertake remedial steps. Any such action in respect of any of the projects in the future may adversely affect our business, financial condition or results of operations.

29. ***Our sales revenue is dependent on factors affecting prospective consumer`s purchasing power that are out of our control.***

Our sales revenue is dependent on the financial ability and financial availability of our prospective customers to invest or purchase properties. Besides this, consumers also have the option of borrowing funds either from the banks or in the form of home loans from lenders at the current interest rates. While, the favourable interest rates on financing from banks and housing finance companies, particularly for residential real estate, combined with the tax treatment of loans, has helped the consumers in investing or purchasing properties, any changes in the interest rates, tax treatment with respect to the repayment of principal on housing loans and interest paid on housing loans may further affect demand for residential real estate.

30. ***Restrictions on foreign investment and financing in the real estate and development sector may hamper our ability to raise additional capital.***

While the Government has permitted FDI of up to 100% without prior regulatory approval in the development of townships and in the construction of residential or commercial premises, industrial parks, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, and townships, subject to compliance with prescribed conditions, it has issued a notification and imposed certain restrictions or conditionality on such investments pursuant to Press Notes, circulars and regulations (including FEMA Non-debt Instruments Rules) issued by the DPIIT or the RBI or the Ministry of Finance, Government of India, from time to time, as the case may be (collectively, the "**FEMA Norms**").

Further, under current external commercial borrowing guidelines prescribed by the RBI, companies are required to abide by restrictions including minimum maturity, permitted and non-permitted end-uses, maximum all-in-cost ceiling. Our inability to raise additional capital as a result of these and other restrictions could adversely affect our business and prospects.

31. The real estate industry in India is intensely competitive and our inability to compete effectively may adversely affect our business, financial condition and results of operations.

We operate in an intensely competitive and highly fragmented industry with low entry barriers. We face significant competition in our business from a large number of Indian real estate development companies who also operate in the same regional markets as us. The extent of the competition we face in a potential property market depends on a number of factors, such as the size and type of property development, contract value and potential margins, the complexity and location of the property development, facilities and supporting infrastructure services, the reputation of our competitors, and the risks relating to revenue generation. Given the fragmented nature of the real estate industry, we often do not have adequate information about the property developments our competitors are developing and accordingly, we run the risk of underestimating supply in the market.

Some of our competitors are larger than us and have greater land reserves or financial resources or a more experienced management team. They may also benefit from greater economies of scale and operating efficiencies and may have greater experience in regional markets, especially in relation to local laws and regulations. Competitors may, whether through consolidation or growth, present more credible integrated or lower cost solutions than we do, causing us to win fewer tenders. We cannot assure you that we can continue to compete effectively with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations. Further, intensified competition between property developers may result in increased land prices, oversupply of properties, lower real estate prices, and lower sales at our properties, all of which may adversely affect our business. Further, our real estate development business may be subject to increased competition from other real estate development companies. We cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that increased competition will not have an adverse effect on our profitability

Risk Related to Textile Business

32. Our business prospects depend on the strength of our brand, and any failure to maintain or grow sales of our products could adversely affect our business.

We design, source, market and sell a wide portfolio of textile products such as apparel fabrics, bed linens, towels, top of bed and coordinates, etc. under our flagship brand, "*Bombay Dyeing*". The product range includes suitings and shirtings, school and corporate uniform fabrics, printed lungi, sarees, dress material fabrics, etc. Our brand names, images and recognition are key factors in customers' decision-making of purchasing our products, and thus are critical to maintaining and expanding our customer base. We have leveraged the strength and image of our brands to carry out our operations. We intend to continue to enhance the brand recall of our textile products through marketing initiatives such as digital and social media marketing. Many factors, some of which are beyond our control, are important in maintaining and enhancing our brand recall, including maintaining or improving customer satisfaction and the popularity of our products and increasing brand awareness through brand building initiatives, especially with respect to our emerging brands, the new products we launch or in geographic markets where we intend to expand our operations. We anticipate that, as our business continues to expand through entering new markets and launching new designs, and as the market becomes increasingly competitive, maintaining and enhancing our brands may continue to take significant effort and be a significant cost for us. Our brands may also be adversely affected if our public image or reputation is tarnished by negative publicity. Further, the availability of spurious, look-alike and counterfeit products could lead to loss of revenues and harm the reputation of our product and consequently our Company. We are exposed to the risk that competing entities could pass off their products as ours, including spurious or pirated products. For example, certain entities could imitate our brand name, or packaging material. There could also be attempts to show our products in a bad light. These may lead to the reduction of our market share, due to a decrease in demand for our products, due to which we may not be able to recover our initial development costs or experience losses in revenues. It might also harm the reputation of our brands and consequently our Company. In addition, ineffective marketing, product diversion, without our knowledge, to unauthorized distribution channels, product defects, counterfeit products, unfair labour practices, failure to protect the intellectual property rights in our brand.

33. We rely on outsourcing of the manufacturing of our products to third-parties, without exclusivity arrangements. Any inability to obtain sufficient quantities of textile products, apparel and accessories of the requisite quality in a timely manner or at acceptable prices, or a slowdown, shutdown or disruption in such third parties' operations and performance, could adversely affect our business, cash flows, results of operations and financial condition.

For our products, we engage third-party manufacturers to manufacture such products on our behalf. These manufacturers perform the different stages of the manufacturing process, including dyeing, printing, cutting, embroidery, stitching and finishing, with the final products sold under our brand. We rely on third party manufacturers and vendors to provide us with an uninterrupted supply of our products. However, we cannot assure you that they will do so in a timely manner, or if at all. While we have long-term relationships with certain third party manufacturers, they may decide not to accept our future orders on the same or similar terms, or at all. We have subsisting service contracts with some of our major third party manufacturers (on the basis of total contract charges), which are terminable by us on various grounds specified in such contracts. We may face the risk of our competitors offering our third party manufacturers better terms, which may cause them to cater to our competitors alongside, or even instead of us. They may discontinue their work on short notice and our production process may be stalled or hindered. Conversely, due to increased customer demand for our products, we may need to obtain more products from more third party manufacturers, and any inability to do so may render us unable to execute our growth strategy.

Further, we provide the designs of our products to third party manufacturers and vendors. As we do not have direct operational control over third party manufacturers, if any of them are involved in unauthorized production using our designs or our brands, or other misappropriation of trade secrets, our reputation, business and result of operations may be adversely affected.

34. Our inability to promptly identify and respond to changing customer preferences or evolving trends may decrease the demand for our merchandise among our customers, which may adversely affect our business.

We offer a wide variety of products such as apparel fabrics, bed linens, towels, top of bed and coordinates, suitings and shirtings, school and corporate uniform fabrics, printed lungi, sarees, dress material fabrics, etc to our customers. Our success depends upon our ability to forecast, anticipate and respond to the changing customer preferences and trends in a timely manner. Though we do not manufacture our products sold and procure the same through vendors and third party manufacturers, any failure by us to understand prevailing trends or to forecast changes could result in merchandise obsolescence, thereby loss of our brand image amongst our customers, which could have a material adverse effect on our business and results of operations.

35. We rely on third parties for substantially all of our sales and distribution operations, and if such third parties fail to assist us in a consistent, timely and efficient manner, our business, results of operations and financial condition may be adversely affected.

Our sales and distribution operations depend substantially upon our network of third parties. We cannot assure you that such third parties will be able to establish or maintain adequate sales capabilities, or will be successful in ensuring sale of our products. Further, we do not enter into any exclusive agreements with such third parties. If we are unable to establish or maintain our relationship with such third parties, our business, results of operations and financial condition may be materially and adversely affected.

Risk associated to our overall operations

36. We face risks associated with the interrogation by SEBI and any adverse outcome in the such proceedings would have an adverse effect on our brand and reputation.

SEBI issued a show cause notice ("**SCN**") bearing no. SEBI/HO/CFID/CFID1/OW/P/2021/12045/1 to 12045/10 dated June 11, 2021 to our Company, Nusli Neville Wadia, Ness Nusli Wadia, Jehangir Nusli Wadia, Durgesh Mehta, (all in capacity of Directors, ex. Managing Director and ex. Jt. managing director of our Company) (collectively "**Noticees**") and SCAL Services Limited ("**SCAL**"), D.S. Gagrat, N H Datanwala, Shailesh Karnik and R. Chandrasekharan, (all in the capacity of the directors and ex. directors of SCAL) with regards to Sections 11(1), 11(2)(e), 11(4), 11(4A) and 11B of the SEBI Act, 1992 including debarring from buying, selling, or otherwise dealing in securities, for an appropriate period should not be issued for the alleged provision of the SEBI Act, Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market Regulations, 2003 and SEBI Listing Regulations. Our Company and Noticees have submitted their interim and detailed response to the show case notices and denied the allegations made in the SCN. Imposition of any penalty or adverse findings by SEBI during ongoing or any future inspections in the above-mentioned matter may therefore have an adverse effect on our business, reputation and listing.

37. Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our Manufacturing Facility and distribution centres or in the regions/areas where our distribution centres are located. Although we maintain insurance coverage in relation to fire and other natural and accidental risks at our facilities, money and fidelity insurance and stock insurance, there are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. For details in relation to insurance, see "*Our Business – Insurance*" on page 102.

Further, while there has been no past instance of inadequate insurance coverage for any loss, there can however be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. A successful enforcement of one or more claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, financial condition, cash flows and results of operations.

38. Our intellectual property right may be infringed upon or we may infringe the intellectual property rights of third parties.

Our Company logo is a registered Trademark. As of August 31, 2022, we have 564 registered trademarks, for the various names and logos under various classes registered with the registrar of trademarks. We market our realty projects under our key brand names "*Bombay Dyeing*", "*Home and You*", "*Wadia International Center*", "*Island City Center*", "*Bombay Realty*" etc. Any failure to renew registration of our registered trademarks may affect our right to use them in future. If we are unable to renew our trademarks for various reasons or if any of our unregistered trademarks are registered in favour of or used by a third party, we may not be able to claim registered ownership of such trademarks and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill. Further, our efforts to protect our intellectual property may not be adequate and any third party claim on any of our unprotected brands may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered trademarks. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks.

39. Compliance with, and changes to, safety, health and environmental laws and various labour, workplace and related laws and regulations impose additional costs and may increase our compliance costs and may adversely affect our results of operations and our financial condition.

We are subject to laws and government regulations, including in relation to safety, health and environmental protection. These safety, health and environmental protection laws and regulations impose controls on air and water release or discharge, storage handling, the management, use, generation, treatment, processing, handling, storage, transport in relation to our manufacturing operations. Environmental laws and regulations in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our Manufacturing Facility and operations.

In particular, the environmental approvals obtained for our Manufacturing Facility prescribe certain conditions, including limits on a facility's aggregate production output, the output of specific products and effluent discharge amounts. Any failure to comply with such conditions could result in revocation of the licenses and lead to shut down of our facility. Environmental laws may also impose compliance obligations on owners and operators of real property with respect to the management of hazardous materials and other regulated substances. Failure to comply with these laws can result in penalties or other sanctions. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability. Any of the foregoing could subject us to litigation, which could lower our profits in the event we were found liable and could also adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing plants, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to end customers.

40. ***We are subject to stringent labour laws or other industry standards and any strike, labour unrest, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and cash flows.***

Our business and operations are labour intensive, require our management to undertake significant labour interface, and expose us to the risk of industrial action. As on August 31, 2022, we have 459 permanent employees. We are also subject to a number of stringent labour laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. There can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force such as strikes, labour unrests, work stoppages or increased wage demands, which may adversely affect our business.

Further, the minimum wage laws in India may be amended leading to upward revisions in the minimum wages payable in one or more states in which we currently operate or are planning to expand to. We may need to increase compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. We cannot assure you that as we continue to grow our business in the future, our employee costs coupled with operating expenses will not significantly increase. If labour laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, financial condition, results of operations and cash flows. While we have not had instance of strikes, lockouts or labour disputes in the past, we cannot assure you that we shall not experience any strikes or lockouts on account of labour disputes in the future. Such events could disrupt our operations and may have a material adverse effect on our business, financial condition and results of operations.

41. ***We hire contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, such obligations could have an adverse effect on our results of operations and financial condition.***

In order to maintain operational efficiencies, we appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, in the event that the contractor fails to pay wages to its employees or comply with certain statutory or regulatory requirements, we as the principal employer of such contract labour may be held responsible for any such wage payments to be made to such labourers or compliance with such statutory or regulatory requirements in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees in specified situations. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

42. *We require certain statutory and regulatory approvals and licenses in the ordinary course of our business. If we are unable to obtain renew or maintain any of such statutory or regulatory permits or approvals, it may have a material adverse effect on our business.*

We require certain statutory and regulatory approvals, licenses, registrations and permissions to operate our business. We will be in the process of making applications to certain statutory/regulatory authorities for the approvals that will be required to initiate our projects. We will be required to obtain requisite environmental consents, fire safety clearances, commencement, completion and occupation certificates etc. from the relevant government authorities. The development plans and use of the projects may be subject to further changes, depending on various factors such as prevailing economic conditions, preferences of our customers and laws and regulations applicable to us from time to time.

While we have complied considerably with such laws and regulations, as are applicable to our existing projects, any statutory/regulatory authorities may allege non-compliance and we cannot assure you that we will not be subjected to any such regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings. While we will be able to obtain or renew the necessary permits and approvals as and when required; there can be no assurance that the relevant authorities will issue/renew any or all requisite permits or approvals in the time-frame anticipated by us, or at all. Failure by us to obtain, renew or maintain the required permits or approvals may result in the interruption of our operations or delay or prevent the development of our existing/future projects and may have a material adverse effect on our business, financial condition and results of operations.

Further, our PSF business is subject to government regulations and we require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. If we are unable to make applications and renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner or at all, we may be required to shut down or relocate our offices and face other consequences due to which our business operations may be adversely affected.

43. *Our success depends largely on our senior management and our ability to attract and retain our key personnel.*

Our success is dependent on our management team whose loss could seriously impair the ability to continue to manage and expand business efficiently. Our success largely depends on the continued services and performance of our management, Key Managerial Personnel and other senior management. The loss of service of the Key Managerial Personnel and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to expand our business.

44. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with our equity shareholders.*

We have in the past entered into transactions with enterprises over which our Directors and KMPs have a significant influence. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future. Although in terms of the Companies Act and the SEBI Listing Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board of Directors and Shareholders for certain related party transactions, there can be no assurance that such transactions, individually or in the aggregate, will receive the necessary approvals in future. Accordingly, any future transactions with our related parties could potentially involve conflicts of interest, which may be detrimental to our Company. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, financial condition and cash flows. For further details of our related party transactions, see "*Financial Statements*" on page 109.

45. ***We have commissioned a report from CRISIL which have been used for industry related data in this Draft Letter of Offer and such data has not been independently verified by us.***

We have engaged CRISIL to produce a report on the PSF and Real Estate Industry. We commissioned CRISIL report as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's business and operations, that may be similar to the CRISIL report that we commissioned. CRISIL has provided us with a report titled "Assessment of Polyester Staple Fibre and Real Estate Industry" dated September 2022 ("**Industry Report**"), which has been used for industry related data that has been disclosed in this Draft Letter of Offer. This report uses certain methodologies for market sizing and forecasting. Neither we nor the Lead Manager have independently verified such data. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context. Investors should not place undue reliance on, or base their investment decision solely on this information.

46. ***Our Company has incurred losses in the recent past. Any losses in the future may have a significant adverse impact on our financial condition and may lead to further erosion of our net worth.***

Our Company has incurred losses of ₹ 76.82 crores, ₹ 460.32 crores and ₹ 469.13 crores for the quarter ended June 30, 2022 and in Fiscal 2022 and 2021, respectively. These losses were primarily due to higher finance cost of ₹ 120.79 crores, ₹ 524.00 crores and ₹ 588.39 crores for the quarter ended June 30, 2022, Fiscal 2022 and Fiscal 2021, respectively as well as the lower operating margins in our PSF division on account of underutilisation of capacity during COVID-19. Our Company may incur losses in the future for a number of reasons and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown events. If our Company incur losses in the future or unable to generate sufficient revenue to meet our financial targets or unable to have sustainable positive cash flows, investors could incur a loss and the market price of our Equity Shares could suffer.

47. ***Our Company is involved in certain legal proceedings, which, if determined adversely, may affect our reputation, business and financial condition.***

We are currently, and may in the future be, involved in lawsuits including lawsuits involving compensation for loss due to various reasons including tax matters, civil disputes, criminal matters and statutory notices and regulatory matters.

Our Company is currently involved in certain legal proceedings. These proceedings are pending at different levels of adjudication. The summary of outstanding litigations by and against our Company have been set out below:

Nature of Cases	**Number of cases**	**Aggregate amount involved* (₹ in Crores)**
Litigations involving our Company		
A. Proceedings involving moral turpitude or criminal liability on our Company		
- Filed by our Company	10	6.45
- Filed against our Company	3	34.77
B. Proceedings involving material violations of statutory regulation by our Company	2	0.04
C. Tax Matters		
- Direct Tax	24	1024.55
- Indirect Tax	18	29.95
D. Matters involving economic offences where proceedings have been initiated against our Company	-	-
E. Other proceedings involving our Company which involve an amount exceeding Materiality Threshold and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company		
- Filed by our Company	-	-
- Filed against our Company	18	140.31

** To the extent quantifiable.*

The amounts claimed in these proceedings have been disclosed to the extent ascertainable/ quantifiable and include amounts claimed jointly and severally. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. We may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. If any new developments arise, such as changes in Indian law or any rulings against us, we may need to make provisions in our financial statements that could increase our expenses and liabilities. For further details, see "*Outstanding Litigations and Defaults*" on page 225.

48. Our funding requirements and the proposed deployment of Net Proceeds are based on management estimates and have been not appraised by any independent agency and may be subject to change based on various factors, some of which are beyond our control.

We intend to use the Net Proceeds for the purposes described in "*Objects of the Issue*" beginning on page 53. Our funding requirements are based on internal management estimates and our current business plans and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control. We may have to revise funding requirements due to reasons which may not be within the control of our management.

Furthermore, we may need to vary the objects of the Issue due to several factors or circumstances including competitive and dynamic market conditions which may be beyond our control. Pursuant to Section 27 of the Companies Act, 2013, any variation in the objects of the Issue would require a special resolution of our shareholders, and our Promoter will be required to provide an exit opportunity to our shareholders who do not agree to such variation. If our shareholders exercise such an exit option, our share price may be adversely affected.

49. Our Company proposes to utilize a major portion of the Net Proceeds to repay certain outstanding borrowings and the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.

Our Company intends to use a major portion of the Net Proceeds for the purposes of repayment of certain outstanding borrowings. Further, such utilisation of the Net Proceeds will not result in creation of any tangible assets. The details of the borrowings identified to be repaid using the Net Proceeds have been disclosed in "*Objects of the Issue*" on page 53. However, the repayment of the identified borrowings is subject to terms and conditions mentioned in such facility agreements and/ or receipt of consent from such lenders. Any such conditions attached to the consents restricting our ability to pay the borrowings in a timely manner would have a material adverse effect our business, results of operation, financial condition and prospects.

50. We are exposed to foreign currency exchange rate fluctuations, which may impact our results of operations and cause our financials performances to fluctuate.

Our Financial Statements are presented in Indian Rupees. However, our sales from exports and a portion of our raw materials expenditures are in foreign currencies, mostly the U.S. dollars. The exchange rate between the Indian Rupee and foreign currencies, has fluctuated in the past and this has impacted our results of operations in the past and may also impact our business in the future. For Fiscal 2022 and Fiscal 2021, our revenue from export of PSF products was ₹ 657.49 crores and ₹ 244.34 crores, respectively. Further, during the Fiscal 2022 and Fiscal 2021, our Company had imported the raw material of ₹ 670.65 crores and ₹ 222.65 crores, respectively. Therefore, we have exposure to foreign currency risks in respect of our export sales and raw materials imports. An appreciation of the Rupee decreases the Rupee amount of revenue from sales made in foreign currency. A depreciation of the Rupee would result in an increase in the prices of our imported raw materials. There can be no guarantee that such fluctuations will not affect our financial performance in the future. Our 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. While we seek to hedge our foreign currency exchange risk by entering into foreign exchange forward contracts or matching our revenue and expenses currency as much as possible, any action that we may take and any amounts that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses.

51. ***Our contingent liabilities could materially and adversely affect our business, results of operations and financial condition.***

As on March 31, 2022, we have certain contingent liabilities, which were not provided for in our Financial Statements. For details, see "*Financial Statements*" on page 109. Most of the liabilities have been incurred in the normal course of business. If these contingent liabilities were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our business, financial condition and results of operations.

52. ***Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our Company has not declared dividends in Fiscal 2022. Our ability to pay dividends in the future will depend on a number of factors identified in the dividend policy of our Company, liquidity position, profits, capital requirements, financial commitments and financial requirements including business expansion plans, cost of borrowings, other corporate actions, permissions pertaining to the restrictive covenants included in our financing agreements and other relevant or material factors considered relevant by our Board, and external factors, such as the state of the economy and capital markets, applicable taxes including dividend distribution tax, regulatory changes and other relevant or material factors considered relevant by our Board. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders. We cannot assure you that we will be able to pay dividends in the future.

53. ***Our lenders have charge over our movable and immovable properties in respect of finance availed by us. Our inability to meet our obligations under our debt financing arrangements could adversely affect our business, results of operations and cash flows.***

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. As on September 30, 2022, our total outstanding secured indebtedness (including non-fund based working capital facility) amounted to ₹ 2,738.30 crores. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our lenders may exercise their right over these properties, which in turn could have significant adverse effect on business, financial condition or results of operations. Any failure on our part to comply with the terms in our loan agreements would generally result in events of default under these loan agreements. In such a case, the lenders under each of these respective loan agreements may, at their discretion, accelerate payment and declare the entire outstanding amounts under these loans due and payable, and in certain instances, enforce their security which has been constituted over our various assets and take possession of those assets, which could adversely affect our liquidity and materially and adversely affect our business and operations.

54. ***Certain properties occupied by us are not owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, financial condition and results of operations may be adversely affected.***

We have entered into lease agreements with third parties for certain of our premises including our Manufacturing Facility at Patalganga and certain other properties. We may also enter into such transactions with new third parties in the future.

For our Manufacturing Facility at Patalganga we have entered into lease deed for 95 years. Further, for our registered office located at Neville house, Ballard Estate, we had entered into a lease agreement between the Mumbai Port Trust which has expired in 2019 and we have applied for renewal. We cannot assure you that we will not face any issues and be able to renew the lease arrangements at commercially favourable terms, or at all, in the future. If we are unable to renew all or any of our leasing arrangements, it may cause disruptions in our business and we may incur substantial costs associated with shifting of our offices, all of which may adversely affect our operations and financial condition. In addition, any regulatory non-compliance by the landlords or adverse development relating to the landlords' title or ownership rights to such properties may entail significant disruptions to our operations, especially if we are forced to vacate leased spaces following any such developments, and expose us to reputational risks.

55. *Our Company has unsecured loans amounting to ₹ 1,592 crores. Any demand from lenders for repayment of such unsecured loans may adversely affect our cash flows.*

As of September 30, 2022, our Company has unsecured loans amounting to ₹ 1,592 crores and may continue to avail unsecured loans, which may be recalled at any time, with or without the existence of an event of default, on short or no notice. Such recalls on borrowed amounts may be contingent upon happening of an event beyond our control and there can be no assurance that we will be able to persuade our lender to give us extensions or to refrain from exercising such recalls, which may adversely affect our results of operations and cash flows.

56. *The impact of the COVID-19 pandemic on our business and operations is uncertain and cannot be predicted.*

The COVID-19 pandemic has had, and may continue to have, a material adverse impact on our business and results of operations. In March 2020, the World Health Organization designated COVID-19 as a pandemic, and numerous countries, including India and the United States (the countries where our Company has its manufacturing facilities), declared national emergencies in response to the COVID-19 pandemic. The global impact of the COVID-19 pandemic continues, with many countries, including the countries where we have our business operations, instituting quarantines and restrictions on travel, operations with reduced workforce, closing financial markets and/or restricting trading, and limiting the operations of non-essential businesses.

In response to the COVID-19 pandemic, the Government of India ("**GoI**") imposed a nationwide 21 day lockdown on March 24, 2020 from March 25, 2020 until April 14, 2020, which was subsequently extended until May 31, 2020. Further, from March 2021, there has been a substantial increase in the number of COVID-19 cases in India, which led to additional lockdowns and movement restrictions in different places in India. Further, as a result of the detection of new strains, evolving variants such as the 'Omicron variant' and subsequent waves of COVID-19 infections throughout the world, we may be subject to further lockdowns or other restrictions in the subsequent years, which may adversely affect our business operations.

Our operations had slowed down during 2020 and 2021. We have almost resumed to full normalcy with requisite precautions in 2022. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

57. *Any failure in our information technology systems could adversely affect our business.*

We use information and communication technologies for the execution and management of our projects. Any delay in implementation or disruption of the functioning of our information technology systems could affect our ability to assess the progress of our projects, process financial information, manage creditors or debtors or engage in normal business activities including online sales. Any such disruption could have an adverse effect on our business.

58. *We have a substantial amount of debt, which could affect our ability to obtain future financing or pursue our growth strategy.*

As of September 30, 2022, we had total indebtedness (including non-fund based working capital facility) aggregating to ₹ 4,330.30 crores on a consolidated basis, of which ₹ 2,738.30 crores was secured indebtedness and ₹ 1,592 crores was unsecured indebtedness. Our indebtedness could have major consequences and significant adverse effects on our business, including the following:

- our ability to satisfy our obligations under our financing agreements may be limited;
- our vulnerability to adverse general economic and industry conditions may be increased;
- we must use a substantial portion of our cash flow from operations to pay interest on our indebtedness, which will reduce the funds available to us for operations and other purposes;
- our ability to obtain additional financing for working capital, capital expenditure or general corporate purposes may be impaired;
- our indebtedness could limit, along with the financial and other restrictive covenants of our indebtedness, our ability to borrow additional funds and increase the cost of additional financing;

We may not be successful in obtaining additional funds in a timely manner, on favourable terms or at all. If we do not have access to funds required, we may be required to delay our planned projects or to reduce planned expenditure and the scale of our operations. Additionally, we may not be successful in maintaining or increasing the same growth rate while reducing our debt levels, and if we are unsuccessful in doing so, our business, results of operations and financial condition could be adversely affected.

59. Our financing agreements contain certain restrictive covenants which may affect our financial and operational flexibility. In the event of breach of any covenants in our financing agreements, our lenders may take any action in connection with such breaches which may have a material adverse effect on our business, results of operation, financial condition and prospects.

Our Company has entered into several borrowing facilities of varying terms and tenures from our lenders. Some of the financing arrangements entered into by us include conditions and covenants that require our Company to obtain consent from such lenders' prior to carrying out certain activities and entering into certain transactions including certain actions and matters in relation to the Issue. Some of these covenants include, altering our capital structure, changing our current ownership / control, formulating a scheme of amalgamation, material change in composition of management, undertaking guarantee obligations, declaration of dividend, and amending constitutional documents, for which we have to obtain consent from lenders. While we had applied to all the relevant lenders for consent to undertake the Issue, consent from these lenders is still awaited. Undertaking the Issue without such consents constitutes a breach of covenant under the relevant financing documents, which may lead to our lender requiring us to repay any outstanding loans and may trigger cross-default in our other borrowing arrangements. There can be no assurance that we will obtain relevant consents, on time or at all, and this may restrict/ delay some of the actions / initiatives necessary to operate and grow our business and also impact us financially.

60. We will continue to be controlled by our Promoters and members of the Promoter Group after the completion of the Issue

As on the date of this Draft Letter of Offer, our Promoters and members of the Promoter Group hold 53.66% of the issued, subscribed and paid-up equity share capital of our Company. After this Issue, our Promoters and members of the Promoter Group will continue to exercise significant control or exert significant influence over us which will allow them to vote together in capacity as shareholders of the Company on certain matters in general meetings of the Company. Accordingly, the interests of our Promoters and certain members of the Promoter Group in capacity as shareholders of the Company may conflict with your interests and the interests of other shareholders of the Company.

External Risk Factors

61. Economic, political or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and its securities markets are influenced by political conditions, economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising Financial Year or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of the Equity Shares.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatile inflation rates in India in recent years, which could cause a rise in the costs of rent, wages and raw materials; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, Financial Year or monetary policies; occurrence of natural or man-made disasters; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India.

Our performance and the growth of our business are dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect the policy of the Indian government towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. Any of the abovementioned factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of the Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of the Equity Shares.

62. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. There can be no assurance that the Indian government may not implement new regulations and policies which will require us to obtain approvals and licences from the Indian government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

63. Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.

India's sovereign rating could be downgraded due to various factors, including changes in tax or Financial Year policy or a decline in India's foreign exchange reserves, which are outside of our control. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Indian economy and consequently our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

64. Terrorist attacks, civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy, the health of which our business depends on.

India has from time to time experienced social and civil unrest and terrorist attacks. These events could lead to political or economic instability in India. Events of this nature in the future could have a material adverse effect on our ability to develop our business. As a result, our business, results of operations and financial condition may be adversely affected. India has also experienced social unrest, Naxalite violence and communal disturbances in some parts of the country. If such tensions occur in places where we operate or in other parts of the country, leading to overall political and economic instability, it could adversely affect our business, results of operations, financial condition and trading price of our Equity Shares.

65. Changes in trade policies may affect us.

We are continuing to expand our international operations as part of our growth strategy. Any change in policies by the countries, in terms of tariff and non-tariff barriers, from which our suppliers import or export their raw materials or components, or countries to which we export our products, may have an adverse effect on our profitability. Furthermore, we import various raw materials including MEG and PTA. Any change in import policies or any tariff and non-tariff barriers imposed by the Government of India may have an adverse impact of our business. Any change in export policies by the countries in which our suppliers are based may have an adverse impact on our business.

66. Rights of shareholders under Indian laws may differ from the laws of other jurisdictions.

Our Articles of Association and Indian law govern our corporate affairs. Indian legal principles related to these matters and the validity of corporate procedures, Directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as one of our shareholders than as a shareholder of a company in another jurisdiction.

67. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

RISKS RELATING TO THE EQUITY SHARES AND THIS ISSUE

68. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

69. Applicants to the Issue are not allowed to withdraw their bids after the Issue Closing Date.

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

70. The Rights Entitlements of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date (i.e., on or before [●]) to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

71. Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sale of the Equity Shares by our Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

72. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹1 lakh arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (STT), on the sale of any Equity Shares held for more than 12 months at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. STT will be levied on the seller and/or the purchaser of the Equity Shares and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

The GoI announced the union budget for fiscal year 2023, following which the Finance Bill, 2022 was introduced in the Lok Sabha on February 1, 2022. Subsequently, the Finance Bill 2022 received the assent from the President of India on March 30, 2022, and became the Finance Act, 2022 ("**Finance Act 2022**"). We cannot predict whether the amendments made and yet to be notified pursuant to the Finance Act 2022 would have an adverse effect on our business, financial condition, future cash flows and results of operations. Any changes in the Finance Act 2022 or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws that are applicable to our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

73. There is no guarantee that our Equity Shares will be listed in a timely manner or at all, and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

Secondary market trading in our Equity Shares may be halted by a stock exchange because of market conditions or other reasons. Additionally, an exchange or market may also close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular point in time.

74. The Issue Price of the Rights Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Rights Equity Shares will be determined by our Company in consultation with the Lead Manager and the Designated Stock Exchange. This price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

75. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

76. Fluctuations in the exchange rate between the Indian Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our results of operations.

The Rights Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Indian Rupees. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend received by investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rate between the Indian Rupee and other currencies (such as the U.S. dollar and the Singapore dollar) has changed substantially in the past and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our results of operations.

77. There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.

The price at which the Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us; and
- significant developments in India's economic liberalization and deregulation policies.

In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

78. Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on September 22, 2022 pursuant to Section 62(1)(a) of the Companies Act and other applicable provisions. The terms and conditions of the Issue including the Record Date, Rights Entitlements, Issue Price, timing of the Issue and other related matters have been approved by a resolution passed by Rights Issue Committee at its meeting held on [●].

The following is a summary of this Issue and should be read in conjunction with and is qualified entirely by the information detailed in "*Terms of the Issue*" on page 236.

Rights Equity Shares being offered by our Company	Up to [●] Rights Equity Shares
Rights Entitlement for the Rights Equity Shares	[●] Rights Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date
Record Date	[●]
Face value per Equity Share	₹ 2 each
Issue Price per Rights Equity Share	₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share)
Dividend	Such dividend as may be recommended by our Board and declared by our Shareholders, in accordance with applicable law
Issue Size	Up to ₹ 940 crores# *#Assuming full subscription.*
Equity Shares subscribed, paid-up and outstanding prior to the Issue	20,65,34,900 Equity Shares of ₹ 2 each
Equity Shares subscribed, paid-up after the Issue (assuming full subscription for and allotment of the Rights Equity Shares)	[●] Equity Shares of ₹ 2 each
Security Codes	**ISIN:** INE032A01023 **BSE:** 500020 **NSE:** BOMDYEING
ISIN for Rights Entitlements:	[●]
Use of Issue Proceeds	For details, see "*Objects of the Issue*" on page 53.
Terms of the Issue	For details, see "*Terms of the Issue*" on page 236.
Terms of Payment	The full amount of the Issue Price being ₹ [●] will be payable on application.

For details in relation fractional entitlements, see "*Terms of the Issue – Basis for this Issue and Terms of this Issue – Fractional Entitlements*" on page 252.

Terms of Payment

Due Date	**Amount payable per Rights Equity Shares (including premium)**
On the Issue application (i.e., along with the Application Form)	[●]

GENERAL INFORMATION

Our Company was incorporated as "*The Bombay Dyeing and Manufacturing Company Limited*" on August 23, 1879, under the Indian Companies Act, 1866.

Registered Office, Corporate Identity Number and Registration Number

Neville House, J. N. Heredia Marg,
Ballard Estate, Mumbai-400 001,
Maharashtra, India
Company registration number: L17120MH1879PLC000037
Registration Number: 000037

Changes in our Registered Office

There has been no change in the address of Registered Office of our Company since incorporation.

Corporate Office of our Company

C-1, Wadia International Center,
Pandurang Budhkar Marg,
Worli, Mumbai - 400 025,
Maharashtra, India

Address of the RoC

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

Registrar of Companies
100, Everest, Marine Drive,
Mumbai – 400 002,
Maharashtra, India.

Company Secretary and Compliance Officer

Sanjive Arora is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Sanjive Arora
C-1, Wadia International Center,
Pandurang Budhkar Marg,
Worli, Mumbai - 400 025,
Maharashtra, India
Telephone: + 91 22 6662 0000
Email: grievance_redressal_cell@bombaydyeing.com

Lead Manager to the Issue

Vivro Financial Services Private Limited
607-608 Marathon Icon, Veer Santaji Lane,
Opp. Peninsula Corporate Park,
Off Ganpatrao Kadam Marg,
Lower Parel, Mumbai – 400 013,
Maharashtra, India.
Telephone: +91 22 6666 8040;
Email: investors@vivro.net
Website: www.vivro.net
Investor Grievance Email: investors@vivro.net
Contact Person: Jay Shah/ Samir Santara
SEBI Registration Number: INM000010122

Inter-se Allocation of responsibilities

Since only one Lead Manager has been appointed for purposes of the Issue, there is no requirement of an inter-se allocation of responsibilities.

Legal Counsel to the Issue as to Indian Law

M/s. Crawford Bayley and Co.
4th Floor, State Bank Building,
N.G.N. Vaidya Marg, Fort
Mumbai – 400 023,
Maharashtra, India
Telephone: +91 22 2266 3353
Email: sanjay.asher@crawfordbayley.com

Special International Legal Counsel to the Issue

Duane Morris & Selvam LLP
16 Collyer Quay, #17-00
Singapore - 049318
Telephone: +65 6311 0030
Email: jbenson@duanemorrisselvam.com

Registrar to the Issue

KFin Technologies Limited
(Formerly KFin Technologies Private Limited)
Selenium, Tower B, Plot No - 31 and 32, Financial District,
Nanakramguda, Serilingampally, Hyderabad,
Rangareddi 500 032, Telangana, India
Telephone: +91 40 6716 2222
Email: bombaydyeing.rights@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please see the section entitled *"Terms of the Issue"* on page 236.

Statutory Auditor of our Company

M/s. Bansi S. Mehta & Co.
Chartered Accountants
11/13, Botawala Building,
2nd floor, Horniman Circle,
Mumbai 400 001, Maharashtra, India
Telephone: +91 2266 1255 / 2266 0275
Contact Person: Paresh H. Clerk
E-mail: bsmco.bbo@bansimehta.com
Firm Registration No. 100991W
Peer Review No.: 012079

Expert

Except as stated above, our Company has not obtained any expert opinions:

Our Company has received written consent dated October 3, 2022 from M/s. Bansi S. Mehta & Co., Chartered Accountants to include their name as required under Section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Letter of Offer and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) Audited Consolidated Financial Statement; (ii) Unaudited Consolidated Financial Results and (ii) the statement of special tax benefits available to the Company and its shareholders dated October 3, 2022, included in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Our Company has received a written consent dated September 26, 2022 from V.A. Taklikar, Chartered Engineer (M 110298/7) to include his name in this Draft Letter of Offer as an "expert", as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, and in respect of the reports issued by them, included in this Draft Letter of Offer. Such consent has not been withdrawn as on the date of this Draft Letter of Offer.

In addition, our Company has received written consent dated September 22, 2022 from the licensed surveyor, namely, Hiren Thakker (license number: T/107/LS), to include his name as an "expert" as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in her capacity as a licensed surveyor, in relation to his certificate dated September 22, 2022, regarding Projects of the Company, Completed Projects and Land Reserves. The consent of the licensed surveyor has not been withdrawn as on the date of this Draft Letter of Offer.

However, the term "expert" shall not be construed to mean an "Expert" as defined under the U.S. Securities Act.

Banker to our Company

ICICI Bank Limited
ICICI Bank Tower, BKC,
Bandra (East), Mumbai – 400 051.
Contact Person: Mr. Nilotpal Chakma
Telephone: +91 82912 03775
E-mail: nilotpal.chakma@icicibank.com
Website: http://www.icicibank.com/
CIN: L65190GJ1994PLC021012

Banker to the Issue / Refund Bank

Our Company will appoint a Banker to the Issue / Refund Bank, in accordance with the SEBI ICDR Regulations, prior to filing of the Letter of Offer with the Stock Exchanges.

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Issue Schedule

Particulars	Day and Date
Last Date for credit of the Rights Entitlements	[●]
Issue Opening Date	[●]
Last date for On Market Renunciation of the Rights Entitlements#	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about	[●]

Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

[#]*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*
** Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding thirty days from the Issue Opening Date (inclusive of the Issue Opening Date) or such other time as may be permitted as per applicable law. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before Issue Closing Date. For details on submitting Application Forms, please see the section entitled "*Terms of the Issue*" on page 236.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at [●]. After keying in their respective details along with other security control measures implemented thereat. For further details, please see the section entitled "*Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 248.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

For further details, see "*Terms of the Issue*" on page 236.

Credit Rating

As the proposed Issue is of Equity Shares, there is no requirement of credit rating for the Issue.

Debenture Trustee

As the proposed Issue is of Equity Shares, the appointment of debenture trustee is not required.

Monitoring Agency

Our Company will appoint a monitoring agency, in accordance with Regulation 82 of the SEBI ICDR Regulations, prior to filing of the Letter of Offer with the Stock Exchanges.

Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Filing

This Draft Letter of Offer has been filed with SEBI for its observations at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India for its observations and through the SEBI intermediary portal at https://siportal.sebi.gov.in in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011dated January 19, 2018) issued by the SEBI, and with the Stock Exchanges.

Further, in light of the SEBI notification dated March 27, 2020, our Company will submit a copy of this Draft Letter of Offer to the email address: cfddil@sebi.gov.in.

After SEBI gives its observations, the final Letter of Offer will be filed with SEBI and the Stock Exchanges as per the provisions of the SEBI ICDR Regulations.

Minimum Subscription

The Bombay Burmah Trading Corporation Limited and Baymanco Investments Limited, members of the Promoter and Promoter Group by their respective letters dated September 23, 2022 (the "**Promoters Subscription Letters**"), have confirmed their intention to (a) subscribe to the full extent of their aggregate Rights Entitlements in the Issue including the renunciation of Rights Entitlements made in their favour by the other members of the Promoter and Promoter Group; and (b) subscribe to additional Rights Equity Shares, over and above their Rights Entitlements (including the unsubscribed portion in the Issue, if any) jointly or severally, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations in order to achieve the minimum subscription of 90% of the Issue in accordance with Regulation 86 of the SEBI ICDR Regulations.

The acquisition of Rights Equity Shares by our Promoters, over and above their Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with SEBI SAST Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

CAPITAL STRUCTURE

The share capital of our Company as of the date of this Draft Letter of Offer and the details of the Rights Equity Shares proposed to be issued in this Issue, and the issued, subscribed and paid up share capital after this Issue, are set forth below:

(₹ in crores, except share data)

Particulars	Aggregate value at nominal value	Aggregate value at issue price*
AUTHORISED SHARE CAPITAL		
51,00,00,000 Equity Shares of ₹ 2 each	102.00	NA
4,00,000 Preference Shares of ₹ 100 each	4.00	NA
Total Authorised Share Capital	**106.00**	NA
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE ISSUE		
20,65,34,900 Equity Shares of ₹ 2 each	**41.31**	NA
3,88,800 8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each(2)	3.89	NA
Total	**45.20**	NA
PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER(1)		
Up to [●] Equity Shares of ₹ 2 each for cash at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share)	[●]	[●]
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE(2)		
[●] Equity Shares of ₹ 2 each	[●]	[●]
3,88,800 8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each	3.89	NA
Total	**[●]**	**[●]**
SECURITIES PREMIUM ACCOUNT		
Before the Issue(3)		133.57
After the Issue(2)		[●]

** To be updated upon finalisation of the Issue Price.*

1. *The Issue has been authorised by a resolution passed by our Board at its meeting held on September 22, 2022, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act. The terms of the Issue including the Record Date and Rights Entitlement Ratio, have been approved by a resolution passed by the Rights Issue Committee at its meeting held on [●].*
2. *Assuming full subscription for and Allotment of Equity Shares. Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue related expenses.*
3. *As on the date of this Draft Letter of Offer.*

Notes to the Capital Structure

1. Details of options and convertible securities outstanding as on the date of this Draft Letter of Offer

Except as below, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer:

Warrants

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 our Company for each warrant at a price of ₹ 12 per share, 928 warrants as part of the rights entitlement are kept in abeyance.

2. No Equity Shares held by our Promoters or Promoter Group are locked-in, pledged or encumbered as of the date of this Draft Letter of Offer.

3. Except as disclosed below, no Equity Shares have been acquired by the Promoters or members of the Promoter Group in the year immediately preceding the date of filing of this Draft Letter of Offer with the Stock Exchanges and submission to SEBI.

Sr. No.	Name of the Promoter / Promoter Group	No. of Equity Shares Acquired	Percentage of Equity Shares acquired (%)	Date of Acquisition
1.	The Bombay Burmah Trading Corporation Limited	32,500	0.02	August 29, 2022
2.	The Bombay Burmah Trading Corporation Limited	32,000	0.02	May 24, 2022
3.	The Bombay Burmah Trading Corporation Limited	34,000	0.02	February 24, 2022
4.	The Bombay Burmah Trading Corporation Limited	1,95,460	0.09	December 31, 2021
5.	The Bombay Burmah Trading Corporation Limited	15,200	0.01	November 10, 2021

4. Intention and extent of participation by our Promoters

The Bombay Burmah Trading Corporation Limited and Baymanco Investments Limited, members of the Promoter and Promoter Group by their respective letters dated September 23, 2022 (the "**Promoters Subscription Letters**"), have confirmed their intention to (a) subscribe to the full extent of their aggregate Rights Entitlements in the Issue including the renunciation of Rights Entitlements made in their favour by the other members of the Promoter and Promoter Group; and (b) subscribe to additional Rights Equity Shares, over and above their Rights Entitlements (including the unsubscribed portion in the Issue, if any) jointly or severally, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations in order to achieve the minimum subscription of 90% of the Issue in accordance with Regulation 86 of the SEBI ICDR Regulations.

The acquisition of Rights Equity Shares by our Promoters, over and above their Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with SEBI SAST Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

5. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of SEBI SAST Regulations is ₹ [●].

6. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the Promoter Group during the period between the date of filing this Draft Letter of Offer and the date of closure of the Issue shall be reported to the Stock Exchange within 24 hours of such transaction.

7. **GDRs**, each of which represents one Equity Share, are currently listed on the Luxembourg Stock Exchange. The GDRs are issued under the deposit agreement dated as of December 02, 1993 and amendment of November 01, 1994 (the "**Deposit Agreement**") entered into between our Company and Citibank, N.A, as depositary. For details, see "*Notice to Investors – Notice to Existing GDR Holders*" on page 10.

8. At any given time, there shall be only one denomination of the Equity Shares of our Company.

9. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares are as on the date of this Draft Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.

10. Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations:

a. The shareholding pattern of our Company as on June 30, 2022, can be accessed on the website of the BSE at: https://www.bseindia.com/stock-share-price/bombay-dyeing-mfgcoltd/bomdyeing/500020/shareholding-pattern/ and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=BOMDYEING&tabIndex=equity.

b. The statement showing holding of Equity Shares of persons belonging to the category "*Promoter and Promoter Group*" including the details of lock-in, pledge of and encumbrance thereon, as on June 30, 2022, can be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=500020&qtrid=114.01&QtrName=30-Jun-22 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=BOMDYEING&tabIndex=equity.

c. The statement showing holding of Equity Shares of persons belonging to the category "*Public*" including shareholders holding more than 1% of the total number of Equity Shares as on June 30, 2022 can be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=500020&qtrid=114.01&QtrName=30-Jun-22 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=BOMDYEING&tabIndex=equity.

11. Details of the shareholders holding more than 1% of the paid-up equity share capital and preference share capital

a. The details of shareholders of our Company holding more than 1% of the paid-up Equity Share capital of our Company, as on June 30, 2022 are available at https://www.bseindia.com/stock-share-price/bombay-dyeing--mfgcoltd/bomdyeing/500020/shareholding-pattern/ and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=BOMDYEING&tabIndex=equity.

b. The details of preference shareholders of our Company holding more than 1% of the issued and paid-up preference share capital of our Company:

Name of preference shareholder	**Number of preference shares held**	**Percentage of preference shares held (%)**
Bombay Dyeing Real Estate Co Limited	91,200	23.46
Pentafil Textile Dealers Limited	91,200	23.46
BDS Urban Infrastructures Private Limited	2,06,400	53.08
Total	**3,88,800**	**100.00**

12. Employee Stock Option Scheme

As on the date of this Draft Letter of Offer, our Company has no employee stock option scheme

OBJECTS OF THE ISSUE

Our Company intends to utilize the proceeds raised through the Issue, after deducting Issue related expenses ("**Net Proceeds**") towards funding the following objects:

a) Repayment, of all or a portion of certain outstanding borrowings availed by our Company; and

b) General corporate purposes.

(Collectively, referred to herein as the "**Objects**")

The objects and objects incidental or ancillary to the main objects as stated in the Memorandum of Association enable us to undertake (i) our existing activities; (ii) the activities for which the borrowings were availed and which are proposed to be repaid/prepaid from the Net Proceeds and (iii) activities for which funds earmarked towards general corporate purposes shall be used. Further, our objects as stated in the Memorandum of Association do not restrict us from undertaking the activities for which the funds are being raised by our Company through this Issue.

Issue Proceeds and Net Proceeds

The details of the Issue Proceeds are set forth in the table below:

(In ₹ crores)

Particulars	Amount
Gross Proceeds from the Issue*	Up to ₹ 940.00
Less: Estimated Issue related expenses**	[●]
Net Proceeds	[●]

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio. In the event the Issue is not fully subscribed, the Company shall first utilise the Net Proceeds towards repayments of certain borrowings up to the estimated amount mentioned above, and use the remaining Net Proceeds, if any, towards general corporate purposes, provided that the total amount utilised towards general corporate purposes shall not exceed 25% of the Gross Proceeds.*
***See "Estimated Issue Related Expenses" on page 56 below.*

Requirement of funds and utilisation of Net Proceeds

The proposed utilisation of the Net Proceeds by our Company is set forth in the table below:

(In ₹ crores)

Particulars	Estimated Amount
Repayment, of all or a portion of certain outstanding borrowings availed by our Company.	850.00
General corporate purposes*	[●]
Total Net Proceeds	**[●]**

** Subject to the finalization of the Basis of Allotment and the Allotment. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the proposed schedule of implementation and deployment of funds set out below:

(In ₹ crores)

Particulars	Amount to be funded from the Net Proceeds (up to)	Estimated deployment of the Net Proceeds during Fiscal 2023
Repayment, of all or a portion of certain outstanding borrowings availed by our Company	850.00	850.00
General corporate purposes*	[●]	[●]
Net Proceeds**	**[●]**	**[●]**

**Subject to the finalization of the Basis of Allotment and the Allotment. The amount utilised for general corporate purpose shall not exceed 25% of the Gross Proceeds*
***Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares. In the event the Issue is not fully subscribed, the Company shall first utilise the Net Proceeds towards repayments of certain borrowings up to the estimated amount mentioned above, and use the remaining Net Proceeds, if any, towards general corporate purposes, provided that the total amount utilised towards general corporate purposes shall not exceed 25% of the Gross Proceeds.*

The above stated fund requirements are based on internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our arrangements with the lenders. The Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of the management. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

Means of Finance

Our Company proposes to meet the entire funding requirements for the proposed objects of the Issue from the Net Proceeds. Therefore, our Company is not required to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Details of the objects of the Issue

a. Repayment, of all or a portion of certain outstanding borrowings availed by our Company.

Our Company has, in the ordinary course of business, entered into financing arrangements with various banks, financial institutions, and other entities. The borrowing arrangements entered into by the Company comprise, among others, term loans and working capital facilities. As of September 30, 2022, the Company had total borrowings amounting to ₹ 4,040.44 crores on a consolidated basis. For details, see section titled *"Financial Statements"* on page 109.

Our Company proposes to utilize an amount of ₹ 850 crores from the Net Proceeds towards full or partial repayment of principal amount of certain borrowings availed by our Company from various banks, financial institutions and other entities, as elaborated in the table below. The repayment will

(a) reduce the outstanding indebtedness of our Company and enable utilization of the internal accruals for further investment in business growth and expansions;

(b) improve our debt-equity ratio, which will further enable us to reduce our borrowing costs and increase the availability of other required facilities from banks/financial institutions; and

(c) improve our ability to raise further resources in the future to fund potential business development opportunities.

The following table provides details of borrowings availed by our Company and proposed to be repaid from the Net Proceeds:

Name of the lender	Nature of borrowing	Amount Sanctioned as on September 30, 2022 (in ₹ crores)	Amount outstanding as on September 30, 2022 (in ₹ crores)	Interest Rate p.a.	Purpose of availing loan*	Repayment Schedule	Prepayment penalty/ Conditions
Deutsche Bank AG	Term Loan	350.00	350.00	8.55% (Reference MCLR[1] + Margin)	Repayment of short-term loan availed from Barclays Bank Plc. amounting to ₹ 350 crore	Repayable at the end of 36 months from the date of its disbursement	The Borrower may, by issuing a prior notice in writing to the lender of at least 10 Business days, prepay the loan outstanding, in full or in part on any Optional Prepayment Date[3]. No Break Cost[4] shall be payable in respect of any prepayment being made on an Optional Prepayment Date[3].
Deutsche Bank AG	Term Loan	1,370.00	1,370.00	8.15% (Reference T Bill[2] + Margin)	1. Repayment of existing facility form Indiabulls Housing Finance Limited amounting to ₹ 1,315 crore 2. ₹ 55 crore for Working Capital purpose of the borrower	Repayable at the end of 36 months from the date of its disbursement	The Borrower may, by issuing a prior notice in writing to the lender of at least 10 Business days, prepay the loan outstanding, in full or in part on any Optional Prepayment Date[3]. No Break Cost[4] shall be payable in respect of any prepayment being made on an Optional Prepayment Date[3].
Total		**1,720.00**	**1,720.00**				

**M/s. Bansi S. Mehta & Co., Chartered Accountants (Firm Registration Number: 100991W) vide its certificate dated October 3, 2022 has confirmed that these borrowings have been utilised for the purposes for which they were availed.*

1. MCLR - Marginal Cost of Funds based Lending Rate

2. T Bill - Treasury Bill

3. Optional Prepayment date means the date falling at the end of 6 Months from the Utilisation date of loan and date falling each 6 Months thereafter.

4. Break Cost mentioned in Facility Agreement dated September 23, 2021

The amounts outstanding against the loans and the interest rates as disclosed above may vary from time to time, in accordance with the amounts drawn down, instalments repaid, the prevailing interest rates and the terms and conditions mentioned in such financing agreements.

The Net Proceeds proposed to be utilised for such repayments, will not exceed ₹ 850 crores.

The selection of borrowings proposed to be repaid by us shall be based on various factors including: (i) any conditions attached to the borrowings restricting our ability to repay the borrowings and time taken to fulfil such requirements, (ii) provisions of any laws, rules and regulations governing such borrowings; (iii) receipt of consents for prepayment from the respective lenders, if required, and (iv) other commercial considerations including, among others, the quantum of monthly/quarterly instalments, the interest/ coupon rate on the borrowings, the amount of the borrowings outstanding, terms and conditions of consents and waivers, presence of onerous terms and conditions and the remaining tenor of the borrowings. Further, we may utilise the Net Proceeds for part or full repayment of any such additional borrowings obtained to refinance any of our existing borrowings. We will either repay the borrowings in full or make a part repayment of the borrowings identified in the table above out of the Net Proceeds.

In addition to the above, we may, from time to time, enter into further financing arrangements, such as undertaking financing from banks and financial institutions and draw down funds thereunder. In such cases or in case any of the above borrowings are repaid or pre-paid or further drawn-down prior to the completion of the Issue, we may utilize the Net Proceeds towards repayment or pre-payment of such additional indebtedness, including towards repayment or pre-payment of any new borrowings taken by the Company.

b. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating to ₹ [●] crores towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Issue Proceeds. Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) acquiring assets, such as plant and machinery, furniture and fixtures, and intangibles; (iii) working capital requirements; (iv) repayment/prepayment of loans other than mentioned in the table above; (v) servicing of borrowings including payment of interest; (vi) meeting of exigencies which our Company may face in the course of any business; (vii) brand building and other marketing expenses; and (viii) any other purpose as permitted by applicable laws.

Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

Estimated Issue Related Expenses

The estimated Issue related expenses are as follows:

(unless otherwise specified, in ₹ crores)

Particulars	Estimated expenses	As a % of total estimated issue related expenses	As a % of issue size
Fees to the Lead Manager, legal advisors, other professional service providers	[●]	[●]	[●]
Fee of Registrar to the Issue	[●]	[●]	[●]
Advertising, marketing and shareholder outreach expenses	[●]	[●]	[●]
Fees payable to regulators, including Stock Exchanges, and depositories and other statutory fee	[●]	[●]	[●]
Printing, stationery, and distribution of issue stationary, *etc.*	[●]	[●]	[●]
Other expenses (including miscellaneous expenses)	[●]	[●]	[●]
Total estimated issue expense	[●]	[●]	[●]

**Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.*

Bridge Financing Facilities

Our Company has not availed any bridge loans from any banks or financial institutions as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Interim Use of Net Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily deposit the Net Proceeds in one or more scheduled commercial banks (as included in the second schedule to the Reserve Bank of India Act, 1934) or in any such other manner as permitted under the SEBI ICDR Regulations.

Monitoring Utilization of Funds from the Issue

The Company has appointed [●] as the Monitoring Agency in relation to the Issue. Our Board and Monitoring Agency shall monitor the utilization of the Net Proceeds and the Monitoring Agency shall submit a report to our Board as required under Regulation 82 of the SEBI ICDR Regulations. The Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate instances, if any, of unutilized Net Proceeds in the balance sheet of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, the Company shall, on a quarterly basis, disclose to the Audit Committee, the uses and applications of the Net Proceeds. The report submitted by the Monitoring Agency will be placed before the Audit Committee of the Company, so as to enable the Audit Committee to make appropriate recommendations to our Board for further action, if appropriate.

Further, in terms of the SEBI Listing Regulations, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above and details of category wise variations in the utilisation of the Net Proceeds from the objects of the Issue as stated above.

The Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors.

Appraising entity

None of the objects of the Issue for which the Net Proceeds will be utilised has been appraised.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Other Confirmations

No part of the proceeds of the Issue will be paid by our Company to our Promoters, members of our Promoter Group, our Directors or Key Managerial Personnel, except in the usual course of business.

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoter, our Directors, Key Managerial Personnel and our Associate Company (as defined under the Companies Act, 2013).

Our Company does not require any material government and regulatory approvals in relation to the objects of the Issue.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

The Board of Directors
The Bombay Dyeing and Manufacturing Company Limited
Neville House, J. N. Heredia Marg,
Ballard Estate,
MUMBAI 400 001,
Maharashtra, India.

Re : Proposed rights issue of equity shares of face value of ₹2 each (the "Equity Shares" and such offering, the "Issue") of The Bombay Dyeing and Manufacturing Company Limited (the "Company") pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the 'Act').

We hereby report that the enclosed Statement prepared by The Bombay Dyeing and Manufacturing Company Limited (the "**Company**") states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act 2022 (hereinafter referred to as "**Income Tax Laws**"), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India under the respective tax laws of their country as on the signing date, for inclusion in the Draft Letter of Offer and the Letter of Offer for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.

We conducted our examination on the above said requirements for proposed Issue of securities in accordance with the Guidance Note on '*Reports or Certificates for Special Purposes (Revised 2016)'* issued by the Institute of Chartered Accountants of India ('the Guidance Note'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India ("**ICAI**").

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

We do not express any opinion or provide any assurance as to whether:

- the Company or the shareholders of the Company will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable, have been / would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

This Statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this Statement in the Draft Letter of Offer and Letter of Offer and submission of this Statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

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

PARESH H. CLERK
Partner
Membership No**.** 036148
UDIN : 22036148AYEFUI4558

PLACE : Mumbai
DATED : October 3, 2022

ANNEXURE

Statement of possible special tax benefits under Income Tax Laws and Indirect Tax Laws available to the Company and its shareholders:

Outlined below are the possible special tax benefits available to the Company, its Shareholders under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act 2022 (hereinafter referred to as "Income Tax Laws"), i.e. applicable for Financial Year 2022-2023 relevant to the Assessment year 2023-2024 presently in force in India and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 (hereinafter referred to as "Indirect Tax Laws").

1. Special tax benefits available to the Company:

There are no special tax benefits available to the Company under Direct and Indirect Tax Laws.

2. Special tax benefits available to the shareholders of the Company:

There are no special tax benefits available to the shareholders of the Company under Direct and Indirect Tax Laws.

Notes:

a. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

b. The above Statement covers only certain relevant direct and indirect tax law benefits and does not cover any benefit under any other law.

c. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

d. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.

e. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Global macroeconomic assessment

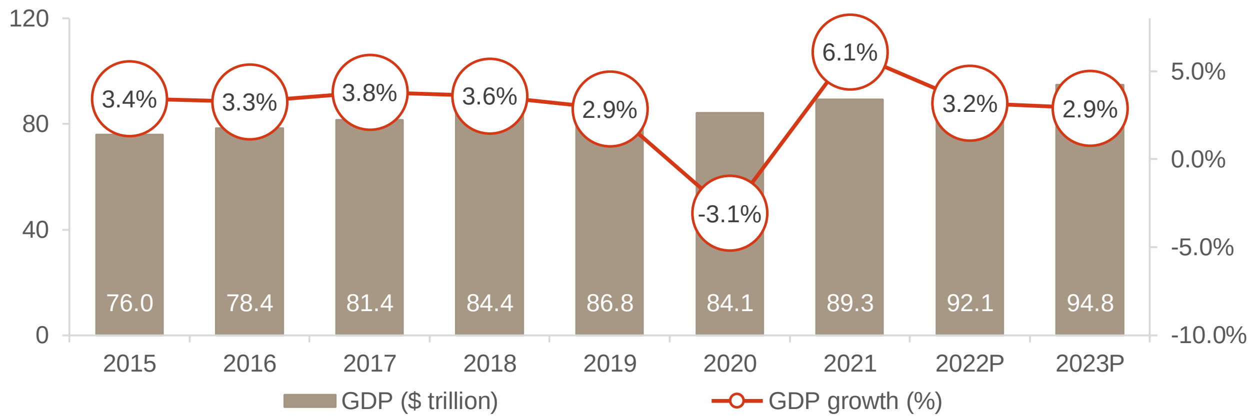
Global GDP review and outlook

Global GDP rebounded strongly in 2021 on account of policy support and vaccination drives after dropping in 2020. GDP growth is expected to moderate slightly in 2022 with 3.2% y-o-y rise

As per IMF's July 2022 update, global growth is expected to moderate from 6.1% in 2021 to 3.2% in 2022 and 2.9% in 2023. This is 0.4% and 0.7 % points lower for 2022 and 2023 than projected in April 2022. Economic damage from the Russia-Ukraine conflict will contribute to a slowdown in global growth in 2022. According to IMF, the economic damage from the ongoing war in Ukraine has contributed to a slowdown in global growth and rising inflation causing damage to various countries. The war has caused a humanitarian crisis in Eastern Europe, and various sanctions being imposed on Russia to end hostilities. In addition, frequent and wider-ranging lockdowns in China have slowed activity as it is a major manufacturing hub, which could cause new bottlenecks in the global supply chain.

According to IMF (World Economic Outlook – July 2022), global growth prospects have changed markedly since beginning of the year owing to geopolitical issues. In CY2021, global growth rebounded with a robust growth of 6.1% from -3.1% the previous year, but it is expected to slow in calendar year 2022 to 3.2%.

Trend and outlook for global GDP (2015-23P, in $ trillion)



P: Projection

Source: IMF economic database, World Bank national accounts data, OECD national accounts data, CRISIL Research

India regained the top spot as the world's fastest growing economy in 2021 among key nations

India was one of the fastest-growing economies in 2018 and 2019. In 2020, the GDP of all countries – including that of developed ones such as the US and the UK (except China) contracted, primarily due to the impact of the pandemic. India's GDP shrunk 6.6% in 2020. In 2021, the GDP growth of all major economies rebounded as economic activities resumed and due to the low base of 2020. Among the major economies, India, with a growth rate of ~8.7%, was the fastest growing in 2021, followed by China with 8.1%. India is expected to grow at faster rate than China in 2022 and 2023.India's GDP is expected to clock a growth of 8.2% in 2022 and 6.1% in 2023 as per IMF forecast.

Macroeconomic overview of India

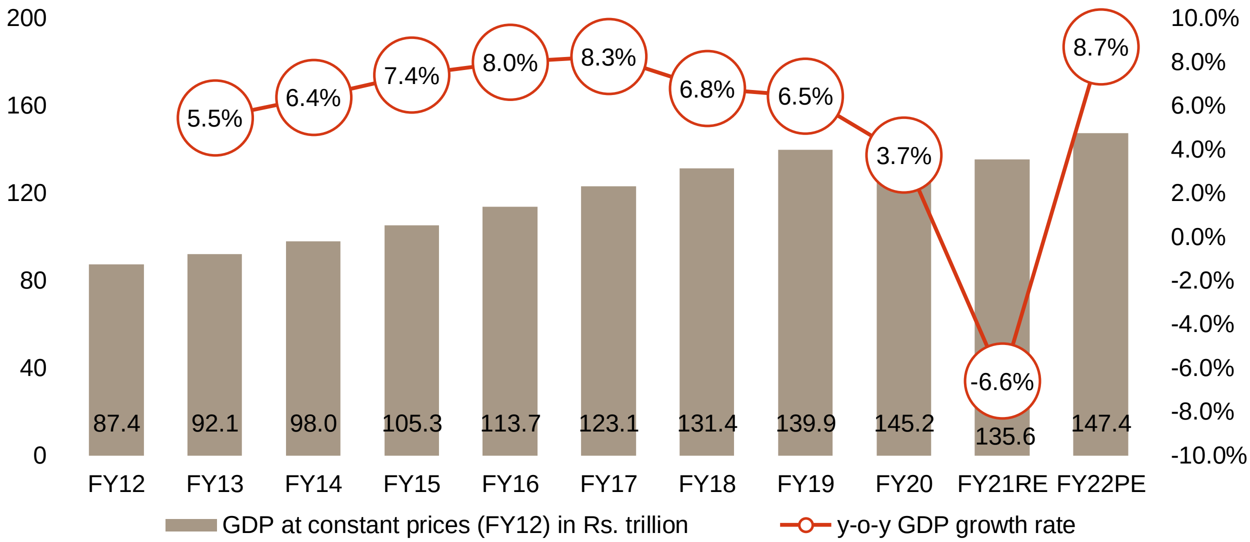
Review of India's GDP

GDP logged 6.6% CAGR between fiscals 2012 and 2020

In 2015, the Ministry of Statistics and Programme Implementation (MoSPI) changed the base year for calculating India's GDP between fiscals 2005 and 2012. Based on this, the country's GDP logged an eight-year CAGR of 6.6%, growing to Rs 146 trillion in fiscal 2020 from Rs 87 trillion in fiscal 2012.

Fiscal 2021 was a challenging year for the Indian economy because of the covid-19 related distress, which was already experiencing a slowdown before the pandemic struck. GDP contracted 6.6% (in real terms) after growing 3.7% in fiscal 2020. India's GDP (in absolute terms) dropped to Rs 136 trillion in fiscal 2021.

Real GDP growth in India (new GDP series)



PE: Provisional estimates; RE: Revised estimates
Source: Provisional estimates of national income 2021-22, Central Statistics Office (CSO), MoSPI, CRISIL Research

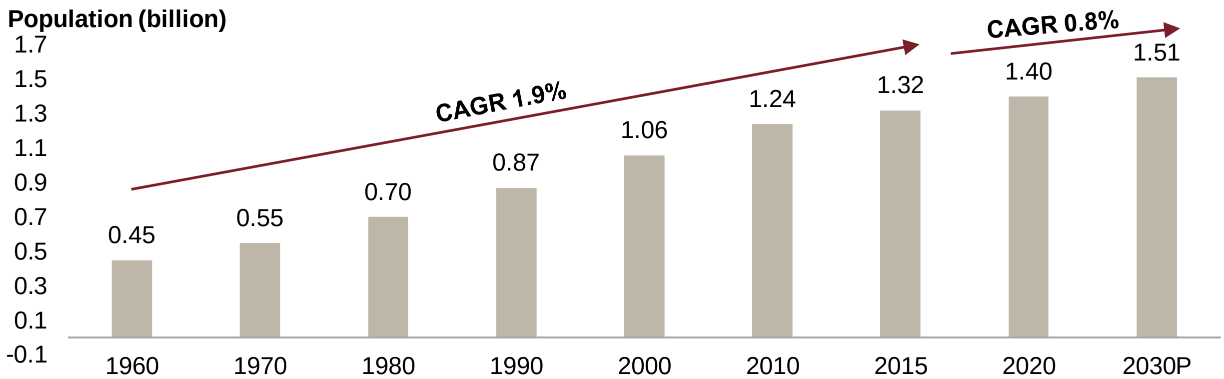
Fundamental growth drivers of GDP

India's population is projected at 1.5 billion by 2030

India's population increased at a CAGR of 1.9% during 2001-2011 to ~1.2 billion according to Census 2011. As of 2010 census, the country had about 246 million households.

According to the UN's report, World Urbanization Prospects, 2022 revision, India, and China, two of the most populous countries, accounted for nearly 36% of the world's population in 2021. The report projects India's population to increase at a CAGR of 0.8% from 2020 to 2030 to reach 1.5 billion by 2030, making it the world's most populous country, surpassing China (for which the projected population is 1.4 billion).

India's population growth



P: Projected

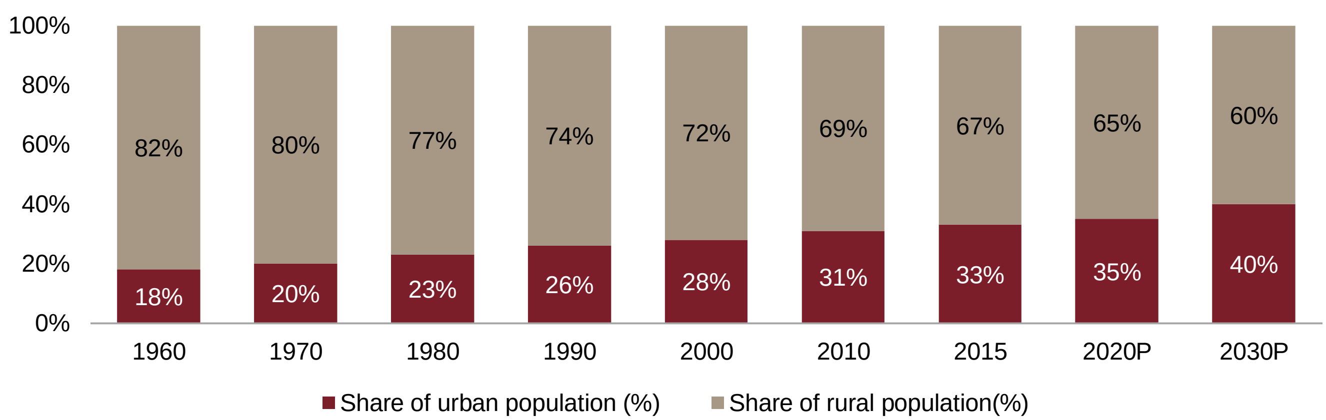
Source: United Nations, Department of Economic and Social Affairs, World Population Prospects 2022, CRISIL Research

Urbanisation to reach ~40% by 2030

India's urban population has been rising over the years and stood at ~31% of total population in 2010. The rising trend is expected to continue. The UN report has projected that nearly 40% of the country's population will live in urban areas by 2030.

People from rural areas move to cities for better job opportunities, education, and quality of life. The entire family or only a few individuals (generally an earning member or students) may migrate, while the other members continue living in rural house.

India's urban vs. rural population



P: Projected

Source: World Urbanization Prospects: The 2018 Revision, United Nations; CRISIL Research

Review of per capita income growth

India's per capita income rose at a healthy pace between fiscals 2012 and 2020

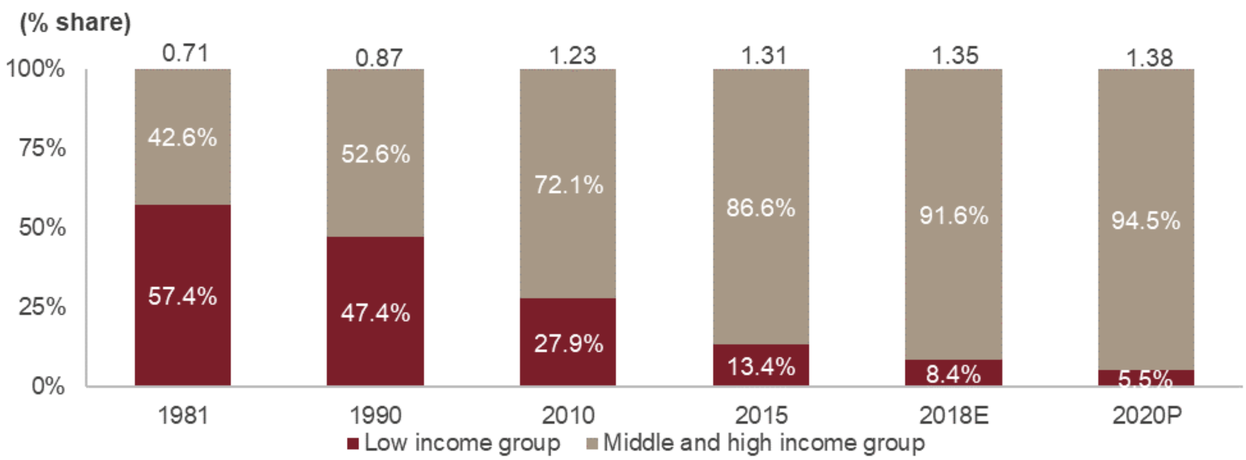
India's per capita income, a broad indicator of living standards, rose from Rs 63,462 in fiscal 2012 to Rs 94,556 in fiscal 2020, or at 5.1% CAGR. This growth was led by better job opportunities, propped up by overall GDP growth. Moreover, population growth remained stable at ~1% CAGR. However per capita income declined in fiscal 2021 owing to economic impact of Covid-19, per capita income declined by 9.7% on-year in fiscal 2021. The per capita income saw rise in fiscal 2022 growing at 7.5% on-year, but in absolute terms it is yet to recover to pre-pandemic levels.

Per capita net national income at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21RE	FY22PE
Per-capita net national income (Rs)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	85,110	91,481
On-year growth (%)		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-9.7	7.5

RE: Revised estimates; AE: Advance estimates
Source: Second Advance Estimates of Annual National Income, 2020-21, CSO, MoSPI, CRISIL Research

Broad split of population into income groups



Notes: 1. E: Estimated; P: Projected; 2. Values in bar columns indicate total population in billion for respective years, as per UN population estimates; 3. The World Bank defines 'poor' as those living at or below the international poverty line of purchasing power parity of $1.90 per day. 2018 figures are estimates, and 2020 figures are projections and calculated using data from the World Bank (2018); 4. Low-income group includes the proportion of population earning less than or equal to $1.90 per day; middle- and high-income group includes proportion of population earning more than $1.90 per day
Source: World Bank, CRISIL Research

Assessment of Polyester Staple Fibre (PSF) Industry in India

PSF industry demand and supply dynamics

PSF industry is a part of man-made fibres (MMF) industry which is mainly driven by polyester and viscose

The two main components of domestic MMF industry are polyester and viscose, which together account for about 95 per cent (in volume terms). Herein, polyester accounts for about ~90 per cent while viscose accounts for about 4-5% per cent. MMF is primarily used to produce blended fabrics and 100 per cent non-cotton fabrics, which are in turn used in readymade garments, home textiles and other industrial textiles.

Polyester is used in blended and 100 per cent non-cotton fabrics in two main forms:

- Polyester staple fibre (PSF) which is used in the production of blended yarn and PSF spun yarn
- Polyester filament yarn (PFY)

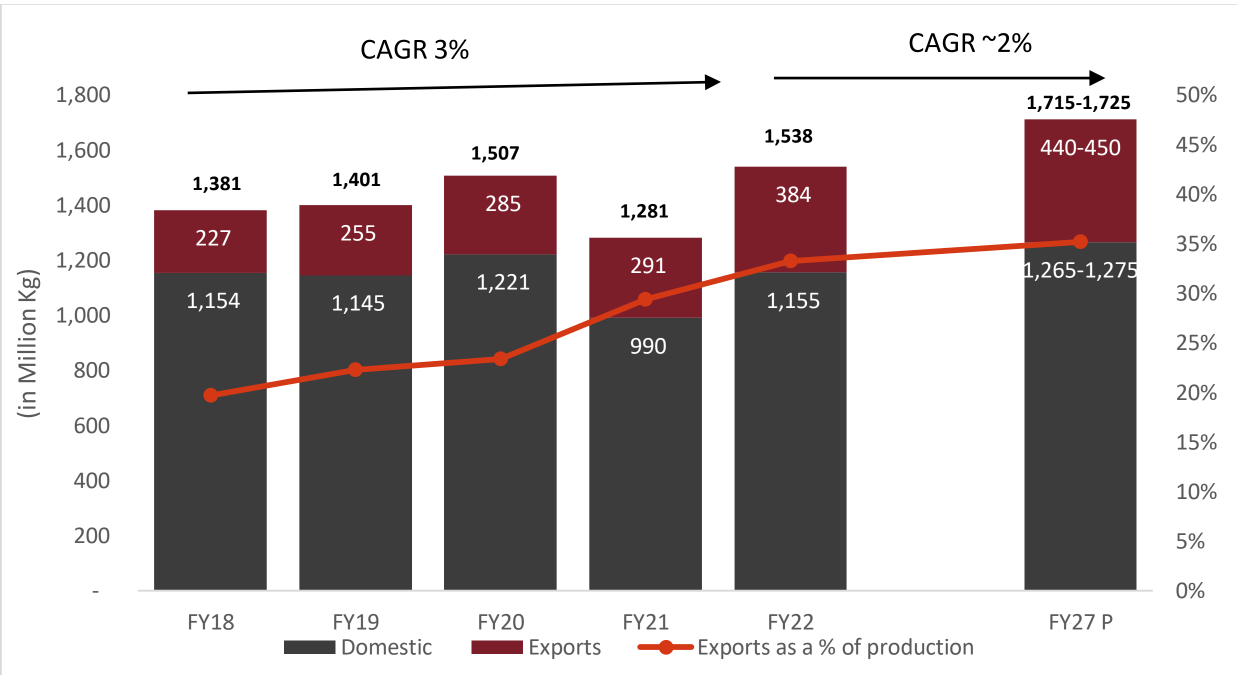
In the domestic market, polyester is mainly consumed in the form of polyester filament yarn (PFY).

PSF demand has improved supported by strong demand recovery from end use industry globally

In fiscal 2022, the overall PSF demand increased by 20% over fiscal 2021 reaching 1,538 million kgs backed by rising utilization levels on account of increased economic activities.

In FY2023, overall PSF demand is expected to increase by 3-5% over fiscal 2022 driven by downstream home textile and ready-made garments demand growth. In terms of long-term outlook, exports are expected to grow at a CAGR of 2.5-3.5% between fiscals 2022-2027 vs domestic demand, which is expected to grow at a CAGR of 1.5-2.5% between fiscals 2022-2027. At an overall level, PSF demand is expected to grow at a CAGR of ~2% between fiscals 2022-2027.

Segmentation of demand by export and domestic (FY18-22 and FY27P)

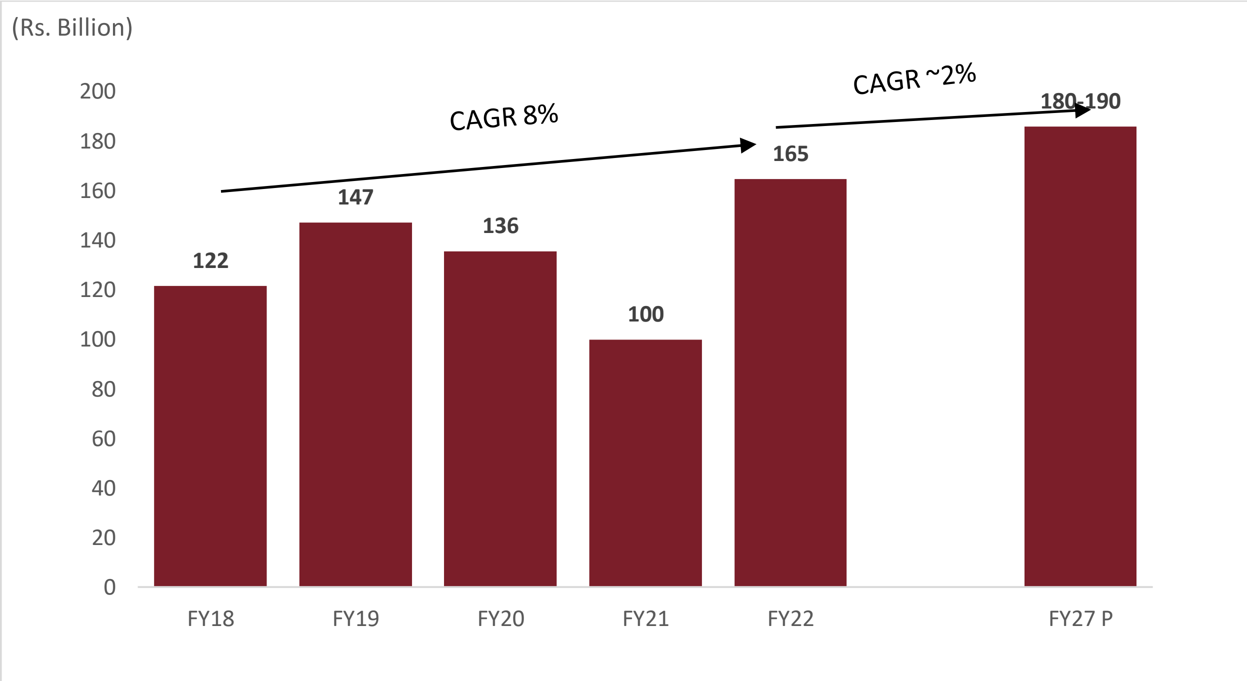


P: Projected
Source: CRISIL Research

PSF industry in value is expected to show moderate growth in the long-term as crude oil prices are estimated to decline in the coming years

PSF market in India registered a strong growth in FY22 over low base of FY21 and increased raw material prices which increased the prices of PSF. Prices are expected to remain high this fiscal, but expected to drop over the coming years which will lead to moderate growth of 2% CAGR between fiscals 2022 and 2027. The market is expected to be in the range of Rs. 180-190 billion in FY2027.

PSF industry by value (FY18-22 and FY27P)



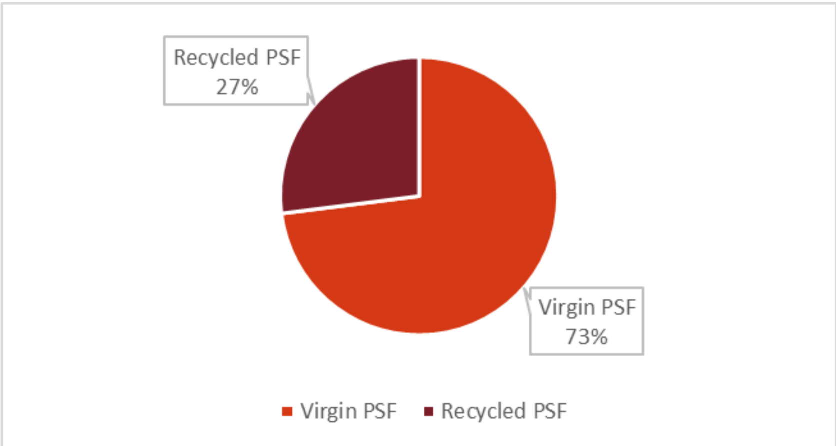
P: Projected
Source: CRISIL Research

~73% of PSF produced in India is virgin PSF

Virgin PSF is manufactured from the synthesis and processing of PTA (Purified Terephthalic Acid) and MEG (Mono Ethylene Glycol) as raw materials. On the other hand, recycled PSF is made from polyester waste and used PET materials such as bottles,containers polyester fabrics, etc.

The domestic PSF production capacity is segmented according to virgin PSF and recycled PSF. Virgin PSF contributes 73% of the deomestic production capacity while recycled PSF contributes for 27% of the capacity, as of FY 2022.

Segmentation of production into virgin and recycled PSF in India (FY22)



Source: CRISIL Research

Overview of trade of PSF

India's share in global exports of PSF has increased to ~17.8% in fiscal 2022

For exports of PSF, CRISIL has considered the addition of the following HS codes.
550120- Synthetic filament tow of polyesters
550320- Synthetic staple fibres, not carded, combed or otherwise processed for spinning, of polyesters
550620- Synthetic staple fibres, carded, combed or otherwise processed for spinning, of polyesters

To compare India and global data, India exports data of FY2018 is compared with CY2017 global data. Similarly, FY2019 India exports data is compared with CY2018 global data and so on.

India's share in global exports is increasing at a fast pace. India's contribution in PSF exports grew from 6.0% in FY2019, to 17.8% in FY2022. China is the leading exporter of PSF as of FY22 with ~43.8% share in global exports.

Export data in million kgs for PSF

	2018	2019	2020	2021	2022
India	227.4	225.4	285.2	291.4	383.7
Global	3,568.8	3,732.1	3,816.9	3,626.5	2,162.1
India's share in global exports	6.4%	6.0%	7.5%	8.0%	17.8%

Source: UN Comtrade, India Department of Commerce, CRISIL Research

USA, Turkey and Nepal are the largest export markets for PSF from India as of FY22

The major 10 countires India exports PSF are Bangladesh, US, Turkey, Nepal, Egypt, Belgium, Spain, Brazil, and Germany. Exports to all major markets increased in FY22 from India. The top five export partners contributed to over 50% of its total exports in FY2022.

Key export partners of PSF from India (in '000 kg)

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2022 share in total exports
USA	42,775	35,167	32,075	28,791	61,853	16%
Turkey	15,665	11,112	15,304	26,860	48,991	13%
Nepal	28,402	26,146	27,284	25,522	37,139	10%
Mexico	7,608	14,358	15,073	10,430	22,335	6%
Belgium	16,030	14,634	15,880	15,272	20,060	5%
Egypt	11,414	9,574	14,343	16,198	19,631	5%
Spain	7,914	8,229	7,975	12,140	18,512	5%
Brazil	7,374	8,943	10,459	10,644	17,740	5%
Bangladesh	21,853	21,329	35,146	40,394	18,357	5%
Germany	6,879	6,969	11,275	10,578	11,821	3%
India (total exports)	**2,27,441**	**2,25,428**	2,85,157	**2,91,399**	**3,83,703**	

Source:, India Department of Commerce, CRISIL Research

India imports its PSF requirements from China, Korea and Thailand

India's 37% import requirement for PSF was fulfilled by China in FY2022, followed by Korea which contributed to 19%, while Thailand fulfilled 15% of the requirement. Notably, India's imports for PSF have declined to 78.3 million kgs in FY2022 from 118.2 million kg in FY2020.

Key import partners of PSF for India (in '000 kg)

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2022 share in total exports
China	51,210	50,468	73,169	40,640	28,637	37%
Korea RP	13,951	13,974	13,516	12,795	14,535	19%
Thailand	5,697	4,370	5,620	10,134	11,366	15%
Indonesia	7,194	9,151	11,573	9,352	8,677	11%
Malaysia	3,039	3,369	4,211	3,003	7,129	9%
Vietnam	2,675	4,936	3,744	2,692	2,780	4%
Taiwan	3,611	3,511	3,773	3,687	2,345	3%
Japan	247	353	175	145	602	1%
Germany	1,026	947	668	332	454	1%
Bangladesh	-	11	614	550	396	1%
India (total imports)	**88,990**	**91,775**	**118,176**	**84,273**	**78,310**	

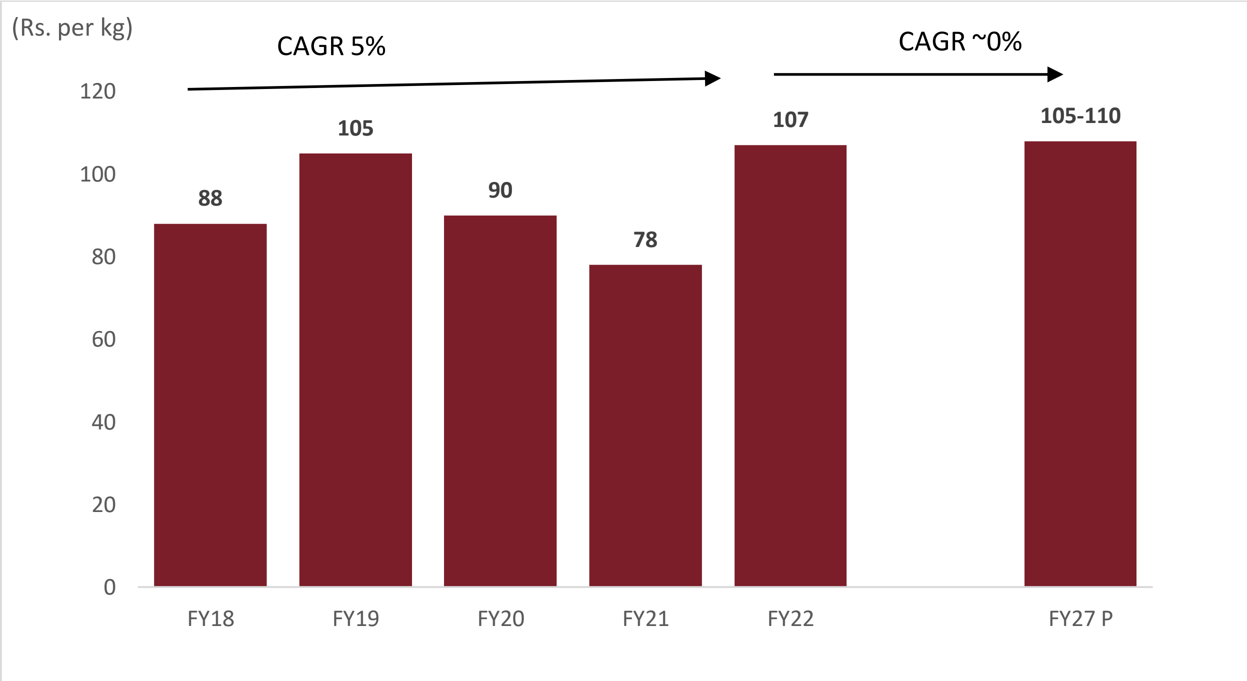
Source:, India Department of Commerce, CRISIL Research

1.1 Overview of PSF pricing

PSF prices to remain high inline with crude derived input prices and downstream demand in fiscal 2023, expected to fall in the long term

PSF prices increased by ~37% in FY2022, inline with the crude derived input costs of raw materials, Purified Terephthalic Acid (PTA) and Mono-ethylene glycol (MEG). Prices to remain elevated in FY23 due to increased crude prices, but are expected to remain flat over the next 4-5 years as crude oil demand is expected to remain sluggish because of declining global economic growth and fuel diversification.

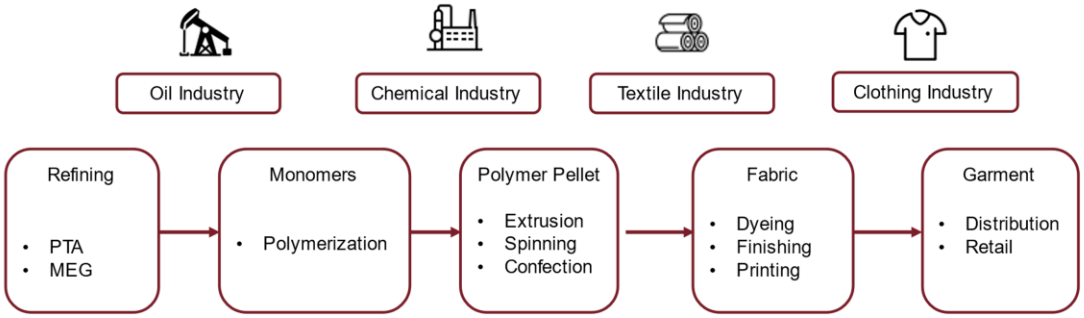
PSF prices (FY18-22 and FY27P)



P: Projected
Source: CRISIL Research

Overview of the supply-chain of PSF industry

The supply chain of the PSF begins with the initial raw material, which are petrochemical products such as Purified Terephthalic Acid (PTA) and Mono-Ethylene Glycol (MEG). These materials are subjected to polymerization and other processes with which the PSF is produced. PSF is used as raw material in spinning industry for production of yarn. Yarn is used in knitting and weaving for production of fabric which is subjected to dyeing, finishing and printing to form finished fabrics. With the production of the fabrics, they are used to create different types of clothing material or as per application, which results in distribution and retail stores as the end stop.



Source: CRISIL Research

The value chain of man-made fibres industry

The value chain of man-made fibres begins with the use of PSF which can take several routes depending on the type of material to be created. It can be directly used or combined with Viscose Staple Fibre (VSF) to create blended yarn. The blended yarn can be further combined with Viscose Filament Yarn (VFY) and Polyester Filament Yarn (PFY) in different combinations to give rise to Blended fabrics and 100% non cotton fabrics.

Overview of polyester chips (PET chips)

Polyester chips have applications in industries like textile, plastic packaging, and agricultural markets. PET Chips are mainly categorized into three grades – Textile grade, Bottle grade, and Film grade.

In the textile industry, these chips are used for manufacturing different types of polyester fibres such as short fibre, long fibre, etc. Textile grade PET (polyethylene terephthalate) chips are manufactured by the process of granulating polyester formed during the polycondensation reaction of PTA (Purified Terephthalic Acid) and MEG (Mono Ethylene Glycol). Textile grade PET chips are usually classified into super bright (SB), semi dull (SD), cationic semi dull cationic super bright (CD) and full dull (FD) chips. Textile grade PET chips are manufactured in countries like India, China, Taiwan, Malaysia, South Korea, and Saudi Arabia.

Key growth drivers for the industry

Government schemes such as MITRA and PLI to drive demand and exports for the PSF industry

MITRA

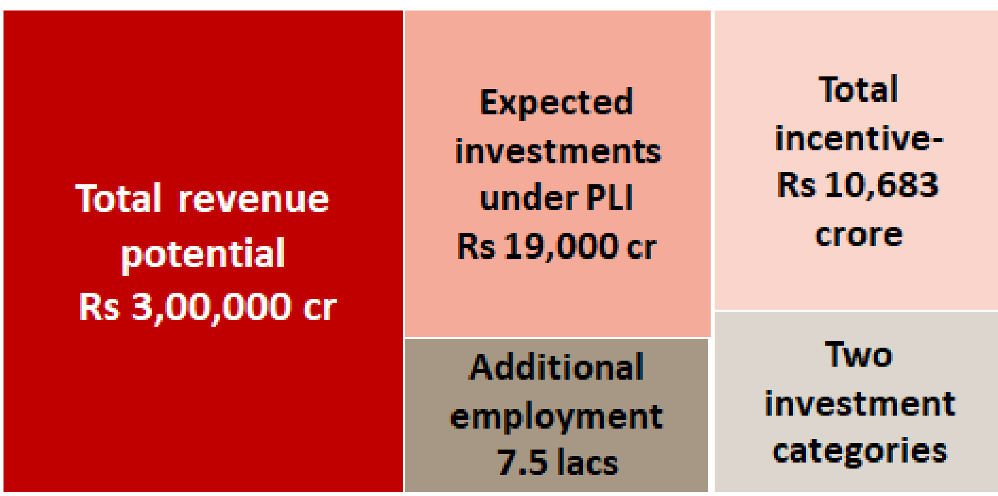
PM MITRA or Mega Integrated Textile Region and Apparel Parks scheme, which was approved by the Cabinet recently, will surely boost India's competitiveness in global markets. The scheme is to develop 7 mega textile parks during next 5 years with an outlay of Rs 4,445 cr. As the initial statements suggests, each parks under the scheme, whether greenfield or brownfield, will have a land of more than 1,000 acres which will be significantly higher compared to most of the developed or being developed parks under SITP scheme. Out of 1,000+ acre land in each park, ~50% of the land will be available for textile related manufacturing with ready or plug and play infrastructure for factories, whereas remaining ~50% will be used for R&D, training, utilities, housing (for manpower), logistics and commercial usage among others. The parks will be strategically located in or in vicinity of National Industrial Corridor Development Corporation sites. All the parks under the scheme will be awarded Development Capital Support or DCS. For greenfield projects the DCS will be 30% of the project cost with maximum limit of Rs 500 Cr. For brownfield expansion projects, DCS will be 20% project cost of the balance infrastructure with maximum limit of Rs 200 cr. The Government of India will also provide Rs 300 crore to each park established under scheme as Competitiveness Incentive Support or CIS which will be paid to new units in parks up to 3% of turnover.

The scheme will support the textile sector in many ways and will help build the export competitiveness. Being established in vicinity of NICD sites will bring down the operational costs. The units in the parks might be incentivised in terms of power, duties, etc. under CIS. plug and play infra will lead to smaller set-up time. Focus on integrated manufacturing will also bring down the lead time. Larger size of the parks will help to achieve economies of scale which will increase the cost competitiveness of Indian textile manufacturing. Along with PLI scheme, which is focused on MMF based fabric, garments and technical textile products, MITRA scheme will provide support to Indian exports in global trade.

PLI Scheme

The government launched PLI scheme to improve manufacturing scale and increase export competitiveness across key sectors. In the textile sector, the scheme is targeted towards MMF and technical textiles. India accounts for an insignificant share in the global trade of both.

PLI scheme - an opportunity of Rs 300,000-crore revenue generation in MMF-based textiles



Source: CRISIL Research

Textile sector, with Rs 10,683 crore announced incentive, is one of the 13 sectors included under PLI scheme with an outlay of Rs 1.97 lakh crore, announced in union budget 2021-22. The scheme is estimated to generate a cumulative turnover of over Rs 3 lakh crore while attracting fresh investments of Rs 19,000 crore over the period of next five years. The scheme is also expected to generate more than 7.5 lakh jobs in textile sector and supporting activities. The scheme will focus on promoting high value man-made fibre-based fabrics, garments and technical textiles in country. The scheme will encourage introduction of new capacities in country. It will help to address the growing demand for high value MMF segment by generating more employment and increase in trade and will support India's share in global textiles trade by increasing MMF based garment export potential.

The scheme will offer different incentivise for two categories of investments in textile sector. First category includes investments of minimum of Rs 300 Crore in plant, machinery, equipment and civil works, excluding land and administrative building cost to produce MMF fabrics, garment and technical textile line related products. Second category will include investments of minimum Rs 100 crore by any person, firm, or company to participate under the scheme.

Investments in tier 3, tier 4, cities along with rural areas and aspirational districts will be given priority under the scheme. As a result the states such as Gujarat, UP, Maharashtra, Tamil Nadu, Punjab, AP, Telangana, and Odisha will witness positive impact.

Ployester fibres exhibit high durability, quick drying and easy to wash abilities which is helping create more demand for it

Fashion trends have been changing very quickly as living standards also change. Modern lifestyles and living standards have moved to athleisure clothing which is predominantly manufactured using polyester. Polyester also possesses qualities such as high durability, quick drying and is easy to wash.

Rising income levels and rapid urbanization have propelled the fashion trends in economies such as India

Growth in household incomes and, consequently, disposable incomes, are critical to the overall growth in demand for polyester in India. The share of households falling in the income bracket above Rs 0.2 million is expected to go up to 35% in fiscal 2022 from 23% in fiscal 2017.

Key challenges faced by the industry

Volatile raw material prices, competition and ongoing geopolitical tensions are likely to be the key challenges for the industry

Global demand for home textiles is expected to be impacted by inflationary headwinds, and the rising inflation which results in higher raw material prices. Higher prices might tend to manifest itself as a reduction in production or a rise in prices to affect manufactures and end customers. Since prices of PSF are impacted by the global crude oil prices which remain volatile, it becomes difficult for manufacturers to plan production and set prices for PSF.

The textile industy is an extemely competitive industry owing to its nature of being highly fragmented. It faces immense competition between manufactures and there exists competition from global players, such as China, Vietnam and Bangladesh.

Competitive Landscape

Key domestic polyester fibre players involved in similar line of business and having certain similar products as The Bombay Dyeing and Manufacturing Company Limited have been listed below:

Key peers

Company name
Bhilosa Industries Private Limited
Indo Rama Synthetics (India) Ltd.
Reliance Industries Ltd
Shubhalakshmi Polyesters Limited
Wellknown Polyesters Limited

Please note that the peer list considered here is an indicative list and not an exhaustive list.

Assessment of real estate sector in India with a focus on Mumbai

CRISIL Research has covered residential, commercial and retail real estate across top 8 cities in India as a part of the real estate industry assessment. The first part consists of assessment of the residential, commercial and retail real estate in top-8 cities of India. The top eight cities covered for this section include Mumbai Metropolitan Region (MMR), Delhi-NCR, Chennai, Kolkata, Pune, Hyderabad, Bengaluru, and Ahmedabad.

The second part consists of assessment of residential, commercial and retail real estate in the Mumbai Metropolitan Region (MMR). The region consists of nine municipal corporations viz. consists of 9 Municipal Corporations viz. Greater Mumbai, Thane, Kalyan-Dombivali, Navi Mumbai, Ulhasnagar, Bhiwandi-Nizamapur, Vasai-Virar, Mira-Bhayandar and Panvel; and 9 Municipal Councils viz. Ambarnath, Kulgaon-Badalapur, Matheran, Karjat, Khopoli, Pen, Uran, Alibaug and Palghar, along with more than 1,000 villages in Thane, Raigad and Palghar Districts.

Regions of MMR

Source: Mumbai Metropolitan Region Development Authority (MMRDA), CRISIL Research

List of definitions and abbreviations used in the section

- Million square feet- MSF
- Supply refers to new launches in residential real estate in the respective fiscal year
- Inventory overhang (in months) refers to the number of months required to absorb or sell the unsold inventory based on the demand/absorption trend
- Annual net absorptions refers to annual new leasing in the respective fiscal year
- New completions refer to the new supply added in the respective fiscal year
- Vacancy refers to the percentage of unoccupied commercial space
- Central Mumbai Prime region consists of Worli, Prabhadevi, Lower Parel and Mahalaxmi
- Central Mumbai Non-Prime region consists of Dadar, Matunga, Byculla, Parel and Mahim

Assessment of the residential, commercial and retail real estate in top-8 cities of India

Residential real estate

Residential demand in top-8 cities to clock CAGR 4-6% growth between FY22 and FY24

Real estate demand is estimated to have bounced back sharply by 35-40% y-o-y in FY22 to 216 million square feet (msf) from lower base of in FY21 (159 msf) due to the pandemic. Stabilization of income of the organised workforce, multi-year high affordability, higher preference of owned house (than rented), preference of larger homes and government incentives for affordable housing remained key growth drivers for the recovery.

FY22 to FY24 is expeccted to see CAGR 4-6% rise in demand supported by continued urbanisation, steady income profiles, expected growth in employment generating sectors such as Information technology, BFSI, financial sectors, and rising affluence and propensity to spend on real estate by mid-income buyers. While some inflationary pressures pose some headwinds for the real estate sector, the demand in first half of FY23 has been robust as middle and high income group are looking for bigger spaces with better amenities and earning potential of the middle and high income group remained robust even during the pandemic. COVID-19 has effectively rekindled the need for home-ownership. The homebuyers' need for security and personal space, amenities within residential areas are supporting the demand for residential real estate in metro cities.

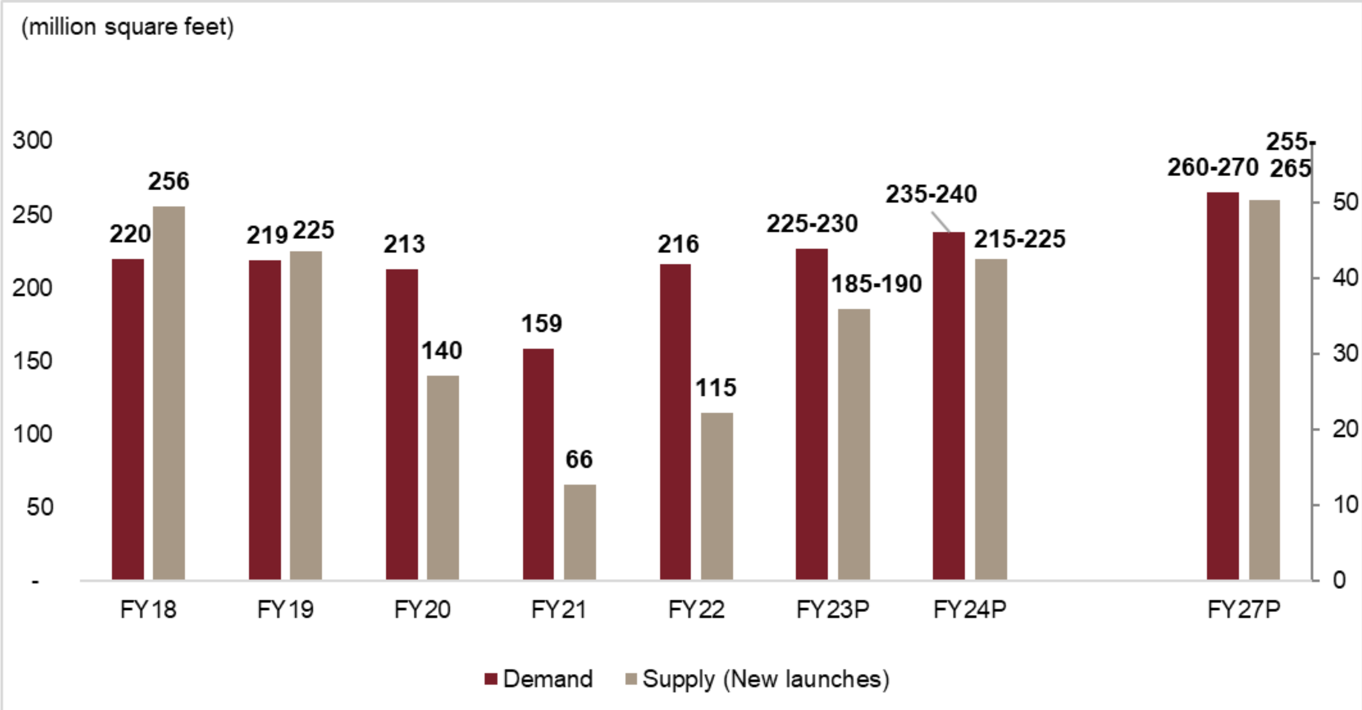
Demand expected to grow in range of CAGR 3-5% between FY22-FY27

Annual demand is expected to reach between 260-270 msf by FY27, clocking a CAGR of 3-5% between FY22-FY27 supported by continued urbanisation, steady income profiles

Annual supply (new launches) expected to grow at a slower pace than demand

Over the next few years demand for residential real estate is expected to surpass the total new supply (new launches). Supply decreased to 66 msf in FY21 from 140 msf in FY20 due to projects getting deferred during the pandemic. In FY22 new launches were witnessed and many more projects are lined up over next 3 fiscals. This will lead to annual supply (new launches) reaching 185-190 msf in FY23 and 215-225 msf in FY24. New launches are expected to grow in the long-term and reach 255-265 msf in FY27.

Annual demand and supply (new launches) for residential real estate in top-8 cities in India

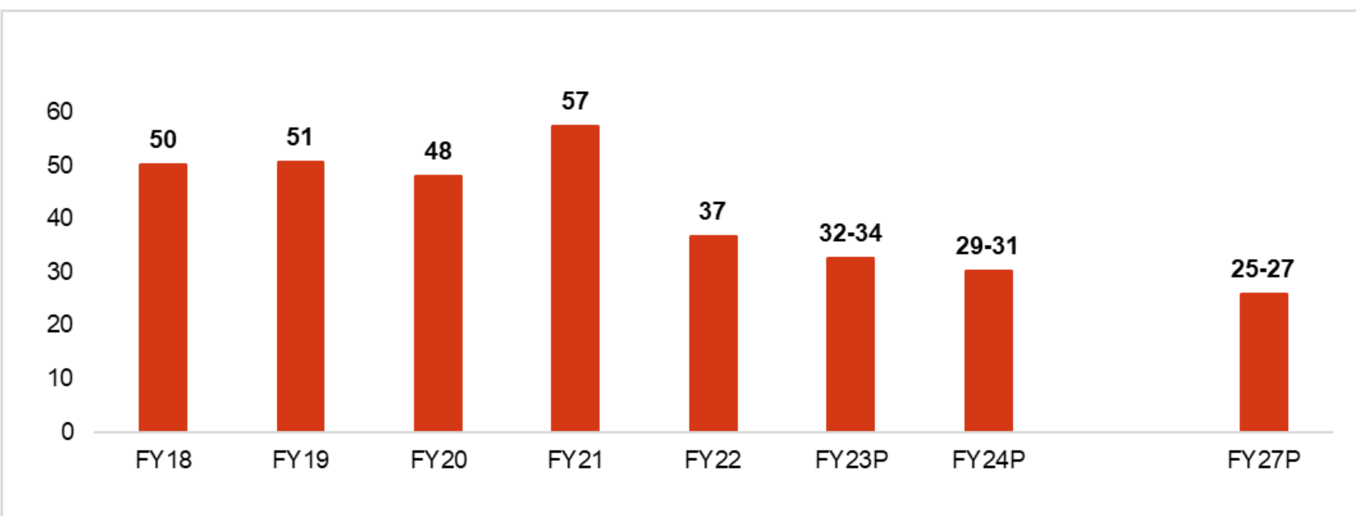


Note: Supply refers to new launches in that particular year
Source: CRISIL Research

Inventory overhang to reduce in the coming years as demand is expected to stay above supply

Demand has consistently remained above supply (new launches) in the top-8 cities in India since FY2020 and is expected to remain the trend for the next five years. As a result, inventory overhang (the number of months required to absorb or sell the unsold inventory based on the demand/absorption trend) is also expected to reduce to 29-31 months in FY24 from 37 months currently in FY22.

Inventory overhang (in months) for residential real estate in top-8 cities



Note: Inventory overhang is the number of months required to absorb or sell the unsold inventory based on the demand/absorption trend
Source: CRISIL Research

Prices are expected to increase in the near term

Affordability Index-MAHTI ™ refers to minimum average household threshold income required to buy a house in micro markets. MAHTI is calculated using key factors such as capital values, stamp duty charges, average area, home loan rate, loan to installment ratio and tenure. It stands for Market-specific Average HH income level to buy a house in a city (MAHTI). Average MAHTI to deteriorate by 24% by FY24, almost 60% of it to be driven by price rise. Inspite of price rise the demand is expected to remain moderately robust.

Average MAHTI index for top-8 cities

Source: CRISIL Research

Commercial real estate

Annual net absorptions in commercial real estate to grow at CAGR 12-14% y-o-y between FY22 and FY24

Net absorption of commercial office space to be driven by three salutary tidings —return to office as the impact of Covid-19 wanes; increased hiring in key sectors; and, expectation of healthy economic growth. After initial phase of work from home, corporate, including major IT sector companies which were keen on work from home, are encouraging employees to return to office in hybrid manner. This has led to rise in demand for commercial space.

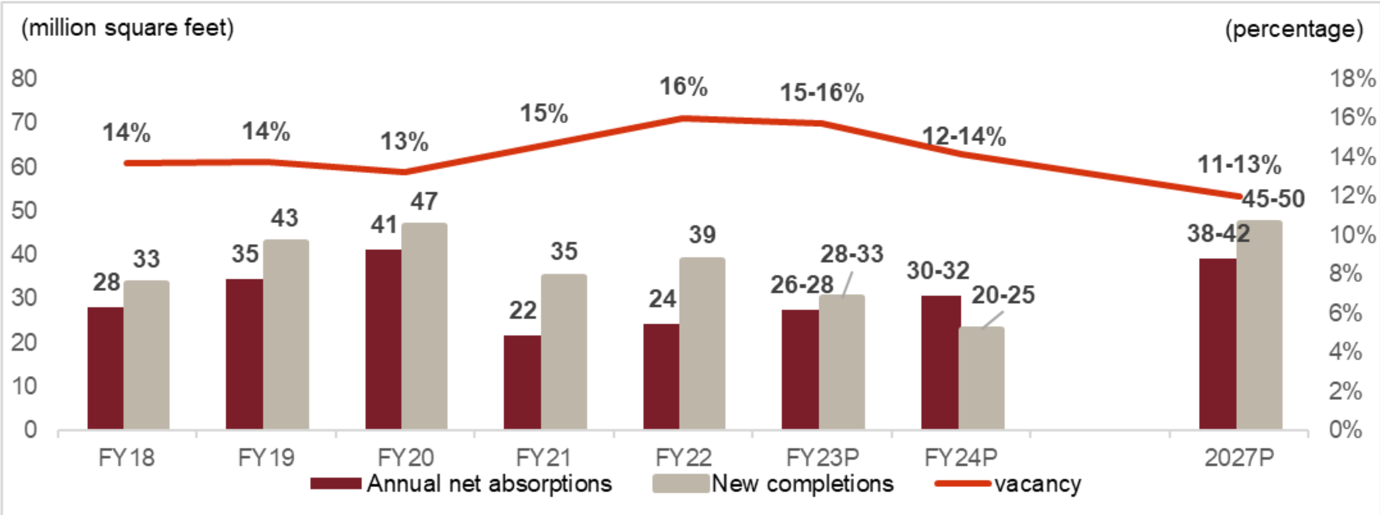
In the near term, CRISIL expects annual net absorptions to increase by CAGR 12-14% between FY22 and FY24 and clock 26-28 msf in FY23 and 30-32 msf in FY24 respectively for top-8 cities compared to 24 msf in FY22. In the long term, annual absorption is expected to grow at a CAGR of 9-11% between fiscals 2022 and 2027 and reach 38-42 msf in FY27 for top-8 cities.

CRISIL expects new completions to decline to 20-25 msf in FY24 from 39 msf in FY22 on account of lower projects planned during covid period. In the long term new completions will increase to 45-50 msf for top-8 cities in fiscal 2027.

Vacancy to decline to 12-14% in FY24, expected to further drop to 11-13% in FY27

Due to gradual increase in net absorption, vacancy is expected to decline to 12-14% in FY24 compared to current levels of ~16% in FY22. Vacancy is expected to further drop to 11-13% in FY27 for top-8 cities.

Annual net absorptions, new completions and vacancy in top-8 cities in India for commercial real estate



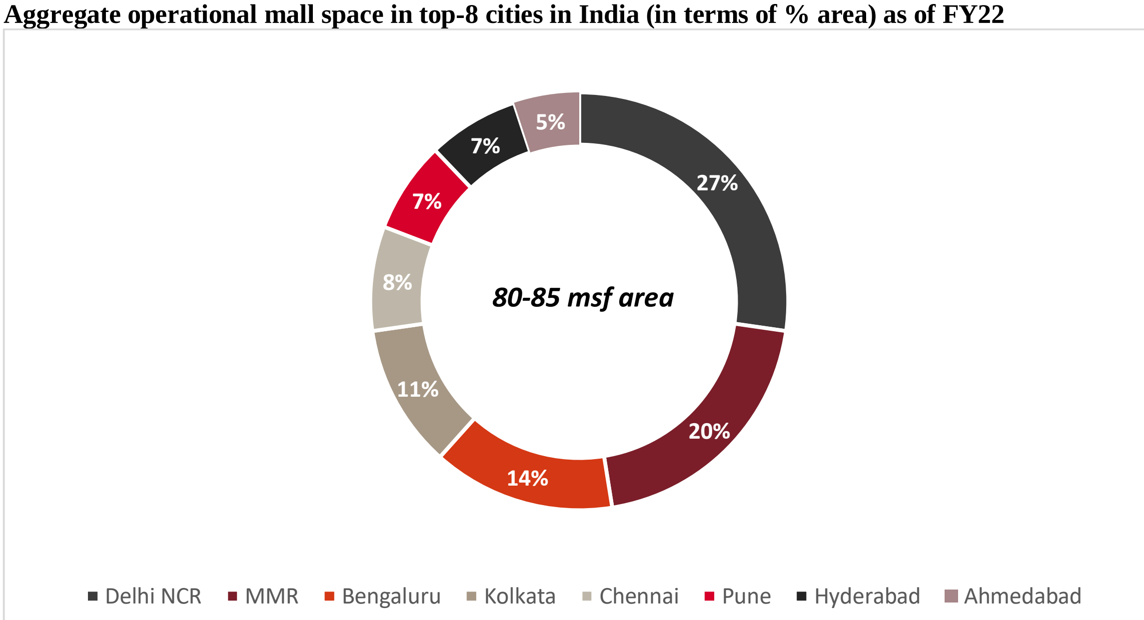
Note: Annual net absorption refers to annual leasing of commercial space, new completions refer to the new supply added in that particular year, vacancy refers to the percentage of unoccupied commercial space
Source: CRISIL Research

Retail real estate

Top-8 cities in India have ~200 malls, MMR & NCR account for nearly half of it

Delhi NCR and MMR account for nearly 47% of the aggregate operational retail mall space in top-8 cities. Bengaluru and Kolkata also contribute substantially to the retail mall space accounting for ~26% of operational mall space in top-8 cities of the country.

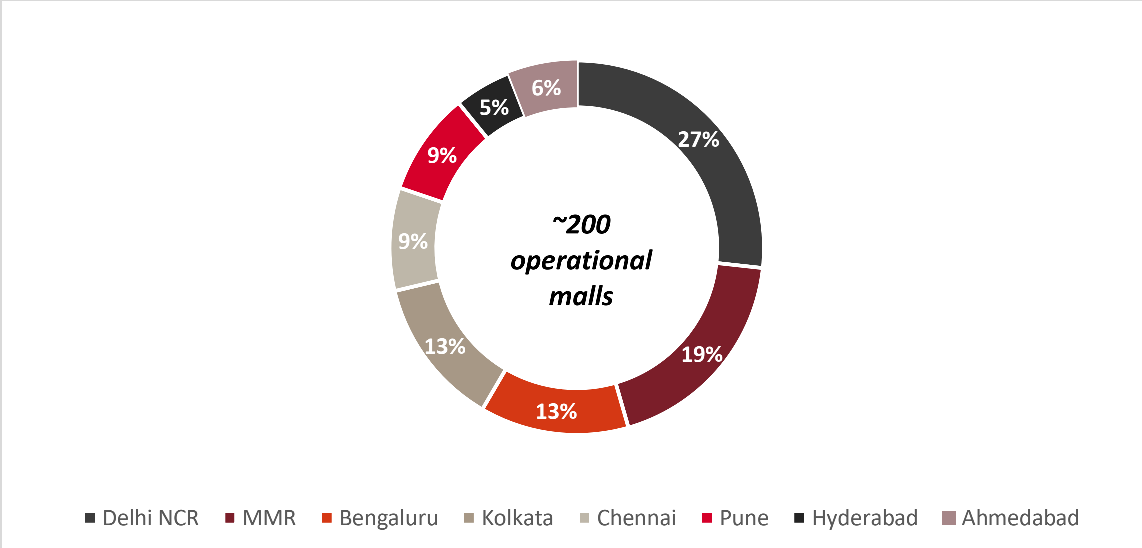
Aggregate operational mall space in top-8 cities in India (in terms of % area) as of FY22



Note: Figures may not be exhaustive

Source: CRISIL Research

Split in terms of number of malls in top-8 cities in India (as of FY22)

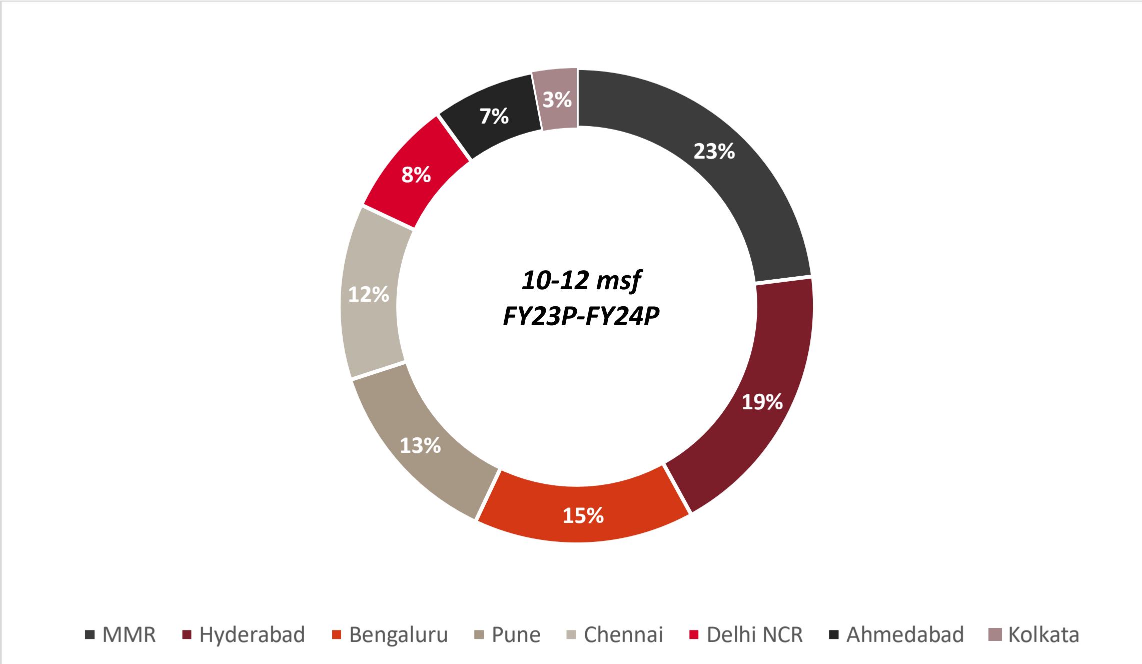


Note: Figures may not be exhaustive
Source: CRISIL Research

10-12 Mn sq. ft of retail space expected to be added in fiscals 2023 and 2024

During the pandemic, certain mall operators and retailers entered into various different rental models such as a revenue sharing model which involved a fix plus variable rental income based on retailer revenue. There was a waiver of lease rentals in some cases as well which led to a massive loss of revenue for the players in the shortterm which have now been restored to pre-covid levels in most cases. Lease structures between landlords and retailers are expected to continue to evolve, with a greater emphasis on partnerships. Rising footfalls following the withdrawal of Covid-19 restrictions will shore up the rental revenue of mall operators well above the pre-pandemic (fiscal 2020) level this fiscal 2023. Overall 10-12 msf of retail space is estimated to be added between fiscal 2023 and fiscal 2024 in the top-8 cities of India, with almost 4 msf of retails space already materialized last fiscal itself which included Reliance JioDrive, Sobha Lulu mall etc.

Split of recent/upcoming retail supply by key cities



Source: CRISIL Research

Assessment of real estate in Mumbai Metropolitan Region (MMR)

Residential real estate - MMR

Residential demand in MMR to clock CAGR ~2% growth between FY22 and FY24

Employees returning to base locations a positive for the residential real estate markets, relatively stable income growth to support sustained housing sales in the near term. Though, imposition of metro cess from April 1, 2022 (1% of property value to be paid on property purchases in Mumbai, Thane, Nagpur and Pune cities) and high base of FY22 which saw a growth of 15-20% in demand compared to FY21, to restrict some incremental demand growth in the coming years, which is expected to lead to demand remaining flattish to moderate over the next five fiscals. Due to these reasons, demand is expected to remain flat at 80 msf in FY23, and expected to grow by 1-3% y-o-y in FY24 to 81-83 msf.

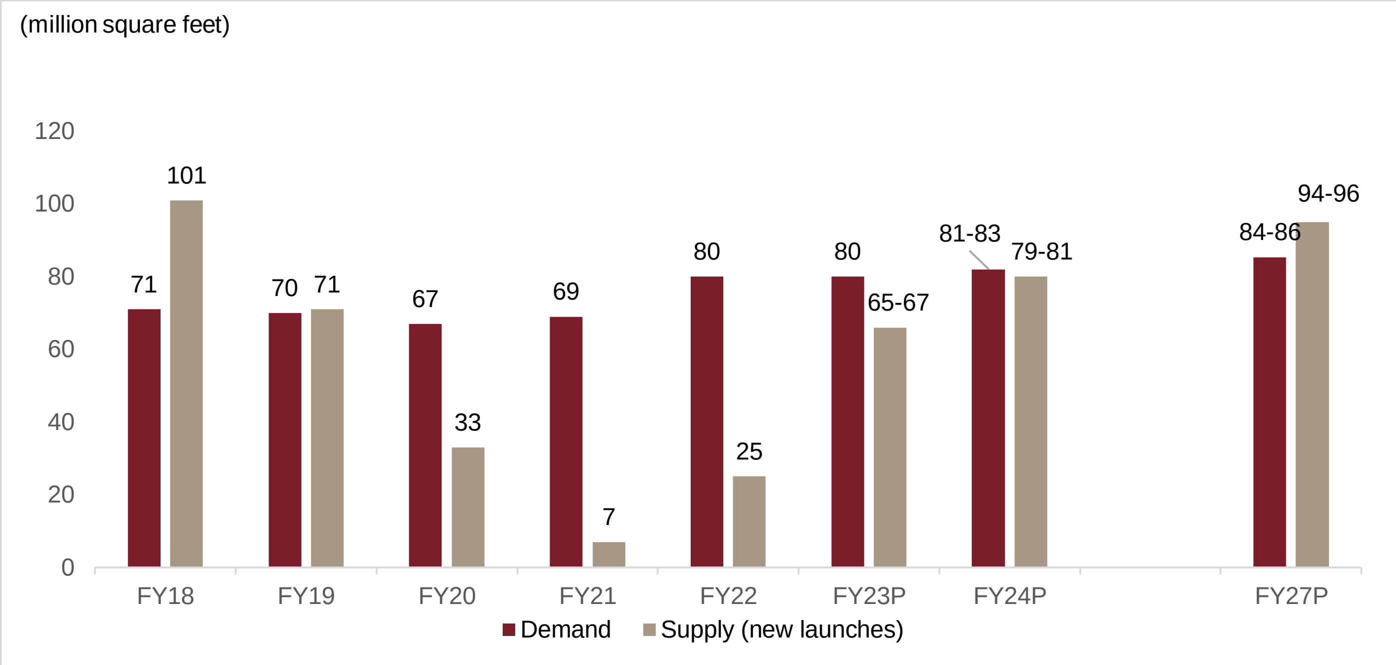
Demand expected to grow in range of CAGR 1-2% between FY22-FY27

Demand is expected to grow at a CAGR of 1-2% between fiscals 2022-2027 due to a high base of FY22 and metro cess imposed along with increasing prices over the coming years.

Annual supply (new launches) expected to be lower than demand in FY23 ; expected to increase thereafter

Supply (new launches) decreased to 7 msf in FY21 from 33 msf in FY20 due to projects getting deferred during the pandemic. But this changed in FY22 and new launches were witnessed and many more projects lined up over next 3 fiscals. Key upcoming residential projects in MMR include L&T Veridian at Emerland Isle, Kolte Patil Vaayu, Marathon Nexzone Aster 1, Godrej Highlands, Raheja Ascensio, Dosti Eastern Bay Phase 2, Marathon Neopark etc. to name a few. This will lead to annual supply (new launches) reaching 65-67 msf in FY23 and 79-81 msf in FY24. New launches are expected to grow in the long-term and reach 94-96 msf in FY27.

Annual demand and supply (new launches) for residential real estate in MMR

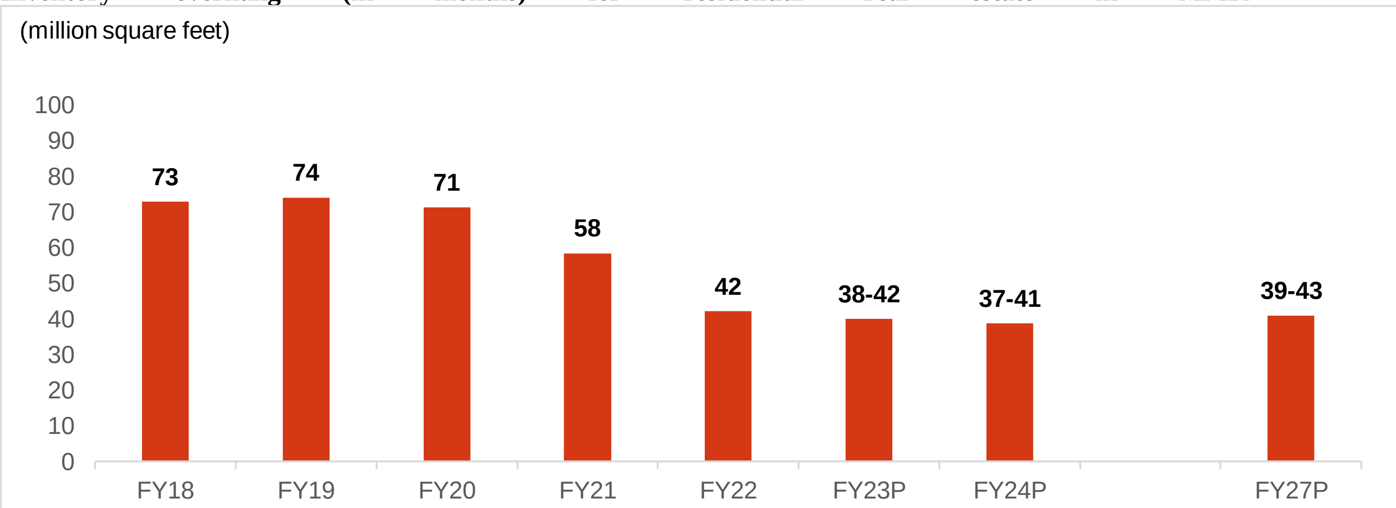


Source: CRISIL Research

Inventory levels (inventory overhang) to reduce gradually in the coming years in MMR

Inventory levels reduced sharply with two years of constant rise in sales and low launches. A gradual declining trend is expected to be observed in the coming years. Inventory rationalization as well is expected to be seen in key micro markets where existing inventory is high

Inventory overhang (in months) for residential real estate in MMR



Note: Inventory overhang is the number of months required to absorb or sell the unsold inventory based on the demand/absorption trend
Source: CRISIL Research

32-33% of the planned supply expected to be in affordable housing segment

Around 43% of the upcoming supply in MMR is over Rs. 10 million which have a loan requirement above Rs. 7.5 million (Assuming 75% LTV). Traction in financial markets is leading to higher demand from Ultra High Networth

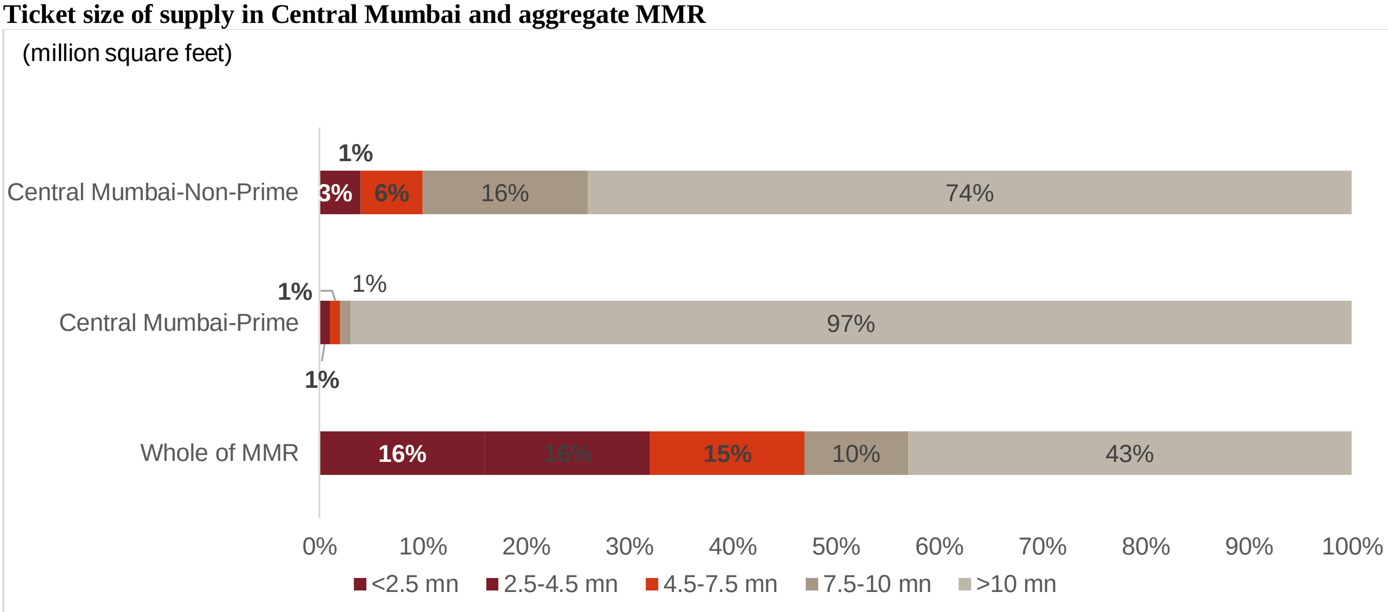
Individuals (UHNIs). Affordable housing (houses with prices less than Rs 4.5 million) is largely expanding towards outskirts and suburban markets especially markets like Mira-Bhayandar, Vasai, Virar, Dahanu etc. and accounting for ~33% of the planned supply.

South and Central Mumbai dominate the luxury housing segment in the city. South Mumbai and Central Mumbai have ~10% of the planned supply, most of which is dominated by luxury segment.

Central Mumbai- Prime and Central Mumbai- Non-prime together constitute ~8% of the planned supply in MMR

Central Mumbai Prime which consists of Worli, Prabhadevi, Lower Parel and Mahalaxmi has ~8 msf of planned supply out of which 4 msf is expected to be complete by FY24. In this micro-market, ~97% is in the luxury segment. Similarly, Central Mumbai Non-Prime which consists of Dadar, Matunga, Byculla, Parel and Mahim has ~48 msf of planned supply, out of which 16 msf is estimated to be complete by FY24. In this micro-market, ~74% belongs to the luxury segment.

Ticket size of supply in Central Mumbai and aggregate MMR

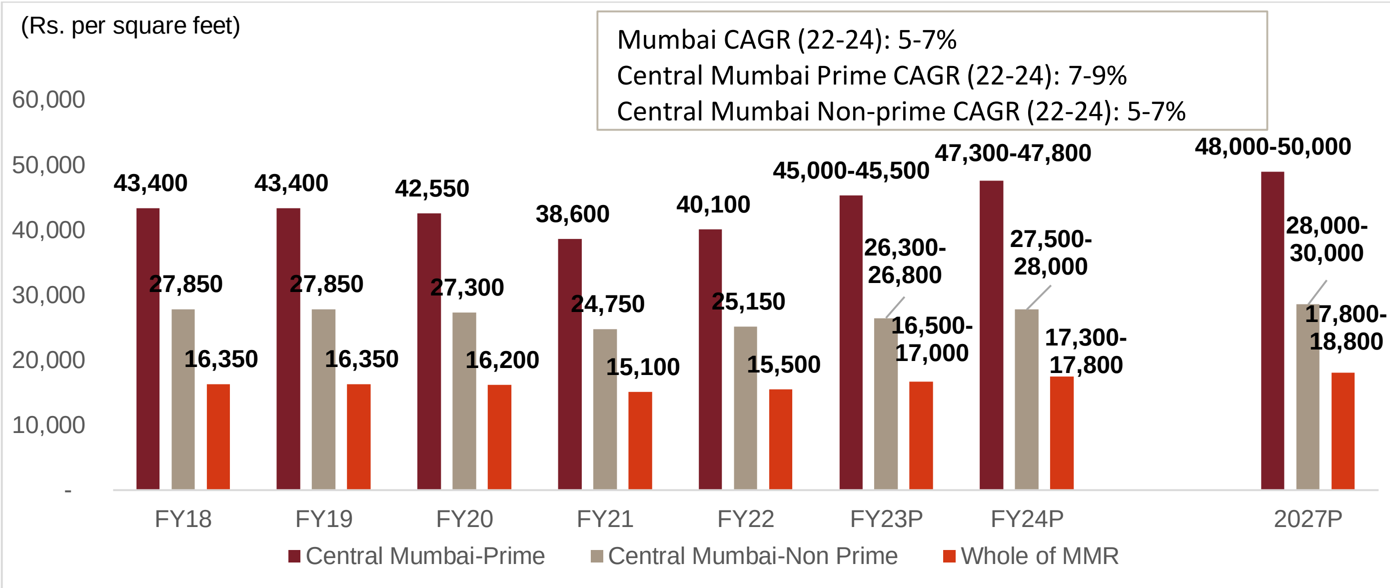


Source: CRISIL Research

Low unsold inventory to lead to higher price rise in Central Mumbai prime

A price rise of 3-6% is expected across the micro-markets in FY23 and FY24. Central Mumbai prime to see higher price hike of 10-12% in FY23 due to limited upcoming supply, and also due to share of unsold units being low. Prices are expected to increase from current ~Rs 40,000 per sq ft levels to Rs. 48,000-50,000 per sq ft by FY27. Similarly, Central Mumbai – Non prime market prices are at ~Rs. 25,000 per sq ft levels currently and is expected to increase to Rs. 28,000-30,000 per sq ft by FY27.

Residential price per sq ft in Central Mumbai and aggregate of MMR



Source: CRISIL Research

Commercial real estate – MMR

Annual net absorptions in commercial real estate to grow at CAGR 10-15% between FY22 and FY24

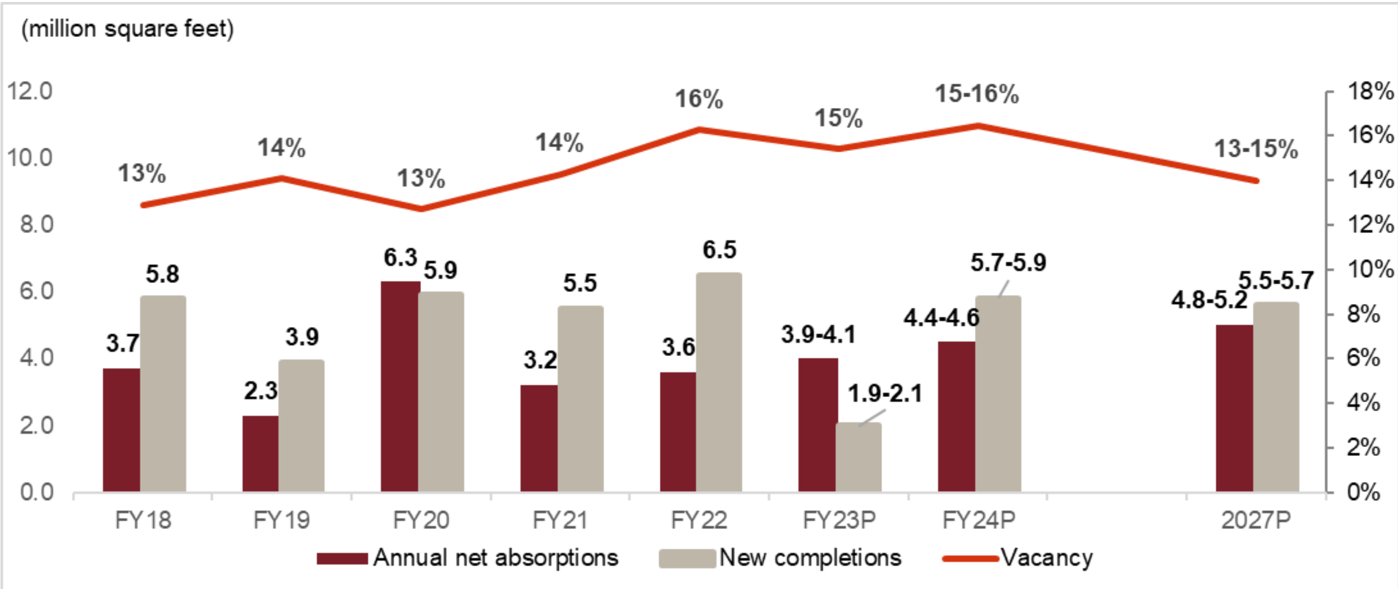
BFSI, technology and e-commerce gained traction in FY22 with respect to fresh leasing (absorptions) as these businesses have remained largely immune to the pandemic. Incremental transactions to be driven by flex working or co-working space which may attain 15-20% of incremental net leasing (absorptions) share in fiscals 2023 and 2024. Annual leasing or absorption is expected to increase to 3.9-4.1 msf in FY23 from 3.6 msf in FY22, an increase of 10-15%. A similar growth is expected for FY24. Long term growth outlook for annual absorptions (leasing) looks positive and is expected to grow at a CAGR of 6-8% between FY22-27 and reach 4.8-5.2 msf by FY27 from 3.6 msf in FY22.

New completions in FY23 to be ~60-75% below FY22 at 1.9-2.1 msf as projects launches and construction got deferred due to labour unavailability and cautious project launches during last two fiscals. Also, as a result of this, the region is expected to add 5.6-6 msf of new completions during FY23-24 period.

Vacancy expected to remain between 15-16% in FY24, expected to drop to 13-15% in FY27

MMR had a vacancy level of ~16% in FY22, which is estimated to have gone up by over 200 bps compared to 2-3 fiscals ago due to second wave induced lockdown and restricted growth in net leasing. Going forward, vacancy rates are likely to improve gradually as demand returns to normalcy.

Annual net absorptions, new completions and vacancy in MMR for commercial real estate

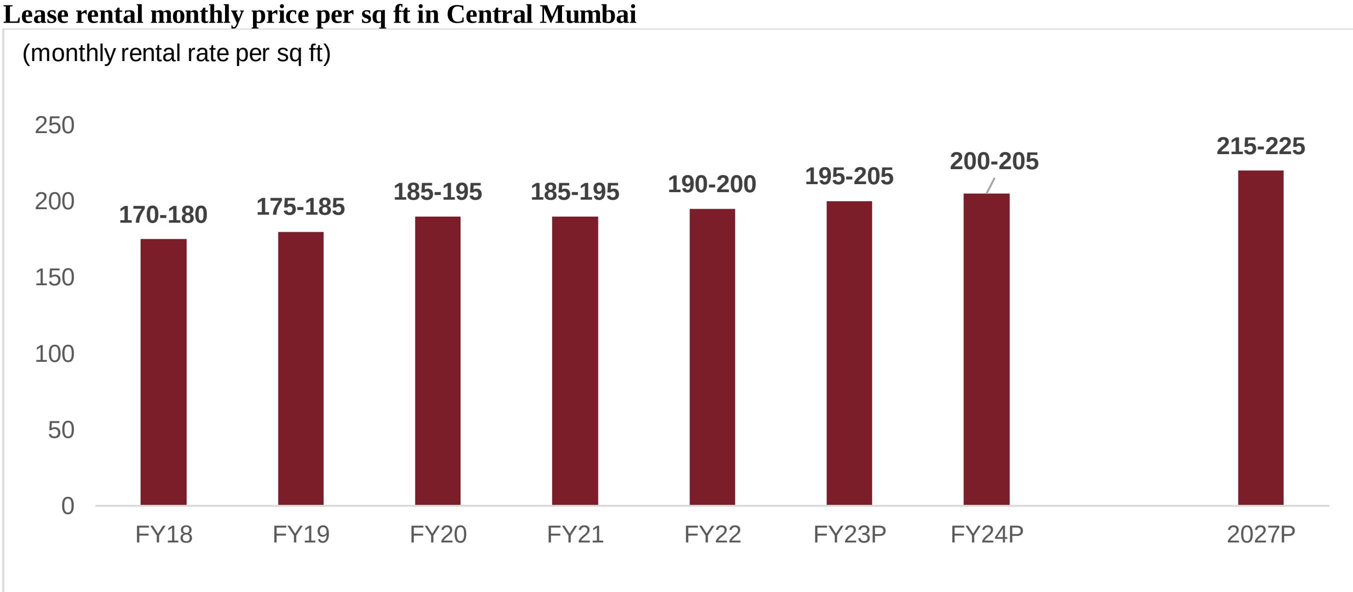


Note: Annual net absorption refers to annual leasing of commercial space, new completions refer to the new supply added in that particular year, vacancy refers to the percentage of unoccupied commercial space
Source: CRISIL Research

Commercial lease rental prices in Central Mumbai rose moderately in FY22; to see further upward revision of 2-4% y-o-y between fiscals 2022 and 2027

FY22 saw moderate rise in price as a factor of cost inflation and relatively better vacancy levels compared to FY21. Similar upward trajectory is expected in the coming years in lease rentals primarily due to passing on of raw material cost rise and better demand momentum.

Lease rental monthly price per sq ft in Central Mumbai



Source: CRISIL Research

Review of key recent commercial transactions in MMR

Location	Tenant	Nature of transaction	Area booked (sq ft)
BKC	Edelweiss Securities	Lease	100,000
Airoli	HDFC Bank	Lease	250,000
Thane	National Realty	Outright	162,000
Dadar	Polycab India	Outright	55,400
BKC	Brookefield Asset Management	Outright	450,000
Goregaon	Morgan Stanley	Lease	335,000

Source: CRISIL Research

Retail real estate – MMR

2-3 msf of mall space expected to be added in MMR over the next two fiscals

With ~40 operational malls, MMR had a stock of 17-18 msf as of FY22. 2-3 msf is expected to get added over the next two fiscals.

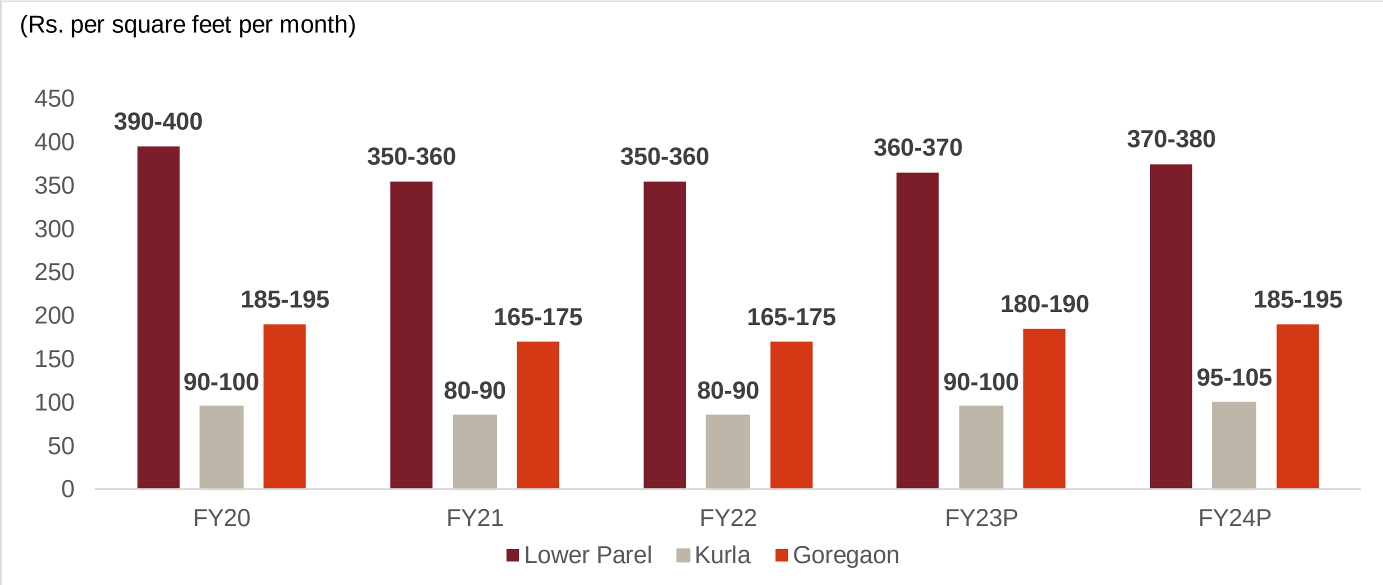
During the pandemic, certain mall operators and retailers entered into various different rental models such as a revenue sharing model which involved a fix plus variable rental income based on retailer revenue. There was a waiver of lease rentals in some cases as well which led to a massive loss of revenue for the players in the short term which have now been restored to pre-covid levels in most cases.

Gradually rising footfall to support rentals escalations which were under pressure over past 2-3 fiscals

Rising footfalls following the withdrawal of Covid-19 restrictions will shore up the rental revenue of mall operators above the pre-pandemic (fiscal 2020) level this fiscal 2023, compared with ~70% of that mark last fiscal.

Rental renegotiations between key developers and retailers are expected to play a key role in deciding market rentals for retail space. Key retailers already have a clause for revenue sharing models as and when government imposes restrictions. Lease rentals are expected to rise to the tune of 5-10% in fiscal 2023 as footfall steadily maintains momentum, amidst rise in overall inflation.

Retail rental price per sq ft per month in key micro markets of MMR



Source: CRISIL Research

Key growth drivers and trends in real estate sector of MMR

Plethora of new launches witnessed in FY22; many projects lined up for the next three fiscals

Due to waiver given on developer premium, many new launches were observed in MMR in fiscal 2022. Key organized developers such as Sunteck, Godrej, Lodha, Runwal, Rustomjee and others have projects lined up for the next two fiscals too.

MMR population expected to increase by ~17% over the next eight years, which is expected to drive the real estate market

The population of MMR increased from 19.3 million in 2015 to ~21.0 million this year. It is expected to increase to 24.6 million by 2030. Growing population will give rise to the need of quality housing and other infrastructure, which is expected to give a boost to the real estate sector.

Affordable housing is a key contributor to the growth of the sector

With a growing population, the demand for housing is expected to increase. Affordable housing is expected to contribute ~32% of the upcoming supply in Mumbai, i.e homes upto Rs. 4.5 million. This affordable segment is expanding in MMR towards outskirts and suburban markets especially markets like Mira Bhayandar, Vasai, Virar, Dahanu etc.

Government incentives propelled sales during fiscals 2021 and 2022

In fiscals 2021 and 2022, government incentives i.e. stamp duty reduction, discount on developer premium charges, lowered home loan interest rates propelled sales as well as launches in the city.

The state government had in January 2021, issued a government resolution slashing construction premium paid by builders by 50% after the cabinet approved the proposal. The scheme not only helped builders launch new projects, but it also helped the government collect record sums for the premium as many builders rushed to avail the discount.

Stamp duty was reduced by 2-3% between September 1, 2020 to March 31, 2022 to give impetus to the residential real estate market in MMR. The move proved to be successful as sales of residential flats increased post the reduction.

Occupancy for commercial and residential real estate improving as people are returning to office gradually, which in turn is also expected to help retail rentals as footfalls increase

Even though a lot of organizations across the city have a hybrid work model in place, commercial spaces in MMR registered ~85% occupancy in FY22. BFSI, technology and e-commerce have gained traction in FY22 especially w.r.t leasing as these businesses have remained largely immune to the pandemic. As more people return to office, occupancy levels are further expected to improve. This will also improve demand for residential real estate as people return from their native places.

Key challenges for the real estate sector in MMR

Geographical layout of the city leads to slow real estate growth

Mumbai is surrounded by water on three sides, which is why the city does not see circular (inward-out) development like most other cities which is why the real estate is slow.

Locked land a major hurdle to real estate

Mumbai which already has very limited available land parcels, a lot of land is locked in slums and ruined buildings. Even though efforts have been made by the Government to rehabilitate the slum dwellers, it does remain a key challenge for the industry which stops it from thriving.

High prices push people to buy houses in nearby regions of Thane and Navi Mumbai

Mumbai is India's most expensive real estate market. These high prices push people to buy houses in nearby regions of Navi Mumbai and Thane. Though PMAY 'Housing for all' initiative is putting several affordable projects in the markets, these are mostly located on the peripheries of Mumbai and neighboring regions, where other infrastructure is not very well developed. This results in a mismatch between demand and supply.

Assessment of premium five-star hotels in India with a focus on Mumbai

CRSIL Research has covered this section in two parts. The first part consists of assessment of premium five-star hotels across select eight cities in India. The eight cities covered for this section include Mumbai Metropolitan Region (MMR), Delhi-NCR, Chennai, Kolkata, Pune, Hyderabad, Bengaluru, and Ahmedabad.

The second part consists of assessment of premium five-star hotels in the Mumbai Metropolitan Region (MMR).

List of definitions and abbreviations used in the section

- Occupancy rate- It is measured by dividing the number of occupied rooms by the number of available rooms and multiplying by 100, showing the percentage of rooms occupied
- Supply- Total number of five-star premium hotels rooms
- Demand- Number of occupied rooms
- Average room rate (ARR)- Average price that a guest pays per room
- RevPAR- Revenue per available room is calculated by multiplying ARR by occupancy rate

Assessment of premium five-star hotels in India (select 8 cities)

In this section CRISIL has assessed the combined premium hotel segment of Mumbai Metropolitan Region (MMR), Delhi-NCR, Chennai, Kolkata, Pune, Hyderabad, Bengaluru, and Ahmedabad.

Leisure travel along with revival of corporate and international travel expected to drive demand

CRISIL Research estimates premium hotel room demand to cross pre-pandemic (FY19) levels of 39,645 rooms in FY23 and reach 42,686 rooms and further improve to 47,286 rooms in FY24 across the select 8 cities, registering a

CAGR of 3.6% between FY19-24. Revival of corporate and international travel expected to support this demand growth.

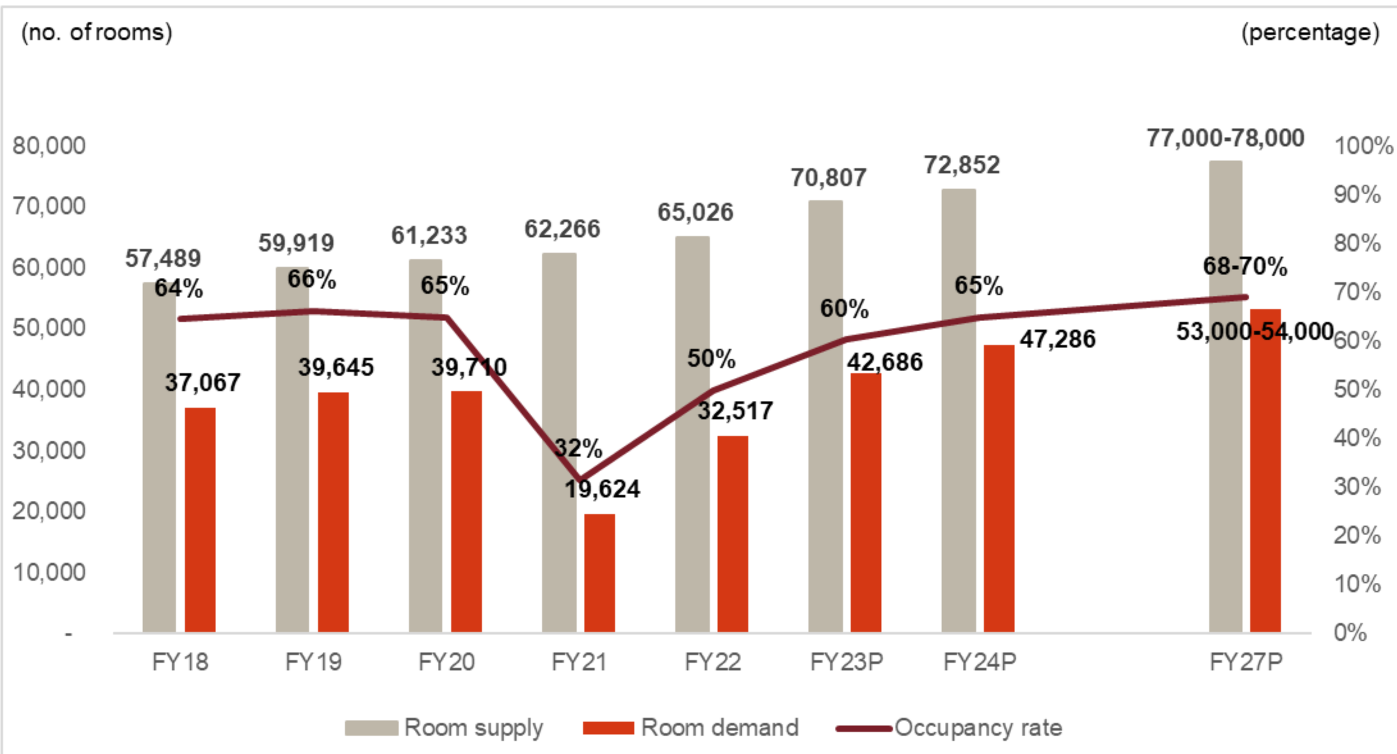
Demand is expected to reach 53,000-54,000 rooms in FY27 from 32,517 rooms in FY22,growing at a CAGR of ~10% between FY22-27. Staycation, leisure travel & workations will remain major demand drivers going forward. Apart from room revenues, hotels are also focusing on F&B revenues via wedding business, food delivery options etc. Occcupancy levels are expected to gradualy improve to 60% in FY23 and 65% FY24 from the lows of 50% in FY22.

Supply to grow by 7-10% y-o-y in FY23 as projects delayed due to the pandemic expected to get completed

Supply growth is estimated to grow at 7-10% y-o-y in FY 23 as delayed projects near completion come on board. Destinations like Ahmedabad, Bengaluru and Mumbai are expected to witness higher supply growth amongst the 8 destinations tracked in this section.

Supply is expected to reach 77,000-78,000 rooms in FY27 from 65,026 rooms in FY22, registering a CAGR of 3-4% betweeen fiscals 2022 and 2027.

Demand, supply and occupancy rate of premium hotels in select eight cities



Source: CRISIL Research

RevPAR estimated to cross pre-pandemic (FY19) levels in FY24

With increasing average room rates and occupancy levels across the select 8 cities, RevPAR is estimated to be above FY19 levels of Rs. 5,902 in FY24 at ~Rs. 5,922. It is expected to be ~Rs.6,800-7,000 per day in FY27 compared to Rs. 4,025 in FY22, a CAGR of 10-12%.

Review and outlook of average room rates, RevPAR

Financial year	Average room rate (Rs)	RevPAR (Rs. per day)
FY18	8,647	5,576
FY19	8,921	5,902
FY20	9,039	5,862
FY21	7,118	2,243
FY22	8,049	4,025
Outlook		
FY23P	8,839	5,329
FY24P	9,123	5,922
FY27P	9,900-10,100	6,800-6,700

Source: CRISIL Research

Assessment of premium five-star hotels in MMR

CRSIL Research has covered Mumbai, Navi Mumbai and Thane for the analysis of premium of five-star hotels in MMR. It consists of analysis at complete MMR level in the first part and analysis of micro-markets South Mumbai and Central Mumbai in the second part.

Assessment of premium five-star hotels (whole of MMR)

Room demand in MMR to reach pre-pandemic levels in fiscal 2023 as corporate & international travel revives

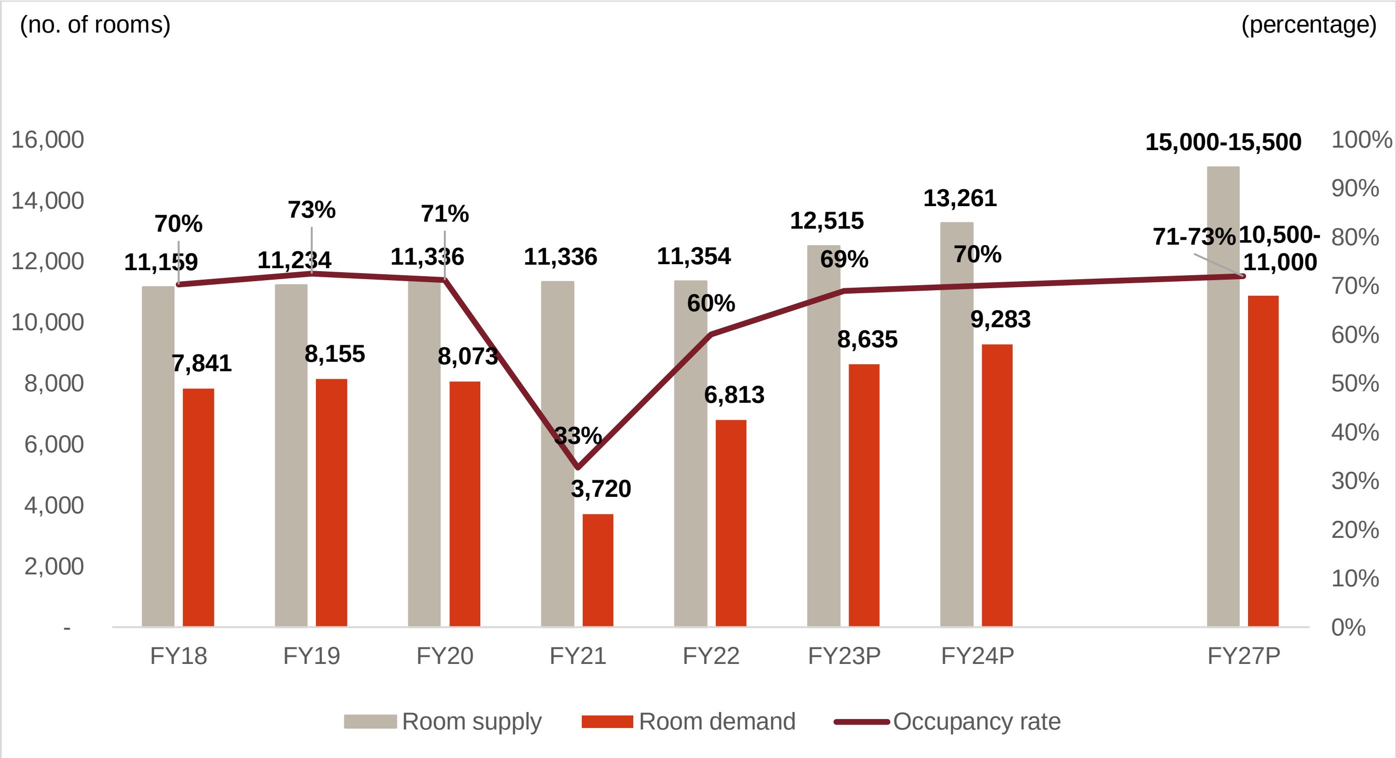
As the pandemic struck in March 2020, lockdowns and travel restrictions were imposed which led to occupancy levels falling to 33% in FY21 from 71% levels in FY20. With restarting of international travel & expected recovery in corporate travel & MICE segment, MMR will likely exceed pre covid (FY19) demand levels in fiscal 2023. Demand is expected to grow strongly y-o-y by ~27% in FY23 to 8,635 rooms compared to 6,813 rooms in FY22. Demand growth is further expected to continue in FY24 with y-o-y growth of 7.5%, and reach ~9,283 rooms.
In the long term, demand is expected to grow to 10,500-11,000 rooms by FY27, clocking a CAGR of 9-11% between FY22-27.

Occupancy levels are expected to be in the range of 69-70% in FY23 and FY24 from the current 60% levels in FY22. With further growth expected in demand, occupancy levels are further expected to improve to 71-73% by FY27.

Supply in MMR to grow at a CAGR of 5-6% between FY22-27

Key upcoming projects in MMR include Ritz Carlton in Central Mumbai, Oberoi Anantvilas in BKC and Aurika near the international airport. As the pandemic wanes, business demand has revived in the city which is encouraging developers to add new supply in MMR region. Supply in the region is expected to increase to 15,000-15,500 rooms by FY27 from 11,354 rooms in FY22, growing at a CAGR of 5-6%.

Demand, supply and occupancy rate of premium hotels in MMR

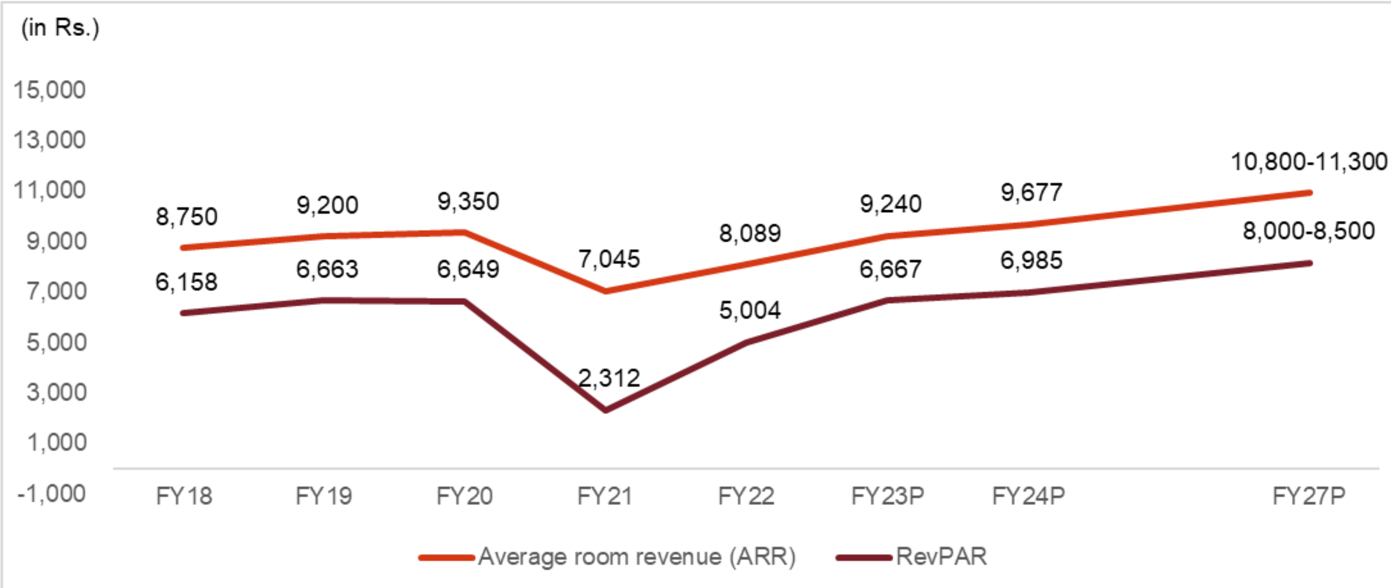


Source: CRISIL Research

RevPAR recovery to be led by occupancy rate improvement

The improvement in occupancy levels is expected to be followed by rate increase and subsequent growth in RevPARs. Fiscal 2023 is expected to be driven by further pick up in corporate travel & MICE segments along with restarting of inbound international travel demand as government has allowed scheduled commercial international flights to operate after a hiatus of 2 years from March 27, 2022. The trend is expected to continue and ARR levels are expected to grow at a CAGR 6-7% between FY22-27 to Rs.10,800-11,300 by FY27 compared to Rs. 8,089 in FY22, while RevPAR levels in MMR are estimated to reach Rs. 8,000-8,500 by FY27, compared to Rs. 5,004 in FY22, a CAGR growth of 9-11%.

Average room revenue (ARR) and RevPAR in MMR



Source: CRISIL Research

Demand and supply of premium hotels in South Mumbai and Central Mumbai

Please note: South Mumbai consists of areas such as Colaba, Fort, Nariman Point, Marine Drive, Cuffe Parade. Central Mumbai consists of areas such as Lower Parel, Worli, Prabhadevi and Mahalaxmi.

a) Micro market – South Mumbai

Demand in South Mumbai to grow at a CAGR of 6-7% between FY22-27

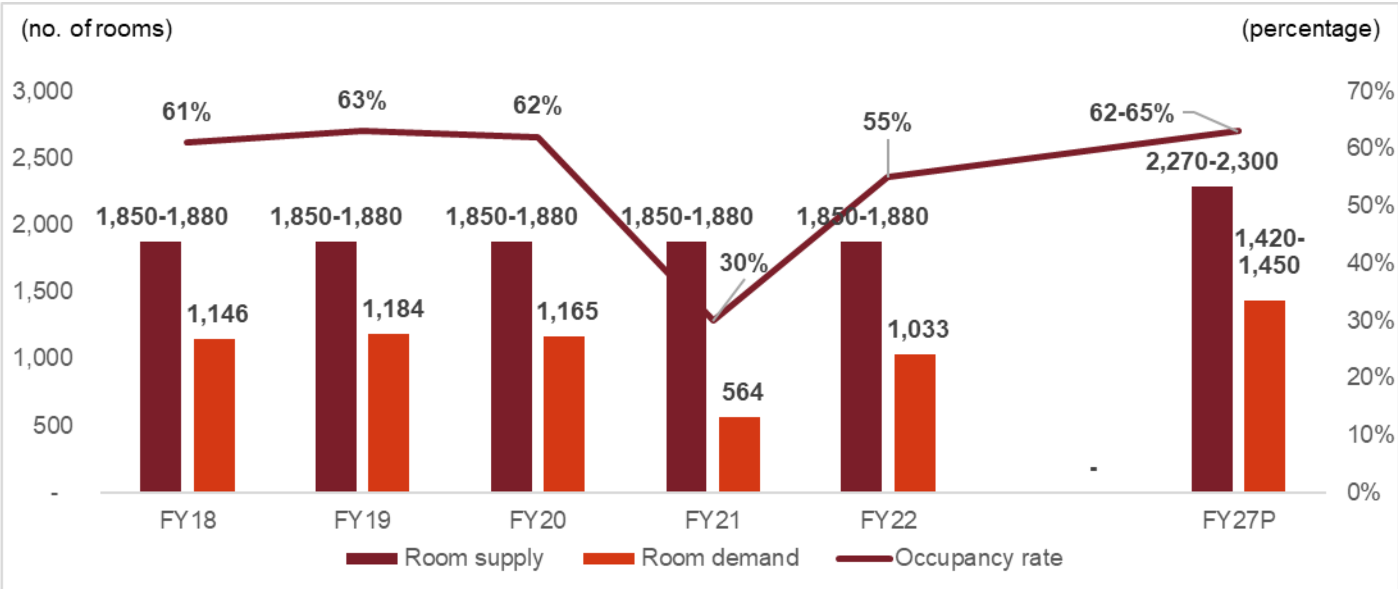
South Mumbai consists of areas such as Colaba, Fort, Nariman Point, Marine Drive, Cuffe Parade. In south Mumbai, room demand mainly comes from the corporate segment, given that sectors such as BFSI and shipping largely operate in that region. This market also sees demand from leisure travellers, particularly from November to February. With the above sectors being less affected due to the pandemic, demand is expected to increase to 1,420-1,450 rooms in FY27 from ~1,033 rooms in FY22, a CAGR growth of 6-7%.

Occupancy rates are expected to increase to 62-65% in FY27, from the current ~55% levels in FY22 as demand improves.

South Mumbai to have a supply of 2,270-2,300 premium hotel rooms by FY27

Key hotels in the region include Taj, Trident, Oberoi, Intercontinental, President IHCL. It has a supply of 1,850-1,880 premium hotel rooms as of FY22. Supply is expected to increase at a ~4% CAGR between FY22-27 and reach 2,270-2,300 rooms.

Demand, supply and occupancy rate of premium hotels in South Mumbai



Source: CRISIL Research

b) Micro market – Central Mumbai

Demand in Central Mumbai to grow at a CAGR of 9-10% between FY22-27

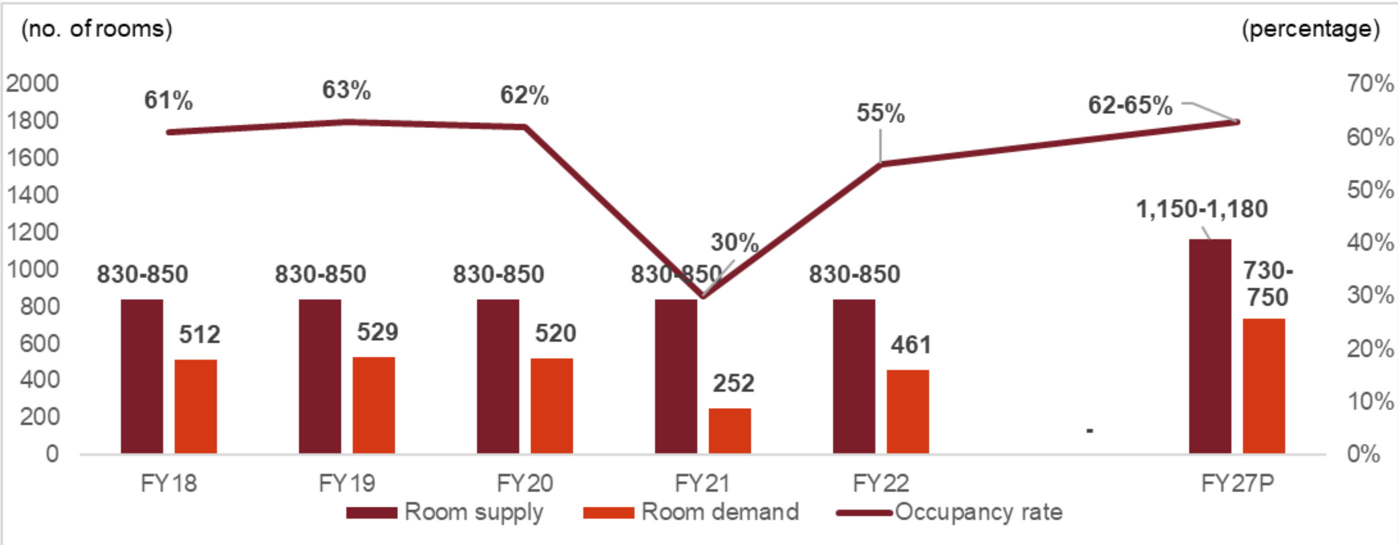
Central Mumbai consists of areas such as Lower Parel, Worli, Prabhadevi and Mahalaxmi. In central Mumbai too, room demand mainly comes from the corporate segment, given that sectors such as BFSI largely operate in that region. With business travel revival, demand is expected to grow to 730-750 rooms in FY27, compared to ~461 rooms in FY22, a CAGR of 9-10%.

Occupancy rates are expected to increase to 62-65% in FY27, from the current ~55% levels in FY22.

Central Mumbai to have a supply of 1,150-1,180 premium hotel rooms by FY27

Key hotels in the region include St Regis and Four Seasons with Ritz Carlton being the key upcoming hotel. It has a supply of 830-850 premium hotel rooms as of FY22. Supply is expected to increase by a ~7% CAGR between FY22-27 and reach 1,150-1,180.

Demand, supply and occupancy rate of premium hotels in Central Mumbai



Source: CRISIL Research

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" on page 18, for a discussion of the risks and uncertainties related to those statements, as well as "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 109 and 201, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward looking statements. Unless otherwise stated, the financial information used in this section is derived from our Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results.

Overview

We are a diversified company with a 143-year legacy, currently focused on the manufacture of polyester staple fibre ("**PSF**"), real estate development under the brand name "*Bombay Realty*" and sale and distribution of textile products. Our Company was incorporated on August 23, 1879 as a manufacturer of spun cotton yarn dip dyed by hand. Over the years, we were engaged in the manufacturing of cotton textile goods, woven fabrics and dimethyl terephthalate ("**DMT**"). Subsequently, our DMT business was discontinued in the year 2007 and our PSF plant was commissioned in the year 2007. We initiated our real estate development activities many years back and since the year 2010 – 11 have been operating this division under the brand name "*Bombay Realty*".

Under our PSF Division, we are primarily engaged in the manufacturing of 100% virgin PSF, both commodity and value-added PSF products. Our PSF is generally used in spinning mills and in the non-woven textile industry including technical textiles ("**PSF Division**"). Our manufacturing facility for PSF products is located at A/1, M.I.D.C. Industrial Area P.O. Patalganga, Dist. Raigad, Maharashtra – 410 220 ("**Manufacturing Facility**" or "**PSF Plant**"). As on August 31, 2022, we have a total polymerization capacity of 197,100 MTPA and total PSF capacity of 164,250 MTPA. We sell our PSF products to domestic as well as overseas customers. During Fiscal 2022, our Company exported PSF products to more than 20 countries.

Under our Real Estate Division, we are engaged in the development and sale of residential and commercial real estate projects. Further, we are engaged in leasing out office/retail spaces at Wadia International Center, Lower/Worli and Neville House, Ballard Estate ("**Real Estate Division**"). Our Real Estate Division holds two land parcels in South and Central Mumbai i.e., 24.83 acres of land at Lower Parel/Worli ("**WIC Land Parcel**") and 24.83 acres at Island City Center, Dadar/Naigaon ("**ICC Land Parcel**"). The division has undertaken the development of the projects namely a residential tower – Existing Building No. 1 ("**Springs**") at our ICC Land Parcel and development of a commercial building at our WIC Land Parcel. Additionally, we have completed the construction of two residential towers, Existing Building No. 4 ("**ONE ICC**") and Existing Building No. 2 ("**TWO ICC**") at our ICC Land Parcel.

Under our Textile Division, we are engaged in the distribution and sale of textile and related products such as apparel fabrics, bed linens, towels, top of bed and coordinates, etc. The manufacture of such textile products is outsourced to our vendors who manufacture such products under our designs and quality control guidelines. ("**Textile Division**")

The revenue mix from our three divisions for the Fiscals 2022 and 2021 is set forth below:

(₹ in crores)

Business division	**Fiscal 2022**	**% of total revenue from operations**	**Fiscal 2021**	**% of total revenue from operations**
PSF Division	1,548.45	77.39%	755.26	63.29%
Real Estate Division	430.76	21.53%	410.17	34.37%
Textile Division	21.71	1.08%	27.99	2.34%
Total revenue from operations	**2,000.92**		**1,193.42**	

We attribute our growth to our experienced, highly qualified and dedicated senior management team. Our senior management team has extensive experience in the various industries in which we operate. We leverage their experience in our strategic decision making and day-to-day operations of our Company. For further details, see "*Our Management and Organisational Structure*" on page 104.

Our Strengths

Track record of 143 years of business in the textiles industry and diversification into polyester and real estate development

Our Company has an established track record of 143 years in the textiles industry. Our Company was incorporated on August 23, 1879 at Mumbai as a manufacturer of spun cotton yarn dip dyed by hand. Over the years, we were engaged in the manufacturing of cotton textile goods, bed linens and towels, woven fabrics and DMT.

We commenced our DMT business in 1986 which we continued to operate until the commissioning of our PSF Plant in 2007 at the same location. We initiated our real estate development activities many years back and since the year 2010-11 we have been operating this division under the brand name "*Bombay Realty*" under which we have been engaged in the construction and sale of residential and commercial real estate at our ICC Land Parcel and our WIC Land Parcel and leasing of office/retail spaces at our WIC Land Parcel and Neville House, Ballard Estate. Over the years, we have diversified our business and consistently adapted to available opportunities, industry trends, evolving needs and market dynamics.

Scale and location of land bank available in South and Central Mumbai

The scale and location of our land bank provides a distinct competitive advantage to our Real Estate Division. We hold two land parcels in South and Central Mumbai i.e. 24.83 acres of land at Wadia International Center, Lower Parel/Worli for a mixed use development project and 24.83 acres of land at Island City Center, Dadar/Naigaon for a residential led development project.

Our WIC Land Parcel is a free hold land and is well connected to the western suburbs via the Bandra Worli Sea Link and to railway stations on the western and central local railway line. Further, its proximity to the Eastern Express Highway provides connectivity to the eastern suburbs of Mumbai and the metropolitan area of Thane. It is located in close proximity to some of the high-end mixed use developments in the city. Our ICC Land Parcel is also a free hold land and is located in close proximity to the Eastern Freeway, the Eastern Express Highway and monorail. The proximity of our land parcels to upcoming connectivity infrastructure projects such as new coastal road, the new metro and the MTHL link to the new airport provide us an advantage for development of our future real estate projects.

Certain parts of our land parcels have been utilized to construct residential and commercial developments. Our land reserves carry a substantial balance potential of permissible FSI area as a layout and by applying various provisions of DCPR 2034, as amended from time to time which we may monetize across various asset classes like commercial, retail, residential and hospitality developments. Our foray and experience with developing commercial and residential buildings as described above gives us an on ground experience on all aspects of development.

Recurring income from a portfolio of leased properties

We also benefit from recurring income streams from our leasing business, which provides us with a continuous source of revenue and cash flow. The income from our lease business in Fiscal 2022 and Fiscal 2021 was ₹ 30.80 crores and ₹ 21.81 crores, respectively. As of August 31, 2022, we have leased out 34,942 square feet of area to various tenants and another 30,154 square feet to a leading media house of India at our WIC Land Parcel. Further, we have leased out 12,161 square feet of area to two upscale restaurants of Mumbai at our WIC Land Parcel. We have also leased out 39,665 square feet of area to one of India's largest bank at "Neville House" Ballard Estate Mumbai.

Our commercial and retail properties are located at our WIC Land Parcel in Mumbai, which is considered one of the prime areas in the city. These properties are in close proximity to residential, retail and other commercial developments and are well connected by an effective transportation system resulting in consistent demand for rental space where our properties are located. Further, our ability to achieve recurring income is also driven by our ability to successfully establish and nurture relationships with reputable commercial and retail tenants. Some of our tenants are large Indian corporations which we believe provides us stability of income from our properties.

PSF manufacturing facility set up at a strategic location with technology from established engineering and technological companies in the USA

Our Manufacturing Facility was designed and engineered with technology and equipment supplied by established companies in the USA and was commissioned in 2007 to produce commodity PSF as well as value-added specialty PSF products. As of March 31, 2022, our Manufacturing Facility has an installed capacity of 164,250 MTPA and a total utilized capacity of 152,857 MTPA for PSF.

Our Manufacturing Facility is located approximately 70km from the Bombay Port and approximately 45km from the JNPT/ Nhava Sheva Port. Our proximity to the two ports provides us with a competitive advantage in relation to transit time and transportation cost for import of raw materials as well as for export of our products.

Focus on development of new products through R&D and process innovation

We have an in-house team that is constantly working with a focus on process innovation and developing value added specialty products with respect to our PSF Division. This R&D team is supported by sales and technical services teams that stay abreast of latest market trends which can help in developing and manufacturing innovative value-added products.

Our PSF Division also has an in-house testing facility having advance equipment meeting industry standards to constantly analyze and improve our products and do testing and sampling of new products for development.

Experienced management team

We have an experienced management team with extensive operational expertise and in-depth understanding of diversified industries. Our senior management team consists of technically qualified and experienced professionals in the industries in which we operate. Our senior management team is responsible for the overall strategic planning and business development of our Company and has been instrumental in the growth of our revenues and operations.

The strength of our senior management team combined with our decentralized business model enables us to take advantage of strategic market opportunities, take prompt decisions at the local level and cater to our customers better.

For further details, see "*Our Management and Organisational Structure*" on page 104.

Our Strategies

<u>PSF Division</u>

Focus on value added products and geographical diversification of our markets

We have a diverse range of value-added products such as optical white, dope dyed black/ jet black, micro/ super micro, high tenacity/ super high tenacity, trilobal, spunlace and low shrinkage PSF. Our value-added products contributed to more than 40% of total volume of PSF products sold in Fiscal 2022 and Fiscal 2021 each. As of March 31, 2022, we exported our products to more than 20 countries including geographies such as USA, Europe and Japan. In order to capitalize on the growth opportunities in the polyester industry, we aim to continue to focus on further increasing our market share for such value added products.

<u>Real Estate Division</u>

To continue to focus on developments in South and Central Mumbai

We currently have 24.83 acres of land at Wadia International Center, Lower Parel/Worli for a mixed use development and 24.83 acres of land at Island City Center, Dadar/Naigaon for a residential led development. Certain parts of our land parcels have been utilized to construct residential and commercial developments. Our land reserves carry a substantial balance potential of permissible FSI area as a layout and by applying various provisions of DCPR 2034, as amended from time to time which we can monetize across various asset classes like commercial, retail, residential and hospitality developments.

In the past, we have mainly focused on the construction of luxury developments catering primarily to high-income groups. Going forward, our aim is to provide quality homes to the mid and high end segment of the market with a focus on efficient planning and suitable amenities.

In Lower Parel/Worli, we may develop a high quality mixed use development with a combination of, commercial, retail, hotel and residential projects.

The monetization of the above land parcels may happen through combination of sale of land, self-development and a joint venture with investors or developers.

Reduce debt and improve profitability

Our total borrowings amounted to ₹ 4,437.89 crores and ₹ 4,166.03 crores as of March 31, 2022 and March 31, 2021, respectively. In Fiscal 2022 and Fiscal 2021, we incurred finance costs of ₹ 524.00 crores and ₹ 588.39 crores, or 24.88% and 48.00%, respectively, of our total income during these periods. We therefore intend to reduce our overall indebtedness and to reduce the cost of our debt in order to improve our performance. Towards this end, we intend to utilize a certain portion of the proceeds from this Issue to repay a portion of our debt. For further details, see "*Object of the Issue*" on page 53. This reduction in our debt will reduce our finance costs and contribute towards improvement in profitability or reduction of loss.

Our principal business activities

We organize our activities into the following three business verticals:

PSF Business

Under our PSF division, we are primarily engaged in the manufacturing of 100% virgin PSF, both commodity and value-added PSF products. Our PSF is generally used in spinning mills and in the non-woven textile industry including technical textiles.

As of August 31, 2022, we have 6 regional sales offices located at New Delhi, Mumbai, Ludhiana, Coimbatore, Madurai and Erode.

Our Products:

Polyester Staple Fibre

Polyester Staple Fibre (PSF) is a man-made fibre which is used as an alternative to cotton or blended with cotton/ other fibres for manufacture of yarns primarily for textile applications. PSF is also used in non-woven and other technical textile application. We manufacture 100% virgin PSF in different lusters such as semi dull, optical white and black. Our product range includes a variety of value added specialty PSF in addition to commodity PSF products.

Manufacturing Facility

Our PSF products are manufactured at our facility located at A/1, M.I.D.C. Industrial Area P.O. Patalganga, Dist. Raigad, Maharashtra – 410 220.

The following table sets forth the production capacity of our Company's Manufacturing Facility and the actual production volumes for the periods indicated:

Product	Annual Installed Capacity (in MT)			Actual Production (in MT)			Capacity utilization (%)		
	2020-2021	**2021-2022**	**2022-2023**	**2020-2021**	**2021-2022**	**April 1, 2022 to August 31, 2022**	**2020-2021**	**2021-2022**	**April 1, 2022 to August 31, 2022***
Polyester Staple Fibre (PSF)	164,250	164,250	164,250	103,038	152,857	62,886	62.7%	93.1%	91.3%
Total	**164,250**	**164,250**	**164,250**	**103,038**	**152,857**	**62,886**	**62.7%**	**93.1%**	**91.3%**

#Certified by V.A. Taklikar, Chartered Engineer vide his certificate dated September 26, 2022 having registration no. M 110298/7
**annualized*

Manufacturing Process:

Through the polymerization process, using Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG) as raw material, polyester polymer is manufactured. The polymer manufactured through polymerization is further processed using a melt-spun method to obtain continuous filaments of polyester fibre which is known as spun-tow. Many other processes such as drawing, annealing, crimping, drying and spin finish application are applied to this tow to further enhance the properties. In the last stage, these polyester drawn-crimped tow is cut in small fixed lengths similar to those of cotton fibers. These small fibers are packed in bales and called Polyester Staple Fibre

Utilities:

Power Receiving Station

Our facility is equipped with dedicated feeders transmitting power from 220 KV Apta and Chinchwad line. Our maximum demand is 7.2 MVA. Further, we have two DG power units having a capacity of 2,500 KVA as a back-up for use in emergencies.

Water

Our facility is equipped with a fire water storage of 8,000m^3, a raw water storage of 5,540m^3, fire water and deluge water pumping station, cooling water tower having a capacity of 6,000,^{3}/hour and two DM water generation units having a total capacity of 1,300m^3/day.

Raw Materials:

The principal raw materials used by us for manufacturing PSF are Purified Terephthalic Acid ("**PTA**") and Mono-ethylene glycol ("**MEG**"). We procure our raw materials from domestic and international suppliers. The location of our Manufacturing Facility which is within 45km from JNPT Port and 70km from the Bombay Port lends us a strategic advantage in raw material procurement.

Our Customers:

We sell our PSF products to several domestic as well as overseas customers. Over a period of time, we have built strong and long-established relationships with a number of our customers. We believe that our customer relationships are led primarily on account of our ability to meet stringent specifications and customizations along with our strong technical competencies. We are committed to developing and maintaining long-term relationships with our customers through frequent interactions and follow-ups. In Fiscal 2022, our revenue from domestic and export sales of PSF products constituted 56.82% and 43.18% of total sale of PSF products, respectively. Further, we exported our PSF products to more than 20 countries.

Quality Standards and Assurance

We have a quality control and testing laboratory at our Manufacturing Facility where we exercise stringent prevention based quality control checks on our input materials, process and finished products. We undertake stringent checks on every finished product prior to it being packed to ensure that no defective/damaged products are delivered to our customers.

Our Manufacturing Facility is accredited with ISO 9001:2015 certification for sales, marketing, manufacture and dispatch of polyester staple fibre (PSF) and polyethylene terephthalate (PET) chips and ISO 14001:2015 and ISO 45001:2018 certifications for manufacture of polyester staple fibre (PSF) and polyethylene terephthalate (PET) chips. Further, our products are certified under Okeo-Tex-100 class-1, and REACH.

Sales and Marketing Teams

Being a B2B business, our sales team regularly interacts with our institutional customers, both domestically and internationally and is responsible for taking new orders, quoting rates and understanding their needs. Our sales and marketing teams have built long-term relationships with a number of leading companies and have played an important role in helping us attain our position as a supplier of choice for them.

Environment, Health and Safety

Our operations are subject to national, regional and state laws and government regulations in India, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, noise levels, storage handling and other aspects of our manufacturing operations.

Our Manufacturing Facility is equipped with an Effluent Treatment Plant. Further, we have an occupation health centre and ambulance and a fire station at our Manufacturing Facility. We have through a systematic analysis and control of risks and by providing appropriate training to our management team and our employees significantly reduced accidents and occupational health hazards. Our Manufacturing Facility is accredited with ISO 45001:2018 certification for manufacture of polyester staple fibre (PSF) and polyethylene terephthalate (PET) chips.

Competition

Our competition varies by market, geographic area and type of product. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. We compete primarily on the basis of product quality, technology, cost, delivery and service. For more information about our industry, see "*Industry Overview*" on page 61.

Real Estate Division

We initiated our real estate development activities many years back and since the year 2010 – 11 we have been operating this division under the brand name "*Bombay Realty*" and have since completed multiple projects. Our activities under this division are divided into two segments:

a) Development business – Development and sale of real estate assets.
b) Leasing business - Leasing out office/retail spaces at Wadia International Center, Lower Parel/Worli and Neville House, Ballard Estate

Our Real Estate Division activities are currently carried out in Mumbai and the division holds two land parcels i.e. 24.83 acres of land at Wadia International Center, Lower Parel/Worli and 24.83 acres at Island City Center, Dadar/Naigaon.

Certain parts of our land parcels have been utilized to construct residential and commercial developments. Our land reserves carry a substantial balance potential of permissible FSI area as a layout and by applying various provisions of DCPR 2034, as amended from time to time which we may monetize across various asset classes like commercial, retail, residential and hospitality developments.

The division, till date, has undertaken and completed the development of the following Projects namely a residential tower – Springs at our ICC Land Parcel totaling 27,377.65 square meters of FSI and development of a commercial building at our WIC Land Parcel totaling 31,131.12 square meters of FSI. Further, we have completed the construction of two marquee residential towers "ONE ICC" and "TWO ICC" at our ICC Land Parcel totaling 1,13,182.67 square meters of FSI.

In addition to the developments being carried out in the two land parcels, our Real Estate Division is also engaged in the business of leasing out office/retail spaces at Wadia International Center, Lower Parel/Worli and Neville House, Ballard Estate. As of August 31, 2022, 34,942 square feet of area has been leased out to various commercial offices and another 30,154 square feet has been leased out to one of the leading media houses of India at our WIC Land Parcel. Further, 12,161 square feet of area has been leased out to two upscale restaurants of Mumbai at our WIC Land Parcel. Additionally, 39,665 square feet of area has been leased out to one of India's largest bank at "Neville House" Ballard Estate Mumbai.

Our Business Operations:

Completed Projects

The following table sets forth certain information on our Completed Projects as of August 31, 2022:

Sr. No.	Project	Location	Type and configuration	Name of company/ entity that is the developer of the project	Development Model	Developed FSI Area (Square meters)*
1.	Existing Building No 1 (SPRINGS)	Dadar/ Naigaon	Residential Building	The Bombay Dyeing and Manufacturing Company Limited	Self Developed	27,377.65
2.	Existing Building No 2 (TWO ICC), Existing Building No 4 (ONE ICC)	Dadar/ Naigaon	Residential Buildings	The Bombay Dyeing and Manufacturing Company Limited	Self Developed	1,13,182.67
3.	Existing Building No 2	Lower Parel / Worli	Commercial Building	The Bombay Dyeing and Manufacturing Company Limited	Self Developed	31,131.12
	Total	**-**	**-**	**-**	**-**	**1,71,691.44**

**Certified by Hiren Thakker, Licensed Surveyor, vide his certificate dated September 22, 2022 having license no. T/107/LS*

Our Customers:

Under our Real Estate Division,

- We have sold units at our residential developments namely, Springs, ONE ICC and TWO ICC located at our ICC Land Parcel.

- We have also developed a building of 31,131.12 square meters of developed FSI area to house the India headquarters of one of the leading private sector bank at our WIC Land Parcel.

- Further, our other current tenants of our properties at our WIC Land Parcel include one of the leading media houses of India, an airline company, a manufacturing company and two upscale restaurants of Mumbai who provide us continuous rental income.

- Additionally, we have leased out 39,665 square feet of area to one of India's largest bank at "Neville House" Ballard Estate Mumbai.

Our revenue from the real estate development business amounted to ₹ 430.76 crores and ₹ 410.17 crores for the financial years ended March 31, 2022 and March 31, 2021,

Our Approach

Our approach to all our developments is led by our customer centric approach. We achieve this by focussing on the following:

- For all our developments, we spend time on analyzing the best use of our identified land parcel. This enables proper product fitment with respect to the location and the need of our customers.

- Thereafter we work with some of the reputed consultants to provide a design solution which is unique and serves the needs of the end user.

- Once the designs are finalized, we work with reputed contractors to enable the construction and delivery of our real estate development project as per the designs and specifications.

- Our team consists of industry experts who have years of experience in various aspects of real estate sector. We have the following key divisions which actively drive and manage the developments along with senior management: Financial Planning, Projects, Contracts, Sales and CRM, Facilities Management etc.

All our developments are designed and constructed as per approvals provided by various government authorities.

Quality Standards and Assurance

At various stages of our development process, we follow a system of checks and balances. Our designs are managed by a lead design consultant under whom multiple specialized sub consultants look at various technical aspects of the real estate development project. All our budgeting and estimation is verified by a qualified professional quantity surveyor (PQS). All aspects of project construction with respect to cost, schedule, safety, adherence to safety standards etc. are managed by a professional project management firm. A specialized contractor is appointed for the construction of our project with specific specialized sub-contractors appointed for completion of various technical aspects of the building. The coordination of all the above is done by our projects team on a regular basis. We use specialized software to track project progress and key milestones for material management, accounting and other critical aspects of the project.

Apart from the above multiple other specialized consultants, contractors and vendors are bought in at various time as per the need and requirement of the project.

Sales and Marketing Teams

This team forms the backbone of our customer outreach efforts. Client relationship Management (CRM team) is also an integral part of our sales and marketing team as they help in terms of collections but also to ensure smooth hand over of units to customers. Further, we have appointed an external sales and marketing agency to drive our sales. Our sales team works closely with the external sales and marketing agency appointed by us to carry out our sales efficiently.

Competition

For our Real Estate Division, our main competitors include real estate developers who are active in and around our land parcels in South and Central Mumbai.

Textile Division

Under our Textile Division, we are engaged in the distribution and sale of textile and related products such as apparel fabrics, bed linens, towels, top of bed and coordinates, etc. The manufacture of such textile products is outsourced to our vendors who manufacture such products under our designs and quality control guidelines.

Our revenue from the sale of textile products amounted to ₹ 21.71 crores and ₹ 27.99 crores for the financial years ended March 31, 2022 and March 31, 2021, respectively.

Our Products:

Our products are apparel fabrics, bed linens, towels, top of bed and coordinates. The product range includes suiting's and shirting's, school and corporate uniform fabrics, printed lungi, sarees, dress material fabrics, etc.

Our Customers:

As of August 31, 2022, we carried out the sale of our textile products to more than 25 customers. Further, in Fiscal 2022, we have carried out the sale of our textile products to more than 25 customers.

Our retail products are available at our Bombay Dyeing showroom, which caters to our walk-in customers. Our revenue from the sale of products from our own retail outlet amounted to ₹ 1.59 crores and ₹ 1.45 crores for the financial years ended March 31, 2022 and March 31, 2021, respectively.

Quality Standards and Assurance

Under our Textile Division, we provide our designs to our carefully selected vendors who manufacture our textile products under stringent quality control guidelines provided by us.

Sales and Marketing Team

Our sales team regularly interacts with our customers and is responsible for taking new orders, quoting rates and understanding their needs.

Employees and Human Resources

As of August 31, 2022, we have 459 permanent employees and 543 contract labourers.

Details of the permanent employees of our Company are set forth below, by division:

Division	Employees
PSF	333
Real Estate	71
Textile	20
Corporate	35
Total	**459**

Our work force is a critical factor in maintaining quality, productivity and safety, which strengthens our competitive position. We aim to develop a culture that is based on fairness and respect. Our employee policies aim to recruit a talented and qualified work force, facilitate their integration and encourage development of their skills in order to facilitate the growth of our operations. We are also committed to an empowering environment that motivates and facilitates growth and rewards contribution. Various welfare measures have also been implemented by us including a group personal accident insurance policy. We continuously review our existing human resource initiatives to make them more inclusive, employee engaging and skill-development oriented.

We have an internal workers' union at our Manufacturing Facility. We have maintained cordial relations with our workers' union and have not experienced any work stoppages due to labour disputes or cessation of work.

Information Technology

We have implemented various information technology (“**IT**”) solutions including enterprise resource planning ("**ERP**"), which we implemented in 2006 to cover key areas of our operations. We intensively use technology in relation to customer order management and dispatches, production planning and reporting, manufacturing processes, financial accounting and scheduling raw material purchases, etc. This includes implementing processes/reports to improve our operational efficiency, customer service and decision-making thereby minimizing manual interventions.

Our IT infrastructure provides us with resources, connectivity and data backup of our applications across locations and functions to ensure reliability and availability. Further, we deploy various security tools and protocols on premise as well as cloud infrastructure to ensure a secure working environment.

We make efforts to consistently upgrade our systems to ensure efficiency thereby leading to business continuity. We intend to continue to focus on and make investments in our IT systems and processes.

Intellectual Property

We are recognized for the quality of our diversified product offerings, which includes manufacture of PSF, real estate development under the brand name “*Bombay Realty*” and sale and distribution of textile products.

We market our products under our key brand names “*Bombay Dyeing*”, “*Home and You*”, “*Wadia International Center*”, “*Island City Center*”, “*Bombay Realty*”, etc.

We have registered certain business names and logos as trademarks under various classes with the Registrar of Trademarks in India under the Trade Marks Act, 1999. As of August 31, 2022, we have registered 564 trademarks with the Registrar of Trademarks in India.

Environment, Health and Safety

Our Company conducts firefighting training via mock drills, inspection of firefighting equipment, etc. regularly at its corporate office and Manufacturing Facility. Safety induction trainings, labour health checks are conducted regularly for workers at the Manufacturing Facility. Further, we have appointed safety and fire officer for our projects to ensure regular compliances

Insurance

Our operations are subject to various risks. The risks inherent to our PSF Division include property damage, malfunctions and failures of manufacturing equipment, fire, explosions, loss in-transit for our products, burglary, accidents, personal injury or death, environmental pollution and natural disasters; risks inherent to our Real Estate Division include fire, explosions, burglary, accidents, personal injury or death, natural disasters, etc. and risks inherent to our Textile Division include fire, explosions, burglary, money in transit, etc.

We maintain insurance coverage that we consider necessary in respect of our business, operations, products and workforce. Our principal type of insurances coverage for our PSF Division include marine open policy, sales turn over policy, industrial all risk policy etc. which, *inter alia*, covers transport of critical raw materials, finished products, natural disasters, fire, leakage and contamination cover and accidental damage. Further, the principal types of insurance coverage for our Real Estate Division include machinery breakdown policy, an electronic equipment policy, a burglary and housebreaking policy, a plate glass policy and an industrial all risk policy which, *inter alia*, covers theft, fires, strikes, glass plates and equipment.

In respect of our workforce, we maintain a group personal accident policy which covers accidental death and temporary and permanent disabilities. We also maintain a public liability policy that covers personal injury and property damage arising out of accidents at our Manufacturing Facility. We believe that our insurance coverage is in accordance with industry custom, including with respect to the terms of and the coverage provided by such insurance and is reasonably sufficient to cover all anticipated risks associated with our operations, however, there can be no assurance that the insurances taken by us would be adequate to cover all risks and losses. See “*Risk Factors*” on page 18.

Corporate Social Responsibility

We value practicing corporate social responsibility ("**CSR**") and believe it is vital for us to go on the field and meet the communities in which we operate in and to which we wish to contribute. We have constituted a Corporate Social Responsibility Committee which is responsible for formulating and monitoring the CSR policy of our Company. As a part of our CSR effort, we have carried out activities such as expenditure towards Nowrosjee Wadia Maternity Hospital for continuous improved service delivery, retrofitting project - medical gas works and upgradation of operation theatre, blood bank, ICU services, diagnostics and casualty.

In Fiscals 2022 and 2021, we have spent Nil and ₹ 2.41 crores, respectively on our CSR activities.

Registered and Corporate Office

The registered office of our Company is situated at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400 001, Maharashtra, India and used by us on a leasehold basis. For further details, see "*Risk Factors – Certain properties occupied by us are not owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, financial condition and results of operations may be adversely affected.*" on page 36.

Our Corporate Office is situated at C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai – 400 025, Maharashtra, India and is owned by us.

OUR MANAGEMENT AND ORGANISATIONAL STRUCTURE

Our Board of Directors

As on the date of this Draft Letter of Offer, our Company has 8 (Eight) Directors on our Board, comprising of 3 (Three) Non-Executive Directors and 5 (Five) Independent Directors. Out of the 8 (Eight) Directors, 2 (Two) are Women Directors which includes 1 (One) Independent Woman Director.

The following table sets forth the details regarding our Board as on the date of this Draft Letter of Offer:

Sr. No.	Name, designation, current term, period of directorship, occupation, date of birth, DIN and address	Age (in years)	Other Directorships
1.	**Nusli Neville Wadia** **Designation**: Non-Executive Director and Chairman **Current Term:** Liable to retire by rotation **Period of Directorship**: Director since April 4, 1968 **Occupation**: Business **Date of Birth**: February 15, 1944 **DIN**: 00015731 **Address**: Beach House, P. Balu Marg, Prabhadevi, Mumbai – 400 025, Maharashtra, India	78	1. The Bombay Burmah Trading Corporation Limited; 2. Britannia Industries Limited; 3. Go Airlines (India) Limited; 4. Go Investments & Trading Private Limited; 5. Leila Lands SDN. Bhd. (Malaysia); 6. Strategic Food International Company LLC, Dubai, UAE; 7. Island Horti-Tech Holdings Pte. Ltd.; 8. Strategic Brand Holdings Company Limited, UAE; 9. Al Sallan Food Industries Company, SAOG, Oman; 10. Britannia and Associates (Dubai) Private Limited; 11. Al Fayafi General Trading Company. LLC, UAE; 12. Tristar Charitable Foundation; and 13. Goodeed Charitable Foundation.
2.	**Ness Nusli Wadia** **Designation**: Non-Executive Director **Current Term**: Liable to retire by rotation **Period of Directorship**: Director since August 01, 2001 **Occupation**: Business **Date of Birth**: May 30, 1971 **DIN**: 00036049 **Address**: Beach House, P. Balu Marg, Prabhadevi, Mumbai – 400 025, Maharashtra, India	51	1. National Peroxide Limited; 2. The Bombay Burmah Trading Corporation Limited; 3. Britannia Industries Limited; 4. Go Airlines (India) Limited; 5. Virtual Education Network Private Limited; 6. K.P.H. Dream Cricket Private Limited; 7. Go Investments & Trading Private Limited; 8. Nitapo Holdings Private Limited; 9. Island Horti-Tech Holdings Pte. Ltd.; 10. Leila Lands SB, Malaysia; 11. Island Landscape & Nursery Pte. Ltd.; 12. Strategic Foods International Company (LLC), Dubai; 13. School for Social Entrepreneurs India; 14. Nammyoho Daan Foundation; and 15. Patricia Keelan Foundation.
3.	**Vinesh Kumar Jairath** **Designation**: Non-Executive Independent Director **Current Term**: February 09, 2022 to	63	1. Wockhardt Limited; 2. Kirloskar Industries Limited; 3. Kirloskar Oil Engines Limited; 4. Go Airlines (India) Limited; 5. The Bombay Burmah Trading Corporation Limited; and

Sr. No.	Name, designation, current term, period of directorship, occupation, date of birth, DIN and address	Age (in years)	Other Directorships
	February 08, 2027 **Period of Directorship**: Director since February 09, 2017 **Occupation**: Professional **Date of Birth**: December 27, 1958 **DIN**: 00391684 **Address**: 194-B, Kalpataru Horizon, S.K. Ahire Marg, Worli, Mumbai – 400 018, Maharashtra, India		6. Avante Spaces Limited (Formerly known as Wellness Space Developers Limited).
4.	**Keki Manchersha Elavia** **Designation**: Non-Executive Independent Director **Current Term**: May 22, 2022 till the conclusion of 144th Annual General Meeting to be held in the year 2024 **Period of Directorship**: Director since May 22, 2017 **Occupation**: Professional **Date of Birth**: April 9, 1946 **DIN**: 00003940 **Address**: 2A Anand Bhavan, 36th Road, Bandra West, Mumbai – 400 050, Maharashtra, India	76	1. Britannia Industries Limited; 2. Dai-ichi Karkaria Limited; 3. Grindwell Norton Limited; 4. Sterling and Wilson Renewable Energy Limited; 5. Godrej and Boyce Manufacturing Company Limited; 6. Go Airlines (India) Limited; 7. Phoenix ARC Private Limited; 8. Sterling and Wilson International Solar FZCO; and 9. Sterling and Wilson Solar Australia Pty. Ltd.
5.	**Minnie Aarasp Bodhanwala** **Designation**: Non – Executive Director **Current Term**: Liable to retire by rotation **Period of Directorship**: Director since March 29, 2017 **Occupation**: Service **Date of Birth**: January 13, 1963 **DIN**: 00422067 **Address**: 101, Gulmohar House, 3rd Floor, TPS IV, Almeida Park, Bandra (West), Mumbai – 400 050, Maharashtra, India	59	1. National Peroxide Limited; 2. The Bombay Burmah Trading Corporation Limited; and 3. Axel Polymers Limited.

Sr. No.	Name, designation, current term, period of directorship, occupation, date of birth, DIN and address	Age (in years)	Other Directorships
6.	**Sunil Siddharth Lalbhai** **Designation**: Non-Executive Independent Director **Current Term**: February 05, 2019 to February 04, 2024 **Period of Directorship**: Director since February 05, 2019 **Occupation**: Business **Date of Birth**: March 15, 1960 **DIN**: 00045590 **Address**: Lalbhai, Cottage, 13, Byramji Gamadia Road, Mumbai – 400 026, Maharashtra, India	62	1. Amal Limited; 2. Atul Limited; 3. Atul Bioscience Limited; 4. Atul Rajasthan Date Palms Limited; 5. Navin Fluorine International Limited; 6. Pfizer Limited; and 7. BAIF Institute for Sustainable Livelihoods and Development.
7.	**Gauri Atul Kirloskar** **Designation:** Non-Executive Independent Director **Current Term:** February 05, 2019 to February 04, 2024 **Period of Directorship:** Director since February 05, 2019 **Occupation:** Business **Date of Birth:** August 09, 1983 **DIN:** 03366274 **Address:** Radha, 453, Gokhale Road, Pune – 411 016, Maharashtra, India.	39	1. Kirloskar Oil Engines Limited; 2. The Bombay Burmah Trading Corporation Limited; 3. Arka Fincap Limited (Formerly known as Kirloskar Capital Limited); 4. Avante Spaces Limited (Formerly known as Wellness Space Developers Limited); 5. GreenTek Systems (India) Private Limited; 6. Kirloskar Integrated Technologies Private Limited; 7. Navsai Investments Private Limited; 8. Indo Global Hinjewadi Software Park Private Limited; 9. La-Gajjar Machineries Private Limited; 10. Optiqua Pipes and Electricals Private Limited; 11. Arka Financial Holdings Private Limited; 12. Kairi Investments LLC, USA; 13. Beluga Whale Capital Management Pte. Ltd.; and 14. Kirloskar Americas Corporation, USA (Previously known as KOEL Americas Corp. USA).
8.	**Rajesh Kumar Batra** **Designation:** Non-Executive Independent Director **Current Term:** August 09, 2021 to August 08, 2026 **Period of Directorship:** Director since August 09, 2021	67	1. Cravatex Limited; 2. B.R.T. Limited; 3. National Peroxide Limited; 4. Cravatex Brands Limited; 5. The Bombay Burmah Trading Corporation Limited; 6. NPL Chemicals Limited; 7. Proline Exports Private Limited; 8. R.B. Fitness and Trading Private Limited; 9. Goodeed Charitable Foundation;

Sr. No.	Name, designation, current term, period of directorship, occupation, date of birth, DIN and address	Age (in years)	Other Directorships
	Occupation: Business **Date of Birth:** March 20, 1955 **DIN:** 00020764 **Address:** 9A, Sunita, Ridge Road, Malabar Hill, Mumbai – 400 006, Maharashtra, India		10. Tristar Charitable Foundation; 11. Northstar Charitable Foundation; 12. Venus Charitable Foundation; and 13. Hi-Tec Europe Limited.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company during the last five years preceding the date of filing of this Draft Letter of Offer, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company.

None of our Directors is or was a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such company, in the last ten years immediately preceding the date of filing of this Draft Letter of Offer.

Our Key Management Personnel and Senior Management Personnel

The details of our other Key Management Personnel are as follows:

Sr. No.	Name of Key Management Personnel	Associated with our Company since	Current Designation
1.	Suresh Khurana	January 14, 2013	Manager*
2.	Vinod Jain	May 09, 2022	Chief Financial Officer and Chief Risk Officer
3.	Sanjive Arora	July 11, 2016	Company Secretary and Compliance Officer

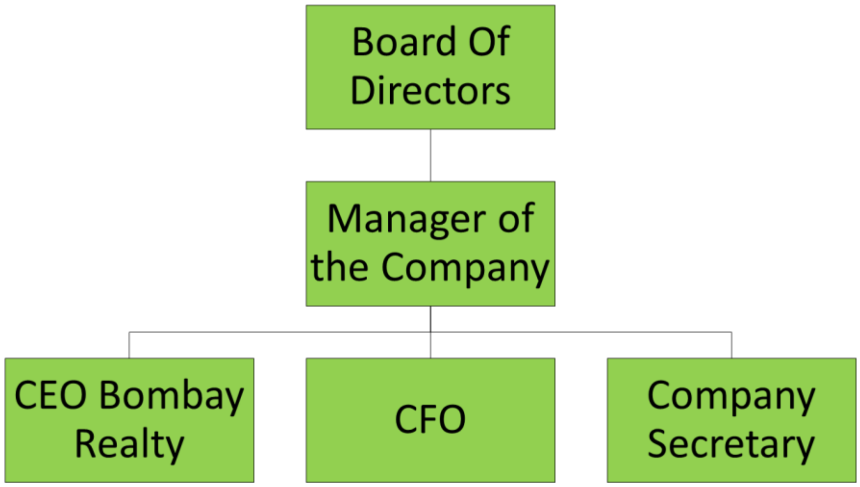
**Designated as Manager with effect from August 09, 2021.*

All our Key Management Personnel are permanent employees of our Company.

Apart from the Key Managerial Personnel mentioned above, our Company has the following Senior Management Personnel:

Sr. No.	Name of Senior Management Personnel	Associated with our Company since	Current Designation
1.	Rahul Anand	March 02, 2022	Chief Executive Officer - Bombay Realty

ORGANISATIONAL STRUCTURE



SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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BANSI S. MEHTA & CO.
CHARTERED ACCOUNTANTS

Bansi S. Mehta
(Chief Mentor)

A. A. DESAI	A. A. AGRAWAL (Ms.)
K. R. GANDHI (Ms.)	A. B. AGRAWAL
D. R. DESAI (Ms.)	U. A. SHAH (Ms.)
Y. A. THAR	M. M. PADHIAR (Ms.)
P. H. CLERK	M. B. PADMANI
R. G. DOSHI	

11/13, Botawala Building, 2nd Floor,
Horniman Circle, Mumbai 400 001
Tel: 2266 1255 / 2266 0275 / 2266 5275
2266 0821 / 2266 1557
Fax : (91-22) 2266 5666
E-mail : bsmco.bbo@bansimehta.com
Website : www.bsmco.net

<u>Independent Auditor's Review Report on Unaudited Quarterly Standalone Financial Results of The Bombay Dyeing and Manufacturing Company Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</u>

To the Board of Directors,
The Bombay Dyeing and Manufacturing Company Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **The Bombay Dyeing and Manufacturing Company Limited** ("the Company") for the quarter ended June 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Paresh Harikant Clerk

Digitally signed by Paresh Harikant Clerk
Date: 2022.08.09 18:20:08 +05'30'

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 22036148AOQZFG7471

PLACE : Mumbai
DATED : August 9, 2022

BANSI S. MEHTA & CO.
CHARTERED ACCOUNTANTS

Bansi S. Mehta
(Chief Mentor)

A. A. DESAI
K. R. GANDHI (Ms.)
D. R. DESAI (Ms.)
Y. A. THAR
P. H. CLERK
R. G. DOSHI

A. A. AGRAWAL (Ms.)
A. B. AGRAWAL
U. A. SHAH (Ms.)
M. M. PADHIAR (Ms.)
M. B. PADMANI

11/13, Botawala Building, 2nd Floor,
Horniman Circle, Mumbai 400 001
Tel: 2266 1255 / 2266 0275 / 2266 5275
2266 0821 / 2266 1557
Fax : (91-22) 2266 5666
E-mail : bsmco.bbo@bansimehta.com
Website : www.bsmco.net

Independent Auditor's Review Report on Unaudited Quarterly Consolidated Financial Results of The Bombay Dyeing and Manufacturing Company Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors,
The Bombay Dyeing and Manufacturing Company Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **The Bombay Dyeing and Manufacturing Company Limited** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its associates for the quarter ended June 30, 2022 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the management of the Holding Company and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Mumbai :
Tel. 22014922 / 22004002 / 22068409
2200 4008 / 9 / 6636 0763
Fax : (91-22) 22050147
E-mail : bsmco.mco@bansimehta.com

Delhi :
Tel-Fax : (91 11) 4152 2771
E-mail : bsmdelhi@ bansimehta.com

Surat :
Mob.: 099785 23838
E-mail : bsmco.srt@ bansimehta.com

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the Entity	Relationship
P. T. Five Star Textile Indonesia	Subsidiary
Bombay Dyeing Real Estate Company Limited	Associate
Pentafil Textile Dealers Limited	Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other matters

6. The consolidated unaudited financial results include the interim financial results/financial information of the subsidiary located outside India, which have not been reviewed by their auditors and have been furnished to us by the management of the Holding Company, whose interim financial results/financial information reflect total net profit/(loss) after tax of ₹ NIL crore and total comprehensive income/(loss) (including due to exchange translation) of ₹ NIL crore, for the quarter ended June 30, 2022. These financial results/financial information, have been prepared in accordance with accounting principles generally accepted in its respective country. The management of the Holding Company has converted these financial information/financial results of such subsidiary to the accounting principles generally accepted in India. The conversion adjustments made by the management have been reviewed by us.

   The consolidated unaudited financial results/financial information also include the Group's share of net profit/(loss) after tax of ₹ 0.03 crore and total comprehensive profit/(loss) (net of tax) of ₹ 0.03 crore, for the quarter ended June 30, 2022, in respect of 2 (two) associates, based on their interim financial results/financial information which have not been reviewed by their auditors and have been furnished to us by the management of the Holding Company.

Our conclusion on the Statement and our report in terms of the Listing Regulations are based solely on these interim financial results/financial information of the subsidiary and associates as certified by the management of the holding company. According to the information and explanations given to us by the management of the Holding Company, these interim financial results/financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matters.

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

Paresh Harikant Clerk
Digitally signed by Paresh Harikant Clerk
Date: 2022.08.09 18:20:32 +05'30'

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 22036148AOQZUK2774

PLACE : Mumbai
DATED : August 9, 2022

THE BOMBAY DYEING AND MANUFACTURING COMPANY LTD.

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

CIN : L17120MH1879PLC000037

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

(₹ in crore)

	Particulars	Standalone				Consolidated			
		Quarter Ended			Year Ended	Quarter Ended			Year Ended
		June 30, 2022 (Unaudited)	March 31, 2022 (Audited)	June 30, 2021 (Unaudited)	March 31, 2022 (Audited)	June 30, 2022 (Unaudited)	March 31, 2022 (Audited)	June 30, 2021 (Unaudited)	March 31, 2022 (Audited)
I	Revenue from Operations	606.37	598.01	380.85	2,000.92	606.37	598.01	380.85	2,000.92
II	Other Income	39.96	10.15	14.54	105.30	39.96	10.15	14.54	105.30
III	**Total Income (I + II)**	**646.33**	**608.16**	**395.39**	**2,106.22**	**646.33**	**608.16**	**395.39**	**2,106.22**
IV	**Expenses:**								
	a. Cost of Materials Consumed	340.88	302.71	273.93	1,171.37	340.88	302.71	273.93	1,171.37
	b. Purchase of Stock-in-trade	10.04	1.06	0.70	4.58	10.04	1.06	0.70	4.58
	c. Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	85.71	78.90	(3.81)	176.13	85.71	78.90	(3.81)	176.13
	d. Employee Benefits Expense	16.47	13.72	15.20	62.72	16.47	13.72	15.20	62.72
	e. Finance Costs	120.79	109.14	134.46	524.00	120.79	109.14	134.46	524.00
	f. Depreciation and Amortisation Expense	7.91	7.92	8.28	32.78	7.91	7.92	8.28	32.78
	g. Other Expenses	140.55	131.63	92.04	435.98	140.55	131.63	92.04	435.98
	Total expenses (IV)	**722.35**	**645.08**	**520.80**	**2,407.56**	**722.35**	**645.08**	**520.80**	**2,407.56**
V	Profit / (Loss) before share of profit/(loss) of associates and exceptional items	(76.02)	(36.92)	(125.41)	(301.34)	(76.02)	(36.92)	(125.41)	(301.34)
VI	Share of profit/(loss) of Associates					0.03	(0.02)	0.06	0.11
VII	Profit / (Loss) before exceptional items and tax (V + VI)	(76.02)	(36.92)	(125.41)	(301.34)	(75.99)	(36.94)	(125.35)	(301.23)
VIII	Exceptional items (Net) [Refer Note 4]	-	(0.45)	-	(233.03)	-	(0.45)	-	(233.03)
IX	**Profit / (Loss) before tax (VII + VIII)**	**(76.02)**	**(37.37)**	**(125.41)**	**(534.37)**	**(75.99)**	**(37.39)**	**(125.35)**	**(534.26)**
X	Tax Expense:								
	i. Current Tax	-	-	-	-	-	-	-	-
	ii. Deferred Tax [Refer Note 3]	0.83	4.14	(17.44)	(74.14)	0.83	4.14	(17.44)	(74.14)
	iii. (Excess)/ Short provision of tax of earlier years	-	0.22	-	0.22	-	0.22	-	0.22
	Total Tax Expense	**0.83**	**4.36**	**(17.44)**	**(73.92)**	**0.83**	**4.36**	**(17.44)**	**(73.92)**
XI	**Profit / (Loss) for the period from continuing operations after tax (IX - X)**	**(76.85)**	**(41.73)**	**(107.97)**	**(460.45)**	**(76.82)**	**(41.75)**	**(107.91)**	**(460.34)**
XII	Profit / (Loss) for the period from discontinued operations					- *	0.01	- *	0.02
XIII	Tax expense of discontinued operations					-	-	-	-
XIV	**Profit / (Loss) for the period from discontinued operations after tax (XII - XIII)**					-	0.01	-	0.02
XV	**Profit / (Loss) for the period after tax (XI + XIV)**	**(76.85)**	**(41.73)**	**(107.97)**	**(460.45)**	**(76.82)**	**(41.74)**	**(107.91)**	**(460.32)**
XVI	**Other Comprehensive Income**								
	A i. Items that will not be reclassified to profit or loss								
	- Net (loss)/gain on Investments in equity shares designated as FVTOCI (including that on sale of equity shares)	15.64	(104.31)	87.97	(106.36)	15.64	(104.31)	87.97	(106.36)
	- Actuarial (loss)/gain on defined benefit obligation	0.66	0.24	0.54	3.36	0.66	0.24	0.54	3.36
	ii. Income tax relating to above	0.20	(0.06)	(0.02)	0.94	0.20	(0.06)	(0.02)	0.94
	iii. Share of Other Comprehensive Income of associates (net of tax)					-	-	-	(0.02)
	B i. Items that will be reclassified to profit or loss								
	- Exchange differences on translation of discontinued operations					- *	- *	(0.01) *	- *
	Total Other Comprehensive Income	16.50	(104.13)	88.49	(102.06)	16.50	(104.13)	88.48	(102.08)
XVII	**Total Comprehensive Income for the period (XV + XVI)**	**(60.35)**	**(145.86)**	**(19.48)**	**(562.51)**	**(60.32)**	**(145.87)**	**(19.43)**	**(562.40)**

* denotes amount less than ₹ 1 lakh

(₹ in crore)

	Particulars	Standalone				Consolidated			
		Quarter Ended			Year Ended	Quarter Ended			Year Ended
		June 30, 2022 (Unaudited)	March 31, 2022 (Audited)	June 30, 2021 (Unaudited)	March 31, 2022 (Audited)	June 30, 2022 (Unaudited)	March 31, 2022 (Audited)	June 30, 2021 (Unaudited)	March 31, 2022 (Audited)
i	Net Profit / (Loss) attributable to :								
	a. Owners of the Company	(76.85)	(41.73)	(107.97)	(460.45)	(76.82)	(41.74)	(107.91)	(460.32)
	b. Non-Controlling interests					- *	- *	- *	- *
ii	Other Comprehensive Income attributable to :								
	a. Owners of the Company	16.50	(104.13)	88.49	(102.06)	16.50	(104.13)	88.48	(102.08)
	b. Non-Controlling interests					- *	- *	- *	- *
iii	Total Comprehensive Income attributable to :								
	a. Owners of the Company	(60.35)	(145.86)	(19.48)	(562.51)	(60.32)	(145.87)	(19.43)	(562.40)
	b. Non-Controlling interests					- *	- *	- *	- *
XVIII	Paid up Equity Share capital (Face Value ₹ 2 each)	41.31	41.31	41.31	41.31	41.31	41.31	41.31	41.31
XIX	Other Equity				(799.75)				(771.94)
XX	Earnings per equity share of ₹ 2 each (for continuing operations)								
	Basic (in ₹)	(3.72)	(2.02)	(5.23)	(22.29)	(3.72)	(2.02)	(5.22)	(22.29)
	Diluted (in ₹)	(3.72)	(2.02)	(5.23)	(22.29)	(3.72)	(2.02)	(5.22)	(22.29)
XXI	Earnings per equity share of ₹ 2 each (for discontinued operations)								
	Basic (in ₹)					- #	- #	- #	- #
	Diluted (in ₹)					-	-	-	-
XXII	Earnings per equity share of ₹ 2 each (for continuing and discontinued operations)								
	Basic (in ₹)	(3.72)	(2.02)	(5.23)	(22.29)	(3.72)	(2.02)	(5.22)	(22.29)
	Diluted (in ₹)	(3.72)	(2.02)	(5.23)	(22.29)	(3.72)	(2.02)	(5.22)	(22.29)

* denotes amount less than ₹ 1 lakh
# denotes that amount is negligible

THE BOMBAY DYEING AND MANUFACTURING COMPANY LTD.

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

CIN : L17120MH1879PLC000037

SEGMENT WISE REVENUE, RESULTS AND SEGMENT ASSETS AND LIABILITIES

(₹ in crore)

Particulars		Standalone				Consolidated			
		Quarter Ended			Year Ended	Quarter Ended			Year Ended
		June 30, 2022 (Unaudited)	March 31, 2022 (Audited)	June 30, 2021 (Unaudited)	March 31, 2022 (Audited)	June 30, 2022 (Unaudited)	March 31, 2022 (Audited)	June 30, 2021 (Unaudited)	March 31, 2022 (Audited)
1.	**Segment Revenue (net sales/income from each segment)**								
a.	Real Estate	135.23	140.60	53.38	430.76	135.23	140.60	53.38	430.76
b.	Polyester	456.45	455.52	324.64	1,548.45	456.45	455.52	324.64	1,548.45
c.	Retail / Textile	14.69	1.89	2.83	21.71	14.69	1.89	2.83	21.71
	Net Sales/Income from Operations	**606.37**	**598.01**	**380.85**	**2,000.92**	**606.37**	**598.01**	**380.85**	**2,000.92**
2.	**Segment Results - Profit/ (Loss) before Exceptional items**								
a.	Real Estate	22.77	41.42	15.57	144.68	22.77	41.42	15.57	144.68
b.	Polyester	23.83	37.51	(3.69)	39.12	23.83	37.51	(3.69)	39.12
c.	Retail / Textile	1.61	(1.50)	2.74	2.20	1.61	(1.50)	2.74	2.20
	Total	**48.21**	**77.43**	**14.62**	**186.00**	**48.21**	**77.43**	**14.62**	**186.00**
Less:	i. Finance Costs	(120.79)	(108.90)	(134.40)	(523.64)	(120.79)	(108.90)	(134.40)	(523.64)
Less:	ii. Other unallocable expenditure net of unallocable income	(3.44)	(5.45)	(5.63)	36.30	(3.44)	(5.45)	(5.63)	36.30
	iii. Exceptional items-Real Estate (Net) [Refer Note 4]	-	(0.45)	-	(233.03)	-	(0.45)	-	(233.03)
	iv. Share of profit/(loss) of associates					0.03	(0.02)	0.06	0.11
Profit / (Loss) before tax from continuing operations		(76.02)	(37.37)	(125.41)	(534.37)	(75.99)	(37.39)	(125.35)	(534.26)
Profit / (Loss) before tax from discontinued operations						-	0.01	-	0.02
Total Profit / (Loss) before Tax		**(76.02)**	**(37.37)**	**(125.41)**	**(534.37)**	**(75.99)**	**(37.38)**	**(125.35)**	**(534.24)**
3.	**Segment Assets**								
a.	Real Estate	2,010.72	2,174.30	2,618.50	2,174.30	2,010.72	2,174.30	2,618.50	2,174.30
b.	Polyester	720.82	658.40	639.44	658.40	720.82	658.40	639.44	658.40
c.	Retail / Textile	3.51	4.37	20.25	4.37	3.51	4.37	20.25	4.37
d.	Textile Discontinued Operations (Foreign Subsidiary)					1.22	1.20	1.15	1.20
e.	Unallocated	1,231.54	1,391.53	1,336.28	1,391.53	1,232.52	1,392.48	1,337.21	1,392.48
	Total	**3,966.59**	**4,228.60**	**4,614.47**	**4,228.60**	**3,968.79**	**4,230.75**	**4,616.55**	**4,230.75**
4	**Segment Liabilities**								
a.	Real Estate	652.52	765.99	806.39	765.99	652.52	765.99	806.39	765.99
b.	Polyester	432.04	334.85	332.40	334.85	432.04	334.85	332.40	334.85
c.	Retail / Textile	11.56	12.14	23.11	12.14	11.56	12.14	23.11	12.14
d.	Textile Discontinued Operations (Foreign Subsidiary)					0.93	0.91	0.90	0.91
e.	Unallocated	3,689.26	3,874.06	3,667.98	3,874.06	3,689.26	3,874.06	3,667.98	3,874.06
	Total	**4,785.38**	**4,987.04**	**4,829.88**	**4,987.04**	**4,786.31**	**4,987.95**	**4,830.78**	**4,987.95**
	Net Capital Employed (3-4)	**(818.79)**	**(758.44)**	**(215.41)**	**(758.44)**	**(817.52)**	**(757.20)**	**(214.23)**	**(757.20)**

THE BOMBAY DYEING AND MANUFACTURING COMPANY LTD.

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

NOTES -

1. The above results which are published have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on August 9, 2022. The financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India. The figures for the quarter ended March 31, 2022 as reported in these financial results are balancing figures between the audited figures for the full financial year ended March 31, 2022 and published year to date figures upto the end of the third quarter of the financial year ended March 31, 2022, which were subjected to limited review.

2 a. In terms of Ind AS 115 on "Revenue from Contract with Customers", Revenue from present real estate project of ICC Towers is recognised 'at a point in time', that is, upon receipt of Occupancy Certificate. Occupancy Certificate for the first phase, second phase and third phase was received during the year ended March 31, 2019, March 31, 2020 and March 31, 2022, respectively. Revenue includes net income arising on cancellation of contracts on non-fulfilment of payment terms by customers.

2 b. Since the nature of real estate activities being carried out by the Company is such that profits/ losses from transactions of such activities, do not necessarily accrue evenly over the year, results of a quarter may not be representative of profits / losses for the year.

3. Income tax expense for the quarter ended June 30, 2022 is recognised based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes. Further, deferred tax asset on estimated unused tax losses for the year has not been recognised and to the extent hitherto recognised on such unused tax losses is continued. Section 115BAA in the Income-tax Act, 1961 provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. While the Company is continuing to provide and consider the payment of income tax at the old rates, deferred tax assets and liabilities are measured at the reduced rates at which such deferred tax assets/liabilities are expected to be realised or settled.

4. Exceptional items for the year ended March 31, 2022, represent the net impact of reversal of revenue of ₹101.77 crores and provisions on collection of ₹131.26 crores, in view of litigated matters pertaining to Real Estate. Of the said provision, sum of ₹29.16 crores is written back (net of interest paid on settlement of cases) during the quarter ended June 30, 2022 and included in Other Income as also in Segment results of Real Estate.

5. Foreign Subsidiary, PT Five Star Textile Indonesia (PTFS) is included in consolidated results and consolidated segment assets and consolidated segment liabilities, which is classified as a discontinued operation in accordance with Ind AS 105 in 'Non-Current Assets Held for Sale and Discontinued Operations'.

FOR THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

Paresh Harikant Clerk

Digitally signed by Paresh Harikant Clerk
Date: 2022.08.09 18:19:24 +05'30'

Nusli Neville Wadia

Digitally signed by Nusli Neville Wadia
Date: 2022.08.09 18:14:49 +05'30'

NUSLI N. WADIA
CHAIRMAN
(DIN-00015731)

Mumbai: August 9, 2022

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** ("the Holding Company") and its Subsidiary (the Holding Company and its subsidiary 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, 2022, 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 report 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, 2022, its consolidated loss and 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 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 audit 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, 2022 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 Matter	How was the matter addressed in our audit
Deferred Tax Assets ("DTA") on Unabsorbed Depreciation and Brought Forward Business Losses	
The Group has recognised DTA for the carry forward of unused tax losses in the form of unabsorbed depreciation and carried forward business losses to the extent it is probable that the future taxable profits will be available against which such unused tax losses can be utilised (before the expiry period thereof for its utilisation). The recognition is based on the projected profitability. The Group has recognised DTA based on the reduced rate of tax as per the provisions Section 115BAA of the Income Tax Act, 1961 since such deferred tax assets/ liabilities are expected to be realised or settled at reduced rate. Such recognition of DTA is a key audit matter as the recoverability of tax losses within the time frame allowed, involves significant estimate of the financial projections, availability of sufficient taxable income in the future and significant judgements in the interpretation of tax regulations and tax positions adopted by the Group. [Refer Note "x" to Significant Accounting Policies and Note 10 to consolidated financial statements]	Our audit procedures included the following: ● Considered the Group's accounting policies with respect to recognition of tax credits in accordance with Ind AS 12 on "Income Taxes"; ● Evaluated the Group's tax positions by comparing it with prior years and past precedents; ● Obtained the projected profitability statements along with expected tax rate that would apply as to the recoverability of tax losses; ● Evaluated the estimates of profitability made by the management on the basis of which it is considered probable that the Group will have sufficient taxable income against which the unused tax losses will be utilised and also within the expected timing of utilisation; ● Discussed with the management the future business plans and financial projections and underlying assumptions used based on which the estimate of profitability is made; ● Assessed the disclosures by the Group in accordance with the requirements of Ind AS 12.

Key Audit Matters	How was the matter addressed in our audit
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. These matters are considered to be key audit matter given the magnitude of potential outflow of economic resources and uncertainty of potential outcome. [Refer Notes 11 and 41 to the consolidated financial statements]	Our audit procedures include the following: ● Obtained details of uncertain tax position and gained understanding thereof; ● Obtained details of completed tax assessments and also demands raised; ● Read and analysed relevant communication with the authorities; ● Considered the legal advice obtained by the management on possible outcome of the litigation; ● Discussed with senior management and evaluated management's assumptions regarding provisions made; ● Assessed the disclosures in accordance with the requirements of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets".

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

The Holding Company's Board of Directors is responsible for 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, Corporate Governance, Business Responsibility Report 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 audited by the other auditors, to the extent it relates to the Subsidiary 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 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 companies included in the Group 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 Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 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 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 and its associates 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 included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have 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 and its associates 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.

Other Matters

We did not audit the financial statements and the financial information of the subsidiary located outside India, whose unaudited financial statements and financial information reflect total assets of ₹ 28.65 crore as at March 31, 2022, total revenue of ₹ Nil crore and net cash inflows amounting to ₹ 0.02 crore for the year ended on that date, as considered in preparation of consolidated financial statements. These unaudited financial statements and financial information have been prepared in accordance with accounting principles generally accepted in its respective country. The management of the Holding Company has converted these unaudited financial statements and financial information of such subsidiary to the Indian GAAP and the accounting principles generally accepted in India. We have audited these conversion adjustments made by the management of the Holding Company. These unaudited financial statements and financial information have been certified by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such financial statements and financial information. In our opinion and according to the information and explanations given to us by the management of the Holding Company, these unaudited financial statements and financial information are not material to the Group.

The consolidated financial statements and financial information also include the Group's share of net profit of ₹ 0.11 crore and total comprehensive income of ₹ 0.09 crore in respect of 2 (two) associates, for the year ended March 31, 2022, as considered in the consolidated financial statements, whose financial statements and financial information have not been audited by us. These financial statements and 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 such other auditors.

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, 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 purpose 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 statements 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended;

    e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and as reported by the statutory auditors of the Subsidiary and its associates, none of the directors of the companies in the Group and its associates are disqualified as on March 31, 2022 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 statements of the Holding Company and its associates and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

    g. With respect to the matters to be included in the Auditor's Report in accordance with requirement 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. The remuneration paid to any director 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 and as reported by the auditors of the subsidiary and its associates:

        i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group– Refer Note 42 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 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 Holding Company during the year ended March 31, 2022.

iv. a. The respective Managements of the Company, its subsidiary (incorporated outside India) and associates which are companies incorporated in India, whose financial statements have been unaudited and audited respectively, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 39(f) To the Standalone financial statements);

b. The respective Managements of the Company, its subsidiary (incorporated outside India) and associates which are companies incorporated in India, whose financial statements have been unaudited and audited respectively, under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 39(g) to the Standalone financial statements);

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiary (incorporated outside India) and associates which are companies incorporated in India, whose financial statements have been unaudited and audited respectively, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. Since the Holding Company has not declared or paid any dividend during the year, the question of commenting on whether the same is in accordance with Section 123 of the Companies Act, 2013 does not arise.

2. With respect to the matters specified in clause (xxi) of paragraph and paragraph 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us and the auditors of respective companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks in these CARO reports of the said respective companies included in the consolidated financial statement except that on clause 3(vii)(a) of the Order as given in our CARO report of the standalone financial statements of the Holding Company .

For **BANSI S. MEHTA & CO**.
Chartered Accountants
Firm Registration No. 100991W
Sd/-
PARESH H. CLERK
Partner
Membership No. 036148
UDIN: 22036148AIJHUN6397

PLACE : Mumbai
DATED : May 4, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' 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 Consolidated Financial Statements for the year ended March 31, 2022.

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, 2022, 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 at March 31, 2022.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its associates, which are incorporated in India, are 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 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 terms of their reports referred to in the Other Matter section below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its associates, which are incorporated in India.

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 control 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 the 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 Holding Company and its associates, which are incorporated in India, have, in all material respects, an adequate 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, 2022, based on the internal controls over financial reporting 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 of the Holding Company, is based on the corresponding reports of the auditors of such associates, which are incorporated in India.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W
Sd/-
PARESH H. CLERK
Partner
Membership No. 036148
UDIN: 22036148AIJHUN6397

PLACE : Mumbai
DATED : May 4, 2022

CONSOLIDATED BALANCE SHEET as at March 31, 2022

₹ in Crores

Particulars	NOTES	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current Assets			
a. Property, Plant and Equipment	3	462.53	481.33
b. Capital Work-in-progress	4	0.13	0.80
c. Right-of-Use Assets	3.1	0.33	3.17
d. Investment Property	5	3.45	3.52
e. Other Intangible Assets	6	0.14	0.22
f. Intangible assets under Development	6.1	0.03	-
g. Financial Assets			
i. Investments	7	367.25	473.53
ii. Loans	8	-	-
iii. Others	9	22.77	11.22
h. Deferred Tax Assets (Net)	10	643.06	567.98
i. Other Non-current Assets	11	110.80	114.54
Total Non-current Assets		**1,610.49**	**1,656.31**
Current Assets			
a. Inventories	12	1,814.53	2,043.14
b. Financial Assets			
i. Trade Receivables	13	294.90	654.17
ii. Cash and Cash Equivalents	14	416.06	155.93
iii. Bank Balances other than (ii) above	15	52.14	79.34
iv. Loans	16	0.05	-
v. Others	17	4.13	6.64
c. Other Current Assets	18	38.45	43.71
Total Current Assets		**2,620.26**	**2,982.93**
TOTAL ASSETS		**4,230.75**	**4,639.24**
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	19	41.31	41.31
b. Other Equity	20	(771.94)	(209.54)
c. Non-controlling Interest		(26.57)	(26.57)
Total Equity		**(757.20)**	**(194.80)**
Liabilities			
Non-current Liabilities			
a. Financial Liabilities			
i. Borrowings	21	3,149.63	2,500.72
ii. Other Financial Liabilities	22	11.32	9.81
b. Provisions	23	11.97	13.39
Total Non-current Liabilities		**3,172.92**	**2,523.92**
Current Liabilities			
a. Financial Liabilities			
i. Borrowings	24	1,292.12	1,668.89
ii. Lease Liabilities	51	-	2.58
iii. Trade Payables	25		
A. total outstanding dues of micro enterprises and small enterprises		17.68	23.96
B. total outstanding dues of creditors other than micro enterprises and small enterprises		317.61	360.59
iv. Other Financial Liabilities	26	84.31	125.36
b. Other Current Liabilities	27	100.16	124.78
c. Provisions	28	3.15	3.96
Total Current liabilities		**1,815.03**	**2,310.12**
TOTAL EQUITY AND LIABILITIES		**4,230.75**	**4,639.24**
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

Sd/-

PARESH H. CLERK
Partner
Membership No. 36148
Place: Mumbai
Date: May 4, 2022

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

Sd/-
Nusli N. Wadia — *Chairman*
Suresh Khurana — *Manager*
Sd/-
Hitesh Vora — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

S. Ragothaman
Ness N. Wadia
V.K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S Lalbhai
Gauri Kirloskar
Rajesh Batra

Sd/-
Directors

Place: Mumbai
Date: May 4, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2022

₹ in Crores

	Particulars	NOTES	Year Ended March 31, 2022	Year Ended March 31, 2021
	INCOME			
I	Revenue from Operations	29	2,000.92	1,193.42
II	Other Income	30	105.30	32.29
III	**Total Income (I + II)**		**2,106.22**	**1,225.71**
IV	**EXPENSES**			
	Cost of Materials Consumed	31	1,171.37	545.12
	Purchases of Stock-in-Trade	32	4.58	1.96
	Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	33	176.13	307.13
	Employee Benefits Expense	34	62.72	60.33
	Finance Costs	35	524.00	588.39
	Depreciation and Amortisation Expense	36	32.78	33.72
	Other Expenses	37	435.98	253.38
	Total Expenses (IV)		**2,407.56**	**1,790.03**
V	**Profit / (Loss) before share of profit/(loss) of associates and exceptional items (III-IV)**		**(301.34)**	**(564.32)**
VI	Share of Profit of Equity Accounted Investees (net of Income Tax)		0.11	0.21
VII	**Profit / (Loss) before exceptional items and tax (V + VI)**		**(301.23)**	**(564.11)**
VIII	Exceptional items	38	(233.03)	57.78
IX	**Profit /(Loss) before tax (VII+VIII)**		**(534.26)**	**(506.33)**
X	**Tax expenses:**	10		
	i. Current tax		-	-
	ii. Deferred Tax		(74.14)	(36.62)
	iii. (Excess)/Short provision of tax of earlier years		0.22	(0.82)
	Total Tax Expenses (X)		**(73.92)**	**(37.44)**
XI	**Profit / (Loss) for the period from continuing operations after tax (IX-X)**		**(460.34)**	**(468.89)**
	Profit / (Loss) for the period from discontinued operations	60	0.02	(0.24)
	Tax expense of discontinued operations		-	-
XII	**Profit / (Loss) for the period from discontinued operations after tax**		**0.02**	**(0.24)**
XIII	**Profit / (Loss) for the period after tax (XI + XII)**		**(460.32)**	**(469.13)**
XIV	**Other Comprehensive Income**			
	A i. Items that will not be reclassified to profit or loss			
	- Actuarial (loss)/gain on defined benefit obligation		3.36	2.63
	- Fair Value changes of investments in equity shares		(106.36)	215.48
	ii. Income tax relating to above		0.94	0.32
	iii. Share of Other Comprehensive Income of associates (net of tax)		(0.02)	(0.06)
	B Items that will be reclassified to profit or loss			
	- Exchange differences on translation of discontinued operations		-	0.01
	Total Other Comprehensive Income for the year (XIV= i+ii)		**(102.08)**	**218.38**
XV	**Total Comprehensive Income for the year (XIII+XIV)**		**(562.40)**	**(250.75)**
	i. Profit attributable to :			
	Owners of the Company		(460.32)	(469.12)
	Non-controlling interests		-	(0.01)
	ii. Other Comprehensive Income attributable to :			
	Owners of the Company		(102.08)	218.38
	Non-controlling interests		-	-
	iii. Total Comprehensive Income attributable to :			
	Owners of the Company		(562.40)	(250.74)
	Non-controlling interests		-	(0.01)
XVI	Earnings per equity share of (₹) 2 each (for continuing operations)			
	Basic (in ₹)		(22.29)	(22.70)
	Diluted (in ₹)		(22.29)	(22.70)
XVII	Earnings per equity share of (₹) 2 each (for discontinued operations)			
	Basic (in ₹)		#	(0.01)
	Diluted (in ₹)		#	(0.01)
XVIII	Earnings per equity share of (₹) 2 each	50		
	Basic (in ₹)		**(22.29)**	**(22.71)**
	Diluted (in ₹)		**(22.29)**	**(22.71)**
	NOTES (Including Significant Accounting Policies) FORMING PART OF THE FINANCIAL STATEMENTS	1-63		

# denotes that amount is negligible

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

Sd/-

PARESH H. CLERK
Partner
Membership No. 36148
Place: Mumbai
Date: May 4, 2022

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

Sd/-
Nusli N. Wadia — *Chairman*
Suresh Khurana — *Manager*

Sd/-
Hitesh Vora — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

S. Ragothaman
Ness N. Wadia
V.K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S Lalbhai
Gauri Kirloskar
Rajesh Batra

Sd/-
Directors

Place: Mumbai
Date: May 4, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2022

A. Equity Share Capital

As at March 31, 2022 ₹ in Crores

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
41.31	-	41.31	-	41.31

As at March 31, 2021 ₹ in Crores

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
41.31	-	41.31	-	41.31

B. Other Equity (Refer Note 20)

₹ in Crores

Particulars	Equity Component of Compound Financial Instruments	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, 2021	**0.52**	**29.51**	**133.57**	**1.31**	**17.55**	**155.81**	**(1,000.53)**	**(1.08)**	**453.80**	**(209.54)**	**(26.57)**	**(236.11)**
Changes in accounting policy or prior period item	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	0.52	29.51	133.57	1.31	17.55	155.81	(1,000.53)	(1.08)	453.80	(209.54)	(26.57)	(236.11)
Profit / (Loss) for the year	-	-	-	-	-	-	(460.32)	-	-	(460.32)	-	(460.32)
Other Comprehensive Income for the year, net of income tax												
- Remeasurement of net defined benefit plans	-	-	-	-	-	-	4.30	-	-	4.30	-	4.30
- Net fair value gain / (loss) on investment in equity instrument through OCI	-	-	-	-	-	-	-	-	(106.38)	(106.38)	-	(106.38)
- Exchange difference on translating Financial Statements of a foreign operation	-	-	-	-	-	-	-	-*	-	-	-	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(456.02)**	**-**	**(106.38)**	**(562.40)**	**-**	**(562.40)**
Balance as at March 31, 2022	**0.52**	**29.51**	**133.57**	**1.31**	**17.55**	**155.81**	**(1,456.55)**	**(1.08)**	**347.42**	**(771.94)**	**(26.57)**	**(798.51)**

* denotes amount less than ₹ 1 lakh

₹ in Crores

Particulars	Equity Component of Compound Financial Instruments	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, 2020	**0.52**	**29.51**	**133.57**	**1.31**	**17.55**	**155.81**	**(645.29)**	**(1.09)**	**353.73**	**45.62**	**(26.55)**	**19.07**
Changes in accounting policy or prior period item	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	0.52	29.51	133.57	1.31	17.55	155.81	(645.29)	(1.09)	353.73	45.62	(26.55)	19.07
Profit / (Loss) for the year	-	-	-	-	-	-	(469.12)	-	-	(469.12)	(0.01)	(469.13)
Other Comprehensive Income for the year, net of income tax												
- Remeasurement of net defined benefit plans	-	-	-	-	-	-	2.95	-	-	2.95	-	2.95
- Net fair value gain / (loss) on investment in equity instrument through OCI	-	-	-	-	-	-	-	-	215.42	215.42	-	215.42
- Realised Gain on sale of equity shares reclassified to Retained Earnings	-	-	-	-	-	-	115.35	-	(115.35)	-	-	-
- Exchange difference on translating Financial Statements of a foreign operation	-	-	-	-	-	-	-	0.01		0.01	(0.01)	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(350.82)**	**0.01**	**100.07**	**(250.74)**	**(0.02)**	**(250.76)**
- Dividend on Equity Shares							(4.42)			(4.42)		(4.42)
Balance as at March 31, 2021	**0.52**	**29.51**	**133.57**	**1.31**	**17.55**	**155.81**	**(1,000.53)**	**(1.08)**	**453.80**	**(209.54)**	**(26.57)**	**(236.11)**

As per our attached report of even date

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

Sd/-

PARESH H. CLERK
Partner
Membership No.36148
Place: Mumbai
Date: May 4, 2022

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

Sd/-

Nusli N. Wadia *Chairman*
Suresh Khurana *Manager*

Hitesh Vora *Chief Financial Officer*
Sanjive Arora *Company Secretary*

S. Ragothaman
Ness N. Wadia
V.K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S Lalbhai
Gauri Kirloskar
Rajesh Batra

Sd/-
Directors

Place: Mumbai
Date: May 4, 2022

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended March 31, 2022

₹ in Crores

Particulars			Year Ended March 31, 2022	Year Ended March 31, 2021
A.	**Cash Flow from Operating Activities:**			
	Profit / (Loss) before Tax from Continuing Operations (after Exceptional Item)		(534.37)	(506.54)
	Profit / (Loss) before Tax from Discontinued Operations		0.02	(0.24)
	Adjustments for :			
	Depreciation and Amortisation Expense		32.78	33.73
	Unrealised Foreign exchange loss/(gain) (Net)		0.73	(2.11)
	Excess provisions written back		(16.72)	(7.19)
	Provision for doubtful debts / advances		2.21	1.71
	Interest Income		(6.45)	(3.89)
	Loss/(Profit) on sale / discard of Property, Plant and Equipment		1.26	0.69
	Exceptional Item		233.03	(57.78)
	Dividend Income		(0.57)	(0.92)
	Net Gain on lease modification/surrender		(1.06)	-
	Finance Costs		523.99	588.39
	Operating Profit / (Loss) before Working Capital Changes		**234.85**	**45.85**
	Working Capital Changes:			
	(Increase) / decrease in Inventories		228.62	380.62
	(Increase) / decrease in Trade Receivables		124.52	54.55
	(Increase) / decrease in Other Current and Non-current Financial Assets		10.93	5.44
	(Increase) / decrease in Other Current and Non-current Assets		18.30	23.86
	Increase / (decrease) in Trade Payables		(49.27)	78.60
	Increase / (decrease) in Other Current and Non-current Financial Liabilities		(25.19)	5.44
	Increase / (decrease) in Other Current and Non-current Liabilities		(24.62)	12.97
	Increase / (decrease) in Current and Non-current Provisions		14.50	3.91
	Cash Generated / (Used) from Operations		**532.64**	**611.24**
	Income Taxes paid (net)		(10.27)	(7.59)
	Net Cash Generated / (Used) from Operating Activities	**(A)**	**522.37**	**603.65**
B.	**Cash Flow from Investing Activities:**			
	Purchase of Property, Plant and Equipment		(11.20)	(5.49)
	Proceeds from disposal of Property, Plant and Equipment		0.34	0.13
	Proceeds from Sale of Immoveable Property, Plant and Equipment		-	61.00
	Proceeds from Sale of Non-current Investments		-	119.25
	Dividend received from Non-current Investments		0.57	0.91
	Deposit under lien and in Escrow accounts		(7.93)	(18.01)
	Earmarked Balances with Banks		18.80	(20.28)
	Interest received		5.42	3.08
	Net Cash Generated / (Used) from Investing Activities	**(B)**	**6.00**	**140.59**
C.	**Cash Flow from Financing Activities:**			
	Repayment of Non-current Borrowings		(1,859.08)	(176.26)
	Repayment of Current Borrowings		(350.00)	-
	Proceeds from Non-current Borrowings		2,499.00	350.00
	Proceeds from Inter-corporate Deposits		717.60	666.40
	Repayment of Matured Inter-corporate Deposits		(678.75)	(712.35)
	Proceeds from Demand Loan, Cash Credit Facilities, Bills Discounted		-	290.05
	Repayment of Demand Loan, Cash Credit Facilities, Bills Discounted		-	(485.14)
	Finance Costs paid		(595.48)	(516.62)
	Payment of Principal portion of the Lease Liabilities		(1.41)	(2.49)
	Payment of Interest portion of the Lease Liabilities		(0.12)	(0.28)
	Dividend paid		-	(4.42)
	Net Cash Generated / (Used) from Financing Activities	**(C)**	**(268.24)**	**(591.11)**
	Net (Decrease) / Increase in Cash and Cash Equivalents	**[A+B+C]**	**260.13**	**153.13**
	Add: Cash and Cash Equivalents at the Beginning of the Year		155.93	2.80
	Cash and Cash Equivalents at the End of the Year		416.06	155.93
	Net (Decrease) / Increase in Cash and Cash Equivalents		**260.13**	**153.13**

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'.

2. Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows:

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks in Current Accounts	166.89	79.96
Cheques on Hand	0.11	-
Cash on Hand	0.06	0.13
Bank deposits with maturity less than three months	249.00	75.84
Cash and Cash Equivalents at the End of the Year	**416.06**	**155.93**

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, 2021	Cash Flows	Non-cash	Reclassification	As at March 31, 2022
Long-term Borrowings	2,500.72	1,660.91	(56.78)	(955.22)	3,149.63
Short-term Borrowings	1,668.89	(1,331.99)	-	955.22	1,292.12
Lease Liabilities	2.58	(1.52)	(1.06)	-	-
Other Financial Liabilities (Fixed Deposits from Public)	0.90	(0.15)	-	-	0.75

₹ in Crores

Particulars	As at April 1, 2020	Cash Flows	Non-cash	Reclassification	As at March 31, 2021
Long-term Borrowings	3,336.59	(149.47)	89.44	(775.84)	2,500.72
Short-term Borrowings	784.08	108.97	-	775.84	1,668.89
Lease Liabilities	5.30	(2.77)	0.05	-	2.58
Other Financial Liabilities (Fixed Deposits from Public)	0.91	(0.01)	-	-	0.90

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

Sd/-

PARESH H. CLERK
Partner
Membership No.36148
Place: Mumbai
Date: May 4, 2022

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

Sd/-
Nusli N. Wadia *Chairman*
Suresh Khurana *Manager*
Sd/-
Hitesh Vora *Chief Financial Officer*
Sanjive Arora *Company Secretary*

S. Ragothaman
Ness N. Wadia
V.K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Sunil S Lalbhai
Gauri Kirloskar
Rajesh Batra

Sd/-
Directors

Place: Mumbai
Date: May 4, 2022

1. GENERAL INFORMATION ABOUT THE GROUP

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, 2022.

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 -400 001. The Group is engaged in the business of Real Estate Development, Polyester Staple Fibre and Retail.

These aforesaid Consolidated Financial Statements for the year ended March 31, 2022 are approved by the Company's Board of Directors and authorised for issue in the meeting held on May 4, 2022.

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 116 'Leases' ("Ind AS 116") and measurements that have some similarities to fair value but are not fair value, such as net realisable 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
- 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, 2022. In case of the foreign subsidiary company, financial statements for the year ending December 31, 2021 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.

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 Occupancy 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 Group 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 Occupancy Certificate. Generally, the Group 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 Group 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

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.

viii. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

e. Recent pronouncements

The Ministry of Corporate Affairs ("MCA") MCA through a notification of March 23, 2022, introduced the Companies (Indian Accounting Standards) Amendment Rules, 2022 to amend the Companies (Indian Accounting Standards) Rules, 2015 which come into force with effect from April 1, 2022. The following are the amendments :

i. Ind AS 103 - Business Combination

The amendment specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

For example, costs the acquirer expects but is not obliged to incur in the future to effect its plan to exit an activity of an acquiree or to terminate the employment of or relocate an acquiree's employees are not liabilities at the acquisition date.

Therefore, the acquirer does not recognise those costs as part of applying the acquisition method and instead, the acquirer recognises those costs in its post combination financial statements in accordance with other Ind AS.

This amendment does not significantly change the requirements of Ind AS 103 and the Group does not expect the amendment to have any significant impact in its financial statements.

ii. Ind AS 109 - Financial Instruments

The amendment clarifies that while performing the '10 percent test' for derecognition of a financial liability, for computing the discounted present value of the cash flows under the new terms, for determining fees paid net of fees received, a borrower should include only fees paid or received between borrower and lender, including fees paid or received by either the borrower or lender on the other's behalf.

This amendment is under Annual Improvements to Ind AS (2021).

The Group does not expect the above amendment/ improvement to have any significant impact on its consolidated financial statements.

iii. Ind AS 16 - Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, is not to be recognised in the profit or loss but is to be deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group does not expect this amendment to have any impact its recognition of its property, plant and equipment in its its consolidated financial statements.

iv. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both, the incremental costs of fulfilling that contract (examples would be direct labour, materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment also provides for transitional provisions for contracts for which the entity has not yet fulfilled its obligations. The Group does not expect this amendment to have any significant impact in its Consolidated financial statements.

The amendments to Ind AS 101 - First Time Adoption and Ind AS 41 – Agriculture have not been specified here since both Standards are presently not applicable to the Group.

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.

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 amortised 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 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 realisable value. Net realisable 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 & 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 amortised 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 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.

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 amortised 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 amortised 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 115.

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

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, that is, on the receipt of the Occupancy Certificate. 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 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 Consolidated 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 recognised 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

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represents substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has the right when it has the right decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- The Group has the right to operate the asset; or
- The Group designed the asset in a way that predetermined how and for what purpose it will be used

This policy is applied to all contracts entered into, or changed, on or after April 1, 2019.

The Group as Lessee

The Group recognises a Right-of-Use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

  The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

  When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the Statement of profit or loss if the carrying amount of the ROU asset has been reduced to zero.

  The Group presents ROU assets that meet the definition of investment property are presented within investment property otherwise under "Property, Plant and Equipment" and lease liabilities under "Financial Liabilities" in the Balance Sheet.

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for short-term lease of Property, Plant and Equipment that have a lease term of 12 months or less and leases of low-value assets. The Group recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group as Lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other Operating Income under Revenue from Operation' in the Statement of Profit and Loss.

However, when the Group was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

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 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. Earlier, post 2014, leave earned by employees were to be utilised within the following year; however, during the financial year 2021-22 all the employees are entitled to accumulate leave (including those that were considered short-term) subject to certain limits for future encashment or availment. 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 Statement of Profit and Loss.

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.

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 recognises 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.

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 Consolidated 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 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 categorised 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.

3 Property, Plant and Equipment

₹ in Crores

Description of Assets	Freehold land	Buildings	Office Equipment	Computers	Vehicles	Plant and Machinery	Furniture and Fixture	Total
I. Gross Block								
Balance as at April 1, 2020	**98.02**	**53.59**	**0.93**	**3.87**	**4.90**	**453.60**	**10.35**	**625.26**
Additions	-	-	0.04	0.08	0.04	5.13	-	5.29
Disposals	(2.07)	(1.78)	(0.21)	(0.07)	(0.17)	(0.70)	(6.49)	(11.48)
Balance as at March 31, 2021	**95.95**	**51.81**	**0.76**	**3.89**	**4.78**	**458.03**	**3.86**	**619.08**
Additions	-	-	0.06	0.46	0.05	12.01	-	12.58
Disposals	-	-	(0.79)	(2.96)	(0.44)	(11.43)	(1.83)	(17.45)
Balance as at March 31, 2022	**95.95**	**51.81**	**0.03**	**1.39**	**4.39**	**458.61**	**2.03**	**614.21**
II. Accumulated Depreciation and Impairment								
Balance as at April 1, 2020	**-**	**6.30**	**0.91**	**1.85**	**0.57**	**97.93**	**7.22**	**114.78**
Depreciation / amortisation expense for the year	-	1.43	0.02	0.71	0.22	27.77	0.64	30.78
Eliminated on disposal of assets	-	(0.69)	(0.19)	(0.07)	(0.16)	(0.63)	(6.07)	(7.81)
Balance as at March 31, 2021	**-**	**7.04**	**0.74**	**2.49**	**0.63**	**125.06**	**1.78**	**137.75**
Depreciation / amortisation expense for the year	-	1.35	0.02	0.45	0.22	29.00	-	31.04
Eliminated on disposal of assets	-	-	(0.76)	(2.94)	(0.44)	(11.23)	(1.73)	(17.10)
Balance as at March 31, 2022	**-**	**8.39**	**-**	**-**	**0.41**	**142.83**	**0.05**	**151.68**
III. NET BLOCK (I-II)								
Balance as at March 31, 2022	**95.95**	**43.42**	**0.03**	**1.39**	**3.98**	**315.78**	**1.98**	**462.53**
Balance as at March 31, 2021	**95.95**	**44.77**	**0.02**	**1.40**	**4.15**	**332.96**	**2.07**	**481.33**

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.

3.1 Right-of-Use Assets (ROU)

₹ in Crores

Description of Assets		Land	Buildings	Total
I.	**Gross Block**			
	Balance as at April 1, 2020	**0.59**	**8.21**	**8.80**
	Additions	-	-	-
	Disposals	-	(0.22)	(0.22)
	Balance as at March 31, 2021	**0.59**	**7.99**	**8.58**
	Additions	-	-	-
	Disposals	-	(7.99)	(7.99)
	Balance as at March 31, 2022	**0.59**	**-**	**0.59**
II.	**Accumulated Depreciation and Impairment**			
	Balance as at April 1, 2020	**0.25**	**2.49**	**2.74**
	Depreciation / amortisation expense for the year	0.01	2.66	2.67
	Eliminated on disposal of assets	-	-	-
	Balance as at March 31, 2021	**0.26**	**5.15**	**5.41**
	Depreciation / amortisation expense for the year	0.01	0.12	0.13
	Eliminated on disposal of assets	-	(5.28)	(5.28)
	Balance as at March 31, 2022	**0.26**	**-**	**0.26**
III.	**Net Block (I-II)**			
	Balance as at March 31, 2022	**0.33**	**-**	**0.33**
	Balance as at March 31, 2021	**0.33**	**2.84**	**3.17**

4 Capital Work-in-progress : Ageing

Particulars	As at March 31, 2022				
	Amount in Capital Work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Plant and Machineries for Polyester Plant at Patalganga	0.13	-	-	-	0.13
Total	**0.13**	**-**	**-**	**-**	**0.13**

Particulars	As at March 31, 2021				
	Amount in Capital Work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Plant and Machineries for Polyester Plant at Patalganga	-	0.66	0.14	-	0.80
Total	**-**	**0.66**	**0.14**	**-**	**0.80**

5 Investment Property

₹ in Crores

Description of Assets	Buildings
I. Gross Block	
Balance as at April 1, 2020	**3.82**
Additions	-
Disposals	-
Balance as at March 31, 2021	**3.82**
Additions	-
Disposals	-
Balance as at March 31, 2022	**3.82**
II. Accumulated Depreciation	
Balance as at April 1, 2020	**0.23**
Depreciation expense for the year	0.07
Balance as at March 31, 2021	**0.30**
Depreciation expense for the year	0.07
Balance as at March 31, 2022	**0.37**
III. Net block (I-II)	
Balance as at March 31, 2022	**3.45**
Balance as at March 31, 2021	**3.52**
IV. Fair Value	
As at March 31, 2022	**209.00**
As at March 31, 2021	**206.36**

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 51 (b)].

b. The fair value of the Investment Property as at March 31, 2022 and March 31, 2021 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 Properties are included in Level 2.

i. Reconciliation of Fair Value ₹ in Crores

Particulars	
Buildings	
Balance as at April 1, 2020	**211.57**
Fair value differences	(5.21)
Purchases	-
Balance as at March 31, 2021	**206.36**
Fair value differences	2.64
Purchases	-
Closing balance as at March 31, 2022	**209.00**

ii. Amounts recognised in Statement of Profit and Loss for Investment Property ₹ in Crores

Particulars	March 31, 2022	March 31, 2021
Rental income derived from Investment Property	30.80	23.59
Direct operating expenses (including repairs and maintenance) generating rental income	1.35	4.84
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from Investment Property before depreciation	**29.45**	**18.75**
Depreciation for the year	(0.07)	(0.07)
Profit arising from Investment Property	**29.38**	**18.68**

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		Amount
I.	**Gross Block**	
	Balance as at April 1, 2020	**92.39**
	Additions	-
	Disposals	-
	Balance as at March 31, 2021	**92.39**
	Additions	-
	Disposals	-
	Balance as at March 31, 2022	**92.39**
II.	**Accumulated amortisation**	
	Balance as at April 1, 2020	**92.39**
	Amortisation expense	-
	Disposals	-
	Balance as at March 31, 2021	**92.39**
	Amortisation expense	-
	Disposals	-
	Balance as at March 31, 2022	**92.39**
III.	**Net block (I-II)**	
	Balance as at March 31, 2022	**-**
	Balance as at March 31, 2021	**-**

6b Other Intangible Assets

₹ in Crores

Particulars		Software	Technical Know how	Total
I.	**Gross Block**			
	Balance as at April 1, 2020	**1.98**	**0.63**	**2.61**
	Additions	0.12	-	0.12
	Disposals	(0.52)	-	(0.52)
	Balance as at March 31, 2021	**1.57**	**0.63**	**2.20**
	Additions	-	-	-
	Disposals	(0.93)	-	(0.93)
	Balance as at March 31, 2022	**0.65**	**0.63**	**1.28**
II.	**Accumulated amortisation**			
	Balance as at April 1, 2020	**1.32**	**0.63**	**1.95**
	Amortisation expense	0.20	-	0.20
	Disposals	(0.16)	-	(0.16)
	Balance as at March 31, 2021	**1.36**	**0.63**	**1.99**
	Amortisation expense	0.08	-	0.08
	Disposals	(0.93)	-	(0.93)
	Balance as at March 31, 2022	**0.51**	**0.63**	**1.14**
III.	**Net block (I-II)**			
	Balance as at March 31, 2022	**0.14**	**-**	**0.14**
	Balance as at March 31, 2021	**0.22**	**-**	**0.22**

6.1 Intangible Assets - under development: Ageing

₹ in Crores

Particulars	As at March 31, 2022				
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress- In-house software development for Polyster Plant at Patalganga	0.03	-	-	-	**0.03**
Total	**0.03**	**-**	**-**	**-**	**0.03**

₹ in Crores

Particulars	As at March 31, 2021				
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

7 **Investments - Non-current**

Particulars	Paid up Value / Face Value	As at March 31, 2022		As at March 31, 2021	
		No. of shares	₹ in Crores	No. of shares	₹ in Crores
Investments in Equity Instruments					
Investments carried at cost					
Unquoted					
Associate Companies					
Bombay Dyeing Real Estate Company Limited	₹ 10 Each	20,000	0.03	20,000	0.04
Pentafil Textile Dealers Limited	₹ 100 Each	88,200	1.82	88,200	1.72
Sub-total of Investments carried at cost - A			**1.85**		**1.76**
At Fair Value Through Other Comprehensive Income (FVOCI)					
Quoted					
Bombay Burmah Trading Corporation Limited	₹ 2 Each	4,119,742	354.63	4,119,742	457.46
National Peroxide Limited	₹ 10 Each	61,000	9.68	61,000	13.38
D. B. Realty Limited	₹ 10 Each	25,262	0.26	25,262	0.06
Citurgia Biochemicals Limited *	₹ 10 Each	77,200	-	77,200	-
Unquoted					
BDS Urban Infrastructure Private Limited	₹ 10 Each	1,900	0.17	1,900	0.21
Roha Industries Association's Co-operative Consumers Society Limited**	₹ 25 Each	100	**	100	**
SCAL Services Limited	₹ 100 Each	30,400	0.66	30,400	0.66
Sub-total of Investments carried at FVOCI- B			**365.40**		**471.77**
Total (A + B)			**367.25**		**473.53**

* 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, 2022	As at March 31, 2021
Aggregate Carrying Value of Quoted Investments	364.57	470.90
Aggregate Market Value of Quoted Investments	364.57	470.90
Aggregate Carrying Value of Unquoted Investments	2.69	2.63
Aggregate Impairment in the Value of Investments	-	-

b. In December, 2018 the Shareholders of the PT Five Star Textile Indonesia(PTFS) passed the resolution for its voluntary liquidation. Subsequently, as per the procedure, in the year 2019, PTFS surrendered most of business and operating licenses and by August, 2019 also obtained the de-registration of its 3 Branch Tax Identification numbers. Thereafter, on August 7, 2019, PTFS applied for the de-registration of the main Tax identification number with Tax Office Jakarta and the process of liquidation is yet not complete.

c. The Group has carried its investments in equity instruments of Subsidiary and Associates at cost, less provision for impairment, if any. For other investments in equity instruments, the Group has elected an irrevocable option to designate it through FVOCI, as the said investments are not held for trading. During the year ended March 31, 2022, the Group did not sell any equity instrument, however, during the year ended March 31, 2021, the Group sold equity instruments of The Bombay Burmah Trading Corporation Limited and National Peroxide Limited on which gain of ₹ 53.62 crores was recorded through OCI and the cumulative realised gain of ₹ 115.35 crores was transferred to retained earnings. The fair value of the investments sold at the date of derecognition was ₹ 119.25 crores. The above shares form part of non-core assets and were sold to reduce total debt and consequently, the interest cost.

8 Loans - Non-current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Loans Receivable which have significant increase in credit risk		
Loans Receivable Credit Impaired		
Loans to related parties [Refer Note 56]	54.29	54.29
Less: Allowance for doubtful advances	(54.29)	(54.29)
	-	-
Total	**-**	**-**

Loans granted to Promoters, Directors, KMPs and Related Parties

₹ in Crores

Type of borrower	As at March 31, 2022		As at March 31, 2021	
	Amount outstanding	% of Total	Amount outstanding	% of Total
Agreement does not specify any terms or period of repayment				
Promoters	NA	NA	NA	NA
Directors	NA	NA	NA	NA
KMPs	NA	NA	NA	NA
Related parties*	54.29	100	54.29	100
Total	**54.29**	**100**	**54.29**	**100**

* However, this Loan to Related parties is fully provided in the books of account.

9 Other Financial Assets - Non-current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Security Deposits		
- Considered good		
Related Parties [Refer Note 56]	-	2.35
Others	0.64	1.31
- Considered doubtful	0.04	0.16
- Less : Allowance for doubtful deposits	(0.04)	(0.16)
	0.64	**3.66**
Deposits Under Lien	18.99	3.04
Lease equalisation	1.74	2.38
Deferred Income - Asset Lease Deposit	1.40	2.14
Total	**22.77**	**11.22**

a. Bank deposits include restricted deposits as under:
Deposits under lien towards security for Loan and guarantees issued on behalf of the Company ₹ 16.95 crores (March 31, 2021 : ₹ 2.66 crores). [Refer Note 40 and 41]

10 a. Components of Income Tax Expense / (Income)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income tax expense recognised in the Statement of Profit and Loss		
Current Tax:		
Current Tax on Profits for the year	-	-
Deferred Tax	(74.14)	(36.62)
(Excess) / Short Provision of tax of earlier years	0.22	(0.82)
Total Income Tax Expense	**(73.92)**	**(37.44)**

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Deferred Tax related to items recognised in Other Comprehensive Income		
Tax effect on remeasurement (loss) /gain on defined benefit plans	0.85	0.39
Tax effect on fair value of Equity Instruments through OCI	0.09	(0.07)
Total Income Tax Expense	**0.94**	**0.32**

b. Reconciliation of Income Tax Expense and Accounting Profit

The reconciliation between estimated Income Tax expense at statutory income tax rate /Minimum Alternate Tax (MAT) into income tax expense reported in the Statement of Profit and Loss is given below.

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit \ (Loss) before tax from continuing operation*	**(534.26)**	**(506.33)**
Profit \ (Loss) before tax from Discontinued operation*	0.02	(0.24)
Income tax expense calculated @34.94% (March 31, 2021: 34.94%)	-	-
Tax Expense		
Deferred Tax Expenses	(74.14)	(36.62)
(Excess) / Short Provision of tax of earlier years	0.22	(0.82)
Income Tax Expense recognised in Statement of Profit and Loss	**(73.92)**	**(37.44)**
Effective Tax Rate	**0.00%**	**0.00%**

*In view of loss, Tax on Accounting Profit is ₹ Nil (March 31, 2021 : ₹ Nil)

c. **Components of Deferred Tax**

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities		
Property, Plant and Equipment	68.63	71.84
Right-to-Use Assets	0.08	0.80
Compound Financial Instruments	0.01	0.08
Security Deposit	0.35	0.53
Total Deferred Tax Liabilities	**69.07**	**73.25**
Deferred Tax Assets		
Defined Benefit Obligations	0.86	0.02
Intangible Assets	0.09	0.12
Allowance for doubtful advances/ debts	62.52	61.97
Accrued Expenses deductible on cash basis	0.65	1.19
Business Loss	510.67	470.02
Unabsorbed Depreciation	104.17	107.23
Lease liabilities	-	0.65
Provision for Litigation	33.04	-
Fair Value changes of Equity Instruments through OCI	0.13	0.04
Total Deferred Tax Assets	**712.13**	**641.24**
Net Deferred Tax (Liabilities) / Assets	**643.06**	**567.98**

Notes:

i. In terms of Ind AS 12 on "Income Taxes", the Group has recognised Deferred Tax Assets of ₹ 614.84 crores (March 31, 2021: ₹ 577.25 crores) arising from unabsorbed depreciation and brought forward business losses, based on the steps taken by the Group to achieve its projected profitability. It is probable that the Group will have future taxable profits against which the unabsorbed depreciation and brought forward business losses can be utilised.The deferred tax assets for the year is arrived at after considering the view in respect of matters which would result in lower amount of carry forward losses [Refer Note 10 (d) below].

ii. Section 115BAA in the Income-tax Act, 1961 provides an option to the Group for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. While the Group is continuing to provide and consider the payment of income tax at the old rates, deferred tax assets and liabilities are measured at the reduced rates at which such deferred tax assets/liabilities are expected to be realised or settled.

d. **Movement of Deferred Tax**

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2022

₹ in Crores

Particulars	Balance as at April 1, 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2022
Property, Plant and Equipment	(71.84)	3.21	-	(68.63)
Right-of-Use Asset	(0.80)	0.72	-	(0.08)
Intangible Assets	0.12	(0.03)	-	0.09
Compound Financial Instruments	(0.08)	0.07	-	(0.01)
Security Deposit	(0.53)	0.18	-	(0.35)
Lease Liability	0.65	(0.65)	-	-
Allowance for doubtful advances/ debts	61.97	0.55	-	62.52
Accrued Expenses deductible on cash basis	1.19	(0.54)	-	0.65
Defined benefit obligations	0.02	-	0.85	0.86
Fair Value changes of Equity Instruments through OCI	0.04	-	0.09	0.13
Business Loss [Refer Note 10 (c) (i)]	470.02	40.65	-	510.67
Unabsorbed Depreciation [Refer Note 10 (c) (i)]	107.23	(3.06)	-	104.17
Provision for Litigation	-	33.04	-	33.04
Total	**567.98**	**74.14**	**0.94**	**643.06**

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2021

₹ in Crores

Particulars	Balance as at April 1, 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2021
Property, Plant and Equipment	(75.25)	3.41	-	(71.84)
Right-of-Use Asset	(1.53)	0.73	-	(0.80)
Intangible Assets	0.06	0.06	-	0.12
Compound Financial Instruments	(0.14)	0.06	-	(0.08)
Security Deposit	0.25	(0.78)	-	(0.53)
Lease Liability	1.33	(0.68)	-	0.65
Allowance for doubtful advances/ debts	61.54	0.43	-	61.97
Accrued Expenses deductible on cash basis	1.13	0.06	-	1.19
Defined benefit obligations	(0.37)	-	0.39	0.02
Fair Value changes of Equity Instruments through OCI	0.11	-	(0.07)	0.04
Business Loss [Refer Note 10 (c) (i)]	441.14	28.88	-	470.02
Unabsorbed Depreciation [Refer Note 10 (c) (i)]	102.78	4.45	-	107.23
Total	**531.05**	**36.62**	**0.32**	**567.98**

e. **Deductible temporary differences 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, 2022	As at March 31, 2021
Unused tax credits (MAT) [Refer Note (i)below]	99.80	99.80
Temporary difference associated with Investment in Associates and Subsidiary	29.78	18.79
Total	**129.58**	**118.59**

Note

i. The amount and expiry date of unused Tax credits, that is, MAT is as follows:

₹ in Crores

i.	Tax Credit Carried Forward(FY)	As at March 31, 2022	As at March 31, 2021	Expiry Date
	2009-10	3.77	3.77	March 31, 2025
	2010-11	5.26	5.26	March 31, 2026
	2011-12	14.97	14.97	March 31, 2027
	2012-13	21.50	21.50	March 31, 2028
	2013-14	8.47	8.47	March 31, 2029
	2014-15	10.38	10.38	March 31, 2030
	2016-17	28.69	28.69	March 31, 2032
	2018-19	6.75	6.75	March 31, 2034

11 Other Non-current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Capital Advances	0.51	1.25
-Less: Allowance for Capital advances	(0.51)	(0.72)
	-	**0.53**
Advances other than Capital advances		
Advances Receivable in cash or in kind		
-Considered Good	0.21	0.17
-Considered Doubtful	2.43	2.43
-Less: Allowance for doubtful advances	(2.43)	(2.43)
	0.21	**0.17**
Others		
Prepaid expenses	7.57	21.70
Industrial subsidy receivable		
-Considered good	14.55	14.55
-Considered doubtful	4.64	4.64
-Less : Provision for doubtful advances	(4.64)	(4.64)
	14.55	**14.55**
Balances with Government authorities		
-Considered good	3.27	2.45
-Considered doubtful	17.32	1.69
-Less : Allowance for doubtful advances	(17.32)	(1.69)
	3.27	**2.45**
Advance income-tax [net of provision for taxation]	85.20	75.14
Total	**110.80**	**114.54**

12 Inventories

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Manufacturing and Retail		
Raw Materials	20.92	33.82
Raw Materials-in-transit	61.25	91.39
Work-in-progress	8.06	7.44
Finished goods	42.79	27.89
Finished goods-in-transit	10.40	6.10
Stock-in-Trade	0.27	12.58
Stores, Spares and Catalysts	10.71	9.61
Inventory - Manufacturing and Retail - (a)	**154.40**	**188.83**
Real Estate		
Work-in-progress	963.98	1,111.25
Others		
Transferable Development Rights	-	45.48
Floor Space Index	696.15	697.58
Inventory - Real Estate Development- (b)	1,660.13	1,854.31
Total (a) + (b)	**1,814.53**	**2,043.14**

a. The cost of inventories [Aggregrate of amounts of Cost of Materials Consumed (Note 31), Purchases of Stock-in-Trade (Note 32) and Changes in inventories of Finished goods, Stock-in-Trade and Work-in-progress (Note 33)] recognised as an expense during the year is ₹ 1352.08 crores (March 31, 2021 : ₹ 854.21 crores).

b. The value of inventories above is stated after impairment of ₹ 1.81 crores (March 31, 2021 : ₹ 30.02 crores) for write down to net realisable value and provision for slow moving and obsolete items - includes impairment of Floor Space Index Rights ₹ 1.43 crores (March 31, 2021 : ₹ Nil) and impairment of Transferable Develpoment Rights ₹ Nil (March 31, 2021 : ₹ 19.41 crores) and others ₹ 0.38 crores (March 31, 2021 : ₹ 10.61 crores)

c. Certain Inventories are hypothecated against borrowings, details of 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.

13 Trade Receivables

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Considered Good	294.90	654.17
Credit Impaired	142.77	25.31
Less: Allowance for bad and doubtful debts	(142.77)	(25.31)
Total	**294.90**	**654.17**

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 discolsure for all such Trade Receivables is made as shown above.

i. Reconciliation of Credit Loss Allowance :

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	25.31	24.43
Allowance for Expected Credit Loss	117.46	0.88
Excess provision written back	-	-
Balance at the end of the year	**142.77**	**25.31**

ii. Ageing for Trade Receivables outstanding is as follows :

Particulars	As at March 31, 2022						
	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Considered Good-Unsecured							
Undisputed	54.65	51.14	-	-	-	28.23	134.02
Disputed	-	-	-	-	0.58	160.30	160.88
Trade Receivables-Credit Impaired							
Undisputed	0.07	0.27	-	2.85	0.61	6.47	10.27
Disputed	-	116.63	3.26	0.02	-	12.59	132.50
Total	**54.72**	**168.04**	**3.26**	**2.87**	**1.19**	**207.59**	**437.67**
Less: Allowance for bad and doubtful debts							142.77
Total Trade Receivable							**294.90**

₹ in Crores

Particulars	As at March 31, 2021						
	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Considered Good-Unsecured							
Undisputed	33.27	97.36	13.48	0.90	101.20	13.96	260.17
Disputed	-	-	-	0.30	346.50	47.20	394.00
Trade Receivables-Credit Impaired							
Undisputed	0.05	0.13	0.01	0.13	-	10.21	10.53
Disputed	-	2.19	-	-	11.21	1.37	14.78
Total	**33.32**	**99.68**	**13.49**	**1.33**	**458.91**	**72.75**	**679.48**
Less: Allowance for bad and doubtful debts							25.31
Total Trade Receivable							**654.17**

c. Trade Receivables include ₹ 42.62 crores (March 31, 2021 : ₹ 42.62 crores) due from a customer towards part compensation for sale of property, common area maintenance charges and project related costs.

d. Trade Receivables are hypothecated against borrowings, details of which have been described in Notes 21 , 24 and 40.

14 Cash and Cash Equivalents

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks in Current Accounts [Refer Note 15(d) below]	166.89	79.96
Cheques on hand	0.11	-
Cash on Hand	0.06	0.13
Bank deposits with original maturity of three months or less	249.00	75.84
Total	**416.06**	**155.93**

15 Bank Balances other than Cash and Cash Equivalents

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Earmarked balances with banks :		
Unpaid Dividend Accounts	1.21	1.58
Escrow Accounts [Refer Note (a)/(d) below]	2.03	20.83
Deposits held in Escrow Accounts	25.00	25.00
Deposits under Lien [Refer Note (c) below]	23.90	31.93
Total	**52.14**	**79.34**

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 Mill.

b. Deposits held in escrow accounts represent amounts held in escrow in accordance with the directions of the Monitoring Committee for redevelopment of land of Cotton Textile Mill.

c. Deposits under lien towards Margin Money for Letter of Credit, Secuity for guarantees issued on behalf of the Group and security against matured Public Deposits ₹ 23.86 crores (March 31, 2021 : ₹ 31.26 crores). [Refer Note 40 and 41]

d. Restated amounts as on March 31, 2021 by including the amount under Balances with Banks in Current Accounts from Escrow Accounts ₹ 12.87 crores.

16 Loans - Current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Loans Receivable Considered good - Unsecured		
Loans to employees	0.05	-
Total	**0.05**	**-**

17 Other Financial Assets - Current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Security Deposits	0.90	0.94
Interest accrued on Fixed Deposits with Banks	0.45	0.38
Export Benefits Receivable	-	4.31
Derivatives - Forward Exchange Contracts [Refer Note (b) below]	-	0.33
Receivable from post Employment Benefit Fund (Includes Tax Deducted at Source paid by the Company ₹ 0.36 crores (March 31, 2021 ₹ Nil)	2.78	0.68
Total	**4.13**	**6.64**

a. Other Financial Assets are hypothecated against borrowings, details relating to which have been described in Notes - 21, 24 and 40.

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.

18 Other Current Assets

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Advances other than Capital advances		
Deposits	7.82	5.40
Advances Receivable in cash or in kind		
- Considered Good		
Related Parties	-	3.44
Others	13.93	16.14
- Considered Doubtful	2.70	2.67
- Less: Allowance for Doubtful Advances	(2.20)	(2.32)
	14.43	**19.93**
Others		
Prepaid expenses	15.00	17.27
Balances with Government Authorities	1.20	1.11
Total	**38.45**	**43.71**

Note: Other Current Assets are hypothecated against borrowings, details of which have been described in Notes 21, 24 and 40.

19 Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	₹ in Crores	Number of Shares	₹ in Crores
Authorised Shared Capital				
Equity shares of ₹ 2 each	510,000,000	102.00	510,000,000	102.00
8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each	400,000	4.00	400,000	4.00
Total	**510,400,000**	**106.00**	**510,400,000**	**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 Equity Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022		As at March 31, 2021	
	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, if any, 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% Equity Shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% Holding	Number of Shares	% Holding
Baymanco Investments Limited	53,607,000	25.96	53,607,000	25.96
The Bombay Burmah Trading Corporation Limited	34,918,373	16.91	34,590,713	16.75
	88,525,373	**42.86**	**88,197,713**	**42.71**

d. Disclosure of Shareholding of Promoters in Equity Shares

Name of Promoter	Equity Shares Held by Promoters As at March 31, 2022		Equity Shares Held by Promoters As at March 31, 2021		% Change During the Year
	Number of Shares	₹ in Crores	Number of Shares	₹ in Crores	
Ness Nusli Wadia	1,219,418	0.59	1,219,418	0.59	0.00
Jehangir Nusli Wadia	287,525	0.14	287,525	0.14	0.00
Maureen Nusli Wadia	578,010	0.28	578,010	0.28	0.00
Dpi Products And Services Limited	264,900	0.13	264,900	0.13	0.00
Heera Holdings And Leasing Private Limited	8,653	0.00	8,653	0.00	0.00
Havenkores Real Estates Private Limited	268,672	0.13	268,672	0.13	0.00
Lotus Viniyog Limited	144,690	0.07	144,690	0.07	0.00
Macrofil Investments Limited	21,700	0.01	21,700	0.01	0.00
Nowrosjee Wadia & Sons Limited	25,432	0.01	25,432	0.01	0.00
Naperol Investments Limited	406,200	0.20	406,200	0.20	0.00
Nidhivan Investments And Trading Company Private Limited	10,578	0.01	10,578	0.01	0.00
Nessville Trading Private Limited	24,550	0.01	24,550	0.01	0.00
The Bombay Burmah Trading Corporation Limited	34,918,373	16.91	34,590,713	16.75	0.16
Nusli Neville Wadia (Diana Claire Trust)	180,530	0.09	180,530	0.09	0.00
Nusli Neville Wadia (Trustees Of Jer Mavis Settlement No. II)	1,073,450	0.52	1,205,650	0.58	-0.06
Nusli Neville Wadia (Nusli Neville Wadia Trust)	137,000	0.07	137,000	0.07	0.00
Afco Industrial And Chemicals Limited	59,660	0.03	59,660	0.03	0.00
National Peroxide Limited	1,489,700	0.72	1,489,700	0.72	0.00
Go Airlines (India) Limited	1,000	0.00	1,000	0.00	0.00
Go Investments And Trading Private Limited	500	0.00	500	0.00	0.00
Sahara Investments Private Limited	5,727	0.00	5,727	0.00	0.00
Diana Claire Wadia	1,383,810	0.67	1,383,810	0.67	0.00
Estate Of Smt Bachoobai Woronzow	814,030	0.39	814,030	0.39	0.00
Dina Neville Wadia	603,220	0.29	603,220	0.29	0.00
N N Wadia Admin Of Estate Of Lt Ef Dinshaw	500	0.00	500	0.00	0.00
Ben Nevis Investments Limited	10,283,790	4.98	10,283,790	4.98	0.00
Newpoint Enterprises Limited	250,000	0.12	250,000	0.12	0.00
Baymanco Investments Limited	53,607,000	25.96	53,607,000	25.96	0.00
Naira Holdings	2,740,000	1.33	2,740,000	1.33	0.00
Wadia Techno Engineering Services Limited	-	0.00	195,460	0.09	-0.09
Total	**110,808,618**	**53.65**	**110,808,618**	**53.65**	**0.00**

e. Information regarding issue of Equity 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.

f. 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, 2021 : 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, 2022	As at March 31, 2021
Capital Reserve	29.51	29.51
Securities Premium	133.57	133.57
Investment Reserve	1.31	1.31
Consolidation Adjustment on account of Share Capital	17.55	17.55
General Reserve	155.81	155.81
Equity Component of Compound Financial Instruments - Preference Share Capital	0.52	0.52
Retained Earnings	(1,456.55)	(1,000.53)
Items of Other Comprehensive Income		
Equity Instruments through Other Comprehensive Income	347.42	453.80
Foreign Currency Translation Reserve	(1.08)	(1.08)
Total	**(771.94)**	**(209.54)**

Nature and purpose of reserves

a. Capital Reserve

Capital Reserve represents amounts forfeited on warrants not exercised ₹ 28.60 crores and and ₹ 0.91 crores due to demerger of Real Estate Business Undertaking of Scal Services Limited vested in the Company. There is no movement in Capital Reserve during the current and previous year.

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 Component of Compound Financial Instruments

Equity Component of Compound Financial Instruments represent residual amount after deducting liability component from the fair value of the compound financial instrument.

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.

g. 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 of equity instruments, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

h. 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 (that is, INR) are recognised directly in the Other Compresensive Income and accumulated in Foreign Currency Transalation 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, 2022	As at March 31, 2021
Secured		
Term Loans		
- from banks	1,428.86	63.54
- from others	1,498.13	3,209.44
Unsecured		
Term Loan from Banks	929.00	-
Intercorporate deposits from Related Parties [Refer Note 56]	245.00	-
Liability Component of Compound Financial Instruments - Preference Share Capital [Refer Note (f) below]	3.86	3.58
	4,104.85	3,276.56
Less : Current maturities of Long-term Borrowings [included in Note 24]	(955.22)	(775.84)
Total	**3,149.63**	**2,500.72**

a. **Nature of Security and terms of repayment of secured borrowing:**

From Banks :

i. Term loan amounting to ₹ 58.86 crores (March 31, 2021 : ₹ 63.54 crores) is secured by First charge by way of Registered Mortgage of NBW Building along with 1839.53 sq. mtrs of land on which the building is constructed. Repayable in 120 equated monthly instalments commencing from September 2019 to November 2029

ii. Term loan amounting to ₹ 1370.00 crores (March 31, 2021 : ₹ Nil) is secured by Exclusive First charge by way of Mortgage on plot of land at Pandurang Budhkar Marg, Worli, together with the structures standing thereon (Present and future) alongwith Receivables attached to the said land. The said loan is further backed by Stand by Letter of Credit issued by Related Party [Refer Note 56(A)(iv.b)] as security for the loan. Repayable at the end of 36 Months from the date of Disbursement, in December 2024.

From Other Parties :

i. Term loan amounting to ₹ 1345.00 crores (March 31, 2021 : ₹ 1,700.00 crores) is secured by way of registered mortgage of land underlying the project One ICC and Two ICC at Mumbai - along with the present and future specific unregistered flats thereon and exclusive charge by way of hypothecation on receivables arising out of specific units identified from the project. The loan is further secured by way of registered mortgage on part of land admeasuring approx. 3 acres bearing C.S. 223 of Dadar Naigaum Division, Mumbai. Repayable in 24 equated monthly instalments commencing from November 2021.

ii. Term loan amounting to ₹ 78.13 crores (March 31, 2021 : ₹ Nil) is secured by First *pari passu* charge by way of Registered Mortgage on the immovable property being the entire commercial building at C-1, Wadia International Centre at Worli together with the FSI consumed alongwith the land on which the said building stands. Repayable in 8 equated quarterly instalments commencing from September 2021 onwards.

iii. Term loan amounting to ₹ 75.00 crores (March 31, 2021 : ₹ Nil) is secured by First *pari passu* charge by way of Registered Mortgage on the immovable property being the entire commercial building at C-1, Wadia International Centre and First and Exclusive charge on Texturising Building at Worli, together with the FSI consumed alongwith the land on which the building stands. Repayable in 8 equated quarterly instalments commencing from June 2022 onwards.

iv. Term Loan amounting to ₹ Nil (March 31, 2021 : ₹ 1372.06 crores) is secured by way of mortgage of plot of land at Pandurang Budhkar Marg, Worli, alongwith the present and future development. The loan has been fully repaid during the year.

v. Term loan amounting to ₹ Nil (March 31, 2021 : ₹ 137.38 crores) 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. The loan has been fully repaid during the year.

b. Terms of repayment of unsecured borrowing:

From Banks:

Unsecured Term Loans aggregating to ₹ 929.00 crore (March 31, 2021 : ₹ Nil) are availed from Banks for a period of 36 months from the date of its disbursement, and repayable in the month of September 2024 and March 2025. The said loans are backed by Stand by Letter of Credit issued by Related Party [Refer Note 56(A)(iv.b)] as security for the loan.

c. Intercorporate deposits from Related Parties :

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Britannia Industries Limited	100.00	-
The Bombay Burmah Trading Corporation Limited	145.00	-
Total	**245.00**	**-**

d. There is no default in terms of repayment of principal borrowings and interest thereon.

e. The carrying amounts of financial and non-financial assets provided as security for above borrowings are disclosed in Note 40.

f. Preference Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	₹ in Crores	Number of Shares	₹ in Crores
Issued, Subscribed and Paid-up Share capital				
8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each	388,800	3.89	388,800	3.89
	388,800	**3.89**	**388,800**	**3.89**

i. Reconciliation of the Preference Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	₹ in Crores	Number of Shares	₹ in Crores
At the beginning of the year	388,800	3.89	388,800	3.89
Add: Shares issued during the year	-	-	-	-
At the end of the year	**388,800**	**3.89**	**388,800**	**3.89**

ii. Rights, preferences and restrictions attached to Preference Shares

These shares shall confer the holders thereof, the right to a fixed preferential dividend (Non-cumulative in nature) at a rate of 8%, on the capital being paid up. These preference shares were to be redeemed any time within 36 months from the date of allotment, that is, May 1, 2019. However, unlisted 3,88,800, 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100/- each which were due for redemption on May 1, 2022 have now been extended for redemption anytime within seven years from May 1, 2022 with the consent of the preference shareholders. There is no change in any other terms and conditions of the said Non-Convertible Non-Cumulative Preference Shares.

iii. **Details of shareholders holding more than 5% Preference Shares in the Company**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% Holding	Number of Shares	% Holding
Bombay Dyeing Real Estate Co Ltd	91,200	23.46	91,200	23.46
Pentafil Textile Dealers Ltd	91,200	23.46	91,200	23.46
BDS Urban Infrastructures Private Limited	206,400	53.08	206,400	53.08
	388,800	**100.00**	**388,800**	**100.00**

iv. **Disclosure of Shareholding of Promoters in Preference Shares**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% Holding	Number of Shares	% Holding
Name of Promoter	Nil	Nil	Nil	Nil

22 Other Financial Liabilities - Non-current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits	11.32	9.81
Total	**11.32**	**9.81**

23 Provisions - Non-Current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
- Provision for compensated absences [Refer Note 48]	4.18	4.45
- Provision for loyalty / long service awards [Refer Note 48]	2.51	2.95
- Provision for termination benefits [Refer Note 44]	5.28	5.99
Total	**11.97**	**13.39**

24 Borrowings - Current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Short Term loans from banks	-	350.00
Intercorporate deposits from Related Parties [Refer Note 56]	250.00	340.00
Intercorporate deposits	86.90	203.05
Current Maturities of Long-term Borrowings [Refer Note 21]		
- Term loans from banks	5.22	4.69
- Term loans from others	950.00	771.15
Total	**1,292.12**	**1,668.89**

Nature of Security for short-term borrowings

a. Unsecured Short Term Loan of ₹ Nil (March 31, 2021 : ₹ 350.00 crores) is availed from Bank for a period of 6 months from the date of its disbursement, and repayable in the month of September 2021. The said loan is backed by Stand by Letter of Credit issued by Third Party as security for the loan.

b. Intercorporate deposits from Related Parties :

₹ in Crores

Particulars	March 31, 2022	March 31, 2021
Britannia Industries Limited	250.00	290.00
The Bombay Burmah Trading Corporation Limited	-	50.00
Total	**250.00**	**340.00**

c. The carrying amounts of financial and non-financial assets provided as security for above borrowings are disclosed in Note 40.

25 Trade Payables - Current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Total Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note (a) below]	17.68	23.96
Total outstanding dues of creditors other than micro enterprises and small enterprises [Refer Note (c) below]	317.61	360.59
Total	**335.29**	**384.55**

a. The dues payable to Micro and Small enterprises (MSME) 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 49)

b. Ageing for Trade Payables outstanding is as follows :

₹ in Crores

	As at March 31, 2022					
Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	14.61	1.83	0.95	0.27	0.02	17.68
(ii) Others	279.51	31.35	-	6.64	0.11	317.61
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	**294.12**	**33.18**	**0.95**	**6.91**	**0.13**	**335.29**

₹ in Crores

	As at March 31, 2021					
Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	3.12	9.38	11.46	-	-	23.96
(ii) Others	178.99	138.45	8.77	28.90	5.48	360.59
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	**182.11**	**147.83**	**20.23**	**28.90**	**5.48**	**384.55**

c. Payable to Related Parties:

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Associated Biscuits International Limited	3.43	2.38
Leila Lands Limited	16.65	-
Total	**20.08**	**2.38**

26 Other Financial Liabilities - Current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Interest Accrued	0.79	15.52
Unpaid Dividends [Refer Note (a) below]	1.21	1.58
Unclaimed Matured Fixed Deposits from Public and interest accrued thereon	0.75	0.90
Deposits	1.29	1.29
Derivatives - Forward Exchange Contracts [Refer Note (b) below]	0.89	-
Payable to related parties	6.87	8.27
Accrued expenses	66.64	91.99
Employee benefits payable	5.85	5.81
Total	**84.31**	**125.36**

a. During the year, the Group has transferred an amount of ₹ 0.19 crores (March 31, 2021 : ₹ 0.21 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, 2022	As at March 31, 2021
Advances from Customers	56.38	69.60
Statutory Dues including Goods and Service Tax and Withholding Tax	43.02	53.26
Other Liabilities	0.76	1.92
Total	**100.16**	**124.78**

28 Provisions - Current

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Provision for compensated absences [Refer Note 48]	1.06	0.98
Provision for termination benefits		
- Gratuity [Refer Note 48]	-	-
- Others [Refer Note 44]	0.70	0.69
Provision for loyalty / long service awards [Refer Note 48]	0.52	0.46
Other Provisions		
Provision for litigation and disputes [Refer Note below]	-	0.09
Provision for sales tax forms (Refer Note below)	0.87	1.74
Total	**3.15**	**3.96**

Note: Movements in each of the class of other provisions during the financial year are set out below:

₹ in Crores

Particulars	Litigation and disputes	Sales tax forms
As at April 1, 2020	**0.09**	**1.73**
- Additions	-	0.01
- Amounts utilised	-	-
As at March 31, 2021	**0.09**	**1.74**
- Additions	-	-
- Amounts utilised	(0.09)	(0.87)
As at March 31, 2022	**-**	**0.87**

29 Revenue from Operations

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sale of Products	1,544.52	770.92
Real Estate Development activity	399.95	388.36
Other Operating Revenue		
- Lease Rentals	30.80	21.81
- Export Incentives	23.59	10.95
- Others	2.06	1.38
Total Other Operating Revenue	**56.45**	**34.14**
Total	**2,000.92**	**1,193.42**

30 Other Income

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Income		
- on Income-tax Refunds	0.49	-
- on Fixed Deposits with Banks	4.30	2.58
- on Fair Valuation of other Financial Assets carried at Amortised Cost	0.96	1.09
- on Others	1.41	1.14
	7.16	**4.81**
Dividend Income		
- on Non-current Investments measured at FVTOCI	0.57	0.91
	0.57	**0.91**
Other Non - Operating Income		
- Sundry balances / excess provisions written back	16.72	7.19
- Other Non-operating Income	60.51	3.13
- Subsidy received for Electricity	9.65	7.60
	86.88	**17.92**
Other Gains		
- Gain on Foreign Currency Transactions (Net)	10.69	8.65
	10.69	**8.65**
Total	**105.30**	**32.29**

31 Cost of Material Consumed

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Inventories at the beginning of the year	125.21	57.30
Add : Purchases	1,128.33	613.03
	1,253.54	**670.33**
Less: Inventories at the end of the year	(82.17)	(125.21)
Total	**1,171.37**	**545.12**

32 Purchases of Stock-in-trade

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Processed long length	4.51	1.86
Made ups	0.07	0.10
Total	**4.58**	**1.96**

33 Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Manufacturing and Retail		
Inventories at the beginning of the year		
Finished goods	33.99	62.62
Work-in-progress	7.44	5.93
Stock-in-trade	12.58	33.96
	54.01	**102.51**
Inventories at the end of the year		
Finished goods	53.19	33.99
Work-in-progress	8.06	7.44
Stock-in-trade	0.27	12.58
	61.52	**54.01**
Inventory change - Manufacturing and Retail - (a)	**(7.51)**	**48.50**
Real Estate Development		
Inventories at the beginning of the year		
Development work-in-progress	1,109.92	1,368.55
	1,109.92	**1,368.55**
Inventories at the end of the year		
Development work-in-progress	963.98	1,111.25
Add/(less): Incidental Expenses	1.73	(1.33)
Less: Exceptional Items	(39.43)	-
	926.28	**1,109.92**
Inventory change - Real Estate Development- (b)	**183.64**	**258.63**
Total (a+b)	**176.13**	**307.13**

34 Employee Benefits Expense

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries and Wages	53.60	51.23
Contribution to Provident and Other Funds	2.85	3.13
Gratuity Expenses	1.36	1.74
Staff Welfare Expenses	4.91	4.23
Total	**62.72**	**60.33**

35 Finance Costs

₹ in Crores

	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest on Long-term Borrowings	404.74	455.48
Interest on Short-term Borrowings	67.86	87.21
Interest Expense on Lease Liability	0.12	0.28
Interest on Others [Refer Note 37(b)]	0.37	13.32
Interest on Financial Asset Measured at Amortised Cost	0.83	0.75
Ancillary Borrowing Costs	42.07	23.76
Others	8.01	7.59
Total	**524.00**	**588.39**

36 Depreciation and Amortisation Expenses

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation on Property, Plant and Equipment	31.04	30.78
Amortisation on Right-of-use Asset	1.60	2.67
Depreciation on Investment Property	0.07	0.07
Amortisation on Intangible Assets	0.07	0.20
Total	**32.78**	**33.72**

37 Other Expenses

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Manufacturing Expenses		
Stores, Spare parts and Catalysts	38.45	23.44
Oil and coal consumed	72.34	33.78
Electric energy	42.77	34.57
Water charges	3.16	2.59
Repairs: Buildings	1.24	0.76
Machinery	6.52	4.39
Others	2.00	1.46
Job work / processing charges	-	0.02
Subtotal	**166.48**	**101.01**
Construction Expenses		
Architect fees and technical /project related consultancy	4.54	3.07
Civil, Electrical, contracting, etc..	12.84	13.03
Payment to local agencies	2.50	0.36
Compensation for rehabilitation of tenants	7.76	8.19
Subtotal	**27.64**	**24.65**

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
Selling and Distribution Expenses			
Brokerage, commission		10.61	6.79
Freight and forwarding		141.64	35.00
Advertisement expense		2.39	7.29
Subtotal		**154.64**	**49.08**
Establishment Expenses			
Rent		1.58	2.29
Rates and taxes		11.74	12.46
Insurance		1.62	1.77
Sundry Balances Written Off		0.06	0.02
Allowance for doubtful advances/debts		2.21	1.71
Advances, Subsidy and deposit written off	0.34		
Less: Allowance for Advances, Subsidy and deposit written back	(0.34)	-	-
Expenses on Corporate Social Responsibility activities [Refer Note 52]		-	2.41
Payment to Auditors [Refer Note below]		1.30	1.13
Legal and Professional Fees		10.60	7.22
Retainership Fees		5.32	5.62
Loss on disposal of Property Plant and Equipment		1.26	0.69
Miscellaneous expenses		22.79	20.36
Subtotal		**58.48**	**55.68**
Compensation and Settlement Expenses [Refer note (b) below]		-	12.92
Subvention Income (Expense due to cancellation of contracts)		28.74	10.04
Total		**435.98**	**253.38**

a. Payment to auditor

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
As an auditor :		
Audit Fee	0.75	0.75
Limited Review	0.35	0.35
In other capacity:		
Taxation Matters	0.17	-
Certification fees	0.02	0.03
Reimbursement of expenses	0.01	-
Total	**1.30**	**1.13**

b. In respect of a matter settled of claimant during the year ended March 31, 2021, the aggregate sum of ₹ 25.02 crores (including interest of ₹ 12.10 crores) paid was recognised in that period as Compensation and Settlement Expenses under Other Expenses and as Interest on Others under Finance Costs [Refer Note 35].

38 Exceptional Items

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Reversal of Sales and provisons of Real Estate Development Activity [Refer Note below]	(233.03)	-
Profit (Net) on sale of Property, Plant and Equipment - Immoveable Property and other items [Refer Note below]	-	57.78
Total	**(233.03)**	**57.78**

Note:

Exceptional items for the year ended March 31, 2022, represent the net impact of reversal of revenue of ₹ 101.77 crores and provisions on collection of ₹ 131.26 crores, in veiw of litigated matters pertaining to Real Estate and Exceptional items during the year ended March 31, 2021, represent income pertaining to Profit (Net) on sale of immovable property and other items of Property, Plant and Equipment sold along therewith.

39 Additional Regulatory Information

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

b. The Company has a Working Capital limit of ₹ 500 Crore for its Polyester Staple Fibre and Retail division from Bank of Baroda, comprising of Fund-based limits of ₹ 50 Crore and non-fund-based limits of ₹ 450 Crore. For the said facility, the Company has submitted Stock and debtors statement to the bank on monthly basis as also the Quarterly Information Statements. The average difference is not material and is less than 1% of amount of stock and debtors, which is on account of valuation, provisions, etc. Further, the Company has not availed its fund based Cash Credit limit against such stock and debtors at any time during the year.

c. The Group has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

d. The Group does not have any transactions with struck-off companies.

e. The Group has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

f. The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;

    i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or

    ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

g. The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;

    i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or

    ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

h. The Group does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

i. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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, 2022	As at March 31, 2021
Current Assets			
Financial Assets			
First Charge			
Fixed Deposits under Lien	15	48.86	56.26
		48.86	**56.26**
Floating Charge			
Trade Receivables	13	227.62	506.37
Other Financial Assets	17	1.82	5.19
Other Current Assets	18	9.47	7.17
		238.91	**518.73**
Non-Financial Assets			
Floating Charge			
Inventories	12	818.51	971.84
		818.51	**971.84**
Total Current Assets pledged / hypothecated / mortgaged as security		**1,106.28**	**1,546.83**
Non-current Assets			
First Charge			
Property, Plant and Equipment	3	397.28	411.33
Investment Property	5	2.58	2.63
Fixed Deposits under Lien	9	16.95	2.66
Total Non-currents Assets pledged / hypothecated / mortgaged as security		**416.81**	**416.62**
Total Assets pledged / hypothecated / mortgaged as security		**1,523.09**	**1,963.45**

41 Contingent Liabilities

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
A. Claims against the Group not acknowledged as debt.		
a. Income-tax matters in respect of earlier years under dispute (including interest) March 31, 2022 - ₹ 11.76 crores [March 31, 2021 - ₹ 8.09 crores] as follows:		
Pending in appeal - matters decided against the Group	28.85	22.57
b. Sales Tax, Service Tax and Excise Duties	7.84	18.67
c. Custom Duty	0.95	0.95
d. Other Matters (Including claims related to real estate, employees and other matters)	21.56	89.02
In respect of items (a) to (d) above, it is not possible for the Group to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/ authorities.		
The Group does not expect any reimbursements in respect of the above contingent liabilities.		
The Group's pending litigations comprise of claims against the Group by certain real estate customers and disputed by the Group, 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.		

Particulars	As at March 31, 2022	As at March 31, 2021
B. Guarantees		
a. **Bank Guarantees:-** Guarantees issued by banks Secured by bank deposits under lien with the bank ₹ 14.33 crores (March 31, 2021 : ₹ 12.14 crores) and 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).	25.72	32.80
C. Commitments		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for	0.16	0.63
b. Other Commitments not provided for related to construction under development (net of advances) March 31, 2022 : ₹ Nil, [March 31, 2021 : ₹ 3.26 crores]	132.40	152.68
D. Other money for which the Company is contingently liable		
Though a review petition filed against the decision of the Hon'ble Supreme Court of India of February 2019 on Provident Fund (PF) on inclusion of allowances for the purpose of PF Contribution has been set aside, there are interpretative challenges, mainly for estimating the amount and applicability of the decision retrospectively. Pending any direction in this regard from the Employees Provident Fund Organisation, the impact for past periods, if any, is considered to the effect that it is only possible but not probable that outflow of economic resources will be required. The Company will continue to monitor and evaluate its position and act, as clarity emerges.	-	-

42 Litigations

a. The Bombay High Court vide its order dated November 20, 2013 permitted the Company to surrender land at one location, that is, 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 the above said writ petition filed before the 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 Occupancy Certificates (OC's) have been received for same.

b. 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, out of which ₹ 4.35 crores (As on March 31, 2021 : ₹ 2.71 crores) is provided. 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 ₹ 13.69 crores (As on March 31, 2021 : ₹ 13.69 crores), which is already provided. 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 were also matters under arbitration. The Company has received the award in its favour but pending to honour the Order by Axis Bank Limited, effect of the Order for ₹ 69.39 crores is yet to be given in the books of account.

43 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 lease hold building having gross block of ₹ 1.94 crores as on March 31, 2022 (March 31, 2021: ₹ 1.94 crores) amalgamated into the Company are still in the process of transfer.

44 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, 2022	As at March 31, 2021
a.	The liability in respect of the monthly payments that has been actuarially determined as on the Balance sheet date by the independent actuary	5.97	6.68
b.	The actuarial (gain)/loss for the year recorded in the Statement of Profit and Loss.	(0.71)	(0.71)

45 The total managerial remuneration paid to Manager of the Company is ₹ 2.12 crores since his appointment as a Manager for the year ended March 31, 2022 (March 31, 2021: ₹ 5.47 Crores paid to Managing Director) and it does not include any bonus, which is within the overall limits of the special resolution passed by the shareholders at the Annual General Meeting of the Company held on September 9, 2021.

46 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, that is, 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. Such TDR forms part of the inventory and reflected as such (Refer Note 12). The net gain/(loss) of ₹ 2.25 crores (March 31, 2021 : ₹ 0.12 crores) on sale of TDR is reflected under Revenue from Operations-Real Estate Development activity.

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 forms part of the inventory and reflected as such and is valued at ₹ 696.15 crores as at March 31, 2022 (March 31, 2021 ₹ 697.58 crores) based on Valuation Report of a Registered Valuer. Such FSI forms part of the inventory and accordingly carried as such in terms of the provisions of Ind AS 2 [Refer Note 12].

47 Disclosures under Ind AS 115 - Revenue from Contracts with Customers

The Group generates revenue primarily from Sale of Polyester Staple Fibre, Retail and Real Estate Development; its other operating revenue include Lease Rentals and Subvention Income.

₹ in Crores

	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A.	**Details of Revenue from contracts with customers recognised by the Group, in its Statement of Profit and loss**		
	Revenue from Operations		
	Real Estate	430.76	410.17
	Polyester	1,548.45	755.26
	Retail / Textile	21.71	27.99
		2,000.92	**1,193.42**
B.	**Provision / (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 13)	**117.46**	**0.88**
C.	**Disaggregation of revenue from Contracts with Customers**		
	i. Revenue based on nature of products or service		
	Real Estate		
	- Real Estate Development activity	399.96	388.36
	- Subvention Income	-	-
	- Lease Rentals	30.80	21.81
	Polyester		
	- Polyester Staple Fibre	1,522.80	742.94
	- Others	25.65	12.32
	Retail / Textile		
	- Bed Linen Products	7.20	17.84
	- Bath Linen Products	4.89	5.09
	- Others	9.62	5.06
		2,000.92	**1,193.42**
	ii. Revenue based on Geography		
	India		
	- Real Estate	430.76	410.17
	- Polyester	867.37	594.49
	- Retail / Textile	21.71	27.99
	Out of India		
	- Polyester	681.08	160.77
		2,000.92	**1,193.42**
	iii. Revenue based on Contract duration		
	Short -term contracts		
	- Polyester	1,548.45	755.26
	- Retail / Textile	21.71	27.99
	Long terms contracts		
	- Real Estate	430.76	410.17
		2,000.92	**1,193.42**
	iv. Revenue based on its timing of recognition		
	Point in time		
	- Real Estate	430.76	410.17
	- Polyester	1,548.45	755.26
	- Retail / Textile	21.71	27.99
	Over a period of time	-	-
		2,000.92	**1,193.42**

D. Contract Balances

The following table provides information about Trade Receivables and Contract Liabilities from contracts with customers:

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
i. **Trade Receivables (Gross) - Current [Refer Note 13]**	437.67	679.48
Less: Provision for Impairment	(142.77)	(25.31)
Net Receivables	**294.90**	**654.17**
ii. **Contract Liabilities**		
Advance from Customers - Current [Refer Note 27]	56.38	69.60
Total Contract Liabilities	**56.38**	**69.60**

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 13).

ii. 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.

iii 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 second phase of Occupancy Certificate.

iv 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.

v 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.

E. 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, 2022	Year ended March 31, 2021
Contracted price with the Customers	2,071.82	1,249.59
Less: Discounts and rebates	70.90	56.17
Revenue from Contracts with Customers (as per Statement of Profit and Loss)	**2,000.92**	**1,193.42**

48 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 recognised 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, 2022	Year ended March 31, 2021
Employer's contribution to Provident Fund	1.97	1.95
Employer's contribution to Family Pension Fund	0.53	0.55
Employer's contribution to Superannuation Fund	0.01	0.29

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 at March 31, 2022**

Particulars	As at March 31, 2022	As at March 31, 2021
Actuarial Assumptions		
Expected Return on Plan Assets	6.96%	6.33%
Rate of Discounting	6.96%	6.33%
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 (2012-14)	Indian Assured Lives Mortality (2006-08)

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	20.52	20.51
Interest Cost	1.30	1.24
Current Service Cost	1.40	1.54
Benefit Paid from the Fund	(4.11)	(2.45)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0.01	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.69)	(0.38)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(1.25)	0.06
Present Value of Benefit Obligation at the End of the year	**17.18**	**20.52**

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Change in the Fair Value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the year	21.20	17.13
Interest Income	1.34	1.04
Contributions by the Employer	-	3.38
Benefit Paid from the Fund	(4.11)	(2.45)
Return on Plan Assets, Excluding Interest Income	1.17	2.10
Fair Value of Plan Assets at the End of the year	**19.60**	**21.20**

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Amount Recognised in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	(17.18)	(20.52)
Fair Value of Plan Assets at the end of the year	19.60	21.20
Funded Status Surplus/ (Deficit)	2.42	0.68
Net (Liability)/Asset recognised in the Balance Sheet	**2.42**	**0.68**

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Expenses Recognised in the Statement of Profit or Loss		
Current Service Cost	1.40	1.54
Net Interest Cost	(0.04)	0.20
Expenses recognised	**1.36**	**1.74**

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Amount Recognised in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation	(1.92)	(0.32)
Return on Plan Assets, Excluding Interest Income	(1.17)	(2.10)
Net (Income)/Expense recognised in OCI	**(3.09)**	**(2.42)**

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Category of Assets		
Government of India Assets	1.66	1.70
Debt Instruments	0.97	4.47
Cash And Cash Equivalents	0.66	1.18
Insurance Funds	16.32	13.79
Other	-	0.06
Total	**19.60**	**21.20**

Particulars	As at March 31, 2022	As at March 31, 2021
Other Details		
Weighted Average Duration of the Projected Benefit Obligation (years)	8	8
Prescribed Contribution For Next Year (₹ in Crores)	-	0.72

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Maturity Analysis of the Benefit Payments: From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	2.92	3.34
2nd Following Year	1.59	1.53
3rd Following Year	1.84	2.65
4th Following Year	1.35	1.88
5th Following Year	0.86	1.39
Sum of Years 6 To 10	7.78	6.95
Sum of Years 11 and above	13.16	15.79

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(0.99)	(1.21)
Delta Effect of -1% Change in Rate of Discounting	1.12	1.37
Delta Effect of +1% Change in Rate of Salary Increase	1.09	1.33
Delta Effect of -1% Change in Rate of Salary Increase	(0.98)	(1.20)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.12)	(0.20)
Delta Effect of -1% Change in Rate of Employee Turnover	0.13	0.21

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.

  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 at March 31, 2022

Particulars	**As at March 31, 2022**	As at March 31, 2021
Actuarial Assumptions		
Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	6.96%	6.57%
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 (2012-14)	Indian Assured Lives Mortality (2006-08)

₹ in Crores

Particulars	**As at March 31, 2022**	As at March 31, 2021
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	3.41	3.51
Interest Cost	0.22	0.21
Current Service Cost	0.13	0.14
(Benefit Paid Directly by the Employer)	(0.46)	(0.25)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0.00 *	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.07)	(0.11)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.20)	(0.10)
Present Value of Benefit Obligation at the End of the year	**3.04**	**3.41**

*Denotes amount less than ₹ 1 Lakh.

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Amount Recognised in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	3.04	3.41
Fair Value of Plan Assets at the end of the year	-	-
Funded Status Surplus/ (Deficit)	3.04	3.41
Net (Liability)/Asset recognised in the Balance Sheet	**3.04**	**3.41**

₹ in Crores

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Expenses Recognised in the Statement of Profit or Loss		
Current Service Cost	0.13	0.15
Net Interest Cost	0.23	0.21
Expenses recognised	**0.36**	**0.36**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Amount Recognised in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation For the year	(0.27)	(0.21)
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income)/Expense recognised in OCI	**(0.27)**	**(0.21)**

Particulars	As at March 31, 2022	As at March 31, 2021
Other Details		
Weighted Average Duration of the Projected Benefit Obligation (years)	7.00	7.00
Prescribed Contribution For Next Year (₹ in Crores)	-	-

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Maturity Analysis of the Benefit Payments: From the Employer		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.52	0.46
2nd Following Year	0.26	0.33
3rd Following Year	0.31	0.47
4th Following Year	0.24	0.35
5th Following Year	0.13	0.24
Sum of Years 6 To 10	1.66	1.39
Sum of Years 11 and above	1.97	2.30

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(0.17)	(0.19)
Delta Effect of -1% Change in Rate of Discounting	0.19	0.22
Delta Effect of +1% Change in Rate of Salary Increase	0.18	0.21
Delta Effect of -1% Change in Rate of Salary Increase	(0.17)	(0.19)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.02)	(0.02)
Delta Effect of -1% Change in Rate of Employee Turnover	0.02	0.03

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. Group 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.
- 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 at March 31, 2022 is ₹ 5.24 crores [As at March 31, 2021 : ₹ 5.43 crores].

49 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006

The amount of dues owed to Micro, Small and Medium Enterprises as on March 31, 2022 amounted to ₹ 17.68 crores (March 31, 2021 : ₹ 23.96 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.

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, 2022	As at March 31, 2021
i.	Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	3.65	22.52
ii.	Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	0.22	2.11
iii.	Interest paid	-	-
iv.	Payment made to suppliers (other than interest) beyond the appointed day, during the year	176.66	77.87
v.	Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	0.60	1.42
vi.	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	0.80	3.53
vii.	Amount of further interest remaining due and payable in succeeding year	0.81	2.48

50 Earnings Per Equity Share

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
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))	(460.32)	(469.13)
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 of (₹) 2 each (for continuing operations)**		
	Basic (in ₹)	(22.29)	(22.71)
	Diluted (in ₹)	(22.29)	(22.71)
	Earnings per equity share of (₹) 2 each (for discontinued operations)		
	Basic (in ₹)	#	(0.01)
	Diluted (in ₹)	#	(0.01)
	Earnings per equity share of nominal value ₹ 2 each		
	Basic (in ₹)	(22.29)	(22.71)
	Diluted (in ₹)	(22.29)	(22.71)

# denotes that amount is negligible

51 Disclosures under Ind AS 116 - Leases

a. Group as a lessee

The Group has recognised and measured the Right-of-Use (ROU) asset and the lease liability over the lease period and payments discounted using the incremental borrowing rate. Segment results have been arrived after considering interest expense on lease liabilities.

Lease Liabilities

A. Movement in Lease Liabilities during the year

Particulars	₹ in Crores
Balance as at April 1, 2020	**5.30**
Finance Cost accrued	0.28
Deletion	(0.22)
Payment of lease liabilities	(2.78)
Balance as on March 31, 2021	**2.58**
Addition	-
Finance Cost accrued	0.12
Deletion	(1.05)
Payment of lease liabilities	(1.65)
Balance as on March 31, 2022	**-**

B. Maturity Analysis of the undiscounted cash flow of the lease liabilities

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	-	2.74
One to Five Years	-	-
More than five years		
Total undiscounted lease liabilities	**-**	**2.74**

C. Lease Liabilities included in the Financial Statement

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Current	-	2.58
Non-current	-	-
Total	**-**	**2.58**

D. Lease payments not recognised as a liability being short term in nature

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Lease payments not recognised as a liability being short term in nature	0.95	1.82

b. Group as a Lessor

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	As at March 31, 2022	As at March 31, 2021
Lease rental income		
i. Total of lease rent income for a period:		
Less than one year	-	0.86
One to Five Years	85.87	71.76
More than five years	-	-
Total undiscounted lease payment receivables	**85.87**	**72.62**
ii. Lease Income recognised in the Statement of Profit and Loss for the year (including income from sub-leasing)	30.80	21.81
iii. The Group has entered into leases of its investment properties. The Group has determined based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.		
iv. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and lease rental business. The same is due to the fact that in case of its residential sale business it does not handover possession till entire outstanding is received. Similarly in case of rental business, the Group keeps 3 to 6 months rental as deposit from the occupants.		

52 Corporate Social Responsibility Statement (CSR)

The Group was required to spend ₹ Nil (March 31, 2021 : ₹ 2.41 crores) 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, 2021 : ₹ 2.41 crores) on CSR activities during the year for purpose of construction / acquisition of any asset.

₹ in Crores

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a.	Amount required to be spent by the company during the year	Nil	2.41
b.	Amount of expenditure incurred on:		
	i. Construction/acquisition of any asset	-	2.41
	ii. On purposes other than (i) above	-	-
c.	Shortfall at the end of the year	-	-
d.	Total of previous years shortfall	-	-
e.	Reason for shortfall	NA	NA
f.	Nature of CSR activities	NA	Health
g.	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

53 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, 2022	Carrying amount / Fair Value				Fair Value Hierarchy		
Particulars	**FVTPL**	**FVOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	365.40	-	365.40	364.57	0.83	-
– Trade Receivables	-	-	294.90	294.90	-	-	-
– Loans	-	-	0.05	0.05	-	-	-
– Cash and Cash Equivalent	-	-	416.06	416.06	-	-	-
– Other Bank Balances	-	-	52.14	52.14	-	-	-
– Other Financial Assets	-	-	26.90	26.90	-	-	-
	-	**365.40**	**790.05**	**1,155.45**	**364.57**	**0.83**	**-**
Financial liabilities							
– Borrowings	-	-	4,441.75	4,441.75	-	-	-
– Trade Payables	-	-	335.29	335.29	-	-	-
– Derivative Financial Liability	0.89	-	-	0.89	-	0.89	-
– Other Financial Liabilities	-	-	94.74	94.74	-	-	-
	0.89	**-**	**4,871.78**	**4,872.67**	**-**	**0.89**	**-**

₹ in Crores

As at March 31, 2021	Carrying amount / Fair Value				Fair Value Hierarchy		
Particulars	**FVTPL**	**FVOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	471.77	-	471.77	470.90	0.87	-
– Trade Receivables	-	-	654.17	654.17	-	-	-
– Cash and Cash Equivalent	-	-	155.93	155.93	-	-	-
– Other Bank Balances	-	-	79.34	79.34	-	-	-
– Derivative Financial Asset	0.33	-	-	0.33	-	0.33	-
– Other Financial Assets	-	-	17.53	17.53	-	-	-
	0.33	**471.77**	**906.97**	**1,379.07**	**470.90**	**1.20**	**-**
Financial liabilities							
– Borrowings	-	-	4,169.61	4,169.61	-	-	-
– Trade Payables	-	-	384.55	384.55	-	-	-
– Lease Liability	-	-	2.58	2.58	-	-	-
– Other Financial Liabilities	-	-	135.17	135.17	-	-	-
	-	**-**	**4,691.91**	**4,691.91**	**-**	**-**	**-**

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

54 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 Group'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 exposure to foreign currency by way of trade payables, receivables and Borrowings in the nature of Buyers Credit 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.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Foreign currency risk exposure:

The Group'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, 2022		As at March 31, 2021	
	USD	EURO	USD	EURO
Financial Assets				
Trade Receivables	146.76	2.62	166.01	4.38
Derivative Assets				
Foreign Exchange Forward Contracts	-	-	-	-
Sell Foreign Currency	(59.21)	-	(96.36)	(0.60)
Net Exposure to Foreign Currency Risk (Assets)	**87.55**	**2.62**	**69.65**	**3.78**
Financial Liabilities				
Foreign Currency Loan	-	-	-	-
Trade Payables	184.49	-	193.12	-
Derivatives Liabilities				
Foreign Exchange Forward Contracts	-	-	-	-
Buy Foreign Currency	(94.02)	-	(135.15)	-
Net Exposure to Foreign Currency Risk (Liabilities)	**90.47**	**-**	**57.97**	**-**

At the end of the reporting period the total notional amount of outstanding foreign currency contracts that the Group has committed to are as below :

Particulars	As at March 31, 2022	As at March 31, 2021
Foreign currency forwards - Buy		
- USD	12,402,390	18,334,094
Foreign currency forwards - Sell		
- USD	7,810,033	13,062,947
- EURO	-	69,429

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, 2022		As at March 31, 2021	
	5% strengthening	5% weakening	5% strengthening	5% weakening
USD	1.89	(1.89)	1.36	(1.36)
EURO	(0.13)	0.13	(0.22)	0.22

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 Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The Group'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, 2022	As at March 31, 2021
Variable rate borrowing	3,855.98	3,272.98
Fixed rate borrowing	585.77	896.63
Total Borrowings	**4,441.75**	**4,169.61**

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 March 31, 2022 would (decrease)/ increase by ₹ 38.56 crores (for the year ended March 31, 2021 : (decrease)/ increase by ₹ 32.73 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. However, the Group aims to monetize this investment to reduce its overall leverage. Any adverse movement in the share price has an impact on its profitability and vice versa.

Sensitivity

Following is the sensitivity analysis as a result of the changes in fair value of equity investments measured at FVTOCI, 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, 2022 : by ₹ 18.27 crores

The year ended March 31, 2021 : by ₹ 23.59 crores

ii. **Credit Risk Management**

Credit risk refers to the risk that a counterparty will default on its contractual and performance 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.

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 the form of Fixed Deposits with reputed Private and Public sector banks. Further there are no material loans given or any investment made during the year.

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. Surplus funds are invested in fixed deposits of short term nature with reputed Private and Public sector banks only.

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, 2022 ₹ in Crores

Particulars	**< 1 year**	**1-5 years**	**> 5 years**	**Total**
Financial Liabilities				
Borrowings	1,292.12	3,145.77	3.86	4,441.75
Trade payables	335.29	-	-	335.29
Lease Liability	-	-	-	-
Derivative	-	-	-	-
Other financial liabilities	84.31	11.32	-	95.63
Total Financial Liabilities	**1,711.72**	**3,157.09**	**3.86**	**4,872.67**

Liquidity exposures as at March 31, 2021 ₹ in Crores

Particulars	**< 1 year**	**1-5 years**	**> 5 years**	**Total**
Financial Liabilities				
Borrowings	1,668.89	2,500.72	-	4,169.61
Trade payables	384.55	-	-	384.55
Lease Liability	2.58	-	-	2.58
Derivative	-	-	-	-
Other financial liabilities	125.36	9.81	-	135.17
Total Financial Liabilities	**2,181.38**	**2,510.53**	**-**	**4,691.91**

55 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, Polyester
- 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.The Group has presented segment information on the basis of Consolidated Financial Statements in accordance with Ind AS 108 "Operating Segments".

₹ in Crores

		Year ended March 31, 2022			Year ended March 31, 2021		
		External	**Internal Segments**	**Total**	External	Internal Segments	Total
1	**Segment Revenue**						
	Real Estate	430.76	-	430.76	410.17	-	410.17
	Polyester	1,548.45	-	1,548.45	755.26	-	755.26
	Retail/Textile	21.71	-	21.71	27.99	-	27.99
	Total	**2,000.92**	**-**	**2,000.92**	**1,193.42**	**-**	**1,193.42**
	Eliminations	-		-	-		-
	Revenue from Operations	**2,000.92**	**-**	**2,000.92**	**1,193.42**	**-**	**1,193.42**
2	**Segment Results**						
	Real Estate	144.68	-	144.68	60.17	-	60.17
	Polyester	39.12	-	39.12	(5.13)	-	(5.13)
	Retail/Textile	2.20	-	2.20	(8.47)	-	(8.47)
	Total	**186.00**	**-**	**186.00**	**46.57**	**-**	**46.57**
	Eliminations	-	-	-	-	-	-
	Consolidated Total	**186.00**		**186.00**	**46.57**		**46.57**
	Unallocated (expense) net unallocated income	36.30		36.30	(22.78)		(22.78)
	Profit before Interest and Taxation	**222.30**		**222.30**	**23.79**		**23.79**
	Finance Costs			(523.64)			(588.11)
	Exceptional Items			(233.03)			57.78
	Share of Profit of Equity Accounted Investees (net of income tax)			0.11			0.21
	Profit Before Tax			**(534.26)**			**(506.33)**
	Tax Expense			(73.92)			(37.44)
	Profit After Tax from Continuing Operations			(460.34)			(468.89)
	Loss for the period from Discontinued Operations			0.02			(0.24)
	Profit for the period after Tax			**(460.32)**			**(469.13)**

3 Other Informations

₹ in Crores

Particulars		As at March 31, 2022	As at March 31, 2021
Segment Assets			
Real Estate		2,174.30	2,767.00
Polyester		658.40	616.20
Retail/Textile		4.37	22.93
Textile Discontinued Operations(Foreign Subsidiary)		1.20	1.18
less : Intersegment Eliminations		-	-
		2,838.27	3,407.31
Add:Unallocable Assets		1,392.48	1,231.93
Total Assets	**(A)**	**4,230.75**	**4,639.24**
Segment Liabilities			
Real Estate		765.99	837.96
Polyester		334.85	345.85
Retail/Textile		12.14	44.61
Textile Discontinued Operations(Foreign Subsidiary)		0.91	0.91
less : Intersegment Eliminations		-	-
Add: Unallocable Liabilities		3,874.06	3,604.71
Total Liabilities	**(B)**	**4,987.95**	**4,834.04**
Net Capital Employed	**(A+B)**	**(757.20)**	**(194.80)**

₹ in Crores

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	Capital Expenditure	Non-Cash Expenditure other than depreciation	Depreciation & Amortization	Capital Expenditure	Non-Cash Expenditure other than depreciation	Depreciation & Amortization
Real Estate	0.22	-	2.06	0.62	-	2.29
Polyester	12.28	-	28.56	7.89	-	27.09
Retail/Textile	-	-	1.66	-	-	3.43
Segment Total	**12.50**	**-**	**30.55**	**8.51**	**-**	**32.81**
Unallocated	0.08	-	0.50	0.20	-	0.91
Total	**12.58**	**-**	**32.78**	**8.71**	**-**	**33.72**

Additional Information by Geographies

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue by geographical segment		
India	1,343.43	949.07
Outside India	657.49	244.35
	2,000.92	**1,193.42**

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Carrying amount of segment assets		
India	4,191.54	4,591.91
Outside India	39.21	47.33
	4,230.75	**4,639.24**

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cost incurred during the year to acquire fixed assets		
India	12.50	8.71
Outside India	-	-
	12.50	**8.71**

56 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, 2022	As at March 31, 2021
i. Associates			
Pentafil Textile Dealers Limited	India	49.00	49.00
Bombay Dyeing Real Estate Company Limited	India	40.00	40.00

ii. Key Managerial Personnel :

Managing Director (upto March 31, 2021) — a. Mr. Jehangir N Wadia

Manager (w.e.f. August 9, 2021) — b. Mr. Suresh Khurana

Chief Financial Officer — c. Mr. Hitesh Vora

Company Secretary — d. Mr. Sanjive Arora

Non-Executive Directors — e. Mr. Nusli N. Wadia - Chairman

f. Mr. Ness N. Wadia

g. Dr. Mrs. Minnie Bodhanwala

h. Mr. S. Ragothaman

i. Mr. V. K. Jairath

j. Mr. Keki M. Elavia

k. Mr. Sunil Lalbhai

l. Ms. Gauri Kirloskar

m. Mr. Rajesh Batra (w.e.f. August 9, 2021)

iii. Entities having significant influence :

a. The Bombay Burmah Trading Corporation Ltd.

b. Baymanco Investments Ltd.

iv Entities under Group of iii. (a.) above :

a. Associated Biscuits International Limited

b. Leila Lands Limited

v. Other Related Parties :

a. Go Airlines (India) Limited

b. Britannia Industries Ltd.

vi. Post- Employment Benefits Trust where reporting entities exercise significant influence :

a. The Bombay Dyeing and Manufacturing Company Limited Employees Provident Fund

b. The Bombay Dyeing Superannuation and Group Insurance Scheme

c. The Bombay Dyeing and Manufacturing Company Limited Staff Gratuity Fund

SSSd/-

B. **The related parties transactions are as under :**

₹ in Crores

Sr. No.	Nature of Transactions	Key Managerial Personnel		Entities having significant influence		Entities under Group of Entitiy having significant influence		Other Related Party		Post Employment Benefit Trust		Total	
		Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
i.	Interest paid on Inter-Corporate Deposits (ICD) /Advance	-	-	11.29	6.07	-	-	29.64	26.00	-	-	40.93	32.07
ii.	Dividend Paid	-	0.04	-	1.58	-	-	-	-	-	-	-	1.62
iii.	Lease Rent income	-	-	-	-	-	-	5.83	5.83	-	-	5.83	5.83
iv.	Dividend Income	-	-	0.49	0.56	-	-			-	-	0.49	0.56
v.	Inter-Corporate Deposits/Advances taken	-	-	296.50	170.00	-	-	350.00	290.00	-	-	646.50	460.00
vi.	Repayment made against ICD/ Advances	-	-	201.50	-	-	-	290.00	350.00	-	-	491.50	350.00
vii.	Expenses incurred by related parties on behalf of Company (reimbursable)	-	-	0.10	0.13	-	-	-	0.11	-	-	0.10	0.24
viii.	Expenses incurred on the behalf of related parties (reimbursable)	-	-	0.15	0.30	-	-	0.46	0.61	-	-	0.61	0.91
ix.	Payment of Arranger Fees	-	-	-	-	20.08	-	-	-	-	-	20.08	-
x.	SBLC Guarantee Taken for Loan [Refer Note 56(A)(iv.b)]	-	-	-	-	2,299.00	-	-	-	-	-	2,299.00	-
xi.	Contribution during the year (including the emloyee's share)	-	-	-	-	-	-	-	-	1.15	2.08	1.15	2.08
xii.	Directors sitting fees	1.04	-	-	-	-	-	-	-	-	-	1.04	-
xiii.	Sale of Investment in Shares	-	-	-	48.81	-	-	-	-	-	-	-	48.81
xiv.	Short Term Employee Benefits	3.45	5.86	-	-	-	-	-	-	-	-	3.45	5.86
xv.	Post Employee Benefits	0.10	0.55	-	-	-	-	-	-	-	-	0.10	0.55
xvi.	Other Long Term Benefits	(0.05)	(0.01)	-	-	-	-	-	-	-	-	(0.05)	(0.01)
xvii.	Termination Benefits	(0.52)	0.03	-	-	-	-	-	-	-	-	(0.52)	0.03

C. **Outstanding Balance**

₹ in Crores

Sr. No.	Particulars	Receivables		Payables		Shareholders' deposit given		Deposit given	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
i.	Key Management Personnel	-	-	-	-	-	-	-	-
ii.	Entities having significant influence	-	0.12	145.27	50.20	-	-	-	2.35
iii.	Entities under Group of Entitiy having significant influence	-	-	22.46	2.38	-	-	-	-
iv.	Other Related Party	-	3.32	356.60	298.71	-	-	-	-
v.	Post Employee Benefit Trust	2.78	0.68	0.04	0.29	-	-	-	-

57 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, 2022	Maximum amount outstanding during the year	No. of shares of the Company held by the loanees as at March 31, 2022
A.	**Investments and Loans and Advances in Associates**				
1	Pentafil Textile Dealers Ltd.	Investment in equity shares	1.82	1.82	-
			[1.72]	*[1.72]*	*[-]*
2	Bombay Dyeing Real Estate				
	Company Limited	Investments in Equity Shares	0.03	0.03	-
			[0.04]	*[0.04]*	*[-]*
			1.85	1.85	-
			[1.76]	*[1.76]*	*[-]*

58 Details of the Company's immaterial Joint Venture and Associates at the end of the reporting period is as follows:-

Sr. No	Name	Place of incorporation and Principal Place of business	% Shareholding and Voting Power	
			As at March 31, 2022	As at March 31, 2021
i.	**Subsidiary**			
	P.T. Five Star Textile Indonesia	Indonesia	97.36	97.36
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, 2022	As at March 31, 2021
Carrying amount of investment in immaterial associates	1.85	1.76
Aggregate amounts of the Company's share of:		
Profit/(Loss) for the year	0.11	0.21
Other Comprehensive Income for the year	(0.02)	(0.06)
Total Comprehensive Income	**0.09**	**0.15**

59 Additional information as required under Schedule III to the Companies Act, 2013 of Enterprise Consolidated as Subsidiary and Associates

As at and for the year ended March 31, 2022

Name of Entity	As at March 31, 2022		For the year ended March 31, 2022		For the year ended March 31, 2022		For the year ended March 31, 2022	
	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	100.28%	(759.34)	100.03%	(460.45)	99.98%	(102.06)	100.02%	(562.51)
ii. Subsidiary								
PT Five Star Textile Indonesia (Discontinued Operations)	(3.66%)	27.74	(0.00%)	0.02	0.00%	-	(0.00%)	0.02
Non-controlling interest in Subsidiary	3.51%	(26.57)						
Adjustment arising out of Consolidation	0.12%	(0.88)						
iii. Associates (Investment accounted as per Equity method)								
Pentafil Textile Dealers Limited	(0.24%)	1.82	(0.03%)	0.12	0.02%	(0.02)	(0.02%)	0.10
Bombay Dyeing Real Estate Company Limited	(0.00%)	0.03	0.00%	(0.01)	0.00%	(0.00)	0.00%	(0.01)
Total	**100.00%**	**(757.20)**	**100.00%**	**(460.32)**	**100.00%**	**(102.08)**	**100.00%**	**(562.40)**

As at and for the year ended March 31, 2021

Name of Entity	As at March 31, 2021		For the year ended March 31, 2021		For the year ended March 31, 2021		For the year ended March 31, 2021	
	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	101.04%	(196.83)	99.99%	(469.10)	100.02%	218.43	99.97%	(250.67)
ii. Subsidiary								
PT Five Star Textile Indonesia (Discontinued Operations)	(14.16%)	27.58	0.05%	(0.24)	0.00%	0.01	0.09%	(0.23)
Non-controlling interest in Subsidiary	13.64%	(26.57)						
Adjustment arising out of Consolidation	0.38%	(0.74)						
iii. Associates (Investment accounted as per Equity method)								
Pentafil Textile Dealers Limited	(0.88%)	1.72	(0.04%)	0.20	(0.01%)	(0.03)	(0.07%)	0.17
Bombay Dyeing Real Estate Company Limited	(0.02%)	0.04	(0.00%)	0.01	(0.01%)	(0.03)	0.01%	(0.02)
Total	**100.00%**	**(194.80)**	**100.00%**	**(469.13)**	**100.00%**	**218.38**	**100.00%**	**(250.75)**

60 Discontinued Operations

In December, 2018 the Shareholders of the PT Five Star Textile Indonesia(PTFS) passed the resolution for it's voluntary liquidation. Subsequently, as per the procedure, in the year 2019, PTFS surrendered most of business and operating licenses and by August , 2019 also obtained the de-registration of its 3 Branch Tax Identification numbers. Thereafter, on August 7, 2019, PTFS applied for the de-registration of the main Tax identification number with Tax Office Jakarta and the process of liquidation is yet not complete.

The above Consolidated Assets and Liabilities include assets of ₹ 1.20 crores (March 31, 2021 : ₹ 1.18 crores) and liabilities of ₹ 0.91 crores (March 31, 2021 : ₹ 0.91 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"

₹ in Crores

Particulars	**Year ended March 31, 2022**	Year endend March 31, 2021
Analysis of Statement of Profit and Loss for the year from Discontinued Operations		
Revenue including other income	0.02	0.03
Expense	-	(0.27)
Profit/(Loss) before Income Tax	0.02	(0.24)
Income Tax	-	-
Profit/(Loss) after Income Tax	0.02	(0.24)
Exchange differences on translation	-	0.01
Total Comprehensive Income	**0.02**	**(0.23)**
Analysis of cash flow from Discontinued Operations		
Net Cash (Used) / Generated from Operating activities	-	(0.29)
Net Cash (Used) / Generated from Investing activities	0.02	0.03
Net Cash (Used) / Generated from Financing activities	-	-
Net Cash (Used) / Generated from Discontinued Operations	**0.02**	**(0.26)**

61 COVID-19 has impacted business operations of the Group, its manufacturing, sales, as also revenue of real estate operations, cashflows, etc. The Group has taken into account the possible impact of COVID-19 in preparation of the financial statements, including its assessment of going concern assumption and the recoverability of the carrying value of the assets, if any. The Group is continuously monitoring the situation and does nor foresee any significant impact on the operations and the financial position of the Group as at March 31, 2022.

62 Subsequent Events

Proposed Dividend

Considering the Financial Results of the Company for FY 2021-2022, the company is unable to propose any dividend for the year. (March 31, 2021 : ₹ Nil per equity share of ₹ 2 each amounting ₹ Nil and prorata 8% dividend on preference shares of ₹ 100 each amounting ₹ Nil).

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

Sd/-

PARESH H. CLERK
Partner
Membership No.36148
Place: Mumbai
Date: May 4, 2022

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

Sd/-
Nusli N. Wadia — *Chairman*
Suresh Khurana — *Manager*
Sd/-
Hitesh Vora — *Chief Financial Officer*
Sanjive Arora — *Company Secretary*

S.Ragothaman
Ness N.Wadia
V.K.Jairath
Keki M.Elavia
Minnie Bodhanwala
Sunil S Lalbhai
Gauri Kirloskar
Rajesh Batra
Sd/-
Directors

Place: Mumbai
Date: May 4, 2022

MATERIAL DEVELOPMENTS

Except as stated in this Draft Letter of Offer, from April 01, 2022 to August 31, 2022, no material developments have taken place and which materially and adversely affect or are likely to affect the trading or profitability of the Company, or the value of its assets, or its ability to pay its liabilities.

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ACCOUNTING RATIOS

The following tables present certain accounting and other ratios compared on the basis of the Audited Financial Information. For details, see "*Financial Statements*" on page 109.

Accounting Ratios

Particulars	Based on Unaudited Consolidated Financial Results		Based on Audited Consolidated Financial Statements	
	For the quarter ended June 30, 2022	For the quarter ended June 30, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic Earnings per Share (₹) (From continuing operations)	(3.72)	(5.22)	(22.29)	(22.70)
Basic Earnings per Share (₹) (From discontinued operations)	#	#	#	(0.01)
Diluted Earnings per Share (₹) (From continuing operations)	(3.72)	(5.22)	(22.29)	(22.70)
Diluted Earnings per Share (₹) (From discontinued operations)	#	#	#	(0.01)
Return on Net Worth (%)*	NA	NA	NA	NA
Net Asset Value per Equity Share (₹)	(58.16)	(37.63)	(54.51)	(32.43)
EBITDA (₹ in crore)	12.75	2.85	(82.78)	83.50

**As Net Worth is negative for the period concerned, Return on Net Worth cannot be calculated.*
 # denotes that the amount is negligible.

Calculation of Return on Net Worth

Particulars	Based on Unaudited Consolidated Financial Results		Based on Audited Consolidated Financial Statements	
	For the quarter ended June 30, 2022	For the quarter ended June 30, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Return on Net Worth (%)*	NA	NA	NA	NA
PAT (₹ in crore)	(76.82)	(107.90)	(460.32)	(469.12)
Net worth (₹ in crore)	(1,201.30)	(777.23)	(1,125.86)	(669.84)

**As the Net Worth is negative for the period concerned, Return on Net Worth is not calculated.*

Calculation of Net asset value per Equity Share

Particulars	Based on Unaudited Consolidated Financial Results		Based on Audited Consolidated Financial Statements	
	For the quarter ended June 30, 2022	For the quarter ended June 30, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Asset Value per Equity Share (₹)	(58.16)	(37.63)	(54.51)	(32.43)
No of shares	20,65,34,900	20,65,34,900	20,65,34,900	20,65,34,900
Net Worth (₹ in crore)	(1,201.30)	(777.23)	(1,125.86)	(669.84)

Calculation of EBITDA

(₹ in crores)

Particulars	Based on Unaudited Consolidated Financial Results		Based on Audited Consolidated Financial Statements	
	For the quarter ended June 30, 2022	For the quarter ended June 30, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (Loss) before tax	**(75.99)**	**(125.35)**	**(534.26)**	**(506.33)**
Add : Finance Cost	120.79	134.46	524.00	588.39
Add : Depreciation and Amortisation Expense	7.91	8.28	32.78	33.72
Less : Other income	(39.96)	(14.54)	(105.30)	(32.29)
Less:- Exceptional Item in nature of Profit (Net) on sale of Property, Plant and Equipment - Immoveable Property and other items	-	-	-	(57.78)
EBITDA	**12.75**	**2.85**	**(82.78)**	**25.71**

The formula used in the computation of the above ratios are as follows:

Basic earnings per share (From continuing operations)	Net Profit/(Loss) after Tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) from continuing operations, as applicable / Weighted Average number of Equity Shares.
Diluted earnings per share (From continuing operations)	Net Profit/(Loss) after Tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) from continuing operations, as applicable/ Weighted Average number of Equity Shares (including convertible securities).
Basic earnings per share (From discontinued operations)	Net Profit/(Loss) after Tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) from discontinued operations, as applicable / Weighted Average number of Equity Shares.
Diluted earnings per share (From discontinued operations)	Net Profit/(Loss) after Tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) from discontinued operations, as applicable/ Weighted Average number of Equity Shares (including convertible securities).
Return on net worth (in %)	Profit/(Loss) for the Quarter/Year as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/ Net worth at the end of the year on consolidated basis.
Net asset value per Equity Share	Net Worth* on Consolidated basis divided by the number of Equity Shares outstanding for the Quarter/Year.
EBITDA	Profit/(Loss) for the year before finance costs, tax, depreciation, and amortisation, and other income as presented in the Consolidated Statement of Profit and Loss in the Financial Statements.

**Net Worth is determined as defined in SEBI ICDR Regulations - "net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Audited Consolidated Financial Statements as of and for the year ended March 31, 2022 and Unaudited Consolidated Financial Results as of and for the quarter ended June 30, 2022, all prepared in accordance with the Companies Act and Ind AS, including the schedules, annexures and notes thereto and the reports thereon, included in the section titled "Financial Statements" on page 109 of this Draft Letter of Offer. Unless otherwise stated, the financial information used in this section is derived from the Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results of our Company.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward-Looking Statements" on pages 18 and 14 respectively, of this Draft Letter of Offer.

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year" and "Fiscal" are to the twelve (12) month period ended March 31 of that fiscal year. References to the "Company", "we", "us" and "our" in this chapter refer to The Bombay Dyeing and Manufacturing Company Limited, as applicable in the relevant fiscal period, unless otherwise stated. Unless otherwise indicated or the context requires, (i) the financial information for Financial Year 2022 included herein is based on the Audited Consolidated Financial Statements; and (ii) the financial information included herein for the quarter ended June 30, 2022 is based on the Unaudited Consolidated Financial Results, included in this Draft Letter of Offer. For further information, see "Financial Statements" beginning on page 109.

Unless otherwise indicated, industry and market data used in this section has been derived from the report "Assessment of Polyester Staple Fibre (PSF) and Real Estate Industry" dated September, 2022 prepared and released by CRISIL and commissioned by us in connection with the Issue. Neither we, nor the Lead Manager, any of their affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see "Presentation of Financial, Industry and Market Data – Market and Industry Data" beginning on page 11.

OVERVIEW OF OUR BUSINESS

We are a diversified company with a 143-year legacy, currently focused on the manufacture of polyester staple fibre ("**PSF**"), real estate development under the brand name "*Bombay Realty*" and sale and distribution of textile products. Our Company was incorporated on August 23, 1879 as a manufacturer of spun cotton yarn dip dyed by hand. Over the years, we were engaged in the manufacturing of cotton textile goods, woven fabrics and dimethyl terephthalate ("**DMT**"). Subsequently, our DMT business was discontinued in the year 2007 and our PSF plant was commissioned in the year 2007. We initiated our real estate development activities many years back and since the year 2010 – 11 have been operating this division under the brand name "*Bombay Realty*".

Under our PSF Division, we are primarily engaged in the manufacturing of 100% virgin PSF, both commodity and value-added PSF products. Our PSF is generally used in spinning mills and in the non-woven textile industry including technical textiles ("**PSF Division**"). Our manufacturing facility for PSF products is located at A/1, M.I.D.C. Industrial Area P.O. Patalganga, Dist. Raigad, Maharashtra – 410 220 ("**Manufacturing Facility**" or "**PSF Plant**"). As on August 31, 2022, we have a total polymerization capacity of 197,100 MTPA and total PSF capacity of 164,250 MTPA. In Fiscal 2022, our Company exported PSF products to more than 20 countries.

Under our Real Estate Division, we are engaged in the development and sale of residential and commercial real estate projects. Further, we are engaged in leasing out office/retail spaces at Wadia International Center, Lower/ Worli and Neville House, Ballard Estate ("**Real Estate Division**"). Our Real Estate Division holds two land parcels in South and Central Mumbai i.e., 24.83 acres of land at Lower Parel/Worli ("**WIC Land Parcel**") and 24.83 acres at Island City Center, Dadar/Naigaon ("**ICC Land Parcel**"). The division has undertaken the development of the projects namely a residential tower – Existing Building No. 1 ("**Springs**") at our ICC Land Parcel and development of a commercial building at our WIC Land Parcel. Additionally, we have completed the construction of two residential towers, Existing

Building No. 4 ("**ONE ICC**") and Existing Building No. 2 ("**TWO ICC**") at our ICC Land Parcel.

Under our Textile Division, we are engaged in the distribution and sale of textile and related products such as apparel fabrics, bed linens, towels, top of bed and coordinates, etc. The manufacture of such textile products is outsourced to our vendors who manufacture such products under our designs and quality control guidelines. ("**Textile Division**")

The revenue mix from our three divisions for the Fiscals 2022 and 2021 is set forth below:

(₹ in crores)

Business division	**Fiscal 2022**	**% of total revenue from operations**	**Fiscal 2021**	**% of total revenue from operations**
PSF Division	1,548.45	77.39%	755.26	63.29%
Real Estate Division	430.76	21.53%	410.17	34.37%
Textile Division	21.71	1.08%	27.99	2.34%
Total revenue from operations	**2,000.92**		**1,193.42**	

We attribute our growth to our experienced, highly qualified and dedicated senior management team. Our senior management team has extensive experience in the various industries in which we operate. We leverage their experience in our strategic decision making and day-to-day operations of our Company. For further details, see "*Our Management and Organisational Structure*" on page 104.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, results of operations and financial condition are affected by a number of factors, some of which are beyond our control. This section sets out certain key factors that we believe have affected our business, results of operations and financial condition in the past or which we expect will affect our business, results of operations or financial condition in the future. For a detailed discussion of certain factors that may adversely affect our business, results of operations and financial condition, see "*Risk Factors*" beginning on page 18.

Real Estate Business

The following are certain factors that had, and we expect will continue to have, a significant effect on financial performance and results of operations of our real estate business:

- Increasing competition in the real estate industry, especially in and around Mumbai;
- Changes in government regulations, tax regimes, laws and regulations that apply to the real estate industry;
- The impact of COVID-19 pandemic;
- Changes in fiscal, economic or political conditions in India;
- Changes in the SEBI and RBI regulations, interest rates and tax laws in India

PSF Business

The following are certain factors that had, and we expect will continue to have, a significant effect on financial performance and results of operations of our PSF business:

- Cost of key raw materials;
- Overall performance of the textile industry;
- Changes in foreign exchange rates;
- Compliance with stringent labour laws or other industry standards;

Textile Business

The following are certain factors that had, and we expect will continue to have, a significant effect on financial performance and results of operations of our Textile business:

- Overall Consumer spending on textile and fashion products
- Cost of key raw materials used in textile industry
- Business relationship with suppliers and customers of our products
- Effective procurement of products

SIGNIFICANT ACCOUNTING POLICIES

Our Significant Accounting Policies for the financial year and as at ended March 31, 2022are described in the section entitled "Notes to Consolidated Financial Statements" of Annual Report of Financial Year 2021-22. There was no change in the Significant Accounting Policies during the quarter ended June 30, 2022.

Key accounting policies that are relevant and specific to our business and operations are described below:

General Information about the Group

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, 2022.

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 Occupancy 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 Group 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 Occupancy Certificate. Generally, the Group 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 Group 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

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.

viii. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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
Buildings	30 to 60 Years
Movable site offices	10 Years
Plant and Machinery	15 to 25 Years
Assets of retail shops including leasehold improvements	6 Years
Computers	3 to 6 Years
Furniture and fixture	10 Years
Office equipment	5 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.

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 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.

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 amortised 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.

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 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.

Inventories

Inventories are valued at lower of cost and net realizable value. Net realisable 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 & 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.

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.

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.

Financial Instruments

Financial assets and financial liabilities are recognized 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 amortised 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 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.

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 amortised 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 amortised 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 115.

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 recognized 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.

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.

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 recognized at a point in time when the legal title has passed to the customer and the development of property is completed, that is, on the receipt of the Occupancy Certificate. 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 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 Consolidated 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 recognised 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.

Leasing

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represents substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.

- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- The Group has the right to direct the use of the asset. The Group has the right when it has the right decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

o The Group has the right to operate the asset; or

o The Group designed the asset in a way that predetermined how and for what purpose it will be used

This policy is applied to all contracts entered into, or changed, on or after April 1, 2019.

The Group as Lessee

The Group recognises a Right-of-Use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.
When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the

ROU asset, or is recorded in the Statement of profit or loss if the carrying amount of the ROU asset has been reduced to zero.

The Group presents ROU assets that meet the definition of investment property are presented within investment property otherwise under "Property, Plant and Equipment" and lease liabilities under "Financial Liabilities" in the Balance Sheet.

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for short-term lease of Property, Plant and Equipment that have a lease term of 12 months or less and leases of low-value assets. The Group recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group as Lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other Operating Income under Revenue from Operation' in the Statement of Profit and Loss.

However, when the Group was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

Cost recognition

Costs and expenses are recognised when incurred and are classified according to their nature.

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 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 postemployment 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. Earlier, post 2014, leave earned by employees were to be utilised within the following year; however, during the financial year 2021-22 all the employees are entitled to accumulate leave (including those that were considered short term) subject to certain limits for future encashment or availment. 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 Statement of Profit and Loss.

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.
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.

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 straightline 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 recognized 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.

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.

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 recognises 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.

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 recognized 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.

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.

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 Consolidated 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 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.

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.

For details about our key significant accounting policies, see section titled "*Financial Information*" on page 109.

Principal components of our statement of profit and loss account

Income

Our income comprises of revenue from continuing and discontinued operations and other income.

Revenue from continuing operations comprises sale of products, real estate development activity and other operating income.

Other income primarily comprises interest income and other non-operating income.

Expenses

Our expenses primarily comprise cost of material consumed, purchase of stock in trade, changes in inventories of stock-in-trade, employee benefits expenses, finance costs, depreciation and amortization expenses and other expenses.

Results of our Operations

Quarter ended June 30, 2022 compared to quarter ended June 30, 2021

(in ₹ crores)

Particulars	Quarter ended June 30, 2022		Quarter ended June 30, 2021	
	Amount	% of Total Revenue	Amount	% of Total Revenue
Revenue from Operations	606.37	93.82%	380.85	96.32%
Other Income	39.96	6.18%	14.54	3.68%
Total Income	**646.33**	**100.00%**	**395.39**	**100.00%**
Cost of material consumed	340.88	52.74%	273.93	69.28%
Purchase of Stock-in-Trade	10.04	1.55%	0.70	0.18%
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	85.71	13.26%	(3.81)	-0.96%
Employee Benefits Expense	16.47	2.55%	15.20	3.84%
Finance Costs	120.79	18.69%	134.46	34.01%
Depreciation and Amortization Expense	7.91	1.22%	8.28	2.09%
Other Expense	140.55	21.75%	92.04	23.28%
Total Expenses	**722.35**	**111.76%**	**520.80**	**131.72%**
Profit/(loss) before share of profit/(loss) of associates and exceptional items	**(76.02)**	**-11.76%**	**(125.41)**	**-31.72%**
Share of profit/(loss) of associates	0.03	0.00%	0.06	0.02%
Profit/(loss) before exceptional items and tax	**(75.99)**	**-11.76%**	**(125.35)**	**-31.70%**
Exceptional Item (Net)	-	0.00%	-	0.00%
Profit/(loss) before Tax	**(75.99)**	**-11.76%**	**(125.35)**	**-31.70%**
Tax expense:				
- Current Tax	-	0.00%	-	0.00%
- Deferred tax	0.83	0.13%	(17.44)	-4.41%
- (Excess)/short provision of tax of earlier years	-	0.00%	-	0.00%
Total tax expenses	**0.83**	**0.13%**	**(17.44)**	**-4.41%**
Profit / (Loss) for the period from continuing operations after tax	**(76.82)**	**-11.89%**	**(107.91)**	**-27.29%**
Profit / (Loss) for the period from discontinued operations	-	0.00%	-	0.00%
Tax expense of discontinued operations	-	0.00%	-	0.00%
Profit / (Loss) for the period from discontinued operations after tax	**-**	**0.00%**	**-**	**0.00%**
Profit / (Loss) for the period after tax	**(76.82)**	**-11.89%**	**(107.91)**	**-27.29%**

Total Income

Our total income for the quarter ended June 30, 2022 was ₹ 646.33 crores as compared to ₹ 395.39 crores for the corresponding quarter ended June 30, 2021, representing an increase of 63.47%. Total revenue comprises of:

Revenue from operations

Our revenue from operations for the quarter ended June 30, 2022 was ₹ 606.37 crores as compared to ₹ 380.85 crores for the corresponding quarter ended June 30, 2021, representing an increase of 59.21%. Our sale of polyester products increased by 40.60% to ₹ 456.45 crore for the quarter ended June 30, 2022 as compared to ₹ 324.64 crores for the quarter ended June 30, 2021 on account of increase in sales volume coupled with higher price realisation. In terms of volume, sales of our polyester products increased by 5.73% to 38,215 MT for the quarter ended June 30, 2022 as compared to 36,145 MT for the quarter ended June 30, 2021. Further, average sales price of our polyester products increased by 34.54% to ₹ 118.03/KG from ₹ 87.73/KG. Revenue from real estate division increased by 153.33% to ₹ 135.23 crores for the quarter ended June 30, 2022 as compared to ₹ 53.38 crores for the quarter ended June 30, 2021 on account of increase in sale of residential units.

Other income

Other income for the quarter ended June 30, 2022 was ₹ 39.96 crores as compared to ₹ 14.54 crores for the corresponding quarter ended June 30, 2021, representing an increase of 174.83%. The said increase was attributable to write-back of provisions and profit on sale of fixed assets.

Expenses

Our total expenditure for the quarter ended June 30, 2022 was ₹ 722.35 crores as compared to ₹ 520.80 crores for the corresponding quarter ended June 30, 2021, representing an increase of 38.70%. Total expenditure comprises of:

Cost of materials consumed

The cost of material consumed for the quarter ended June 30, 2022 was ₹ 340.88 crores as compared to ₹ 273.93 crores for the corresponding quarter ended June 30, 2021 representing an increase of 24.44%. The increase is attributable to increase in volume of raw material consumed on account of higher capacity utilisation as well as increase in prices of key raw materials on account of elevated petroleum prices.

Purchase of Stock-in-trade

The purchase of stock-in-trade for the quarter ended June 30, 2022 was ₹ 10.04 crores as compared to ₹ 0.70 crores for the corresponding quarter ended June 30, 2021. The said increase was on account of revived business activities in textile division, which was otherwise subdued in quarter ended June 30, 2021 on account of the COVID-19 pandemic.

Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress

The changes inventories of finished goods, stock-in-trade and work-in-progress for the quarter ended June 30, 2022 was ₹ 85.71 crores as compared to ₹ (3.81) crores for the year corresponding quarter ended June 30, 2021. The decrease in closing inventory was primarily attributable to sales of our real estate units in quarter ended June 30, 2022. However, the said increase was off-set by an increase in closing stock of PSF division on account of higher production volume and capacity utilisation during quarter ended June 30, 2022.

Employee benefits expenses

Employee benefits expense for the quarter ended June 30, 2022 was ₹ 16.47 crores as compared to ₹ 15.20 crores for the corresponding quarter ended June 30, 2021, representing an increase of 8.36%, primarily due to increase in salary and wages across the company.

Finance cost

Finance cost for the quarter ended June 30, 2022 was ₹ 120.79 crores as compared to ₹ 134.46 crores for the corresponding quarter ended June 30, 2021, representing a decrease of 10.17%. The decrease in finance cost is primarily attributable to refinancing of debts carrying higher rates of interest with debts carrying lower rate of interest and reduction in total indebtedness.

Depreciation and Amortisation Expense

Depreciation and amortization expense for the quarter ended June 30, 2022 was ₹ 7.91 crores as compared to ₹ 8.28 crores for the corresponding quarter ended June 30, 2021, representing a decrease of 4.47%. The decrease is due to lower asset based as certain assets are depreciated on reducing balance method.

Other expenses

Other expenses for the quarter ended June 30, 2022 was ₹ 140.55 crores as compared to ₹ 92.04 crores for the corresponding quarter ended June 30, 2021, representing an increase of 52.71%. The increase was primarily due to increase in consumption of stores, spares and catalyst and increase in power and fuel expense pertaining to our PSF division and increase in selling commission on higher sales of residential units and reversal of subvention income pertaining to real estate division.

Profit/(Loss) before Tax

The profit/(loss) before tax for the quarter ended June 30, 2022 was ₹ (75.99) crores as compared to ₹ (125.35) crores for the corresponding quarter ended June 30, 2021. The decrease in loss was primarily attributable to improved EBITDA margins on account of higher sales volume and price realisation for both PSF and real estate division and reduction in finance cost in quarter ended June 30, 2022 as compared with corresponding quarter ended June 30, 2021.

Taxation

Total tax expense for the quarter ended June 30, 2022 was ₹ 0.83 crores as compared to ₹ (17.44) crores for the corresponding quarter ended June 30, 2021. The increase was due to reversal of deferred tax assets.

Profit/(Loss) for the period after Tax

As a result of the aforesaid analysis, our Company incurred a loss from continuing operations for the quarter ended June 30, 2022 of ₹ 76.82 crores as compared to ₹ 107.91 crores for the corresponding quarter ended June 30, 2021, representing an decrease in loss of 28.81%.

Fiscal 2022 compared to Fiscal 2021

(in ₹ crores)

Particulars	**Fiscal 2022**		**Fiscal 2021**	
	Amount	**% of Total Revenue**	**Amount**	**% of Total revenue**
Revenue from Operations	2,000.92	95.00%	1,193.42	97.37%
Other Income	105.30	5.00%	32.29	2.63%
Total Income	**2,106.22**	**100.00%**	**1,225.71**	**100.00%**
Cost of material consumed	1,171.37	55.61%	545.12	44.47%
Purchase of Stock-in-Trade	4.58	0.22%	1.96	0.16%
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	176.13	8.36%	307.13	25.06%
Employee Benefits Expense	62.72	2.98%	60.33	4.92%
Finance Costs	524.00	24.88%	588.39	48.00%
Depreciation and Amortization Expense	32.78	1.56%	33.72	2.75%
Other Expense	435.98	20.70%	253.38	20.67%
Total Expenses	**2,407.56**	**114.31%**	**1,790.03**	**146.04%**
Profit/(loss) before share of profit/(loss) of associates and exceptional items	**(301.34)**	**-14.31%**	**(564.32)**	**-46.04%**
Share of profit/(loss) of associates	0.11	0.01%	0.21	0.02%
Profit/(loss) before exceptional items and tax	**(301.23)**	**-14.30%**	**(564.11)**	**-46.02%**
Exceptional Item (Net)	(233.03)	-11.06%	57.78	4.71%
Profit/(loss) before Tax	**(534.26)**	**-25.37%**	**(506.33)**	**-41.31%**
Tax expense:				
- Current Tax	-	0.00%	-	0.00%
- Deferred tax	(74.14)	-3.52%	(36.62)	-2.99%
- (Excess)/short provision of tax of earlier years	0.22	0.01%	(0.82)	-0.07%
Total tax expenses	**(73.92)**	**-3.51%**	**(37.44)**	**-3.05%**
Profit / (Loss) for the period from continuing operations after tax	**(460.34)**	**-21.86%**	**(468.89)**	**-38.25%**
Profit / (Loss) for the period from discontinued operations	0.02	0.00%	(0.24)	-0.02%
Tax expense of discontinued operations	-	0.00%	-	0.00%
Profit / (Loss) for the period from discontinued operations after tax	**0.02**	**0.00%**	**(0.24)**	**-0.02%**
Profit / (Loss) for the period after tax	**(460.32)**	**-21.86%**	**(469.13)**	**-38.27%**

Total Income

Our total income for the year ended March 31, 2022 increased by 71.84% to ₹ 2,106.22 crores as compared to ₹ 1,225.71 crores for the year ended March 31, 2021. Total revenue comprises of:

Revenue from operations

Our revenue from operations for the year ended March 31, 2022 increased by 67.66% to ₹ 2,000.92 crores as compared to ₹ 1,193.42 crores for the year ended March 31, 2021. For the fiscal ended March 31, 2022, sales of our polyester products increased by 105.02% to ₹ 1,548.45 crores as compared to ₹ 755.26 crores for the year ended March 31, 2021. Such increase was on account of improved sales realisation during fiscal 2022 coupled with higher capacity utilisation of ~93% during fiscal 2022 as compared to ~63% during fiscal 2021. Further, sales of our real estate development activities increased by 5.02% to ₹ 430.76 crores as compared to ₹ 410.17 crores for the year ended March 31, 2021. Increase in revenue from real estate activities was primarily on account of increase in income from lease rentals and higher sales realisation during fiscal 2022. Further, total area which is leased out was 1,16,922 square meters as on March 31, 2022 and March 31, 2021.

Other income

Other income for the year ended March 31, 2022 was ₹ 105.30 crores as compared to ₹ 32.29 crores for the year ended March 31, 2021, representing an increase of 226.11%. The increase in other income was primarily due to increase in other non-operating incomes which comprised of waiver received amounting to ₹ 57.06 crores on the final repayment of loan and Sundry Balances / excess provisions written back amounting to ₹ 16.72 crores. However, such increase was off-set by a marginal decrease in dividend income of ₹ 0.34 crores on account of sale of investments in Fiscal 2021.

Expenses

Our total expenditure for the year ended March 31, 2022 was ₹ 2,407.56 crores as compared to ₹ 1,790.03 crores for the year ended March 31, 2021, representing an increase of 34.50% due to reasons set forth below. Total expenditure comprises of:

Cost of materials consumed

The cost of material consumed for the year ended March 31, 2022 increased by 114.88% to ₹ 1,171.37 crores as compared to ₹ 545.12 crores for the year ended March 31, 2021. The increase was on account of higher volume of raw material consumed for PSF division on account of higher capacity utilisation and increase in prices of key raw material. Total volume of our key raw materials i.e. PTA and MEG consumed during the period was 1,33,878 MT and 51,364 MT which increased by 49.26% and 48.27%, respectively, as compared to consumption of 89,690 MT and 34,643 MT in the corresponding fiscal year ended March 31, 2021. Our average prices of our key raw materials i.e. PTA and MEG increased by 49.28% and 33.06% during Fiscal 2022.

Purchase of Stock-in-trade

The purchase of stock-in-trade pertains to the textile division of the company. For the year ended March 31, 2022, purchase of stock-in-trade was ₹ 4.58 crores as compared to ₹ 1.96 crores for the year ended March 31, 2021, representing an increase of 133.67%. The said increase was on account of revived business activities in textile division which was otherwise subdued in fiscal 2021 on account of the COVID-19 pandemic.

Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress

The changes inventories of finished goods, stock-in-trade and work-in-progress for the year ended March 31, 2022 was ₹ 176.13 crores as compared to ₹ 307.13 crores for the year ended March 31, 2021. The decrease in closing inventory was on primarily on account of sales of our real estate units in fiscal 2022 and liquidation of stock in our textile division. However, such decrease was off-set by an increase in closing inventory of PSF division on account of higher capacity utilisation during fiscal 2022.

Employee benefits expenses

Employee benefits expense for the year ended March 31, 2022 was ₹ 62.72 crores as compared to ₹ 60.33 crores for the year ended March 31, 2021, representing an increase of 3.96%. The increase was primarily due to increase in salaries and wages across the Company.

Finance cost

Finance cost for the year ended March 31, 2022 was ₹ 524.00 crores as compared to ₹ 588.39 crores for the year ended March 31, 2021, representing a decrease of 10.94%. The decrease in finance cost is primarily attributable to refinancing of debts carrying higher rates of interest with debts carrying lower rate of interest and longer tenure.

Depreciation and Amortisation Expense

Depreciation and amortization expense for the year ended March 31, 2022 was ₹ 32.78 crores as compared to ₹ 33.72 crores for the year ended March 31, 2021, representing a decrease of 2.79%. The decrease is due to reduction in amortisation of Right-of-Use Assets on surrender of leasehold warehouses pertaining to textile division during fiscal 2022. The lease rights of such warehouses were surrendered due to shift in business model of textile division to Zero-Inventory Model.

Other expenses

Other expenses for the year ended March 31, 2022 was ₹ 435.98 crores as compared to ₹ 253.38 crores for the year ended March 31, 2021, representing an increase of 72.07%. The increase was mainly due to increase in ocean freight, increase in consumption of stores, spares and catalyst and increase in power and fuel expense pertaining to our PSF division.

Profit/(Loss) before Exceptional Items and Tax

The profit/(loss) before exceptional items and tax for the year ended March 31, 2022 was ₹ (301.23) crores as compared to ₹ (564.11) crores for the year ended March 31, 2021, representing a decrease in loss of 46.60%. The improvement was primarily attributable to improved EBITDA margins on account of higher capacity utilisation of PSF division and higher sales realisation from our real estate division as well as reduction in finance cost on account of refinancing certain high interest bearing debts with lower interest bearing debts having a higher tenure and increase in other non-operating income due to waiver received on the final repayment of loan and Sundry Balances / excess provisions written back.

Exceptional Items

Exceptional expense/(income) for the year ended March 31, 2022 was ₹ 233.03 crores as compared to ₹ (57.78) crores for the year ended March 31, 2021. Exceptional items from the fiscal 2022 represent the net impact of reversal of revenue of ₹ 101.77 crores and provisions on collection of ₹ 131.26 crores, in view of litigated matters pertaining to real estate division.

Profit/(loss) before tax

As a result of the aforesaid analysis, our company incurred a loss before tax of ₹ 534.26 crores for the year ended March 31, 2022 as compared to loss before of ₹ 506.33 crores for the year ended March 31, 2021.

Taxation

Total tax expense for the year ended March 31, 2022 was ₹ (73.92) crores as compared to ₹ (37.44) crores for the year ended March 31, 2021, representing a decrease of 97.44%. The decrease is primarily attributed to higher deferred tax assets on account of business loss and increase in provision for litigation.

Profit/(Loss) for the period from continuing operations after tax

Our Company incurred a loss for the year ended March 31, 2022 of ₹ 460.34 crores as compared to loss of ₹ 468.89 crores for the year ended March 31, 2021 from continuing operations, representing a decrease in loss of 1.82% on account of higher capacity utilisation of PSF division, increase in other non-operating income primarily attributable to waiver received on final repayment of loans, reduction in finance cost on account of our refinancing transactions and increase in deferred tax assets on account of business loss and increase in provision for litigation.

Profit/(Loss) for the period from discontinued operations after tax

Our discontinued operations represent the business of PT Five Star Textile Indonesia. In December 2018, the Shareholders of the PT Five Star Textile Indonesia (PTFS) passed the resolution for its voluntary liquidation, and the process of liquidation is yet not complete. Our company earned profit for the year ended March 31, 2022 of ₹ 0.02 crores as compared to loss of ₹ (0.24) crores for the year ended March 31, 2021 from discontinued operations.

Profit / (Loss) for the period after tax

As a result of the aforesaid analysis, our company incurred net loss of ₹ 460.32 crores for the year ended March 31, 2022 as compared net loss of ₹ 469.13 crores for the year ended March 31, 2021, representing a decrease in loss of 1.88%.

Auditor's Observations

There have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our statutory auditors in their auditor's reports on the Audited Consolidated Financial Statements as of and for the years ended March 31, 2022, and the Unaudited Consolidated Financial Results for the quarter ended June 30, 2022.

Related Party Transactions

For details, please refer to the discussion in the chapter titled "*Financial Statements*" beginning on page 109 of this Draft Letter of Offer.

Significant developments after June 30, 2022 that may affect our future results of operations

Other than as disclosed in this Draft Letter of Offer, there have been no significant developments after June 30, 2022 that may affect our future results of operations. For further information, see "*Material Developments*" on page 198.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Our Company is subject to various legal proceedings from time to time, which are primarily in nature of tax disputes, criminal complaints, civil suits, and petitions pending before various authorities.

*There is no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determination of Materiality', framed in accordance with Regulation 30 of the SEBI Listing Regulations, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Draft Letter of Offer. However, solely for the purpose of the Issue, the following outstanding litigations have been disclosed in this section of this Draft Letter of Offer, to the extent applicable: any outstanding civil litigation, involving our Company, where the amount involved is ₹ 21.06 crores (being 1% of the total income from operations of our Company, in terms of the Audited Consolidated Financial Statements as of March 31, 2022) ("**Materiality Threshold**") or above.*

Except as disclosed below, there are no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

Pre-litigation notices received by our Company from third parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company is impleaded as defendants in litigation proceedings before any judicial forum.

Litigation involving our Company

There are no issues of moral turpitude or criminal liability, material violations of statutory regulations or economic offences or material pending matters involving our Company, except as follows:

A. Proceedings involving issues of moral turpitude or criminal liability.

i. Criminal Proceedings against our Company

1. A criminal complaint no. 9369 of 2016 has been initiated by the Deputy Controller of Legal Metrology ("**Complainant**") against our Company and others (collectively, **"Accused"**) before the Metropolitan Magistrate Traffic Court - 1 at Bangalore under section 200 of the Code of Criminal Procedure, 1973 for violation of section 18 read with section 36 of The Legal Metrology Act, 2009. The Complainant has alleged that during the inspection of Vitharan Service, one of our Company's authorised dealer, it was found that the packages containing goods supplied by our Company were sold by Vitharan Service without marking the name and address of the manufacturer as required under rule 4 and 6 of The Legal Metrology (Packaged Commodities) Rule, 2011. The Complainant has prayed for punishment against the Accused under section 36 of the Legal Metrology Act, 2009. The matter is currently pending.

2. A criminal complaint bearing no. 3 of 2016 has been filed by Mumbai Municipal Corporation (**"Complainant"**) against our Company and others (collectively, **"Accused"**) before the Metropolitan Magistrates 41st Court, Shinde Wadi, Dadar, Mumbai under section 354 read with section 475A of the Municipal Corporation Act, 1888 (**"MMC Act")**. The Complainant claims to have received a complaint from General Manager of Automatic Electric Ltd. Rectifier House (**"Rectifier House"**) and others stating that the compound wall between the Rectifier House and our Company's plot was found collapsed and in a dilapidated condition. The Complainant has issued a notice under section 354 of the MMC Act (**"Notice"**) to the Accused wherein the Accused were called upon to carry out the works of the compound wall. The Complainant has alleged that our Company has neither started nor carried out the repair work as per the requisitions of the said notice issued by the Complainant. The Complainant has accordingly prayed for punishment to the Accused under section 475A of the MMC Act, 1988. The matter is currently pending.

3. A criminal complaint no. 113 of 2007 has been filed by Vishal Engineering Company through its proprietor Brahmadeen Ram Gobindsingh (**“Complainant”**) against our Company and others (collectively **“Accused”**) before the Additional Metropolitan Magistrates Court at Esplanade, Mumbai (**“Court”**) under section 418, 420, 406, 323, 504, 506, 114 of the Indian Penal Code, 1860. Our Company had awarded the Complainant with a tender for Mass Excavation Works (**“Tender”**) for its project. Accordingly, the Complainant had deployed its sources on the project to commence its operations in accordance with the terms stipulated under the Tender and agreement entered into by our Company and the Complainant. The Complainant has alleged that our Company has without informing and without the knowledge of the Complainant assigned the works of the Tender to one I.R. Enterprises thereby cheating and causing wrongful loss to the Complainant. Consequently, the Complainant has filed the Complaint before the said Court and have in the present complaint sought for punishment to the Accused under section 418, 420, 406, 323, 504, 506, 114 of the Indian Penal Code, 1860. Accordingly, the Court *vide* its order dated August 17, 2007 issued process against the Accused for the offences pertaining to section 418 and section 420 read with 114 of Indian Penal Code (**“Order”**). The said order was challenged by the Accused by way of a Criminal Revision Application before the Sessions Court, Mumbai and the same was rejected by the Sessions Court, Mumbai *vide* its order dated December 15, 2008 (**“Impugned Order”** together with said Order be referred to as **“Orders”**). Further, our Company has filed a Criminal Writ Petition No. 590 of 2008 challenging the said orders wherein our Company has prayed quashing the process issued in the Complaint against the Accused and setting aside the Impugned Order in the Criminal Revision Application. The matter is currently pending.

ii. Criminal Proceedings initiated by our Company

1. 9 (nine) criminal complaints under section 138 of the Negotiable Instruments Act, 1881, have been initiated by our Company against various parties for cheques that bounced on the presentation and the aggregate amount involved in these matters is ₹ 6.45 crores. There are 3 (three) criminal writ petitions being filed before the Bombay High Court arising out of interim orders issued pursuant to the respective criminal complaints under section 138 of the Negotiable Instruments Act, 1881 by our Company. The matters are pending at different stages of adjudication before various courts.

2. A criminal case no. 922 of 1996 in FIR No. 61 of 1994 has been filed by our Company against Dr. C.F. Billimoria (**“Accused No. 1”**), Milind Shah (**“Accused No. 2”**) and Maganbhai (owner of Jyoti Medical Centre) (**“Accused No. 3”** collective be referred to as **“Accused”**) under sections 420, 465, 468 read with section 34 of the Indian Penal Code, 1860, for forgery and fraud. Our Company has alleged that the Accused had made fake and inflated bills for supply of drugs and medicines which was never present to our Company thereby committed forgery and fraud. However, the name of the Accused No. 2 was not appearing in the charge sheet filed by G.B.C.B.C.I.D., Mumbai on September 4, 1996.The Metropolitan Magistrates Court, Esplanade, Mumbai *vide* its order dated October 31, 2000 issued process against the Accused(**“Order”**). Accordingly, Accused No. 1 filed a Revision Application No. 1216 of 2006 before the Sessions Court, Mumbai to set aside the order dated October 31, 2000 and discharge him from the Complaint since his name did not appear in the charge sheet as an Accused. The Sessions Court, Mumbai *vide* its order dated August 4, 2008 (**“Impugned Order”**) passed an order setting aside the order dated October 31, 2000 passed by the Metropolitan Magistrates Court, Esplanade, Mumbai. Our Company has therefore filed this complaint application for setting aside the Impugned Order. The matter is currently pending.

B. Matters involving material violations of statutory regulations by our Company.

1. Employee State Insurance Corporation (“**ESIC**”) had issued a notice to our Company dated July 10, 2002 directing our Company to pay contributions towards contractual works in respect of building repairs, machinery repairs, mending charges, gardening and gunny bags stitching. Further, ESIC vide its order dated January 20, 2004 directed our Company to pay contributions of ₹ 0.04 crores. Being aggrieved by the order of ESIC, our Company has filed a First Appeal No. 1373 of 2016 challenging the order dated January 20, 2004 and the matter is currently pending.

2. SEBI intimated our Company on January 18, 2019, about a complaint lodged by a shareholder of our Company, alleging, amongst other things, that a scheme of arrangement between our Company and SCAL sanctioned by the National Company Law Tribunal on February 21, 2019, had been fraudulent. SEBI sought information and

documents by way of summons, under Sections 11 and 11C of the SEBI Act. SEBI issued a show cause notice ("**SCN**") bearing no. SEBI/HO/CFID/CFID1/OW/P/2021/12045/1 to 12045/10 dated June 11, 2021 to our Company, Nusli Neville Wadia, Ness Nusli Wadia, Jehangir Nusli Wadia, Durgesh Mehta, (all in capacity of Directors, ex. managing director and ex. Jt. managing director of our Company) (collectively "**Noticees**") and SCAL Services Limited ("**SCAL**"), D.S. Gagrat, N H Datanwala, Shailesh Karnik and R. Chandrasekharan, (all in the capacity of the directors and ex. directors of SCAL) with regards to Sections 11(1), 11(2)(e), 11(4), 11(4A) and 11B of the SEBI Act, 1992 including debarring from buying, selling, or otherwise dealing in securities, for an appropriate period should not be issued for the alleged provision of the SEBI Act, Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market Regulations, 2003 and SEBI Listing Regulations.

All Noticees vide interim replies to the SCN dated July 27, 2021 and detailed replies to the SCN dated August 9, 2021 have denied all the allegations. Further, our Company along with the Noticees filed written submissions on February 3, 2022, May 12, 2022 and August 3, 2022. The matter is currently pending before SEBI.

C. Economic offences where proceedings have been initiated against our Company.

As on the date of this Draft Letter of Offer, there are no economic offences initiated against our Company.

D. Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or financial position of our Company.

Civil Litigations initiated against our Company

1. A Commercial Arbitration Petition No. 289 of 2022 under section 34 of the Arbitration and Conciliation Act, 1996 has been initiated by Axis Bank Limited ("**Petitioner**") against our Company challenging the award dated March 11, 2022 ("**Award**") passed by the Arbitral Tribunal. The Petitioner has alleged that our Company failed to provide timely possession of the property along with exclusive and irrevocable right of the building known as Wadia Tower as per the terms of the agreement dated May 15, 2010 ("**Agreement**"). The Petitioner has further alleged that our Company is in breach of the terms of the said Agreement and is not entitled to any reliefs granted to our Company under the said Award. The Petitioner has prayed for setting aside the reliefs granted to our Company in the said Award. The matter is currently pending.

2. A Suit No. 986 of 2015 was initiated by Bina Deepak Panchamia and others ("**Plaintiffs**") against our Company and others ("**Defendants**") before the Bombay High Court in respect of a residential project developed by our Company. The Plaintiffs have claimed that our Company has changed the layout of the building, delayed in handing over possession, deficient services and increased maintenance charges with respect to its realty project and further claimed compensation amounting to ₹ 100 crores to the Plaintiffs towards damages. The matter is currently pending.

3. A Civil Writ Petition bearing number 2368 of 2013 has been filed by Sarva Shramik Sanghatna (being a registered Trade Union) ("**Petitioner**") against Brihanmumbai Municipal Corporation for Greater Mumbai ("**MCGM/ Respondent No. 1**"), State of Maharashtra through Urban Development Department ("**Respondent No. 2**"), The Maharashtra Housing and Area Development Authority ("**MHADA/ Respondent No. 3**"), The Monitoring Committee, through the Member-Secretary, Office of the Chief Engineer ("**Respondent No. 4**") and Our Company ("**Respondent No. 5**" collectively "Respondents") before the Bombay High Court. The Petitioners contention under the said petition is that Regulations 58(1) (a) and (b) of the Development Control Regulations, 1991 is applicable to our Company and therefore our Company would be liable to share higher percentage of open land with MHADA. Further, Bombay High Court vide its order dated November 19, 2013 has directed our Company to handover the physical possession of the unencumbered vacant land admeasuring 66,651 sq. mtrs., to MCGM and MHADA at Wadala as above and keeping apart 10,000 sq. mtrs. The matter is currently pending.

Civil Litigation initiated by our Company

As on the date of this Draft Letter of Offer, there are no material civil proceedings initiated by our Company.

Tax proceedings involving our Company

1. Our Company has filed an Appeal No. 909555630271121 for A.Y. 2015 -2016 before the Commissioner of Income Tax (**"CIT"**) Appeals against the order dated October 31, 2021 (**"Order"**) passed by the National Faceless Assessment Center, Delhi (**"NFAC"**) under section 143(3) read with section 263 of the Income Tax Act, 1961. NFAC passed the said order under section 143(3) read with section 263 of the Income Tax Act, 1961 and levied a tax demand of ₹ 448.61 crores although ITAT vide its order dated September 13, 2021 quashed the 263 proceeding and therefore, rendered this assessment infructuous. The demand was raised for disallowance of long-term capital gain and taxing on Floor Space Index and Transfer of Development Rights for the land surrendered by our Company to Municipal Corporation of Greater Mumbai and Maharashtra Housing and Area Development Authority. The matter is currently pending.

2. Our Company has filed an Appeal No. 910597860271121 for A.Y. 2018 -2019 before the Commissioner of Income Tax (**"CIT"**) Appeals against the order dated October 31, 2021 (**"Order"**) passed by the National Faceless Assessment Center, Delhi (**"NFAC"**) under section 143(3) of the Income Tax Act, 1961 ("**Act**"). NFAC passed the said order under section 143(3) of the Act and levied a tax demand of ₹ 525.62 crores towards disallowance of long-term capital gain, Disallowance under section 14A of the Act, Ind AS Transition, Reversal of Provision for impairment of assets, voluntary retirement expenses claimed as per section 35DDA of the Act, difference in closing stock of previous year v. opening stock of the current year due to Ind AS adoption and addition u/s. 50C of the Act. While calculating the demand, the Assessing officer also ignored the setoff of the current year and brought forward losses of ₹ 993.78 crores. The matter is currently pending.

Particulars	**Number of Cases**	**Aggregate Amount Involved (₹ in crores)**
Direct Tax	24	1,024.55
Indirect Tax	18	29.95
Total	**42**	**1,054.50**

GOVERNMENT AND OTHER APPROVALS

Our Company requires various licenses, registrations, permits and approvals issued by relevant central and state authorities under various rules and regulations (**"Approvals"**) for carrying on its present business activities. The requirement for the Approvals may vary based on factors such as the legal requirements in the jurisdiction, in which the Manufacturing Facility is located. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

Material pending government and regulatory approvals pertaining to the Objects of the Issue

Since, our Company intends to utilize the proceeds of the Issue, after deducting Issue related expenses towards repayment, of all or a portion of certain outstanding borrowings availed by our Company and for general corporate purposes, no government and regulatory approval pertaining to the Objects of the Issue will be required.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board passed at its meeting held on September 22, 2022, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

This Draft Letter of Offer has been approved by our Rights Issue Committee, at its meeting held on October 3, 2022.

Our Board or duly constituted Rights Issue Committee in its meeting held on [●] has resolved to issue Rights Equity Shares to the Eligible Equity Shareholders, at an issue price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share), in the ratio of [●] Rights Equity Share(s) for every [●] Equity Share(s), as held on the Record Date. The Issue Price of ₹ [●] per Rights Equity Share has been arrived at, in consultation with the Lead Manager, prior to determination of the Record Date.

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Rights Equity Shares to be allotted in this Issue pursuant to their letters dated [●] and [●], respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, see *"Terms of the Issue"* on page 236.

Prohibition by the SEBI

Our Company, the Promoters, the members of the Promoter Group or our Directors have not been and are not prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Further, our Promoters and the Directors are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

Neither our Promoters nor our Directors have been declared as Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Association of our Directors with the securities market

None of our Directors, in any manner, are associated with the securities market.

Except as disclosed under section "*Outstanding Litigations and Defaults – Matters involving material violations of statutory regulations by our Company*" on page 226, there are no outstanding action initiated by SEBI against our Directors as on the date of this Draft Letter of Offer.

Prohibition by RBI

Neither our Company nor our Promoters of any of our Directors have been or are identified or categorized as Wilful Defaulters or Fraudulent Borrower.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Indian Companies Act, 1866. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulation 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application for listing of the Rights Equity Shares to be allotted pursuant to the Issue. [●] is the Designated Stock Exchange for the purpose of the Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Draft Letter of Offer with SEBI;

2. The reports, statements and information referred to above are available on the website of BSE and NSE; and

3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THIS DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. THE LEAD MANAGER, VIVRO FINANCIAL SERVICES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, VIVRO FINANCIAL SERVICES PRIVATE LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED OCTOBER 3, 2022, WHICH READS AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISING THE DRAFT LETTER OF OFFER OF THE SUBJECT ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE COMPANY, ITS**

DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

a. **THE DRAFT LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;**

b. **ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

c. **THE MATERIAL DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **BESIDES OURSELVES, ALL INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE, SUCH REGISTRATION IS VALID. – COMPLIED WITH**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOT APPLICABLE**

5. **WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING DRAFT LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER. – NOT APPLICABLE**

6. **ALL APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER. – NOT APPLICABLE**

7. **ALL APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, WHICH RELATE TO RECEIPT OF PROMOTERS' CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. - NOT APPLICABLE**

8. **NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE TO THE EXTENT APPLICABLE**

9. **THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN THE LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION. – <u>COMPLIED WITH TO THE EXTENT APPLICABLE</u>**

10. **FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:**

    a. **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY, EXCLUDING SUPERIOR RIGHTS EQUITY SHARES, WHERE A COMPANY HAS OUTSTANDING SUPERIOR RIGHTS EQUITY SHARES - <u>COMPLIED WITH (THE COMPANY HAS NOT ISSUED ANY SUPERIOR RIGHTS EQUITY SHARES)</u>; AND**

    b. **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI. – <u>COMPLIED WITH</u>**

11. **WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SEBI ICDR REGULATIONS. - <u>NOTED FOR COMPLIANCE</u>**

12. **IF APPLICABLE, THE COMPANY IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THE SEBI ICDR REGULATIONS. – <u>NOT APPLICABLE</u>**

THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.

Disclaimer from our Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made other than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in this Issue will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable law, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares, and are relying on independent advice/ evaluation as to their ability and quantum of investment in the Issue. Our Company, the Lead Manager and their directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

Cautions

Our Company and the Lead Manager shall make all relevant information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlements, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue is [●].

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Disclaimer Clause of NSE

As required, a copy of this Draft Letter of Offer has been submitted to NSE. The Disclaimer Clause as intimated by NSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Filing

This Draft Letter of Offer has been filed with SEBI for its observations, at Corporation Finance Department of the SEBI, located at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India and through the SEBI intermediary portal at https://siportal.sebi.gov.in in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI, and with the Stock Exchanges. After SEBI gives its observations, the final Letter of Offer will be filed with SEBI and the Stock Exchanges simultaneously with the filing of the Letter of Offer with the Designated Stock Exchange as per the provisions of the SEBI ICDR Regulations.

Performance vis-à-vis objects

Our Company has not undertaken any public or rights issue in the preceding five years.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3, 2011 and shall comply with the SEBI circular bearing reference CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights.

KFin Technologies Limited is our Registrar to the Issue. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 30 days from the date of receipt of the complaint.

Investor Grievances arising out of this Issue

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue i.e. KFin Technologies Limited. The agreement between the Company and the Registrar provides for a period for which records shall be retained by the Registrar in order to enable the Registrar to redress grievances of Investors.

Investors may contact the Registrar to the Issue, or our Company Secretary and Compliance Officer for any Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole / first holder, folio number or demat account number, serial number of the Application Form, number of the Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see *'Terms of the Issue'* on page 236.

The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

KFin Technologies Limited
(Formerly KFin Technologies Private Limited)
Selenium Tower B, Plot No- 31 and 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi - 500 032,
Telangana, India
Tel: +91 40 6716 2222
Email: bombaydyeing.rights@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221

In accordance with the SEBI Rights Issue Circulars, frequently asked questions, and online / electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar https://rights.kfintech.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 1800 309 4001.

Company Secretary and Compliance Officer

Sanjive Arora
Neville House, J. N. Heredia Marg,
Ballard Estate, Mumbai - 400 001 Maharashtra
Tel: + 91 22 66 20000
Email: grievance_redressal_cell@bombaydyeing.com

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI ICDR Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.

Investors are requested to note that an Application in the Issue can only be made through ASBA or any other mode which may be notified by SEBI.

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

Important:

I. DISPATCH AND AVAILABILITY OF THE ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send/ dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material **("Issue Materials")** only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

i. our Company at www.bombaydyeing.com;
ii. the Registrar at https://rights.kfintech.com;
iii. the Lead Manager, i.e., Vivro Financial Services Private Limited at www.vivro.net; and
iv. the Stock Exchanges at www.bseindia.com and www.nseindia.com.

Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., https://rights.kfintech.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.bombaydyeing.com).

Our Company along with the Lead Manager will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

II. PROCESS OF MAKING AN APPLICATION IN THIS ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see "*Procedure for Application through the ASBA Process*" on page 238.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see *"Terms of the Issue* **-** *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders"* on page 248.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN, or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see *"Terms of the Issue - Grounds for Technical Rejection"* on page 244. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected. Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. For details, see *"Terms of the Issue - Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 239.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or

2. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or

3. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or

4. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or

5. Renounce its Rights Entitlements in full.

Procedure for Application through the ASBA Process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online / electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be responsible for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts

Do's for Investors applying through ASBA

1. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.

2. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the

beneficiary account is activated, as the Rights Equity Shares will be Allotted in the dematerialized form only.

3. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

4. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.

5. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.

6. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

7. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

8. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for investors applying through ASBA

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

3. Do not send your physical Application to the Lead Manager, the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.

4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.

5. Do not submit Application Form using third party ASBA account.

Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the websites of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or who is in the United States.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being The Bombay Dyeing and Manufacturing Company Limited;

2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);

3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) / DP and Client ID;

4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;

5. Number of Equity Shares held as on Record Date;

6. Allotment option – only dematerialised form;

7. Number of Rights Equity Shares entitled to;

8. Number of Rights Equity Shares applied for within the Rights Entitlements;

9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);

10. Total number of Rights Equity Shares applied for;

11. Total amount paid at the rate of ₹ [●] per Rights Equity Share;

12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;

13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;

14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);

16. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in "*Restrictions on Purchases and Resales - Transfer Restrictions and Representations, Warranties and Agreements by Purchasers*" on page 269, and shall include the following:

    "I/ We hereby make representations, warranties and agreements set forth in "Restrictions on Purchases and Resales - Transfer Restrictions and Representations, Warranties and Agreements by Purchasers" on page 269 of the Letter of Offer.

    I/ We acknowledge that the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor.

The plain paper Application format will be available on the website of the Registrar at https://rights.kfintech.com. Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Making an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense escrow account on behalf of such shareholder. For further details, see *"Terms of the Issue – Credit of Rights Entitlement in dematerialised account of Eligible Equity Shareholders"* on page 248.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;

2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date; and

3. The remaining procedure for Application shall be same as set out in *"Terms of the Issue* **-** *Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 239.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "*Terms of the Issue - Basis of Allotment*" beginning on page 256.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making an Application

1. Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.

2. The Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.

3. Application should be made only through the ASBA facility.

4. In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

5. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.

6. Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and / or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

7. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under *"Terms of the Issue - Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 239.

8. Applications should be submitted to the Designated Branch of the SCSB or made online / electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

9. Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.

10. Applications should not be submitted to the Banker(s) to the Issue, our Company or the Registrar or the Lead Manager.

11. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income Tax Act, 1961, irrespective of the amount of the Application. Except for

Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.

12. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation **(Demographic Details)** are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and / or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match 3 parameters i.e., (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

13. By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his / her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

15. Investors should provide correct DP ID and Client ID / Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID should match the demat account details in the records available with Company and / or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

16. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

17. All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first / sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) / DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

18. Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

19. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

20. Do not submit the General Index Registrar number instead of the PAN as the application is liable to be rejected on this ground.

21. Avoid applying on the Issue Closing Date due to risk of delay / restrictions in making any physical Application.

22. Do not pay the Application Money in cash, by money order, pay order or postal order.

23. Do not submit multiple Applications.

24. No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.

2. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

3. Sending an Application to our Company, the Lead Manager, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), to a branch of an SCSB which is not a Designated Branch of the SCSB.

4. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

5. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to a regulatory order.

6. Account holder not signing the Application or declaration mentioned therein.

7. Submission of more than one Application Form for Rights Entitlements available in a particular demat account.

8. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.

9. Submitting the General Index Registrar number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

10. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.

11. Applications by SCSB on its own account, other than through an ASBA Account in its own name with any other SCSB.

12. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.

13. Physical Application Forms not duly signed by the sole or joint Investors, as applicable.

14. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.

15. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.

16. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and / or renouncing the Application Form is outside the United States, and in each case such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

17. Applications which have evidence of being executed or made in contravention of applicable securities laws.

18. Applicants holding physical shares not submitting the documents. For further details, see *"Terms of the Issue – Making an application by Eligible Equity Shareholders holding Equity Shares in physical form"* on page 241.

19. Applications from Investors in the United States or that have a U.S. address as per the depository records.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with / without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see *"Procedure for Applications by Mutual Funds"* on page 247.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by our Promoter to meet the minimum subscription requirements applicable to this Issue as described in *"Capital Structure"* on page 50.

Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to, inter alia, the following conditions:

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to, *inter alia*, the following conditions:

a. Such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and

b. Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and the SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to a rights issue. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to a rights issue. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any Allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (OCI) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Circular 2020 has been recently amended to state that all investments by entities incorporated in a country which shares a land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (Restricted Investors), will require prior approval of the Government. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

*Procedure for Applications by Systemically Important Non-Banking Financial Companies **(NBFC-SI)***

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of Reserve Bank of India Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board and/or the Rights Issue Committee may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding thirty days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as set out in entitled *"Terms of the Issue* - *Basis of Allotment"* on page 256.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified, and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialized form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of the Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., https://rights.kfintech.com) by entering their DP ID and Client ID and PAN. The link for the same shall also be available on the website of our Company (i.e., www.bombaydyeing.com).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for subscription of Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., https://rights.kfintech.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Credit of Rights Entitlements in dematerialised account

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

In this regard, our Company has made necessary arrangements with CDSL and NSDL for crediting the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The ISIN for the Rights Entitlements shall remain frozen (for debit) until the Issue Opening Date. The ISIN for the Rights Entitlements shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details / records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Other important links and helpline:

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: https://rights.kfintech.com.
- Updation of Indian address/ e-mail address/ mobile number in the records maintained by our Company: https://rights.kfintech.com.
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: https://rights.kfintech.com.
- Submission of self-attested PAN and valid Indian address proof client master sheet and demat account details by non-resident Eligible Equity Shareholders: Einward.ris@kfintech.com

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges **(On Market Renunciation)**; or (b) through an off-market transfer **(Off Market Renunciation)**, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and SEBI.

Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the CDSL and NSDL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

The Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income Tax Act, 1961. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.

2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.

3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

4. Application Forms received from non-residents / NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.

5. In the case of NRIs who remit their Application Money from funds held in FCNR / NRE Accounts, refunds and other disbursements, if any shall be credited to such account.

6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see "*The Issue*" on page 44.

Face Value

Each Rights Equity Share will have the face value of ₹ 2.

Issue Price

Each Rights Equity Share is being offered at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) in this Issue.

The Issue Price for the Rights Equity Shares has been arrived at by our Company in consultation with the Lead Manager and has been decided prior to the determination of the Record Date.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Share for every [●] Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. As per the SEBI Rights Issue

Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for the Additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of the Rights Equity Shares in this Issue post allocation towards the Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for the Additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for the Additional Rights Equity Shares, subject to availability of the Rights Equity Shares in this Issue post allocation towards the Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

Ranking

The Rights Equity Shares to be issued and allotted under this Issue shall rank pari passu with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in principle approval from the BSE vide letter bearing reference number [●] and the NSE vide letter bearing reference number [●] dated [●].

Our Company will apply to the Stock Exchange for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 500020) and NSE (Scrip Code: BOMDYEING) under the ISIN INE032A01023. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing / trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the existing ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded / unblocked within four days after our Company becomes liable to repay it, our Company and every Director of our Company who is an officer-in-default shall, on and from the expiry of the 4th day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoter

For details of the intent and extent of subscription by our Promoter, see *"Capital Structure - Intention and extent of participation by our Promoters"* on page 51.

Rights of Holders of the Rights Equity Shares of our Company

Subject to applicable laws, the Rights Equity Shareholders shall have the following rights:

1. The right to receive dividend, if declared;

2. The right to vote in person, or by proxy, except in case of the Rights Equity Shares credited to the demat;

3. The right to receive surplus on liquidation;

4. The right to free transferability of the Rights Equity Shares;

5. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in the Letter of Offer; and

6. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where 2 or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of the Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent / dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai, where our Registered Office is situated).

This Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on its website

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including Additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018, issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for Allotment of the Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of the Rights Equity Shares and issue of the Rights Entitlement Letters / letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar, at KFin Technologies Limited (Formerly KFin Technologies Private Limited), Selenium, Tower B, Plot No- 31 and 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad 500 032, Telangana, India. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such Allotments made by relying on such approvals.

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent / dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent / dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access the Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchange. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which the Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Please also note that pursuant to Circular No. 14 dated September 16, 2003, issued by RBI, OCBs have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and to obtain prior approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to [●].

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. **FOR DETAILS, SEE "*TERMS OF THE ISSUE - ALLOTMENT ADVICE OR REFUND / UNBLOCKING OF ASBA ACCOUNTS*" ON PAGE 257.**

VIII. ISSUE SCHEDULE

Particulars	Day and Date
Last Date for credit of the Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of the Rights Entitlements#	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.
** Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding thirty days from the Issue Opening Date (inclusive of the Issue Opening Date) or such other time as may be permitted as per applicable law. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., https://rights.kfintech.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., https://rights.kfintech.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. www.bombaydyeing.com).

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Equity Shares in the following order of priority:

1. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.

2. Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with 'zero' entitlement, would be given preference in allotment of 1 additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (1) above. If number of Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (1) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

3. Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Rights Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (1) and (2) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

4. Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

5. Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;

2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and

3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

X. ALLOTMENT ADVICE OR REFUND / UNBLOCKING OF ASBA ACCOUNTS

Our Company will send / dispatch Allotment advice, refund intimations (or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within fifteen days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT / CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

a) Tripartite agreement dated May 7, 2016 amongst our Company, NSDL and the Registrar to the Issue; and

b) Tripartite agreement dated April 27, 2016 amongst our Company, CDSL and the Registrar to the Issue.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form vis-à-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in the Application Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.

5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Rights Equity Shares in physical form / with IEPF authority / in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.

6. Non-transferable Allotment advice / refund intimation will be directly sent to the Investors by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

XIII. IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 1,000,000 or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than 6 months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than 3 years) and fine of an amount not less than the amount involved in the fraud, extending up to 3 times of such amount. Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than 3 years. In case the fraud involves (i) an amount which is less than ₹ 1,000,000 or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to 5 years or a fine of an amount extending up to ₹ 5,000,000 or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

1. All monies received out of this Issue shall be transferred to a separate bank account;

2. Details of all monies utilized out of this Issue referred to under (1) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

3. Details of all unutilized monies out of this Issue referred to under (1) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

4. Our Company may utilise the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.

2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the timeline specified by SEBI.

3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.

4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within fifteen days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

6. Adequate arrangements shall be made to collect all ASBA Applications.

7. At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.

8. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Draft Letter of Offer and the Letter of Offer, carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and the Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.

2. All enquiries in connection with this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed **'The Bombay Dyeing and Manufacturing Company Limited - Rights Issue'** on the envelope and postmarked in India or in the e-mail) to the Registrar at the following address:

KFin Technologies Limited
(Formerly KFin Technologies Private Limited)
Selenium Tower – B, Plot 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad – 500 032, Telangana, India.
Telephone: +91 40 6716 2222
E-mail: bombaydyeing.rights@kfintech.com
Investor grievance E-mail: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221

3. In accordance with the SEBI Rights Issue Circulars, frequently asked questions, and online / electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar https://rights.kfintech.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is (1800 309 4001 / +91 40 6716 2222).

4. The Issue will remain open for a minimum 7 (seven) days. Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding thirty days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment **("FDI")** and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) **("DPIIT")**, Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

The Rights Equity Shares purchased by non- residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis. The above information is given for the benefit of the Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND RESALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with SEBI and the Stock Exchanges.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer and any other Issue Materials should not distribute or send this Draft Letter of Offer or any such documents in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or the Lead Manager or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer or any other Issue Material is received by any person in any such jurisdiction, they must not seek to subscribe to the Rights Equity Shares.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This Draft Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

Australia

This Draft Letter of Offer is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**") and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer is being made under the Letter of Offer to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Except for Eligible Equity Shareholders resident in Australia that have received the Letter of Offer from our Company and who are not applying for any Rights Equity Shares over and above their Rights Entitlements, holders of Rights Entitlements in Australia may not subscribe to the Rights Equity Shares unless they are (a) either a "sophisticated investor" or a "professional investor" and (b) not a "retail client" within the meaning of those terms in the Corporations Act.

As per section 708 of the Corporations Act, Eligible Equity Shareholders that are not "sophisticated investors" or "professional investors" within the meaning of those terms in the Corporations Act may only subscribe for a maximum of A$2 million of Rights Equity Shares in total. To ensure our Company complies with this requirement, except for each person who is not a "sophisticated investor" or "professional investor" and is not a "retail client" within the meaning of those terms in the Corporations Act and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for Rights Equity Shares, each person in Australia who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is either a “sophisticated investor” or a “professional investor” and that not it is a “retail client” within the meaning of those terms in the Corporations Act.

The Rights Equity Shares acquired in the Offer in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Rights Equity Shares in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of issue of the Rights Equity Shares, offer, transfer, assign or otherwise alienate those Rights Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

No financial product advice is provided in this Draft Letter of Offer and nothing in this Draft Letter of Offer should be taken to constitute a recommendation or statement of opinion that is intended to influence a person or persons in making a decision to invest in the Right Equity Shares.

This Draft Letter of Offer does not take into account the objectives, financial situation or needs of any particular person. Before acting on the information contained in this Draft Letter of Offer or making a decision to invest in the Rights Equity Shares, prospective investors should seek professional advice as to whether investing in the Rights Equity Shares is appropriate in light of their own circumstances.

Bahrain

This Draft Letter of Offer and the Rights Entitlements and the Rights Equity Shares that are offered pursuant to this Draft Letter of Offer have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“**CBB**”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“**MOICT**”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Draft Letter of Offer, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Draft Letter of Offer is only intended for Accredited Investors as defined by the CBB and the securities offered by way of private placement may only be offered in minimum subscriptions of USD100,000 (or equivalent in other currencies). We will not make any invitation to the public in the Kingdom of Bahrain to subscribe to the Rights Equity Shares and this Draft Letter of Offer will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. All marketing and offering of the Rights Equity Shares shall be made outside the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Draft Letter of Offer and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of Rights Equity Shares.

Cayman Islands

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares may be made to the public in the Cayman Islands.

European Economic Area

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), an offer to the public of any Rights Entitlement or Rights Equity Shares may not be made in that Relevant State, except if the Rights Entitlement or Rights Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the “**Prospectus Regulation**”):

- to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation);
- or in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company or the Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement of a prospectus pursuant to Article 23 of the Prospectus Regulation. This Draft Letter of Offer is not a prospectus for the purposes of the Prospectus Regulation.

For the purposes of this subsection, the expression an "offer to the public" in relation to any Rights Entitlement or Rights Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlements or Rights Equity Shares.

Except for each person who is not a qualified investor as defined in the Prospectus Regulation and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in a Relevant State who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a qualified investor as defined in the Prospectus Regulation.

Hong Kong

This Draft Letter of Offer has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Draft Letter of Offer has not been, and will not be, registered as a "prospectus" in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) ("**CO**") nor has it been authorised by the Securities and Futures Commission ("**SFC**") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) ("**SFO**"). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Draft Letter of Offer, they should obtain independent professional advice.

This Draft Letter of Offer does not constitute an offer or invitation to the public in Hong Kong to acquire any Rights Entitlement or Rights Equity Shares nor an advertisement of the Rights Entitlement or Rights Equity Shares in Hong Kong. This Draft Letter of Offer and any other Issue Materials must not be issued, circulated or distributed in Hong Kong other than to "professional investors" within the meaning of the SFO and any rules made under that ordinance ("**Professional Investors**") and no more than 50 persons in Hong Kong who are not Professional Investors.

Except for each person who is not a Professional Investor and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in Hong Kong who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a Professional Investor.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Rights Entitlement or Rights Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to Rights Entitlement or Rights Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors and no more than 50 persons in Hong Kong who are not Professional Investors.

No person who has received a copy of this Draft Letter of Offer may issue, circulate or distribute this Draft Letter of Offer in Hong Kong or make or give a copy of this Draft Letter of Offer to any other person.

No person allotted Rights Equity Shares may sell, or offer to sell, such Rights Equity Shares to the public in Hong Kong within six months following the date of issue of such Rights Equity Shares.

Japan

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Rights Entitlements and the Rights Equity Shares. No Rights Entitlements or Rights Equity Shares are, directly or indirectly, being offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Contract Act of Japan (Law No. 228 of 1949, as amended) ("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a "qualified institutional investor" (tekikaku kikan toshika), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (Ordinance of the Ministry of Finance No. 14 of 1993, as amended) (the "**Qualified Institutional Investor**"), the Rights Entitlements and Equity Shares will be offered in Japan by a private placement to no more than 49 investors (shoninzu muke kanyu), as provided under Article 23- 13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Any purchaser of the Rights Equity Shares in Japan who is not a Qualified Institutional Investor agrees that it shall not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Rights Equity Shares to any Japanese Resident, other than in "a lump sum" to a single person; and (b) that it shall deliver a notification indicating (a) and (b) herein to the transferee of the Rights Equity Shares.

If an offeree is a Qualified Institutional Investor, the Rights Entitlements and the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investor (tekikaku kikan toshikamuke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Any Qualified Institutional Investor purchasing Rights Equity Share agree that it will not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Rights Equity Shares to any Japanese Resident other than to another Qualified Institutional Investor.

Except for each person who is not a Qualified Institutional Investor and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in Japan who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a Qualified Institutional Investor.

Kuwait

This Draft Letter of Offer and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Rights Entitlements or the Equity Shares in the State of Kuwait. The Rights Entitlements and the Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Rights Entitlements and the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Rights Entitlements or the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Rights Entitlements or the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Rights Entitlements or the Equity Shares in the State of Kuwait.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Rights Entitlements and the Rights Equity Shares may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Draft Letter of Offer has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Draft Letter of Offer does not constitute a public offering. This Draft Letter of Offer is for the exclusive use of the person to whom it has been given our Company and is a private concern between our Company and the recipient.

Qatar (excluding Qatar Financial Centre)

This Draft Letter of Offer and the offering of the Rights Entitlements and the Rights Equity Shares have not been, and will not be: (i) lodged or registered with, or reviewed or approved by, the Qatar Central Bank, the Qatar Financial Markets Authority the Ministry of Business and Trade or any other governmental authority in the State of Qatar or (ii) authorized, permitted or licensed for offering or distribution in Qatar, and the information contained in this document does not, and is not intended to, constitute a public or general offer or other invitation in respect to the Rights Entitlements and the Rights Equity Shares in the State of Qatar. Accordingly, the Rights Entitlements and the Rights Equity Shares are not being, and will not be, offered, issued or sold in the State of Qatar, and this document is not being, and will not be, distributed in the State of Qatar. The offering, marketing, issue and sale of the Rights Entitlements and the Rights Equity Shares and distribution of this Draft Letter of Offer is being made in, and is subject to the laws, regulations and rules of jurisdictions outside of the State of Qatar. No application has been or will be made for the Rights Entitlements and the Rights Equity Shares to be listed or traded on the Qatar Exchange or the QE Venture Market.

This Draft Letter of Offer is strictly private and confidential, and is being sent to a limited number of institutional and/or sophisticated investors (a) upon their request and confirmation that they understand the statements above; and (b) on the condition that it will not be provided to any person other than the original recipient, and is not for general circulation and may not be reproduced or used for any other purpose.

Qatar Financial Centre

This Draft Letter of Offer does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Centre (the "**QFC**"), and accordingly should not be construed as such. This document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

Singapore

This Draft Letter of Offer has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289) of Singapore ("**SFA**"). The offer of Rights Equity Shares pursuant to the Rights Entitlements to Eligible Equity Shareholders in Singapore is made in reliance on the offering exemption under Section 273(1)(cd) of the SFA.

Except for Eligible Equity Shareholders resident in Singapore that have received the Letter of Offer from our Company and who are not applying for any additional Rights Equity Shares over and above their Rights Entitlements, holders of Rights Entitlements in Singapore may subscribe to the Rights Equity Shares only (i) if they are an "institutional investor" within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) if they are a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where any Rights Equity Shares are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired such Rights Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **"CMP Regulations 2018"**), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Rights Entitlements and the Rights Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

United Kingdom

No Rights Entitlement or Rights Equity Shares may be offered in the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Rights Entitlement and Rights Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that our Company may make an offer to the public in the United Kingdom of Rights Entitlement and Rights Equity Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company or the Lead Manager of a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to any Rights Entitlement or Rights Equity Shares in means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Except for each person who is not a qualified investor as defined in the UK Prospectus Regulation and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a qualified investor as defined in the UK Prospectus Regulation.

In addition, this Draft Letter of Offer may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (each such person being referred to as a "**Relevant Person**"). If you are not a Relevant Person, you should not take any action on the basis of this Draft Letter of Offer and you should not act or rely on it or any of its contents. Each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a Relevant Person.

United Arab Emirates (excluding the Dubai International Financial Centre)

No offering, marketing, promotion, advertising or distribution (collectively, "**Promotion"**) of this Draft Letter of Offer, the Rights Entitlement or Rights Equity Shares may be made in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of this Draft Letter of Offer, the Rights Entitlement and the Rights Equity Shares has not been and will not be approved by the SCA and, as such, this Draft Letter of Offer does not constitute an offer to the general public in the UAE to acquire any Rights Equity Shares. Except where the Promotion of this Draft Letter of Offer, the Rights Entitlement and the Rights Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of this Draft Letter of Offer, the Rights Entitlement and the Rights Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of this Draft Letter of Offer and nor does any such entity accept any liability for the contents of this Draft Letter of Offer.

Dubai International Financial Centre

The Rights Entitlement and the Rights Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) (the "**Markets Rules**") adopted by the Dubai Financial Services Authority (the "**DFSA**"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. This Draft Letter of Offer must not be delivered to, or relied on by, any other person. The DFSA has not approved this Draft Letter of Offer nor taken steps to verify the information set out in it, and has no responsibility for it. Capitalised terms not otherwise defined in this subsection have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Rights Equity Shares offered in the Offer should conduct their own due diligence on the Rights Equity Shares. If you do not understand the contents of this Draft Letter of Offer, you should consult an authorised financial adviser.

United States

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Rights Entitlements and the Rights Equity Shares are being offered and sold only to persons outside the United States in reliance on Regulation S.

The Rights Entitlements and the Rights Equity Shares are transferable only in accordance with the restrictions described in "*-Transfer Restrictions and Representations, Warranties and Agreements by Purchasers*" on page 269 and each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to have made the representations, warranties, acknowledgements and undertakings set forth in "*- Transfer Restrictions and Representations, Warranties and Agreements by Purchasers*" on page 269.

Transfer Restrictions and Representations, Warranties and Agreements by Purchasers

In addition to the applicable representations, warranties and agreements set forth above, each purchaser by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the "purchaser", which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.

2. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.

3. The purchaser acquiring Rights Equity Shares for one or more managed accounts, represents and warrants that the purchaser has been authorized in writing, by each such managed account to acquire the Rights Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'the purchaser' to include such accounts.

4. The purchaser is eligible to invest in India under applicable law, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, the purchaser is eligible to invest in and hold the Rights Equity Shares in accordance with the FDI Policy, read along with the press note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.

5. The purchaser is investing in the Rights Equity Shares in accordance with applicable laws and by participating in the Issue, the purchaser is not in violation of any applicable law, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013.

6. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than this Draft Letter of Offer was filed with SEBI for observations and the filing of the Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of Rights Entitlements or Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation.

7. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares.

8. The purchased has either, (i) not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or the Issue; or (ii) has participated in or attended any Company presentations and: (a) understands and acknowledges that the Lead Manager may not have the knowledge of the statements that our Company or its agents may have made at such presentations and are therefore unable to determine whether the information provided at such meetings or presentations included any material misstatements or omissions, and, accordingly acknowledges that the Lead Manager have advise purchasers not to rely in any way on any such information that was provided at such meetings or presentations, and (b) the purchaser confirms that, to the best of their knowledge, they have not been provided any material information that was not publicly available.

9. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on us and the Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company, the Lead Manager or its affiliates (including any research reports) (other than, with respect to us and any information contained in the Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

10. Without limiting the generality of the foregoing, the purchaser acknowledges that the Equity Shares are listed on BSE Limited and National Stock Exchange of India Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited and National Stock Exchange of India Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "**Exchange Information**"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates, the Lead Manager or any of its affiliates has made any representations or recommendations to it, express or implied, with respect to us, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

11. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with the Issue, and the Rights Entitlements or the Rights Equity Shares, including this Draft Letter of Offer and the Exchange Information (collectively, the "**Information**"), has been prepared solely by our Company;

12. The purchaser acknowledges that no written or oral information relating to the Issue, the Rights Entitlements or the Rights Equity Shares has been or will be provided by the Lead Manager or its affiliates to it.

13. The purchaser understands and acknowledges that the Lead Manager is assisting our Company in respect of the Issue and that the Lead Manager is acting solely for our Company and no one else in connection with the Issue and, in particular, is not providing any service to it, making any recommendations to it, advising it regarding the suitability of any transactions it may enter into to subscribe or purchase any Rights Entitlements or Rights Equity Shares nor providing advice to it in relation to us, the Issue or the Rights Entitlements or the Rights Equity Shares. In addition, the purchaser understands and acknowledges that the Lead Manager is not making any offer of Rights Entitlements or Rights Equity Shares in the Issue. Further, to the extent permitted by law, the purchaser waives any and all claims, actions, liabilities, damages or demands it may have against the Lead Manager arising from the Lead Manager's engagement with our Company and in connection with the Issue.

14. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in the Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company, the Registrar or any other person acting on behalf of our Company have reason to believe is ineligible to participate in the Issue under applicable securities laws.

15. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.

16. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration

by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction that apply to the purchaser or such persons.

17. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.

18. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to the Issue in compliance with all applicable laws and regulations.

19. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.

20. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Rights Equity Shares. The purchaser shall hold our Company and the Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Draft Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.

21. The purchaser acknowledges that our Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements which are given to the Lead Manager on its own behalf and on behalf of our Company and are irrevocable.

22. The purchaser agrees that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have sole and exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Letter of Offer and other Issue Materials.

Transfer Restrictions

Due to the following restrictions, prospective investors are advised to consult legal counsel prior to purchasing Rights Equity Shares and making any offer, resale, pledge or transfer of the Rights Equity Shares purchased in the Issue.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent) as follows:

- It understands that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.

- (i) it was outside the United States (within the meaning of Regulation S) at the time the offer of the Rights Entitlements and the Rights Equity Shares was made to it and it was outside the United States (within the meaning of Regulation S) when its buy order for the Rights Entitlements (if applicable) and the Rights Equity Shares was originated and (ii) if it is a broker-dealer outside the United States acting on behalf of its customers, each of its customers has confirmed to it that such customer was outside the United States (within the meaning of Regulation S) at the time the offer of the Rights Entitlements and the Rights Equity Shares was made to such customer and such customer was outside the United States (within the meaning of Regulation S) when such customer’s buy order for the Rights Entitlements (if applicable) and the Rights Equity Shares was originated.

- It did not purchase the Rights Entitlements (if applicable) and the Rights Equity Shares as a result of any directed selling efforts (as defined in Regulation S).

- It is buying the Rights Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Rights Equity Shares, it agrees that it will not offer, sell, pledge or otherwise transfer the Rights Equity Shares except in transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the States of the United States and any other jurisdiction, including India.

- It agrees to indemnify and hold our Company and the Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.

- Where it is subscribing to the Rights Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.

- Where it is subscribing to the Rights Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing by each such managed account to subscribe to the Rights Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It acknowledges that our Company, the Lead Manager and its affiliates, and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements.

Any resale or other transfer, or attempted resale or other transfer, of Rights Entitlements or the Rights Equity Shares made other than in compliance with the above-stated restrictions will not be recognised by our Company.

SECTION VIII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all working days and will also be available at the website of our Company, www.bombaydyeing.com from the date of the Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

1. Issue Agreement dated October 3, 2022, between our Company and the Lead Manager.
2. Registrar Agreement dated September 23, 2022, between our Company and the Registrar to the Issue.
3. Bankers to the Issue Agreement dated [●] among our Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue.

B. Material Documents in Relation to the Issue

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended.
2. Certificate of incorporation dated April 07, 1961, issued by the Registrar of Companies, Maharashtra.
3. Copies of annual reports of our Company for Fiscals 2018, 2019, 2020, 2021 and 2022.
4. Resolution of our Board dated September 22, 2022, approving the Issue.
5. Resolution of our Rights Issue Committee dated October 3, 2022, approving this Draft Letter of Offer.
6. Resolution of our Rights Issue Committee dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.
7. The Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results along with reports dated May 04, 2022 and August 09, 2022, respectively of the Statutory Auditors thereon included in this Draft Letter of Offer.
8. Statement of Special Tax Benefits dated October 3, 2022 from the Statutory Auditors of the Company.
9. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer and Chief Risk Officer, Statutory Auditor, Lead Manager, Bankers to our Company, Bankers to the Issue, Legal Advisor to the Issue as to Indian Law, International Legal Advisor, and the Registrar to the Issue for inclusion of their names in this Draft Letter of Offer to act in their respective capacities.
10. Consent letter dated October 3, 2022 from our Statutory Auditors, M/s. Bansi S. Mehta & Co., Chartered Accountants to include their name in this Draft Letter of Offer, as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of their (i) Audited Consolidated Financial Statement; (ii) Unaudited Consolidated Financial Results and (ii) the statement of special tax benefits available to the Company and its shareholders dated October 3, 2022, included in this Draft Letter of Offer.
11. Our Company has received a written consent dated September 26, 2022 from V.A. Taklikar, Chartered Engineer (M 110298/7) to include his name in this Draft Letter of Offer as an "expert", as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer,

and in respect of the reports issued by them, included in this Draft Letter of Offer. Such consent has not been withdrawn as on the date of this Draft Letter of Offer.

12. Our Company has received a written consent dated September 22, 2022, from the licensed surveyor, namely, Hiren Thakker (license number: T/107/LS), to include his name in this Draft Letter of Offer and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in his capacity as a licensed surveyor, in relation to his certificate dated September 22, 2022, regarding Projects of the Company, Completed Projects and Land Reserves.

13. Certificate dated September 26, 2022, prepared and issued by the chartered engineer namely, V.A. Taklikar.

14. Certificate dated September 22, 2022, prepared and issued by licensed surveyor namely, Hiren Thakker.

15. Report entitled "*Assessment of Polyester Staple Fibre (PSF) and Real Estate Industry*" dated September, 2022 prepared by CRISIL Limited and consent dated September 29, 2022 from CRISIL Limited to use their name and all or any part of their report in this Draft Letter of Offer.

16. Tripartite Agreement dated May 07, 2016, between our Company, NSDL and the Registrar to the Issue;

17. Tripartite Agreement dated April 27, 2016, between our Company, CSDL and the Registrar to the Issue;

18. Due diligence certificate dated October 3, 2022, addressed to SEBI from the Lead Manager.

19. In-principle approval issued by the BSE dated [●] and the NSE dated [●].

20. SEBI observation letter number [●] dated [●].

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Eligible Equity Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Nusli Neville Wadia
Non-Executive Director and Chairman

Date: October 3, 2022

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ness Nusli Wadia
Non-Executive Director

Date: October 3, 2022

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Vinesh Kumar Jairath
Non-Executive Independent Director

Date: October 3, 2022

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Keki Manchersha Elavia
Non-Executive Independent Director

Date: October 3, 2022

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Minnie Aarasp Bodhanwala
Non-Executive Director

Date: October 3, 2022

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sunil Siddharth Lalbhai
Non-Executive Independent Director

Date: October 3, 2022

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Gauri Atul Kirloskar
Non-Executive Independent Director

Date: October 3, 2022

Place: South Africa

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rajesh Kumar Batra
Non-Executive Independent Director

Date: October 3, 2022

Place: Seoul, South Korea

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE MANAGER OF OUR COMPANY

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Suresh Khurana
Manager

Date: October 3, 2022

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER AND CHIEF RISK OFFICER OF OUR COMPANY

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Vinod Jain
Chief Financial Officer and Chief Risk Officer

Date: October 3, 2022

Place: Mumbai