

# A FORCE FOR GOOD



INTEGRATED ANNUAL REPORT 2023-24

## A TRIBUTE TO THE LEGENDS



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**SHRI BASANT KUMAR BIRLA**

12<sup>th</sup> January 1921 - 3<sup>rd</sup> July 2019

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**SHRI ADITYA VIKRAM BIRLA**

14<sup>th</sup> November 1943 - 1<sup>st</sup> October 1995

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## Our Group Purpose Statement



**TO ENRICH LIVES, BY  
BUILDING DYNAMIC  
AND RESPONSIBLE  
BUSINESSES AND  
INSTITUTIONS, THAT  
INSPIRE TRUST.**



# Theme

Through this Report, Century Textiles and Industries Limited (CTIL) proudly unveils its transformative journey as a **“Force for Good”**. Guided by our commitment to ethical conduct, sustainability, and societal impact, we exemplify how our innovative solutions and responsible practices are driving positive change across communities and industries. With transparency and accountability, we showcase our impact as a **“Force for Good”**, shaping a sustainable and inclusive future for all.

Our commitment to being a **“Force for Good”** is not just a tagline; it is the cornerstone of our Group’s Purpose. Each of our Purpose Principles intrinsically contribute to this overarching theme. We foster “Enduring Bonds” by building trust with stakeholders and nurture long-term relationships built on shared values. Our “Grounds Up Entrepreneurship” fuels innovation and a proactive approach to tackling challenges, creating positive change. “Value Maximisation” goes beyond just financial gain; it extends to creating lasting value for all our stakeholders. Our “Multiple Forms” structure allows us to tailor solutions that address diverse needs and maximise our collective impact. Finally, our

**“Force for Good”** principle embodies our belief that corporations have a responsibility to contribute to a more prosperous and sustainable future. By integrating these principles into our daily operations, we strive to be a true enabler of good in the world.

In an era where businesses are increasingly being called upon to be agents of positive change, CTIL endeavours to stand tall as a beacon of progress. Our commitment to making a meaningful difference extends beyond the bottom line; this idea is ingrained in our DNA. As we unveil our Integrated Annual Report, we invite you on our journey with us through the past year’s





accomplishments, challenges, and, most importantly, the impact we have had as a **“Force for Good”**.

Our journey is driven by the collective efforts of all our stakeholders. Through collaboration and innovation, we leverage our resources and expertise to tackle complex issues head-on. From deploying cutting-edge technologies, to enhancing accessibility and inclusivity and fostering diversity and inclusion within our Company, we recognise the transformative power of collective action in driving positive change.

At CTIL, both our verticals stand as beacons of positivity, driven by our dedication to customer satisfaction,

sustainability, and community well-being. We embrace customer-oriented strategies, transparent communication, and innovative design to tailor our products to meet the diverse needs of micro markets, all while upholding quality, safety, and environmental stewardship. Leveraging digital technologies, we enhance customer experiences, satisfaction, and loyalty, while ensuring product quality and effectively communicating our sustainability initiatives. Our expansion into new markets, coupled with our unwavering commitment to brand credibility, fuels our continued growth while reinforcing our role as a **“Force for Good”** in the industry. Through a holistic approach to sustainability and customer-

centric engagement, demonstrated by initiatives in water management, waste recycling, and renewable energy adoption, we demonstrate our profound dedication to environmental conservation and responsible development.

Our Pulp and Paper business aligns its economic ambitions with the Paris Agreement and United Nations Sustainable Development Goals (UN SDGs) by implementing sustainable forestry practices, reducing carbon emissions through energy-efficient operations, and promoting responsible consumption and production. Similarly, our Real Estate business contributes by adopting green building standards, implementing energy-efficient practices, and prioritising sustainable urban development to mitigate climate change and promote inclusive growth.

In this Report, we provide a comprehensive overview of our impact across key areas, from social and environmental performance to governance and ethics. As we reflect on the past year’s achievements, we also look ahead with optimism and determination. Our commitment to being a **“Force for Good”** will continue to guide our strategic priorities and decision-making processes. By embracing innovation, fostering partnerships, and staying true to our values, we remain steadfast in our mission to empower progress and shape a sustainable future for all.



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# About the Report



## Purpose of the Report

Integrated Annual Report 2023-24 (hereinafter referred to as “this Report”), corresponding to the Integrated Annual Report of the previous fiscal year, aligns CTIL’s material sustainability issues with respective chapters, presenting a visual representation of the value creation path within the Company’s long-term vision. By seamlessly integrating financial and non-financial performance indicators spanning several years, this Report provides a comprehensive view of CTIL’s achievements, strategies, risks, and opportunities. Our aim is to offer a clear and concise overview of CTIL’s initiatives, showcasing how we generate value across short, medium, and long-term horizons while meeting the diverse needs of our stakeholders. Through this inclusive approach, we seek to build trust and strengthen relationships with our valued stakeholders, including customers, investors, employees, regulators, and society at large.



## Reporting Standards and Frameworks

The Integrated Annual Report for FY 2023-24 has been meticulously crafted in accordance with the International Integrated Reporting Framework set forth by the International Financial Reporting Standards Foundation (IFRS). To ensure a comprehensive portrayal of the Company’s performance, this Report is in accordance with the guidelines outlined by the Global Reporting Initiative (GRI) Standards 2021, also aligning the Company’s endeavours with the United Nations Sustainable Development Goals (UN SDGs). Furthermore, the financial and statutory data provided in this Report adheres strictly to the stipulations of the Companies Act, 2013, including its accompanying rules, as well as the Indian Accounting Standards. We have diligently followed the regulations laid out by the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards. Moreover, this Report integrates the Business Responsibility and Sustainability Report (BRSR) for the Company for FY 2023-24, ensuring a comprehensive and transparent depiction of CTIL’s operations and impacts.



## Reporting Scope and Boundaries

The information covered in this Report is for the period of 1<sup>st</sup> April, 2023 – 31<sup>st</sup> March, 2024. The reporting scope and boundary is applicable for financial and non-financial disclosures made by the Company. This Report offers a comprehensive overview of the Company’s operations, covering its business segments like **Real Estate (Birla Estates), Pulp and Paper (Century Pulp and Paper) and Textile (Birla Century)**.

The reporting scope for this year’s Report includes project sites situated in Mumbai-MMR (Maharashtra), Bengaluru (Karnataka), Gurugram (NCR, Haryana), as well as all manufacturing facilities located in Jhagadia (Gujarat) and Lalkua (Uttarakhand).

Textiles operations of the Company namely Birla Century plant, Jhagadia, Bharuch, Gujarat has been discontinued due to non-viability, except minor manufacturing activities and other tasks relating to supplying yarn to Birla Advanced Knits Pvt. Ltd. (a Joint venture of the Company and Grasim Industries Ltd.) is continuing.

The key material aspects discussed in this Report are important to our operations as well as our value chain partners, customers, communities, and other stakeholders. We remain steadfast in our commitment to annually report on our Environmental, Social, and Governance (ESG) initiatives and activities using the integrated reporting methodology, and where applicable, historical trends have been emphasised, and any exclusions have been transparently disclosed in the relevant sections.

CTIL issues its reports annually, with financial summaries provided on a quarterly basis. For any inquiries related to this Report, please contact Mr. Yogesh Natu at: [ctil.esgcentury@adityabirla.com](mailto:ctil.esgcentury@adityabirla.com) or call at: +91 22- 24957000.





## Materiality

We approach materiality from a strategic and value creation perspective. Issues, opportunities, and challenges that have material impact on our business and the ability to create sustainable value for stakeholders form the basis of the contents of the Integrated Report. By using the materiality criteria to determine what information is important to our stakeholders, we have arrived at these conclusions. To identify potential material matters and rank them according to their relevance and potential influence on our stakeholders, strategy, and ability to create value, we have gathered inputs from all our business segments and important stakeholders. This involved conducting extensive surveys, engaging in meaningful discussions with internal and external stakeholders, scoring of each topic, and creating a materiality matrix.

In FY 2023–24, we conducted an extensive materiality assessment that engaged both internal and external stakeholders. This process facilitated a thorough understanding of the interrelation between material issues, business risks, goals, and value creation.



## Statement of Responsibility

The Board of Directors (hereinafter referred to as the 'Board') affirms that CTIL's Integrated Report for the FY 2023-24 effectively addresses significant issues, offers a clear and comprehensive understanding of our strategy, and showcases our ability to create long-term value.

The components of this Report, formulated under the guidance of our senior management after incorporating inputs from various essential functional teams, are duly recognised by our Board. It is important to note that certain statements within this Report are forward-looking statements pertaining to our business operations. These statements involve risks based on assumptions, which may deviate from actual results. They rely on projections and industry trends, representing our expectations under those assumptions. These assumptions encompass all statements other than historical facts, encompassing performance snapshots, business strategy, mitigation plans, and objectives for future operations.

CTIL does not undertake any obligation to publicly update forward-looking statements, whether due to new information, future events, or other factors.



## Restatement of Information

As CTIL continues to progress in its commitment to transparent reporting and disclosures, it consistently reviews its data collation processes concerning various Key Performance Indicators (KPIs). This may involve restating certain information previously published. Any restated information from previous Integrated Reports is denoted by (R#), signifying the revision made to ensure accuracy and alignment with current reporting standards.

In FY 2023–24 reporting, no restatement has been made.



## External Assurance

The disclosures made, based on GRI indicators and the BRSR, in this reporting period we have undergone an external assurance by an independent external auditor, TUV India Private Limited, who conducted a thorough due diligence. The assurance was conducted in reference to GRI standards, BRSR and ISAE 3000 (Revised) requirements.

The 'Independent Assurance Statement' is included on the 158 pages in the Report.

# Key Performance Highlights

## Environment



- 12% Reduction in energy consumption intensity in comparison to FY 2022-23.
- 9% Reduction in water withdrawal in comparison to FY 2022-23.
- CTIL's Real Estate segment's commercial project, Birla Centurion achieved Zero Liquid Discharge (ZLD).
- Maintained 99% diversion of waste from landfill.
- All commercial Buildings are IGBC Platinum Certified.
- 5 residential Buildings have achieved IGBC/LEED Gold or Higher Pre-Certification.
- 62.04% of our input materials are sourced responsibly and sustainably.



## Social



- ₹ 4.88 Crores spent on CSR projects.
- 1,18,208 Lives impacted through CSR initiatives.
- 19% Increase in diversity ratio in comparison to FY 2022-23.
- 16.54 hours of average training provided to employees and workers.
- All plants have been accredited with Occupational Health and Safety Management System (45001:2018)
- Zero fatalities across CTIL's operations for FY 2023-24 in comparison to 2 fatalities in FY 2022-23.





## Governance

- 29% of the Board comprises of female.
- Zero instances of data breaches were observed during the reporting year.
- Zero complaints received with respect to data privacy, advertising, cybersecurity
- No fines/penalties related to anti-competitive, anti-competitive monopoly and anti-trust practices.
- Information Security Management System (ISO:27001) certified.



Leadership Speaks

# Message from the Chairman



**Guided by our Purpose ‘To enrich lives, by building dynamic and responsible businesses and institutions, that inspire trust’, and by leveraging our resources, expertise, and influence, we aspire to be a catalyst for meaningful impact, shaping a future where business serves as a force for good in everything that we touch and do.**



## Dear Stakeholders,

In an era marked by unprecedented global challenges, the imperative for businesses to transcend conventional paradigms has never been more pressing. At the Aditya Birla Group, we recognise that our success is intrinsically tied to the well-being of society and the planet we inhabit. As custodians of progress and stewards of sustainable growth, we embrace the ethos of being a force for good in all facets of our operations. At the heart of our philosophy lies the conviction that business can and must serve as a catalyst for positive change. Beyond the pursuit of profit margins, we envision a world where economic prosperity harmonises with social welfare and environmental stewardship.

This vision guides our strategic decisions, propelling us to harness the transformative power of business to create collective prosperity. Being a force for good entails a multifaceted approach that extends across our entire value chain. From fostering inclusive growth and empowering local communities to mitigating environmental impact and creating prosperity for our nation and its people, our commitment to operating responsibly is woven into the fabric of our business endeavours. It is part of our DNA and our legacy. It defines who we are.

By creating value for all stakeholders – shareholders, employees, customers, and society at large – we aim to nurture an ecosystem of mutual benefit and collective advancement. This philosophy underpins our unwavering dedication to ethical governance, transparent communication, and responsible business practices. As we navigate the complexities of a rapidly evolving world, we remain steadfast in our commitment to being agents of positive change.

Guided by our Purpose ‘To enrich lives, by building dynamic and responsible businesses and institutions, that inspire trust’, and by leveraging





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### Global Economy: Resilience in Motion

The global economy exhibited remarkable resilience and divergence during 2023, defying fears of stagflation and recession. Increased government spending, notable labour force participation, and continued household consumption growth supported global economic growth last year. Despite substantial interest rate hikes by central banks, economic activities worldwide grew steadily, buoyed by household demand fuelled by pandemic savings and supportive policies in mortgage and housing markets. These growth drivers mitigated the impact of policy rate increases. Major central banks, led by the US Federal Reserve, have likely reached their peak rate hikes. Expectations are for rate cut initiations during the latter part of 2024, signalling cautious optimism for the global economy

and financial markets. Global economic growth is estimated at 3.2% in 2023 and projected to continue at the same pace in 2024 and 2025, albeit these growth rates are at historically low levels.

The US economy was a standout in 2023, with GDP growth exceeding long-run averages at 4.9% in Q3 and 3.4% in Q4, driven by robust services growth and a resurgence in manufacturing activity. Simultaneously, as the Fed raised rates and supply constraints eased, inflation declined to 1.7% in Q4, undershooting the 2% target. This “miracle” of strong growth and low inflation defied the recessionary predictions of most economists.

In contrast, Europe slowed to just 0.4% GDP growth in 2023, weighed down by reduced household spending from elevated energy costs tied to the Russia-Ukraine conflict and tighter monetary policy. Prospects for 2024 remain subdued at 0.8% growth, constrained by strained fiscal positions limiting any growth impetus.

China experienced a 5.2% growth rate in 2023 and is projected to expand by 5% in 2024 and 4.5% in 2025, bolstered by policy support measures. However, a protracted property crisis remains a major drag on growth.

Global economic prospects have improved as major economies have averted a severe

downturn, reducing inflation without raising unemployment. However, the outlook remains cautiously optimistic. Persistent challenges include prolonged high interest rates, debt sustainability issues, ongoing geopolitical tensions, and escalating climate risks, all of which continue to impede growth.

### India: Leading the Way

Yet, for India, the picture is promising amid a globally uncertain macroeconomic environment. India's economy has shown resilience, with real GDP growth of 8.2% in FY 2023-24, making it the fastest-growing major economy and the fifth largest globally. Structural reforms and domestic household demand are key drivers of India's growth. Inflation has eased, supported by monetary policy actions and supply-side interventions. India is expected to grow at 7.2% in FY 2024-25.

The banking sector has seen improvements in earnings, governance, and balance sheets. Non-banking financial companies (NBFCs) also show sound performance, contributing to credit growth in the private sector. Prudent policies and regulatory measures aim to safeguard financial stability



in India. The Indian rupee has managed relative stability supported by improved external balances, including a moderation in the current account deficit and robust forex reserves. Increased services exports have been supportive of the external balance. India's FinTech ecosystem, supported by initiatives like the Unified Payments Interface (UPI), has transformed financial services, promoting inclusion and digitisation.

Hence, despite global challenges, the Indian economy is poised for sustained growth. We believe collective actions and focused measures by the government have helped overcome past challenges and will realise India's growth potential in the future. To summarise, the Indian economy has demonstrated resilience, supported by reforms, low core inflation, and a sound financial sector. Continued focus on reforms will see India emerge as a key global growth engine.

### Aditya Birla Group: In Perspective

Amid this economic backdrop, the Aditya Birla Group's strong performance in FY 2023-24 stands as a testament to our unwavering

commitment to purpose-driven growth, driving sustained value creation for stakeholders across our diverse business portfolio.

This success is underpinned by our exceptional talent pool, whose dedication and entrepreneurial spirit are the true catalysts for our sustained achievements.

This year, we have advanced our purpose-driven approach to business by integrating our purpose in every stage of the employee life cycle: hiring, induction, learning, performance appraisal and continuous employee connect.

### Being the force Force for Good for ABGites

By enabling employees to develop capabilities and achieve their true potential, 186 learning events covering 4,700+ ABGites were held by Gyanodaya, our Learning and Leadership Development Centre. In addition, 14,000+ ABGites were covered through outreach programmes, done closer to the employees in our Units / offices all over the globe. Robust digital learning, enabled 81% of the employees to

learn at their convenience around topics of interest and need.

Our leaders play a crucial role in strengthening the succession pipeline. Through Business and Functional Talent Councils, they set the vision for their respective areas, identify the future capabilities needed for success, review the availability of talent, and agree on actions to enhance the talent pipeline. This year, over 12,000 employees (99% of the eligible population) underwent potential assessments, enabling us to identify high-potential talent across all levels and prepare them for leadership succession. As a result, 56% of critical mid and senior-level positions were filled through our internal pipeline. Additionally, the internal and external hiring ratio for senior management roles has improved from 59:41 to 75:25 over the past three years.

Our strong employer brand enabled us to attract high-quality talent for three new businesses built grounds-up: Birla Opus, Birla Pivot and Novel Jewels. We hired 14,800+ employees across levels in the management cadre, 75% of whom are millennials and GenZ.

We have maintained our focus on strengthening gender diversity, ensuring more women are in mainstream roles and leading strategic responsibilities across various functions and regions. Currently, women make up 15.6% of our management cadre, with 277 women holding senior and top leadership positions. We are also making a special effort to increase the representation of women in technical roles. For example, we have appointed our first female unit head for the battery enclosure plant, enrolled 25 women in a one-year apprenticeship program in core mining who will be placed in UltraTech, and have women serving as Territory Sales Managers at Birla Opus.

We strive to enrich the lives of our employees through integrated healthcare solutions that focus on their physical and emotional well-being, as well as that of their families. Our Digital Health and Well-Being app, AB Multiply, has enrolled 26,000



employees for holistic wellness services. Additionally, over 9,000 employees have benefitted from company-sponsored annual physical health check-ups. We have made significant efforts to reduce the stigma associated with mental health, ensuring that employees and their families can access professional and confidential counselling services when needed. Last year, over 1,000 employees or their family members sought help, marking an increase of more than 25%.

The results of ABG Vibes 2023, our annual engagement survey, reflect our commitment to being a force for good for our employees. The scores have improved in all areas across employee segments compared to the previous cycle: 91% of employees are proud to be associated with the Group, 93% would recommend the Group as a great place to work, and 87% see themselves working with the Group two years from now (an 8% increase from the last cycle). Additionally, 89% of employees find a sense of meaning and purpose in their work, and 91% are optimistic about the future of the business.

Indeed, the Aditya Birla Group stands at an exciting juncture. Many of our businesses are poised for transformational growth, while new ventures are emerging with a lot of promise. We are not just expanding in size but also diversifying in scope across various industries and regions.

### Your Company's performance

CTIL delivered a robust performance in FY 2023-24, setting the foundation for transformational growth in the years ahead. On a consolidated basis, revenue stood at ₹ 4,264 Crores, and the Company reported a profit after tax of ₹ 304 Crores for FY 2023-24.

In our Real Estate vertical, Birla Estates, projects with a revenue potential of more than ₹ 45,000 Crores (~24.4 million sq. ft.) are under development (including presales of ~₹ 9,166 Crores). These projects focus on four key markets in India — the Mumbai Metropolitan Region (MMR), Bengaluru, the National Capital Region (NCR), and Pune. They deliver premium real estate across

residential, commercial, and mixed-use segments. Silas, the second tower of our flagship project, Birla Niyaara, became the

## ₹ 4,264 Crores

Revenue

## ₹ 304 Crores

Profit after Tax

fastest selling project in Mumbai's luxury segment, with 68 units sold worth ₹ 2,391 Crores within a month of its launch.

Over 80% of the units in the first tower have already been sold. Overall, Birla Estates achieved sales of almost 1.7 million sq. ft. worth ₹ 3,985 Crores in FY 2023-24.

The revenue of the Pulp and Paper division had a marginal drop of 6%. The Capacity Utilisation for FY 2023-24 was 97% as compared to 95% in FY 2022-23.

To safeguard the environment, the Pulp and Paper division makes every effort to reduce its carbon footprint and environmental impact through continued improvements, process modifications, and adopting fuel switch

or alternate renewable energy sources. Currently, 33.80% of the total energy requirement for the pulp and paper business is met by renewable energy, which is slated to rise to 65% by FY 2025-26.

This year, CTIL, curtailed its energy intensity compared to the previous year. Renewable energy constitutes 32% of the total energy consumption. CTIL also achieved a reduction in the energy and water consumption. Your Company aspires to reach 1.5 million plantations by FY 2026-27, paving the way to a wood-positive goal. Your Company's Research & Development (R&D) is focused on innovating high-quality products while minimising resource wastage. Your Company is effectively utilising biomass to reduce reliance on conventional fuels, supporting our nation's 2070 net zero target.

### Conclusion

Your Company's multidimensional achievements underscore what has been a foundational philosophy of our Group—that true corporate success is measured by the enduring value we create for all our stakeholders. And that is our legacy, our promise, and our future.

**Kumar Mangalam Birla**  
Chairman



# Message from the Managing Director



**We have an unwavering focus on quality, innovation, sustainability across all our business verticals, and are a “Force for Good”, overall. We have the largest manufacturing facility for pulp and paper under one roof and are home to the real estate arm of Aditya Birla Group. I believe that although external market conditions can affect us, they undoubtedly cannot move us.**



## Dear Stakeholders,

I hope this message finds you in great health and positivity.

With the honest intent to inform you all about the progress we have made in the year gone by, I am glad to present to you CTIL's Integrated Annual Report. With a resilient performance this year despite the global slowdown and the strategic initiatives we took in response, we fortified the business across the verticals of Pulp and Paper, Real Estate and Textiles. Through planning, acumen, and a foresight for the future reflected in an EBITDA ₹ 376.60 Crores, our business sustained its travel on the growth trajectory. Concurrently, our firmly established Environmental, Social, and Governance (ESG) principles infused stability in the Company, positively affecting the financials to create a noteworthy value for stakeholders.

CTIL is a 125-year-old rich legacy built under the leadership of Mr. B. K. Birla. Today, as I write to you all, I am proud to say that we are one of the most trusted brands in the country. We have an unwavering focus on quality, innovation, sustainability across all our business verticals, and are a **“Force for Good”**, overall. We have a state-of-the-art textile processing house, the largest manufacturing facility for pulp and paper under one roof and are home to the real estate arm of Aditya Birla Group. I believe that although external market conditions can affect us, they undoubtedly cannot move us. We strive to deliver the best quality that our customers deserve not by order, or not for a price, but as a conscious choice. With a choice made with a heart and with a sense of conscientiousness the Company is in good state to capitalise on market opportunities





combined with agility and customer centricity. However, all this would not have been and will not be possible without the support, strength, and determination of our workforce which unfailingly delivers quality, as a choice and habit.

Moving to the critical factor of ESG, I would like to reiterate that our obligation to the environment, the communities and our governance practices as a law-abiding Company is not independent of our approach to business as a commercial enterprise. We have aligned our business and ESG strategy in line with ABG Group's long-term goals. Sustainability is a critical piece in the business puzzle, globally. A credible ESG proposition gives CTIL a sense of purpose to deliver better to each of its stakeholders. In fact, I view sustainability as the only tool to remain relevant and make progress via which investors receive what they give and more. Going forward, the Company will be working to fine-tune and adjust the ESG strategy to the changing trends and demands while setting commanding targets for itself.

Our real estate business segment, Birla Estates, marked its entry into the realty sector in 2016 with the aim to deliver exceptional and premium home and office spaces. Business in the real estate space requires adherence to statutory law and regulations to add value to the environment and society, in general. As of today, Birla Aurora, a key real estate project in Worli, Mumbai has completed a 100% transition to green energy. Birla Centurion in the same area in the city has achieved a 38% shift to green energy. This has resulted in a 43% reduction in CO<sub>2</sub> emissions in our commercial properties. On the social front in this real estate vertical, CTIL organised a five-day training, testing and certification programme for workers from different trades, such as carpenter, fitter, scaffolder, welder, and electrician, conducted by

trained experts from the Construction Industry Development Council (CIDC). The programme aimed to enhance the capabilities of the workers, improving their overall work performance and employability.

**Our real estate business segment, Birla Estates, marked its entry into the realty sector in 2016 with the aim to deliver exceptional and premium home and office spaces. Business in the real estate space requires adherence to statutory law and regulations to add value to the environment and society, in general. As of today, Birla Aurora, a key real estate project in Worli, Mumbai, has completed a 100% transition to green energy.**

Our pulp and paper business segment, Century Pulp and Paper (CPP) has performed well this year, achieving higher production levels and sales volumes with a decisive strategy. Over the year, this business has remained committed to the core values of CTIL and worked to ensure that it maintains its leadership position

in the pulp and paper industry. A good balance between commercial success and social and environmental responsibility has been the key to success for this business. The business segment desires to be wood positive by increasing plantations each year, slicing off the external reliance to procure wood to meet the total wood requirement. It is imperative for CPP to ensure a consistent supply from a long-term perspective. The Social Forestry Initiative, which began last year in CPP and involves planting samplings, will help us secure a reliable supply of raw materials. In continuation of that, CPP has a target of planting one million trees in the current financial year, and a target of 1.5 million trees by FY 2026-27. This initiative will grip the debilitating issues around raw material sourcing and distribution.

As we traverse the new ways of business being a "Force for Good", I humbly invite you all to read our report which captures our story so far. This Report is a testimony to our commitment to the business, and more importantly, to the delivery. We hope that is equivalent to the value you as a stakeholder attach to our growth as a business. I would personally like to thank our employees, customers, investors, and each of our value-chain partners who have weaved us all into an unblemished fabric of solidarity.

Wishing you all the best.

Sincerely,

**R.K. Dalmia**  
Managing Director



# Message from the Chief Financial Officer



**The Company this year comprehended that investors closely monitor CTIL's financial performance, including revenue growth, profitability, cash flow generation, corporate governance, and the transparency of disclosures. CTIL has also delved deep into the various risks with the help of robust ERM framework.**



## **Dear Stakeholders,**

The last fiscal year witnessed troughs and peaks in business due to a remarkable slowdown in the international markets. Despite, the unstable macroeconomic scenario CTIL demonstrated commendable business flexibility, achieved a revenue growth of 10.86%, and maintained optimum financial health. The ability to stay strong and deliver value to stakeholders amid evolving market dynamics reflected CTIL's spirit, adaptability, and responsibility as a dependable Company. The total profit before tax from the continuing operations of the Company stood at ₹ 449.89 Crores in FY 2023-24.

A multi-pronged approach to balancing strategy and sustainability across the core areas of business helped accomplish this sound financial performance. Revenue expansion and increased market penetration in the real estate business, sustainability initiatives in the pulp and paper business, and a laser-sharp focus on capacity expansion, product innovation, operational efficiency and strategic partnerships have cumulatively supported the accomplishments of the year gone by.

The Company this year comprehended that investors closely monitor CTIL's financial performance, including revenue growth, profitability, cash flow generation, corporate governance, and the transparency of disclosures. CTIL has also delved deep into the various risks with the help of robust ERM framework. The ERM framework mitigates all risks be they emerging, static, legal thus ensuring ethical business and a positive reputation of the Company in front of the stakeholders. Hence, while trying to deliver from a long-term value creation perspective we have exerted significant



effort in understanding investor sentiment which involves analysing a range of factors that influence investors' perceptions, attitudes, risks, and behaviours' regarding the Company's stock.

Building on that, I would like to mention that CTIL has developed a vital component of risk management, a comprehensive Business Continuity Plan (BCP) document as a part of the business continuity strategy. This document outlines the strategies and procedures for maintaining essential business functions during disruptions. The document provides valuable insights into how investors perceive CTIL and its prospects, which can, in turn, impact the

Revenue expansion and increased market penetration in the real estate business, sustainability initiatives in the pulp and paper business, and a laser-sharp focus on capacity expansion, product innovation, operational efficiency and strategic partnerships have cumulatively supported the accomplishments of the year gone by.

Company's stock price and overall market performance.

The BCP identifies the potential risks across

the business segments and then the risks are prioritised according to the likelihood of it occurring. There is a specific team called the Business Continuity Management (BCM) team comprising senior management who oversees the business continuity plan. Thereafter the BCM conducts training, drills, and test sessions with the employees to educate them about their roles and responsibilities in the business continuity plan. Finally, the BCM documents the real-world incidents to refine and update the business continuity plan.

While maintaining financial credibility and clarity, CTIL is simultaneously continuing to weave sustainability into its business strategy like last year. This will align CTIL with the movements in the current business landscape and the regulatory trends aiding brand differentiation, thus enhancing stakeholder value. The Company is chiselling its sustainability agenda by adopting initiatives to reduce environmental impact, promoting social responsibility, and enhancing corporate governance through timely and effective material disclosures to mitigate environmental, social, operational, and reputational risks.

On the social front, CTIL continues to invest in its people and communities. Higher employee engagement, productivity, and retention rates foster a positive work culture at CTIL. To ensure a safe environment for employees across all facilities, various health and safety protocols have been deployed. While physical safety is reassuring, the Company also stays invested in the overall growth and development of its people with training and development programmes to enhance skills and promote diversity and inclusion to improve employee well-being. The Company, through CSR continues to engage with local communities in various social development initiatives, such as education, healthcare, and

infrastructure development projects. This year CTIL spent ₹ 4.88 Crores on CSR activities.

Governance and risk mitigation are fundamental pillars of CTIL's corporate framework, ensuring that the Company operates ethically, transparently, and resiliently in pursuit of its strategic goals. For this CTIL has a well-defined governance structure in place, consisting of the Board of Directors with crucial role in strategy and legal regulation. This governance structure also comprises executive management, and various committees.

From an environment standpoint, the Company took effort to reduce energy consumption, water usage, greenhouse gas emissions, adoption of renewable energy sources and energy-efficient technologies to decrease carbon emissions and mitigate climate change impacts in the pulp and paper business. In the real estate business, waste management and recycling programmes were employed to promote the principles of circular economy. While nurturing the planet and reducing the footprint of the Company, embedding sustainability principles in business will also save costs and improve operational efficiencies. All this will cumulatively attract socially responsible investors and provide access to capital markets more effectively.

This year, I see CTIL growing with the same commitment and spring of growth, proactively mitigating risks and ensuring the continuity of operations of its key business units and critical assets. This momentum of expansion, growth, and collective interests I feel, will organically safeguard the interests of all its stakeholders and make the business truly sustainable strengthening the reigns of financial stability at CTIL.

Sincerely,

**Snehal Shah**  
Chief Financial Officer

# Message from the Managing Director & Chief Executive Officer, Birla Estates Private Limited



**Our focus on consumer research and customer preferences has enabled us to offer premium and luxury properties as per consumer needs, in prime locations such as Mumbai, Bengaluru, Delhi NCR, and Pune. With a significant portion of our portfolio dedicated to residences, we are committed to meeting the demands of discerning homeowners in this new era of real estate.**



## **Dear Stakeholders,**

The Indian real estate sector is currently experiencing a surge in demand and a notable shift towards premium and luxury housing options. This trend is driven by urbanisation, rising income levels, and a desire for superior living standards.

Our strategic integration of innovation and technology has propelled us forward, enhancing efficiency and meeting the evolving needs of modern homeowners. Since our establishment in 2016, Birla Estates has firmly established itself in the industry, catering to the demand for residential, commercial, and mixed-use spaces across key urban centres in India.

Our focus on consumer research and customer preferences has enabled us to offer premium and luxury properties as per consumer needs, in prime locations such as Mumbai, Bengaluru, Delhi NCR, and Pune. With a significant portion of our portfolio dedicated to residences, we are committed to meeting the demands of discerning homeowners in this new era of real estate.

In FY 2023-24, our Company has achieved remarkable milestones, showcasing sustained growth and unwavering customer confidence. We sold nearly 1.7 million sq. ft., totalling ₹ 3,985 Crores across all launched projects. The success of Silas at Birla Niyaara in Mumbai and Birla Trimaya in Bengaluru is particularly noteworthy, with sales exceeding expectations within incredibly short timeframes.

Expanding our global presence, we inaugurated our first international sales office in Dubai, a strategic move to better serve our international customers.

Additionally, we have bolstered our portfolio through the acquisition of five projects,



including our foray into Pune and project additions in Mumbai, Bengaluru and NCR. These acquisitions signify our strategic expansion and commitment to delivering exceptional value to our stakeholders.

At Birla Estates, our commitment to excellence is realised through strategic partnerships with industry-leading execution partners, ensuring the timely delivery of our projects. Guided by our philosophy, LifeDesigned®, we draw inspiration from the environment to create spaces that enrich lives.

We aim to provide a distinct edge to our customers, not only in terms of design and amenities but also through an exceptional end-to-end user experience. From seamless purchasing processes to thoughtful urban spaces designed with future generations in mind, we prioritise extensive research to meet the evolving needs of our target audience.

We marked our first year of project handovers, with handovers at Birla Alokya in Bengaluru, Birla Vanya Phase I in Kalyan, and Birla Navya Phase I in Gurugram, ensuring an unparalleled experience for our customers across all regions. Our customer satisfaction is evident in high Net Promoter Scores.

To sustain such positive experiences, we drive continuous innovation and digitalisation through an in-house innovation cell, enhancing efficiency across projects. Looking ahead, we envision leveraging AI and IoT for construction and exploring opportunities in smart cities, further enriching our offerings.

As ESG principles continue to shape business strategies, we remain steadfast in our commitment to sustainability. Recognising that sustainability is now a customer demand, we are dedicated to continual improvement in environmental and social responsibility.

We are actively implementing initiatives across ESG domains aligned to achieve

Net Zero. All our projects are targeted for a minimum Gold-rated sustainability, achieved through energy management, water conservation, rainwater harvesting, and renewable energy utilisation.

We actively participate in green building rating systems such as IGBC and LEED, ensuring our projects meet stringent sustainability criteria. Our efforts extend to promoting sustainable materials and achieving zero liquid discharge in our offices, emphasising water recycling.

In the realm of sustainability benchmarking, we have achieved notable ratings in the GRESB Sustainability benchmark rating system, underscoring our ESG commitment to stakeholders. This recognition is pivotal in the Infrastructure and Real Estate Industry, signalling our dedication to global investors.

Furthermore, we prioritise Climate Risk Assessments for all projects, addressing both physical and transitional risks in alignment with TCFD recommendations. Climate change mitigation plans are integrated into the design stage, ensuring resilience across all our sites.

I would like to emphasise the paramount importance we place on safety at Birla Estates, a value that extends to every facet of our operations. Ensuring the safety of our esteemed customers, dedicated employees, and diligent workers is not merely a priority; it is a fundamental commitment ingrained in our ethos.

I am proud to announce that over the past six years, Birla Estates has achieved a remarkable milestone of 30.50 million safe man-hours, marked by no lost-time injuries. This achievement underscores our unwavering dedication to maintaining a secure environment for all stakeholders. Receipt of numerous awards from esteemed institutions like British Safety Council, RoSPA and National Safety Council in recognition of our dedication to safety and excellence, further underscores our prioritisation of safety.

In line with our commitment to holistic well-being— both physical and mental, we prioritise the safety training of our workforce. Through comprehensive programmes addressing regular safety protocols, professional development, and skill enhancement, we empower our workers to uphold the highest standards of safety on-site.

As we continue to uphold our commitment to safety and sustainability, we remain steadfast in our pursuit of excellence, ensuring that every individual associated with Birla Estates experiences the highest standards of safety, quality, and care.

At Birla Estates, we are spearheading a paradigm shift in the Indian real estate landscape by infusing originality, sophistication, and a deep reverence for the principles of nature into every aspect of our projects. Our unwavering commitment to putting the customer at the forefront of our efforts is reshaping traditional notions of customer-centricity.

With an unparalleled blend of design expertise, innovative thinking, and diligent research, we are forging a distinctive and enduring niche within the real estate industry. Our endeavours are not just about constructing buildings; they represent a pioneering approach that is poised to lead the sector into a new era of evolution.

As we continue to push the boundaries of creativity and excellence, we are confident that our legacy of authenticity and innovation will endure, providing unparalleled value to our customers and setting new benchmarks for the industry.

Sincerely,

**K.T Jithendran**  
Managing Director &  
Chief Executive Officer, Real Estate

# Message from the Chief Human Resources Officer



**With a timeless ambition to enrich lives through responsible businesses and institutions, we move ahead into the new fiscal year. While being conscious to the needs of the society, having faith in the potential of our people, we, at CTIL aim to drive small and large initiatives helping communities and ecosystems, nurturing the humane elements through work.**

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## Dear Stakeholders,

With a timeless ambition to enrich lives through responsible businesses and institutions, we move ahead into the new fiscal year. While being conscious to the needs of the society, having faith in the potential of our people, we, at CTIL, aim to drive small and large initiatives helping communities and ecosystems, nurturing the humane elements through work. Staging a significant responsibility of being a **"Force for Good"**, under the leadership and policies of ABG, we understand the unique needs and aspirations of employees and their families, who make our society. As we steer our way on the evolving landscape of ESG considerations, CTIL remains dedicated to composing a culture of responsibility and innovation, across its operations.

The last year saw, our sustainability journey highlighted by significant developments primarily aimed at aligning our HR systems, processes, and structures with the values and standards of ABG. Through this, we diligently redesigned job functions and implemented scientific job evaluations to ensure accurate role allocations to improve satisfaction of the employee and improve skill-based efficacy at work. As we seek to optimise our operational efficiency and nurture a dynamic and agile workforce of total 7,708 employees and workers, specific transformation was essential. It is important to understand the imperatives to modernise, grow, develop, create awareness and to make people feel that they are transforming with the need of time and augmenting their





Staging a significant responsibility of being a **“Force for Good”**, under the leadership and policies of ABG, we understand the unique needs and aspirations of employees and their families, who make our society. As we steer our way on the evolving landscape of ESG considerations, CTIL remains dedicated to composing a culture of responsibility and innovation, across its operations.

quality of life. That is what gives them the gratification in life and work, overall.

With a dedication to enhance gender, regional, and professional diversity within our Company we are fostering a diverse and inclusive culture at work. Through targeted recruitment practices and the creation of cross-functional teams, we empower our employees to thrive in varied environments that encourage relationships and improvements across a spectrum of possibilities, giving them a rewarding experience. Not all is work at CTIL,

employee engagement through a robust calendar of engagement activities and festival celebrations are regular affairs.

Furthermore, we are proud of our initiatives at CTIL to promote employee health and well-being. Our pioneering ‘Making Individuals and Teams Resilient (MITR)’ programme focuses on mental wellness and has received accolades across the ABG Group. With the intention to offer immersive mental health, we are merging well-being into productivity developments. We have successful pilot initiatives underway within our Pulp and Paper segment. When people learn on job, they feel more confident at work and ready even for the world outside, creating lasting value for employees. This makes learning and development an essential component of our people approach as we desire to give them to take-away beyond their tenure at CTIL. Our expanded ‘Gyanodaya’ learning programme equips our workforce with the skills and knowledge needed to thrive in a rapidly evolving industry landscape. We are also going to initiate a full-cycle talent management process to nurture our leadership pipelined this year.

At CTIL, we have formulated our human rights policy which considers the rights of all stakeholders, including value chain

partners and communities surrounding us. We remain unbendable in our chase to excellence in sustainability.

Our sustainability efforts are not only a reflection of our dedication to responsible business practices but also a demonstration of our devotion to our employee well-being.

Enabling and nurturing our own people can only be a win-win for all, uncontestably. Together with our employees, we will continue to drive meaningful change and set new benchmarks for the business in the new year.

I thank our entire workforce for being patient with us and assist us in taking the legacy of CTIL forward on inspiring trails of growth.

Sincerely,

**Vinod Chaturvedi**  
Chief Human Resource Officer



# Message from the Head of Sustainability



**As CTIL continued to advance, the firmly set environmental, social and governance (ESG) principles remained untouched and connected to the business approach, for good. CTIL stayed invested in an appetite for brilliance in business, environmental and community care, equality, and efforts to offer a diverse and inclusive safe workplace that encouraged human rights and stakeholder value creation, coordinated with the core values of CTIL.**



## **Dear Stakeholders,**

As CTIL continued to advance, the firmly set environmental, social and governance (ESG) principles remained untouched and connected to the business approach, for good. CTIL stayed invested in an appetite for brilliance in business, environmental and community care, equality, and efforts to offer a diverse and inclusive safe workplace that encouraged human rights and stakeholder value creation, coordinated with the core values of CTIL. However, as we review our values each year, we see that they are ESG-dependent propositions, now. Business values hold less significance without the operational and total involvement of sustainability as a strategy. The principles of sustainability pour a life-enriching purpose into each business decision we take as a Company.

The theme, **“Force for Good”** captures the essence of our sustainability efforts — going beyond mere compliance and actively driving positive change. I’m incredibly proud to share the significant progress we have made in several key areas:

## **Responsible Energy Consumption**

We manage energy consumption more efficiently, and we are gently moving towards renewable energy and making technological advancements in systems and operations to progress in energy efficiency. We achieved a remarkable 12% reduction in energy consumption intensity compared to last year. This translates to a smaller environmental footprint and significant cost savings.



## Water Stewardship

We are actively actioning upon water stewardship for water management, and we have implemented many conservation initiatives in all our business segments. We have demonstrably reduced our water withdrawal by 9% as compared to the last year. This commitment to water conservation ensures responsible use of this precious resource.

## Waste Management

We are thrilled to report that we are diverting a staggering 99% of waste from landfills. This achievement reflects our dedication to a circular economy and minimising environmental impact.

## Green Building Leadership

All our commercial buildings now hold IGBC Platinum Certification, showcasing our commitment to sustainable design and construction practices. Additionally, five residential buildings have achieved IGBC/LEED Gold or higher pre-certification, demonstrating our leadership in this domain.

## Sustainable Sourcing

We have made substantial progress towards responsible sourcing, with 62% of our input materials now coming from sustainable sources. This ensures the responsible use of resources throughout our supply chain.

These achievements are the symbols of dedication and hard work of our entire team. However, we recognise that sustainability is a continuous journey. We remain committed to exploring new

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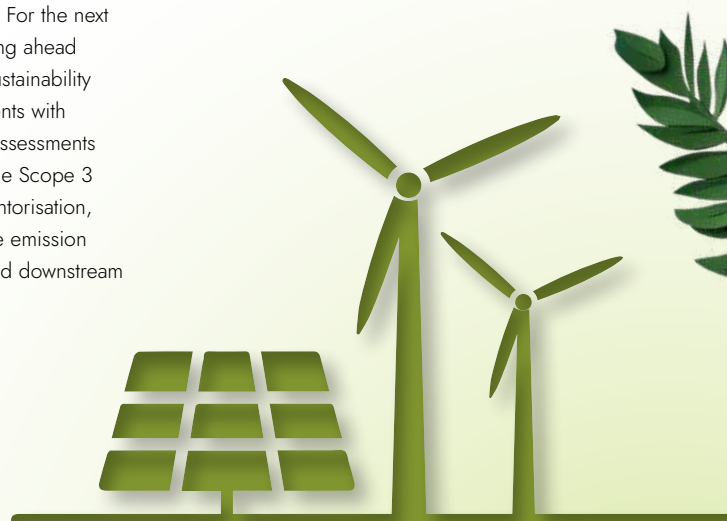
opportunities and setting even more ambitious goals for the future. For the next year we look forward to forging ahead with our goal of integrating sustainability with our core business segments with certain planned ESG-related assessments and calculations. These include Scope 3 Greenhouse Gas (GHG) inventorisation, where we plan to calculate the emission produced by our upstream and downstream

operations. In addition, we are integrating a robust sustainable supply chain framework after an assessment in the coming fiscal year. This will help us shift to sustainable raw material sourcing, completely, over time.

Sustainability is not a destination for us to reach. At this point in time, with the rapid technical and regulatory changes in the ESG landscape we are continuously upgrading our stance to achieve better ESG performance while standing out as a promising investment for our conscious stakeholders who are now seeking what we are looking for, sustainability.

Sincerely,

**Yogesh Natu**  
Head - Sustainability



# CTIL: A Legacy of Growth and Innovation



## About CTIL

Since its inception as a textile unit in 1897, the Company has undergone a remarkable transformation into a dynamic commercial entity. CTIL, headquartered in Mumbai, operates as a publicly traded Company, now boasting two key business verticals: Real Estate and Pulp and Paper.

We are blessed with a proud legacy built on the principles of trust, integrity, and respect for all our stakeholders. As a business operating in new areas, we have experienced tremendous success in our journey and are following our ambitious and creative goals. Our focus remains on delivering exceptional quality, fostering robust business performance, promoting environmental stewardship, and actively engaging with the community to create value for our stakeholders. Upholding an ethos of continuous innovation, we persistently pursue our ambitious vision, showcasing our unwavering spirit and dedication to progress.

## Our Mission



### Real Estate

We will provide an iconic brand experience aligned to our legacy by never compromising on transparency, commitment, quality, and superior design.



### Pulp and Paper

We will continuously strive to implement the critical initiatives required to achieve our vision. In doing this, we will deliver operational excellence through relentless focus on ensuring Environmental Compliance and consistently innovate to provide Customer Delight. We will strive to follow the highest ethical standards in our relationships with our customers, dealers & distributors, vendors, employees and shareholders. All our long-term strategies and short-term actions will be moulded by a set of core values shared by every employee.

Our Company operates across two distinct business segments: Real Estate, Pulp and Paper. Each segment has a unique mission reflecting its core business model. In Real Estate, we focus on delivering an iconic brand experience, emphasising transparency, commitment, quality, and superior design. This builds upon our strong legacy and nurtures long-term customer trust.

The Pulp and Paper segment, on the other hand, prioritises operational excellence. This translates to achieving environmental compliance, continuous innovation for customer satisfaction, and upholding the highest ethical standards. While the missions differ in execution, they ultimately serve the same overarching purpose: to create a sustainable and successful company that prioritises stakeholders and delivers exceptional value.



## Our Vision



### Real Estate

We will transform the perception of Indian Real Estate sector by delivering an exceptional experience and creating value; at every level, for every stakeholder.



### Pulp and Paper

To be the most preferred customer choice by consistently delivering high quality paper products at competitive price using sustainable green technology. Adding to shareholder value by 2026 we aim to be one of the best places to work for our employees taking due care of all stakeholders.

While the two business segments have different operational goals, their visions ultimately unite under a common purpose: to establish our Company as a leader in both sectors. We strive to deliver exceptional value to our stakeholders, be it through transformative real estate development or high-quality, sustainable paper products. This unified purpose ensures long-term success and aligns the efforts of our diverse teams across both segments.

The Real Estate segment's vision is bold and transformative. It aims to redefine the Indian real estate landscape by prioritising exceptional customer experiences and value creation for every stakeholder. This ambitious vision pushes boundaries, sets a new bar for excellence, and fosters long-term trust with customers, investors, and partners.

The Pulp and Paper segment, on the other hand, takes a customer-centric approach. Their vision focuses on becoming the most preferred choice by delivering high-quality, competitively priced paper products manufactured with sustainable practices. This vision also emphasises employee well-being, recognising them as a critical driver of success.

## Our Values



### Integrity

Acting and taking decisions in a manner that is fair and honest. Following the highest standards of professionalism and being recognised for doing so. Integrity for us means not only financial and intellectual integrity but encompasses all other forms as are generally understood.



### Commitment

On the foundation of integrity, doing all that is needed to deliver value to all stakeholders. In the process, being accountable for our own actions and decisions, those of our team and those on the part of the organisation for which we are responsible.



### Passion

An energetic, intuitive zeal that arises from emotional engagement with the organisation that makes work joyful and inspires each one to give his or her best. A voluntary, spontaneous, and relentless pursuit of goals and objectives with the highest level of energy and enthusiasm.



### Seamlessness

Thinking and working together across functional groups, hierarchies, businesses, and geographies. Leveraging diverse competencies and perspectives to garner the benefits of synergy while promoting organisational unity through sharing and collaborative efforts.



### Speed

Responding to internal and external customers with a sense of urgency. Continuously striving to finish before deadlines and choosing the best rhythm to optimise organisational efficiencies.

The "Power of 5" is our unique way of saluting, celebrating, and cheering the inspirational act of integrity, commitment, passion, seamlessness, and speed of our people. Our success is rooted in these five core values that define who we are and how we operate. These values are more than words; they are the guiding principles that shape our decision-making, interactions, and pursuit of excellence.

By embedding these values in our DNA, we create a culture of accountability, collaboration, and high performance. This, in turn, fuels our sustainable growth and strengthens our position as a leader in our industry.



# Our Business Verticals

CTIL thrives on a rich tapestry of diversity, now seamlessly navigating all our distinct business verticals, **Real Estate** and **Pulp and Paper**. In the realm of Real Estate, we shape spaces that transcend mere structures, crafting environments that inspire and endure. Our presence in Pulp and Paper is marked by a commitment to sustainable practices, producing materials that not only meet industry standards but also set new benchmarks for environmental responsibility. These diverse verticals reflect our adaptability and resilience, positioning us as a dynamic entity capable of meeting the varied demands of different industries while maintaining a core commitment to excellence across them all.



## Real Estate

With the aspiration to deliver outstanding LifeDesigned® home and office spaces, our Company ventured into the realty sector in 2016, under the brand name Birla Estates, stepping into residential and commercial real estate. Our vision is to revolutionise the perception of the Indian Real Estate sector by fostering value creation and delivering an unparalleled

experience for every stakeholder. Renowned in the industry, we offer avant-garde technology and captivating designs in our residential and commercial properties.

Our portfolio comprises of high-quality projects that not only offer luxurious living but also promote sustainable and eco-friendly lifestyles. With two

completed commercial projects and the launch of six residential projects, we have established a strong presence in major cities like Mumbai Metropolitan Area (MMR), the National Capital Region (NCR), and Bengaluru. We are committed to setting new standards in the industry by striving to create properties that embody creativity, sustainability, and innovative design.

Our LifeDesigned® spaces are intricately designed to understand, nurture, and enhance lives, reflecting our dedication to crafting exceptional experiences for our customers. As Birla Estates continues to evolve, we embrace new opportunities and explore strategic partnerships and alliances across leading cities. We develop land parcels acquired both through outright purchases as well as asset light Joint Ventures apart from developing our own land parcels while upholding our commitment to excellence.



### Disclaimer

**Birla Niyaara:** The Project “Birla Niyaara Phase – 1” is registered with MahaRERA under the Project Registration No. P51900031916 and can be viewed at <https://maharera.mahaonline.gov.in>. “Birla Niyaara Phase – 2” registered with MahaRERA under Project Registration No. P51900054455 can be viewed at <https://maharera.mahaonline.gov.in>. The Project Birla Niyaara is an integrated development spread across 14 acres being developed in phases and Birla Niyaara Phase-1 and Phase-2 are parts thereof.

**Birla Vanya:** Projects “Birla Vanya – Phase 1 and Birla Vanya – Phase 2” are registered with MahaRERA under the Registration Nos. P51700019178 & P51700029755 respectively and can be viewed at <https://maharera.mahaonline.gov.in>.

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

**Birla Tisya:** Project “Birla Tisya” comprising of 2 towers and a clubhouse is registered with Karnataka RERA under the Registration No. PRM/KA/RERA/1251/309/PR/211022/004371 and can be viewed at <https://rera.karnataka.gov.in>.

**Birla Navya:** RERA Registration – Birla Navya (Amoda I and II) – RC/REP/HARERA/GGM/390/122/2020/06 OF 2020; Birla Navya (Drisha 1A) – RC/REP/HARERA/GGM/391/123/2020/07 OF 2020; Birla Navya (Drisha 1B) – RC/REP/HARERA/GGM/553/285/2022/28 OF 2022; Birla Navya (Anaika) – RC/REP/HARERA/GGM/596/328/2022/71 OF 2022; Birla Navya (Avik Phase-1) – RC/REP/HARERA/GGM/673/405/2023/17 OF 2023 on [www.haryanarera.gov.in](http://www.haryanarera.gov.in). The Project is being developed by Avarna Projects LLP (“Developer”). Birla Estates Private Limited and Anant Raj Limited are partners in the Developer LLP.

**Birla Trimaya:** The Project “Birla Trimaya - Phase 1” is registered with Karnataka RERA under the Registration No. PRM/KA/RERA/1250/303/PR/300823/006200, dated 30/08/2023 and can viewed at <https://rera.karnataka.gov.in>.



## Pulp and Paper

Nestled amid the foothills of the Himalayas in Lalkua, Uttarakhand, our Pulp and Paper segment (Century Pulp and Paper) stands as a prominent figure in the industry. With an unwavering focus on quality, we have carved a niche for ourselves as a renowned producer of premium Writing and Printing Paper, Packaging Board, Green Pulp, and Tissue products. Since its inception in 1984, our Pulp and Paper segment holds the distinction of being the largest manufacturer of paper, board, tissue, and

pulp from a single location in India. Our footprint transcends domestic borders, as we have successfully positioned ourselves as a significant player in the global export market. With service centres, sales offices spanning across the country, and a network of agents worldwide, we ensure a seamless experience for our valued customers.

Driven by a commitment to environmental stewardship, we implement stringent

measures to ensure the utmost care for the environment across our operations. Furthermore, we actively participate in community initiatives, recognising our responsibility towards the communities we serve. Through our unwavering dedication to quality, environmental consciousness, and community engagement, Pulp and Paper continues to set industry benchmarks.



# Corporate Governance

## Board of Directors



**Shri Kumar Mangalam Birla**  
Chairman



**Smt. Rajashree Birla**  
Non-Executive Director



**Shri Yazdi P. Dandiwalla**  
Independent Director



**Shri Rajan A. Dalal**  
Independent Director



**Shri Sohanlal K. Jain**  
Independent Director



**Ms. Preeti Vyas**  
Independent Director



**Shri Rajendra Kumar Dalmia**  
Managing Director



## Key Managerial Personnel



**Shri Rajendra Kumar Dalmia**  
Managing Director



**Shri Snehal Shah**  
Chief Financial Officer (CFO)



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

# Board Committees



**Shri Kumar Mangalam Birla**  
Chairman



**Smt. Rajashree Birla**  
Non-Executive Director



**Shri Yazdi P. Dandiwala**  
Independent Director



**Shri Rajan A. Dalal**  
Independent Director

 Chairman

 Member

 Audit Committee

 Risk Management Committee

 Finance Committee

 Stakeholders' Relationship Committee

 CSR Committee

 Nomination and Remuneration Committee

 Prevention of Insider Trading Regulations Committee

 Committee of Independent Directors





**Shri Sohanlal K. Jain**  
Independent Director



**Ms. Preeti Vyas**  
Independent Director



**Shri Rajendra Kumar Dalmia**  
Managing Director



 Audit Committee

 Risk Management Committee

 Finance Committee

 Stakeholders' Relationship Committee

 CSR Committee

 Nomination and Remuneration Committee

 Prevention of Insider Trading Regulations Committee

 Committee of Independent Directors



## Nomination and Selection of the Highest Governance Body

Our Company's Board of Director comprises of seven distinguished members, with a notable representation of two accomplished women. These directors bring a wealth of expertise and competencies across a spectrum of vital areas essential to our business, including corporate management, social responsibility, strategic planning, compliance, risk management, communication, finance, law, production, marketing, advertising, and media.

In alignment with the relevant laws and regulations, our Board of Directors' Nomination and Remuneration Policy provides transparent guidelines for the selection of directors and committee members. Appointment of directors necessitates shareholder approval, encompassing decisions related to the remuneration for executive directors and commissions for non-executive directors, as mandated by regulatory standards.

We prioritise transparency by openly disclosing shareholder voting results on remuneration to stock exchanges and on our website. Furthermore, an annual performance evaluation is rigorously conducted for the Board of Directors, Board Committees, and the Chairman, ensuring accountability and effectiveness in governance practices.



## Role of the Board

The Chairman holds a dual role as the Board's non-executive director, bringing a wealth of experience and leadership to guide the organisation strategically. With agility in assessment aligned with the prevailing market conditions, the Board determined strategies, policies, and sustainable development goals. It also oversees the Company's impact on the economy, environment, and society at large. Quarterly business reports submitted by business CEOs or divisional heads ensure that consistent updates are given to the Board of Directors. This helps in equal delegation to each board committee to manage impacts, effectively.

Transparency and effective communication are paramount responsibilities of the Board, ensuring stakeholders are well-informed and engaged. Regularly scheduled board meetings provide a structured platform to address pivotal issues systematically allowing directors to exchange perspectives and deliberate on significant matters.

Comprehensive board reports are meticulously prepared, outlining concerns, their implications, and proposed mitigation strategies. These are distributed to all stakeholders, including shareholders, regulators, and investors. Furthermore, proactive engagement strategies, such as phone conversations and town hall meetings, are employed to directly engage stakeholders, addressing their queries and concerns in a transparent and open manner.



## Managing Conflict of Interest

Effective management of conflict of interest is essential in corporate governance. To address this challenge, the Board enforces rigorous policies and protocols for identifying, disclosing, and managing conflict of interest. These measures are facilitated through the implementation of a comprehensive Code of Conduct. This code not only outlines the expected standards of behaviour but also mandates the disclosure of personal interests and potential conflicts. Furthermore, it obligates individuals to abstain from participating in decision-making processes when conflicts arise, ensuring transparency and integrity in corporate decision-making.



## Compliance with Laws and Regulations

At CTIL, we uphold the highest morale and ethical standards across all facets of our operations, encompassing marketing, customer service, product development, and production. We have an unwavering commitment to conduct business in strict adherence to relevant laws, regulations, and industry norms. To ensure ongoing compliance, we maintain stringent internal controls and regularly review and update our policies and procedures.

Throughout the reported fiscal year, CTIL remained in full compliance with all applicable laws. Our overarching goal is to build trust, transparency, and accountability among our stakeholders—customers, employees, shareholders, and the communities in which we operate by steadfastly adhering to legal standards.

# Approach to Value Creation

At CTIL, we understand that value creation extends far beyond financial returns. It encompasses the positive impact we have on society, the environment, and our stakeholders. Our approach to value creation is rooted in a holistic model that integrates economic, social, and environmental factors, driving sustainable growth while fulfilling our purpose as a responsible corporate citizen.

Our value creation model is uniquely positioned to drive sustainability, fostering innovation, collaboration, and resilience across our operations and value chain. By integrating sustainability into our core strategies, we create long-term value for all stakeholders. We achieve this by developing innovative solutions to environmental challenges, fostering collaboration and partnerships, promoting diversity and inclusion, and embracing transparency and accountability. This approach contributes to a more sustainable and prosperous future for generations to come.

As a purpose-led Company, our value creation strategy enables us to generate sustainable growth in collaboration with our stakeholders. CTIL recognises the importance of creating value for stakeholders in the short, medium, and long term. The Company creates value by harmonising its inputs and business processes, to create positive outputs and outcomes. In order to support the achievement of our strategic goal, we have the following important processes in place:

## Inputs



### Financial Capital

- Capital Expenditure: ₹ 180.89 Crores
- Debts: ₹ 2,481.54 Crores
- Net worth: ₹ 4,094.70 Crores
- Shareholder equity: ₹ 111.69 Crores
- Working capital: ₹ 2,594.31 Crores



### Manufactured Capital

- Total weight of raw material used: 20,38,275 MT
- Sustainably sourced raw material: 62%
- Real Estate area under construction: 9.3 Million Square Feet
- Pulp and Paper installed manufacturing capacity: 4,81,130 Tons/Annum
- Total number of manufacturing sites/plants: 3

We emphasise inputs and business processes as pivotal elements driving the creation of outputs in a responsible and sustainable manner. The strategic alignment of resources, encompassing raw materials, human capital, and technological innovations, intertwines seamlessly with our ethical and sustainable business practices. The result is a thoughtful and conscientious production of outputs, where financial success is intricately intertwined with our dedication to minimising environmental impact and maximising positive social contributions. This confluence underscores our holistic commitment to responsible and sustainable value creation, solidifying our role as a responsible corporate citizen.



### Human Capital

- Total employees: 1,179
- Total workers: 6,529
- Employee benefits expenditure: ₹ 6.53 Crores
- Occupational Health and Safety coverage (ISO:45001:2018) of total employees and workers: 7,281
- Training coverage on health and safety: 2,064

## Business Model/Business Outlook

### CTIL's Business Verticals



### Real Estate



### Pulp and Paper

### Our Mission

We will provide an iconic brand experience aligned to our legacy by never compromising on transparency, commitment, quality and superior design.

We will continuously strive to implement the critical initiatives required to achieve our vision. In doing this, we will deliver operational excellence through relentless focus on ensuring Environmental Compliance & consistently innovating to provide Customer Delight. We will strive to follow the highest ethical standards in our relationships with our Customers, Dealers & Distributors, Vendors, Employees and shareholders. All our long-term strategies and short-term actions will be moulded by a set of core values shared by every employee.

### Our Vision

We will transform the perception of Indian Real Estate sector by delivering an exceptional experience and creating value; at every level, for every stakeholder.

To be the most preferred customer choice by consistently delivering high quality paper products at competitive price using sustainable green technology. Adding to shareholder value by 2026 while making it one of the best places to work for our employees taking due care of all stakeholders.

### Our Value

- Integrity:** Acting and taking decisions in a manner that is fair and honest. Following the highest standards of professionalism and being recognised for doing so. Integrity for us means not only financial and intellectual integrity, but encompasses all other forms as are generally understood.
- Commitment:** On the foundation of integrity, doing all that is needed to deliver value to all stakeholders. In the process, being accountable for our own actions and decisions, those of our team and those on the part of the organisation for which we are responsible.
- Passion:** An energetic, intuitive zeal that arises from emotional engagement with the organisation that makes work joyful and inspires each one to give his or her best. A voluntary, spontaneous and relentless pursuit of goals and objectives with the highest level of energy and enthusiasm.
- Seamlessness:** Thinking and working together across functional groups, hierarchies, businesses and geographies. Leveraging diverse competencies and perspectives to garner the benefits of synergy while promoting organisational unity through sharing and collaborative efforts.
- Speed:** Responding to internal and external customers with a sense of urgency. Continuously striving to finish before deadlines and choosing the best rhythm to optimise organisational efficiencies.





## SDGs Impacted



## Outputs



## Financial Capital

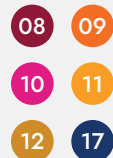
- Profit after tax: ₹ 60.38 Crores
- Sales: ₹ 5,049.96 Crores
- Market capitalisation as on 31<sup>st</sup> March, 2024: ₹ 18,207 Crores
- Economic value generated: ₹ 5,381.06 Crores

## Outcomes



Increase in shareholder value and company profits

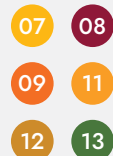
## SDGs Impacted



## Manufactured Capital

- Total weight of goods produced (Pulp and Paper): 4,65,538 MT
- Reduced environmental impact and responsible resource use
- Total residential and commercial projects constructed area: 2.57 Million Square Feet
- Pulp and Paper capacity utilisation: 97%

A rise in production and development volume and an enhancement in manufacturing effectiveness



## Human Capital

- Employee satisfaction survey participation: 97%
- Employee diversity - Female employee percentage increased by 19% as compared to last year
- Employee turnover rate: 32.58
- Number of employees who availed maternity and paternity benefits: 6
- Lost Time Injury Frequency Rate (LTIFR): 0.48

Improvement in experience and skills of employees, technical capabilities of workers and organisational strengths





## SDGs Impacted



### Inputs



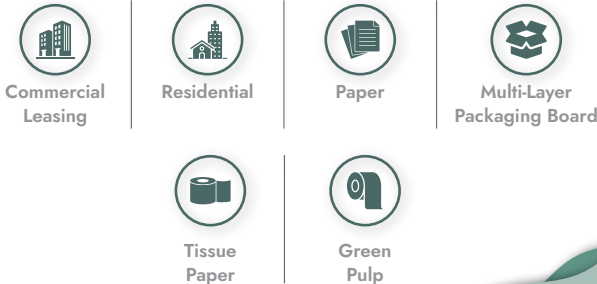
#### Natural Capital

- Total energy consumption: **15,850 TJ**
- Renewable energy consumed: **5,075 TJ**
- Total water withdrawal: **1,27,19,033 KL**
- Total amount of recycled materials used: **4,71,571 MT**
- Total weight of renewable material used: **6,89,065 MT**

### Business Model / Business Outlook



#### Products Offered by CTIL



The significance of collaboration among various capitals in our Integrated Report becomes evident as it underscores our commitment to holistic value creation and reflects the interconnected nature of our efforts. By synergising different capitals, we aim to maximise positive outcomes and ensure a sustainable and innovative impact for the long term.



#### Social and Relationship Capital

- Total CSR expenditure: **₹ 4.88 Crores**
- Diverse group of **value chain partners**
- Total amount of input material sourced from Micro, Small & Medium Enterprises (MSMEs): **₹ 49.78 Crores**

#### Strategic Objectives of CTIL



#### Intellectual Capital

- Diverse unique initiatives adding **values to sustainability**

#### CTIL's Stakeholders

- Investors/Shareholders
- Communities
- Customers and Consumers
- Employees
- Regulatory Bodies
- Supply Chain Partners
- Media
- Non-Governmental Organisations
- Joint-Venture Partners





## Outputs

## Outcomes

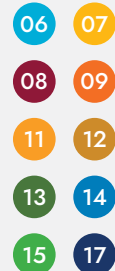
## SDGs impacted



## Natural Capital

- Energy intensity reduction as compared to last year: **12%**
- Renewable energy share: **32%**
- Total emissions (Scope 1 + Scope 2): **10,25,984 tCO<sub>2</sub>e**
- Total Zero Liquid Discharge (ZLD) Site **1**
- Total water discharge reduction as compared to last year: **5%**
- Total waste produced: **3,93,533 MT**
- Waste diverted from disposal: **3,88,197 MT (99%)**

Environmental conservation with an aim to integrate environmental considerations into all business practices, fostering responsible and sustainable operations to meet long-term goals



We are dedicated to creating value through a contemporary approach grounded in three core pillars: innovation, sustainability, and stakeholder collaboration. These pillars not only shape CTIL's strategic initiatives but also serve as the bedrock for the Company's endeavours to cultivate enduring value for all stakeholders.



## Social and Relationship Capital

- Total number of CSR beneficiaries: **1,18,208**
- Total number of CSR-focussed areas: **8**
- Creating Business Opportunities for **271 MSMEs**

Encouraging the exchange of information, lowering transaction costs, and enhancing brand power as a result of growing trust, Economic expansion along the entire value chain and in the customer network supports a sustainable society



## Intellectual Capital

- New projects/products launched: **4**

Improvement of the organisation's culture to drive innovation, enhance product offerings through systematic research and experiment



# Strategic Objectives

Reflecting on our past achievements, at CTIL we are increasingly dedicated to nurturing a brighter future for our community. We prioritise maintaining steady growth while safeguarding our current trajectory, ensuring ongoing expansion, operational excellence, and efficiency. To achieve this, we have identified strategic focus areas inspired by the United Nations Sustainable Development Goals (UN SDGs). By aligning with the SDGs, we aim to advance our Company while contributing meaningfully to global sustainability standards and social progress.

At CTIL, our commitment lies in creating an enduring value for our partners across our primary industry sectors, namely, paper and pulp, and real estate. Our strategic pillars—Customer Centricity, Innovation, Environment Sustainability, Stakeholder Value Creation and Responsible Business will form the foundation of our value generation framework, steering our achievements. These priorities ensure a comprehensive strategy in line with our vision and mission, while also fostering sustainable growth within our industries.



## Customer Centricity

Customers are the lifeblood of both our real estate and, pulp and paper industries. They drive demand, shape products, and ultimately determine success. In our Real Estate segment, we combine thorough market research with a commitment to understand customers' evolving needs, preferences, and the competitive landscape to deliver exceptional experiences through quality infrastructure, superior design, and efficient construction. In our Pulp and Paper business, we are driving sustainability and customer satisfaction by standardising products under one focused brand name, strengthening our market presence and making a lasting impact on stakeholders.



### Focus Areas:

- We prioritise a distinctive customer experience by actively seeking and incorporating feedback from surveys, focus groups, and social media, with active engagement through events, contests, and various initiatives.
- A comprehensive approach to customer service and support infrastructure is designed to swiftly address any issues, ultimately elevating overall customer satisfaction levels.
- We conduct thorough market research to pinpoint emerging customer needs and trends, helping us tailor products to specific nuances of each customer segment we serve.
- By delivering best-in-class products and superior quality to our valued customers we continuously work on expanding our product portfolio.



### Material Issues Addressed:

- Customer Experience and Satisfaction
- Data Privacy and Cybersecurity
- Brand Management



## Innovation

Innovation is crucial for businesses as it drives growth, cultivates competitiveness, and ensures relevance in dynamic markets. In Real Estate, we integrate innovative designs, construction methods, and smart technologies to create distinctive and sustainable projects. In Pulp and Paper, our investment in R&D drives product diversification, sustainable material development, and the exploration of sustainable product lines. Our commitment to continuous innovation and digitalisation enhances efficiency and promotes sustainability throughout the Company.



### Focus Areas:

- Nurture an innovative and creative culture at every tier in our Company, facilitated by hackathons and market research initiatives.
- Create groundbreaking products and services that effectively tackle market demands and obstacles.
- Implement technological advancements to optimise operational efficiency while minimising environmental footprint.



### Material Issues Addressed:

- Brand Management
- Customer Experience and Satisfaction
- Data Privacy and Cybersecurity
- Energy and Emissions Management
- Water and Wastewater Management
- Waste Management



## Environmental Sustainability

We are committed to environmental protection, and we recognise the urgency to address environmental challenges as a pressing need of the hour. In Real Estate, we are enhancing sustainability through water recycling, promoting biodiversity with planting of native species, integrating energy-efficient technologies, and seeking innovative solutions to reduce water consumption and carbon emissions. In Pulp and Paper, we uphold responsible forestry practices, minimise waste generation, and implement initiatives such as reusing wastewater and adopting biomass-based boiler systems to promote sustainability.



### Focus Areas:

- Implement water management strategies and advanced technologies, such as Zero Liquid Discharge (ZLD) and water reuse initiatives to reduce water consumption and enhance water efficiency.
- Employ waste reduction initiatives, recycling programmes, and responsible waste management practices alongside promoting reuse activities to minimise environmental impact.
- Utilise energy-efficient technologies and practices to lower energy consumption and emissions intensity.
- Champion biodiversity conservation initiatives through collaborative efforts with pertinent stakeholders.



### Material Issues Addressed:

- ESG Incident and Risk Management
- Energy and Emissions Management
- Water and Wastewater Management
- Waste Management



### Creating Value for Stakeholders

We understand that the prosperity of our business is deeply linked to the welfare of our stakeholders. Therefore, we prioritise the well-being of our employees, suppliers, and local communities, aiming to generate value for them while safeguarding their overall welfare. In Real Estate, our commitment to deliver sustainable returns for investors goes hand in hand with the aim to enhance our customers’ lifestyles by offering advanced facilities in a sustainable manner and constructing our buildings to be future-ready, fostering stakeholder value. In the Pulp and Paper segment, we prioritise embracing responsible practices and offering sustainable products to add to stakeholder value creation.



#### Focus Areas:

- Initiatives focusing on bolstering stakeholder satisfaction and nurturing trust.
- Maintain ongoing stakeholder engagement to comprehensively grasp stakeholder needs, expectations, and concerns, thus integrating their insights into our decision-making processes.
- Providing investors and shareholders with steady and sustainable financial returns over time.



#### Material Issues Addressed:

- Customer Experience and Satisfaction
- Brand Management
- Occupational Health and Safety
- ESG Incident and Risk Management







## Responsible Business

We uphold ethical standards, transparency, and fairness across our operations. In Real Estate, our commitment to high standards of corporate governance ensures transparent interactions with customers and stakeholders. In Pulp and Paper, we advocate for responsible sourcing, eco-friendly production methods, and active community engagement.



### Focus Areas:

- Maintain transparency in financial reporting and business operations.
- Focus on the enforcement of human rights policies and practices across our entire supply chain, prioritising fair and ethical treatment of all workers involved.
- Foster a culture of integrity and ethical conduct through comprehensive training, awareness programmes, and transparent communication, supported by robust internal controls and compliance mechanisms to meet all regulatory requirements.



### Material Issues Addressed:

- Business Ethics
- Compliance
- Corporate Governance
- ESG Incident and Risk Management

These strategic objectives align with the Company's vision and mission, guiding efforts to achieve sustainable growth, strengthen stakeholder relationships, and make a positive impact in the industries we operate in. Through a concerted focus on these areas, we can enhance the competitive position, adapt to evolving market dynamics, and contribute to long-term value creation for all stakeholders.

# Long-Term Value Creation Strategy: Goals, Targets, and Action Plans for Strategic Business Outlook

We aim to embed ESG objectives across our five primary strategic areas, namely, Customer Centricity, Innovation, Environment Sustainability, Creating Value for stakeholders and Responsible Business.

This will harness our alignment to drive positive impacts and foster a sustainable future. These objectives highlight our dedication to ethical corporate practices, stakeholder value creation, and sustainable methodologies.

**The five pillars of our long-term strategy for Value Creation are outlined below:**



### Customer Centricity

**To ensure customer centricity, CTIL has launched several initiatives:**

Conducting market research while maintaining a forward-thinking approach enables us to design and develop products that anticipate future needs and align with evolving trends of the customer.

Implementing a robust customer feedback system, utilising online surveys, feedback forms, and customer support hotlines, and enhance our Customer Relationship Management (CRM) systems to track and analyse customer interactions effectively.

Enhanced collaboration with cross functional teams to create innovative products and services that meet customer needs.

Implementing Key Performance Indicators (KPIs) to gauge and manage customer satisfaction levels, ensuring continuous improvement.



### Innovation

**CTIL has undertaken several initiatives to improve innovation:**

In all business segments, we embrace innovation to drive sustainability, incorporating smart technologies, efficient construction techniques, and sustainable materials in our real estate projects.

Prioritise investment in research and development to improve production processes, create sustainable materials, and pursue innovative solutions within the pulp and paper industry.



### Environmental Sustainability

**CTIL has undertaken several initiatives to achieve environmental sustainability:**

Aim to optimise water usage across all business operations and strategise to achieve zero liquid discharge.

Minimise Greenhouse Gas (GHG) emissions and enhance energy efficiency by transitioning to renewable energy sources for energy independence.

Committed to reaching zero waste to landfill and gradually implementing waste reuse measures across all business segments.



### Creating Value for Stakeholders

**The initiatives that are focused on creating value for stakeholders are:**

Prioritising Occupational Health and Safety (OHS) to prevent harm incidents and cultivate a secure working environment for both employees and stakeholders.

Fostering diversity and inclusion across all business segments, striving to create a work environment that is welcoming and representative of all individuals, thereby enhancing our diversity ratio.

Continuous expansion in the reach of our CSR activities, aiming to make a positive social impact on the communities where we operate by benefiting an increasing number of beneficiaries.

Assessments and due diligence processes to tackle human rights issues throughout our value chain, promoting responsible procurement practices.



### Responsible Business

**To be a responsible business, CTIL has undertaken the below steps:**

Evaluate and enhance existing policies to adapt to evolving ESG trends, meet stakeholder expectations, and comply with regulatory requirements.

Collaborate with value chain partners to advance responsible procurement practices, advocate for ethical sourcing, and collectively uphold shared responsibility in creating value for stakeholders.

Create and enact comprehensive ESG policies, encompassing environmental, social, and governance standards, to ensure consistency and accountability throughout all business segments.

At CTIL we ensure a holistic and coherent approach towards sustainable growth, stakeholder value creation, and responsible business practices, by creating and enacting comprehensive ESG policies. These policies encompass ESG standards, ensuring consistency and accountability across all business segments. Integration of these ESG goals within our strategic focus areas ensures a concerted effort towards sustainable practices and value creation for stakeholders.



# Business Opportunities

At CTIL our primary mission revolves around staying abreast of innovative technologies, embracing responsible business ethics, ensuring sustainable expansion, and prioritising customer-centric strategies to meet evolving demands. Simultaneously, in accordance with our purpose of working for the good, we aim at balancing economic progress with environmental and social responsibility.



## Real Estate

In recent years, there has been a notable increase in customer demand for sustainable and eco-friendly buildings. This trend is driven by a significant shift in consumer preferences towards properties that are environmentally conscious and energy efficient. Customers today are increasingly aware of the impact on the environment and are seeking ways to live sustainably. Recently, we have been witnessing a sharp demand for real estate, with property values soaring and sales thriving. We are meeting this demand by integrating green features and sustainable practices into our projects.

Our Green-certified buildings are meticulously crafted to minimise their

ecological footprint, harnessing renewable resources and championing energy efficiency. Through the prioritisation of eco-friendly materials and construction methods, we significantly reduce harmful emissions and waste generation. These environmentally friendly buildings have several characteristics, such as solar panels, cutting-edge energy-efficient appliances, water-efficient architecture, sophisticated insulation techniques, rainwater harvesting systems, and biodiversity preservation programmes. Each element is thoughtfully integrated to not only enhance

environmental stewardship but also elevate the overall quality and sustainability of our developments.

Our strategy of prioritising sustainability in real estate not only meets what customers desire but also opens profitable business opportunities for us. By incorporating green features, smart technologies, and mixed-use developments we position ourselves at the forefront of a rapidly evolving market, driving profitability while championing environmental stewardship and community vibrancy.





## Pulp and Paper

The current market dynamics in our Pulp and Paper business present an extensive range of opportunities that are ready to be capitalised upon, with the potential to enhance our Company's market share and reputation.

The Pulp and Paper sector is experiencing a shift of perceptions in paper consumption. Our commitment to sustainability is evident in every sheet of paper produced, sourced from Forest Stewardship Council (FSC)-certified forests, promoting reforestation. Additionally, we utilise bagasse, a sugarcane waste byproduct, reducing waste and supporting farmers. This approach not only highlights the sustainability of paper production but also our dedication

to fostering sustainable livelihoods and environmental stewardship. It resonates with customers and enhances our competitive edge by assuring eco-friendly product origins.

We have undertaken waste reuse projects, like utilising the leftover biomass from the production process as a bioenergy source or turning waste resources into products with increased value. Additionally, the use of renewable energy sources like biomass and solar offers our Pulp and Paper vertical a chance to lower operational costs and its carbon footprint.

Implementing a Carbon Dioxide converter has enabled the production of Calcium

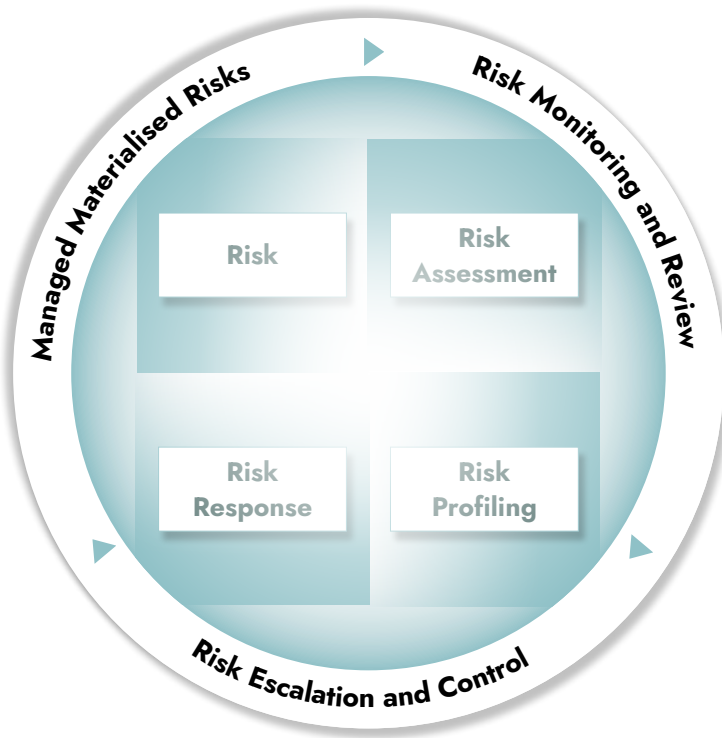
Carbonate from waste CO<sub>2</sub>, reducing emissions and costs associated with purchasing raw materials. This innovative approach shows how technology is used to reduce environmental impact and improve product sustainability.

By adopting chemical-reducing technologies, we aim to lessen our environmental footprint and enhance product sustainability. Our forthcoming innovations in packaging, such as Oil and Grease Resistant (OGR) paper for food packaging, not only meets consumer demands for sustainability but also signifies our commitment to scale up in the environment-conscious segment.





# Internal and External Environment



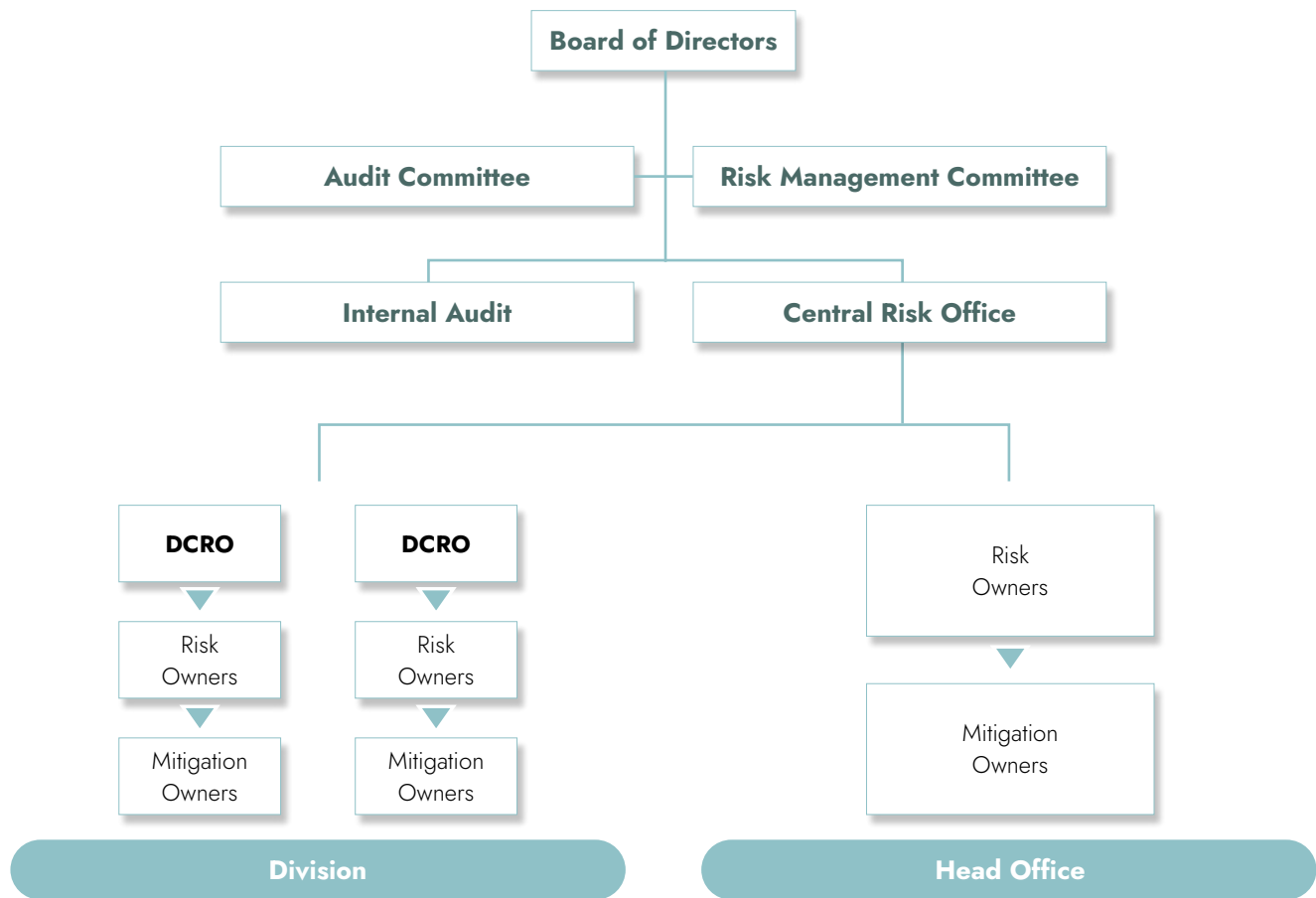
## Risk Management

We implemented Enterprise Risk Management (ERM), to elevate and formalise corporate-level risk management protocols, systematically address risks, and cultivate trust among our varied stakeholders. The ERM framework is led by the Risk Management Committee, which also keeps an eye on its efficacy. The Risk Management Committee of the Board and the Board of Directors ensure the effectiveness of the ERM process by defining roles and responsibilities for all stakeholders, thereby setting clear expectations for ERM.

Ensuring constant communication with the Central Risk Office, under the purview of the Chief Financial Officer (CFO), plays a pivotal role in facilitating significant adaptations and crucial business determinations. This practice abets the development, execution, and oversight of comprehensive risk management strategies across our Company. Each department and business segment discerns potential threats within their sphere of activity, which are later elevated to the management's attention. Those responsible for risk and mitigation take ownership of the overall enterprise risk management process.



## Risk Governance Structure



# Stakeholder Engagement

In our firm dedication to serve as a **“Force for Good”**, we prioritise stakeholder engagement as a cornerstone for driving enduring positive impacts. We recognise our stakeholders not merely as participants, but as essential collaborators in our collective endeavour to create lasting value for society. Through a holistic and integrated approach, we diligently align our organisational goals with the diverse needs and priorities of our stakeholders. Guided by a meticulously crafted stakeholder engagement strategy ratified by our Board, we ensure that every interaction reflects our dedication to stimulating a meaningful relationship and driving sustainable change.

Embracing a culture of continuous improvement, at CTIL our stakeholder engagement methodology evolves in response to the ongoing feedback from our staff, board members, and other key stakeholders. We uphold the principles of materiality, fulfilment, and responsiveness as the bedrock of our engagement strategy, ensuring that our actions remain rooted in genuine understanding and alignment with stakeholder expectations. By nurturing transparent and collaborative relationships, we are persistent in our pursuit of long-term societal value, striving to exceed expectations and uphold our obligation to being a positive force within our communities.

## Stakeholder Identification Strategy of CTIL



We have identified our major stakeholders based on their significance, influence, and impact on our business verticals. This exercise aims to pinpoint gaps and develop strategies for enhancing our relationships with them.

**Our identified key stakeholders include the following:**





## Stakeholder Expectations and Value Creation

| Stakeholder Group                                                                                                              | Medium of Engagement                                                                                                                                                                                                                                        | Key Expectations                                                                                                                                                                                                                                                                                                   | Significance of Relationship with CTIL                                                                                                                                                                                                                                                                                                                                                                                                                | CTIL Approach to Stakeholder Satisfaction                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br>Investors and Shareholders                | <ul style="list-style-type: none"> <li>Quarterly earning call</li> <li>Conferences and one-on-one engagements</li> <li>Annual general meetings</li> <li>Annual reports</li> </ul>                                                                           | <ul style="list-style-type: none"> <li>Continuous operational performance</li> <li>Timely disclosures and compliance</li> <li>Updated corporate governance framework</li> <li>Consistent return on investments and profitable growth</li> </ul>                                                                    | Investors and shareholders contribute to the financial capital needed for the organisation to expand.                                                                                                                                                                                                                                                                                                                                                 | <ul style="list-style-type: none"> <li>Increase focus on cost optimisation and value-added products</li> <li>Ethics and transparency</li> <li>Continuous monitoring and improvement of performance</li> </ul>                                                                                                                                                |
| <br>Community<br><br>(Continuous Engagement) | <ul style="list-style-type: none"> <li>Training and workshops</li> <li>Engagement surveys</li> <li>Assessment surveys</li> <li>CSR reports</li> <li>Emails and telephonic conversations</li> </ul>                                                          | <ul style="list-style-type: none"> <li>Water and sanitation facilities</li> <li>Infrastructure development</li> <li>Training and inclusive growth</li> <li>Environmentally friendly operations</li> <li>Improvement in overall living standards</li> <li>Livelihood creation and adequate opportunities</li> </ul> | Community involvement propels CTIL towards favourable working circumstances that ensure social harmony and acceptance endows positive effects on the environment, society, and economy in the places where we operate.                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>Organising regular skill development programmes</li> <li>Quality education opportunities</li> <li>Continuous CSR initiatives</li> <li>Providing opportunities for livelihood</li> <li>Community-centric infrastructure development initiatives</li> </ul>                                                             |
| <br>Customers/<br>Consumers                 | <ul style="list-style-type: none"> <li>Virtual sessions</li> <li>Grievance redressal mechanism</li> <li>Exhibitions and trade fairs</li> <li>Advertising campaigns</li> <li>Regular business interactions</li> <li>Customer satisfaction surveys</li> </ul> | <ul style="list-style-type: none"> <li>Product quality and fair pricing</li> <li>After-sales support</li> <li>Product safety</li> <li>Sustainable product offerings and solutions</li> </ul>                                                                                                                       | Our clients provide us with the chance to build enduring, mutually beneficial relationships that enable CTIL to take the lead in certain markets and maintain market leadership. Furthermore, they facilitate the continuation of commercial operations and actively contribute to the creation of innovative solutions for contemporary issues. In addition, we are driven to enhance the calibre and affordability of our merchandise by customers. | <ul style="list-style-type: none"> <li>Diversifying product offerings as per customer demands</li> <li>Adherence to regulatory and voluntary disclosures</li> <li>Prioritising customer satisfaction</li> <li>Ensuring sustained high quality of products</li> <li>Integrating proper feedback mechanisms</li> <li>Providing innovative solutions</li> </ul> |

| Stakeholder Group                                                                                                                       | Medium of Engagement                                                                                                                                                                                                                                                | Key Expectations                                                                                                                                                                                                                                                                                | Significance of Relationship with CTIL                                                                                                                                                                                                                                         | CTIL Approach to Stakeholder Satisfaction                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br>Employees<br>(Continuous Engagement)               | <ul style="list-style-type: none"> <li>Grievance redressal mechanisms</li> <li>Employee engagement programmes</li> <li>Emails and meetings</li> <li>Periodic appraisals</li> </ul>                                                                                  | <ul style="list-style-type: none"> <li>Physical and mental well-being</li> <li>Occupational health and safety</li> <li>Rewards and recognition</li> <li>Work-life balance</li> <li>Fair wages and equal opportunities</li> <li>Training and upskilling</li> <li>Decent career growth</li> </ul> | Workers are the foundation of our Company. Their efforts are essential to carrying out our strategies and maintaining business expansion.                                                                                                                                      | <ul style="list-style-type: none"> <li>E-learning and development programme</li> <li>Timely salary payments</li> <li>Robust rewards and recognition schemes</li> <li>Family connects</li> <li>Safe working environment</li> <li>Awareness programme on mental health and wellness</li> </ul> |
| <br>Regulatory Bodies<br>(Periodic/Annual engagement) | <ul style="list-style-type: none"> <li>Annual reports</li> <li>Regular meetings</li> <li>Industry forums</li> <li>Emails and letters</li> <li>Policy updates and ministry directives</li> <li>Conferences</li> <li>Mandatory filings with key regulators</li> </ul> | <ul style="list-style-type: none"> <li>Compliance to regulations</li> <li>Pollution prevention</li> <li>Tax and royalties</li> </ul>                                                                                                                                                            | CTIL works with regulatory organisations to comprehend compliance and adjust corporate procedures in response to changes in regulations. Furthermore, CTIL receives the necessary licenses and authorisations from governmental bodies to carry on its operations sustainably. | <ul style="list-style-type: none"> <li>Adopting cleaner energy sources</li> <li>Frequent communication</li> <li>Timely payment of taxes and royalties</li> <li>Regulatory compliance</li> </ul>                                                                                              |
| <br>Supply Chain Partners<br>(Continuous Engagement) | <ul style="list-style-type: none"> <li>Supplier grievance mechanism</li> <li>Emails and meetings</li> <li>Supplier assessment and review</li> <li>Training workshops and seminars</li> </ul>                                                                        | <ul style="list-style-type: none"> <li>Good deals/pricing</li> <li>Value creation</li> <li>Continuity of orders</li> <li>Timely payment</li> <li>Long-term commitments with business partners</li> </ul>                                                                                        | Our supply chain partners provide us with the operational leverage to enhance the value chain and become more cost-effective, environmentally friendly, and customer focused.                                                                                                  | <ul style="list-style-type: none"> <li>Supplier development initiatives</li> <li>Ethical and transparent operations</li> <li>Timely assessment and audits</li> <li>Preference given to local suppliers</li> </ul>                                                                            |



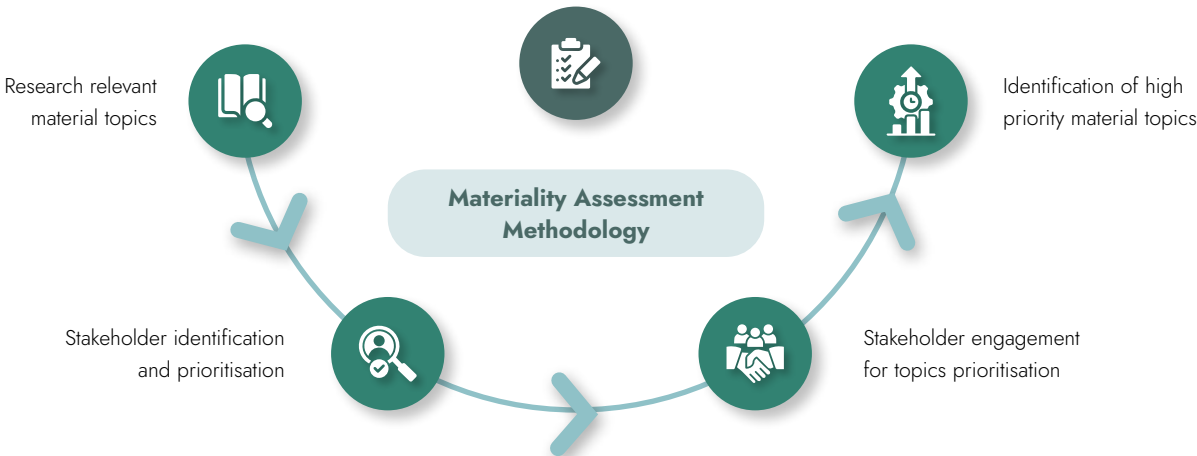


| Stakeholder Group                                                                                                                                | Medium of Engagement                                                                                                                                                       | Key Expectations                                                                                                                                                                                 | Significance of Relationship with CTIL                                                                                             | CTIL Approach to Stakeholder Satisfaction                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br>Media                                                       | <ul style="list-style-type: none"> <li>Press conferences</li> <li>Press releases</li> <li>Conversations and interviews with leadership</li> <li>Industry events</li> </ul> | <ul style="list-style-type: none"> <li>Transparent communication</li> </ul>                                                                                                                      | Media is pivotal in shaping public perception, brand reputation, and market dynamics.                                              | <ul style="list-style-type: none"> <li>Recognise the role of media play in informing public</li> <li>Establish open lines of communication with media</li> <li>Ensure all communications with media are true and transparent</li> </ul>           |
| <br>Non-Governmental Organisation<br><br>(Periodic Engagement) | <ul style="list-style-type: none"> <li>Social surveys</li> <li>One to one interaction</li> <li>Participation in events</li> </ul>                                          | <ul style="list-style-type: none"> <li>Strong community engagement</li> <li>Transparent and accountable on resources utilised.</li> <li>Expertise in social and environmental issues.</li> </ul> | NGOs are crucial for fostering sustainability, corporate social responsibility, and community engagement.                          | <ul style="list-style-type: none"> <li>Invest time in understanding unique needs and priorities</li> <li>Regular and transparent communication channels</li> <li>Regularly evaluating stakeholder feedback for continuous improvement</li> </ul>  |
| <br>Joint -Venture Partners<br><br>(Continuous engagement)    | <ul style="list-style-type: none"> <li>Emails and meetings</li> <li>Personal interactions</li> <li>Workshops and seminars</li> </ul>                                       | <ul style="list-style-type: none"> <li>Value creation</li> <li>Long-term commitments</li> <li>Timely disclosures and compliance</li> </ul>                                                       | Joint venture partners are essential for collaborative growth, shared expertise, and leveraging resources to achieve common goals. | <ul style="list-style-type: none"> <li>Ensure alignment between the business and joint venture partners regarding vision and objectives</li> <li>Proactively identify, assess, and manage risks associated with joint venture partners</li> </ul> |

# Materiality Assessment

Conducting a materiality assessment is pivotal for our Company as it allows us to prioritise the factors that significantly influence our value creation process. Guided by our dedication to upholding ESG principles, we have undertaken a thorough materiality evaluation, enabling us to identify and prioritise critical areas across all facets of our business operations.

## Process of Determination of Material Topics



Our latest Materiality Assessment for FY 2023-24 involved a comprehensive four-step methodology.

**Research on Relevant Material Topics:** We conducted a desktop assessment on pertinent material topics, leveraging insights from industry trends, peer benchmarking, and adherence to industry-specific standards across our verticals. Following internal assessments and discussions with senior management, we identified 28 material topics for evaluation.

• The industry-specific standards considered for material topic selection are:

| Real Estate                                                                                                                                                                                                                                                                          | Pulp and Paper                                                                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• Morgan Stanley Capital International (MSCI)</li><li>• Sustainability Accounting Standards Board (SASB)</li><li>• Global Real Estate Sustainability Benchmark (GRESB)</li><li>• International Sustainability Standards Board (ISSB)</li></ul> | <ul style="list-style-type: none"><li>• Morgan Stanley Capital International (MSCI)</li><li>• Sustainability Accounting Standards Board (SASB)</li><li>• Forest Stewardship Council (FSC)</li><li>• International Finance Corporation (IFC)</li><li>• World Bank</li></ul> |



## Stakeholder Identification and Prioritisation

Subsequently, we engaged in stakeholder identification to discern those who could offer valuable insights into pertinent issues. Stakeholders encompassed senior management (BoDs, KMPs, CEO, HoDs), customers, employees, supply chain partners, local communities, and investors. Through surveys and discussions, stakeholders were prioritised based on their influence and dependency on our business.

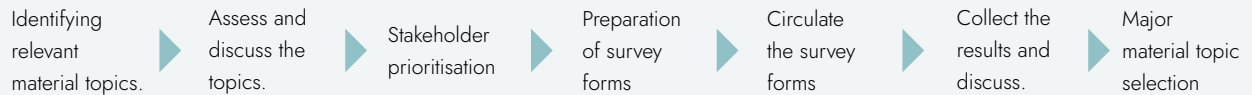
## Stakeholder Engagement for Topic Prioritisation

We circulated detailed survey forms tailored to different stakeholder groups to elicit their perspectives on key issues, risks, and opportunities associated with each material topic. Separate survey forms were circulated separately to the different stakeholder groups. A business impact assessment form was circulated among the leadership and employees of our Company and the Societal Impact assessment form was filled out by the workers and other external stakeholders.

## Identification of High Priority Material Topics

Following the collation of stakeholder responses, topics were assessed, prioritised, and discussed with senior management to finalise the relevant material topics. This process resulted in the ranking of 11 high-priority material topics and the formulation of the Materiality Matrix. Regulatory standards' requirements were also factored into the prioritisation process.

### Process of material topics identification



The approach involved a meticulous assessment of material topics across business segments, prioritising them based on their impact on both business and society. By analysing ratings separately from both the business segments and the HO team, commonalities were identified, highlighting key priorities for us. Topics that consistently rated highly across segments and deemed crucial to both business and society were designated as key material topics. Additionally, insights from senior management led to the inclusion of certain topics, such as waste management, despite not initially ranking as a top material topic.

The outcomes of our materiality exercise have played a pivotal role in shaping our ESG approach. They have equipped us with a profound understanding of areas where our impact can be most significant, facilitating positive change. Our continuous endeavours are closely aligned with these priorities, focussing on risk mitigation, seizing opportunities, and nurturing sustainable value for all stakeholders.



## Materiality Matrix

We have strategically mapped out key sustainability topics across the ESG domains of Environment (E), Social (S), and Governance (G), integrating connections to relevant SDGs and initiatives. Through this process, we have categorised insights into high, medium, and low priorities, guiding focussed action and resource allocation in line with our sustainability goals.



- 1 Business Ethics
- 2 ESG Incident and Risk Management
- 3 Occupational Health and
- 4 Data Privacy and Cybersecurity
- 5 Compliance
- 6 Customer Experience and Satisfaction
- 7 Brand Management
- 8 Corporate Governance
- 9 Waste Management
- 10 Energy and Emissions Management
- 11 Water and Wastewater Management
- 12 Technology Upgradation & Information Communication Technology (ICT)
- 13 Human Rights
- 14 Grievance Redressal
- 15 Research and development
- 16 Climate Change Adaptation and Mitigation
- 17 Training & Capacity Building
- 18 Chemical Safety
- 19 Diversity and Inclusion
- 20 Talent Management
- 21 Corporate Social Responsibility
- 22 Biodiversity Management
- 23 Sustainable Packaging
- 24 On-Site Air Emissions
- 25 Sustainable Products and Brands
- 26 Employee Retention
- 27 Responsible Sourcing Practices
- 28 Product Carbon Footprint



## Identified Key Material Topics:

- Business Ethics
- Data Privacy and Cybersecurity
- Occupational Health and Safety
- Compliance
- Corporate Governance
- ESG Incident and Risk Management
- Customer Experience and Satisfaction
- Brand Management
- Energy and Emissions Management
- Water and Wastewater Management
- Waste Management

| Environmental Material Topics   | NGRBC Principle | SDG Alignment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | IR Capital Alignment |
|---------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Energy and Emissions Management | Principle 6     |       | Natural Capital      |
| Water and Wastewater Management | Principle 6     |                                                                                         | Natural Capital      |
| Waste Management                | Principle 6     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Natural Capital      |

| Social Material Topics               | NGRBC Principle | SDG Alignment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | IR Capital Alignment            |
|--------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| Occupational Health and Safety       | Principle 3     |       | Human Capital                   |
| Customer Experience and Satisfaction | Principle 9     |                                                                                           | Social and Relationship Capital |

| Governance Material Topics       | NGRBC Principle                     | SDG Alignment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | IR Report Alignment                                    |
|----------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| Business Ethics                  | Principle 1, Principle 7            |       | Corporate Governance Report                            |
| Data Privacy and Cybersecurity   | Principle 9                         |       | Social and Relationship Capital                        |
| Compliance                       | Section A and Principle 6           |                                                                                                                                                                                                                                                                 | Governance and Corporate Governance Report             |
| Corporate Governance             | Section A                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Corporate Governance Report                            |
| ESG Incident and Risk Management | Section A, Principle 2, Principle 3 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Value Creation                                         |
| Brand Management                 | Principle 2, Principle 9            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Manufacturing Capital, Social and Relationship Capital |



# OUR CAPITALS





|     |                               |
|-----|-------------------------------|
| 58  | Financial Capital             |
| 64  | Manufactured Capital          |
| 80  | Human Capital                 |
| 96  | Natural Capital               |
| 114 | Social & Relationship Capital |
| 132 | Intellectual Capital          |



# Financial Capital

At CTIL, we consistently endeavour to generate value for our esteemed shareholders. We achieve this by delivering sustainable returns, regularly.

Our approach to capital allocation is prudent, ensuring that it fuels profitable growth while allowing us to maintain dividend payments to our investors.



## Sustaining Financial Triumphs with Precision

We recognise the pivotal role of financial capital in our Company's growth and success. Our commitment to fiscal foresight and continual profitability forms the bedrock of our approach. Guided by this philosophy, we prioritise astute cost management and balanced financial growth. Methodical distribution of capital in favourable prospects across our Real Estates and Pulp and Paper segments helps us fortify our financial standing while elevating operational efficacy. This strategic allocation ensures the long-term prosperity of our Company and those invested in its success.

## Key Highlights of the Year (Consolidated and including Discontinued Operations):

**Sales:** ₹ 5,049.96 Crores

**Profit After Tax:** ₹ 60.38 Crores

**Debt to Equity Ratio:** 0.61

**Net Worth:** ₹ 4,094.70 Crores

**Market Capitalisation:** ₹ 18,205 Crores (as on 31<sup>st</sup> March, 2024)

**Operating Margin:** 5.86%

**Net Profit Margin:** 1.13%

**Debt Service Coverage Ratio:** 1.12

**Dividend Payout Ratio:** 50%

**EBITDA:** ₹ 376.60 Crores

## SDG Linkages



## Key Material Topics Under Manufacturing

- Business Ethics
- Compliance
- Corporate Governance

## Linkages with NGRBC Principle:

Section A

Principle 1

Principle 2

Principle 8

## Linkages with other Capitals:



**Natural Capital:** Strategic investments in energy conservation, water reduction, and waste reduction lead to optimised operating expenses and improved financial performance. By preserving natural resources, our Company can achieve long-term sustainability.



**Intellectual Capital:** Investing in R&D creates cutting-edge goods and technology that boosts sales and provides businesses with a competitive edge in the market. Intellectual capital fuels growth and ensures relevance in a dynamic business landscape.



**Social and Relationship Capital:** Investing in CSR and community service projects boosts stakeholder trust and brand recognition contributing to long-term financial security.



**Human Capital:** A focus on enriching employee learning and development initiatives with enticing benefit packages serves to attract and retain premier talent, leading to heightened productivity and augmented financial gains in the long term.



**Manufactured Capital:** Through the adoption of advanced technology and streamlining of production methods, operational efficacy can be enhanced, expenses can be curtailed, and profitability can be optimised within manufacturing.

## Economic Value Generated

Through FY 2023-24, we strived to optimise our financial management practices. This was achieved through improving process efficiency, efficient resource utilisation, technology optimisation, and improved inventory management, among other practices. As a result, compared to last year, our Company has seen an improvement in the 'Economic Value Retained'. Improved demand conditions, specifically in the Real Estate segment, contributed to an improvement in the Economic Value Retained.

### Consolidated and including Discontinued Operations

| Particulars                                | FY 2023-24 in Crores |                 |                 | FY 2022-23<br>in Crores |
|--------------------------------------------|----------------------|-----------------|-----------------|-------------------------|
|                                            | Continuing           | Discontinued    | Total           |                         |
| Sales                                      | 4,263.96             | 786.00          | 5,049.96        | 4,719.32                |
| Other operating income                     | 249.58               | 21.46           | 271.04          | 80.33                   |
| Other Income                               | 56.47                | 3.59            | 60.06           | 27.52                   |
| <b>Direct Economic Value Generated (A)</b> | <b>4,570.01</b>      | <b>811.05</b>   | <b>5,381.06</b> | <b>4,827.17</b>         |
| Operating Costs                            | 3,736.54             | 840.11          | 4,576.65        | 4,149.39                |
| Employee Benefits                          | 320.80               | 58.11           | 378.91          | 344.83                  |
| Payments to Providers of Capital           | 35.51                | 25.72           | 61.23           | 53.89                   |
| Community Investments                      | 4.87                 | -               | 4.87            | 5.18                    |
| Payments to Governments                    | 145.03               | 131.59          | 276.62          | 141.70                  |
| Share of Loss of JV                        | 22.40                | -               | 22.40           | 1.84                    |
| <b>Economic Value Distributed (B)</b>      | <b>4,265.15</b>      | <b>1,055.53</b> | <b>5,320.68</b> | <b>4,696.83</b>         |
| Exceptional Gain (C)                       | -                    | -               | -               | 134.21                  |
| <b>Economic Value Retained (A-B+C)</b>     | <b>304.86</b>        | <b>-244.48</b>  | <b>60.38</b>    | <b>264.55</b>           |

## Creating Value for Shareholders and Investors

We maintain our long-term commitment to creating positive value for all our shareholders and ensure significant returns for them on their investments. Through our impeccable financial management and strict adherence to our corporate values, we have continued to give our shareholders' investments the maximum priority. Over the last financial year, the market cap has increased by 157%.

Investor and shareholder relations are given utmost priority at CTIL. We have hired a specialised external investor relations management agency to manage relations and engage with our investors. Given below is the summary of the work done along with our investor manager:

### Investors Awareness

- Identifying and Meeting Prospective Investors
- Creating & Improving Fundamental Understanding
- Increasing awareness about the company and its performance amongst the investor community

### Bridging the Gap

- Enhancing Investor Reach by Leveraging Relationships
- Managing Investor Feedbacks strategically

### Creating a pull factor

- Proactively meeting with the investor community to create a better fundamental understanding of the company
- Positioning Valorem as a peer analyst, without being formal as a corporate representative
- Building and maintaining cordial relationships with analysts
- Performing regular follow-ups to reach the desired outcome

### Investor Feedback & Perception Management

- Get Candid feedback from the investor community, which they may not share directly with companies
- Receive recommendations based on feedbacks received by Valorem, for management strategic decisions
- Addressing negative feedback or perceptions in a strategic manner



## Cost Management and Efficiency

Understanding the unique cost dynamics and challenges within each sector, we tailor our approach accordingly and have set many focus areas. In Real Estate, we emphasise cost control in construction and development. For Pulp and Paper, our focus lies in maximising the efficient utilisation of raw materials.

We use cost analysis to identify important cost drivers and opportunities for improvement in order to succeed in these focus areas. Through strategic sourcing, process optimisation, and efficient resource allocation, we continually strive to reduce costs while maintaining quality and productivity standards. Vigilant monitoring of cost structures enhances our competitive edge and ensures the long-term financial sustainability of each business vertical.

Here are examples illustrating our efforts in driving efficiency and cost optimisation across our business segments:

### Real Estate: Efficient Project Delivery through Scalable Outsourcing Model

In Real Estate, we have implemented a highly scalable outsourced model to ensure efficient project delivery. Collaborating with Grade “A” execution partners, we emphasise timeliness, quality, and safety. Project execution is entrusted to appointed contractors under vigilant CTIL supervision. Rigorous planning, internal checks, and safety tests ensure superior quality and cost efficiency.

### Pulp and Paper: Streamlined Cash Management and Enhanced Efficiency

In the Pulp and Paper segment, we continuously enhance cash management practices to maintain a lean financial position. Initiatives include:

- ✦ Revolutionising vendor liquidity with a novel bill discounting scheme.
- ✦ In-depth analysis of cash flow items to bolster refunds, claims, and non-trade receivables.
- ✦ Comprehensive reviews of project financials with long-term payback periods.

We are focussing on reducing costs by increasing efficiency in manufacturing processes. One key initiative involves reducing chemical usage by fine-tuning application practices, resulting in

cost savings without compromising product quality. Additionally, we prioritise packaging efficiency through innovative designs and materials to minimise waste. Towards working capital management, we have implemented robust systems, including just-in-time inventory management, and Vendor Managed Inventory (VMI). Leveraging economical alternatives for non-core items additionally enhances efficiency.

We implemented VMI for some chemicals procurement. VMI offers a win-win situation for us and our suppliers. By optimising stock levels and streamlining ordering processes, VMI can significantly improve cash flow. We reduce the need for excess inventory storage, freeing up working capital that can be invested elsewhere. This improved cash management allows us for better financial flexibility and strategic investment opportunities.

## Tax Strategy

In line with our commitment to responsible corporate citizenship, we have carefully crafted a robust tax strategy to ensure strict adherence to all tax obligations and regulatory mandates. Regularly reviewed by the finance committee, this strategy guarantees the timely settlement of all taxes and statutory dues while upholding the highest standards of legal compliance. Such steadfast commitment cultivates a culture of integrity and responsible business practices, further enhancing our reputation in the market. Applied uniformly across all business segments, the tax strategy incorporates accurate accounting practices aimed at mitigating any potential tax-related risks. The implementation of Standardised Operating Procedures (SOPs) for both direct and indirect taxes play a pivotal role in ensuring regulatory compliance within the tax framework. The adherence to SOPs helps us navigate the complexities of tax regulations seamlessly, fostering efficiency and maintaining compliance throughout the tax process.

We also remain vigilant in monitoring regulatory changes, with both the finance committee and the audit committee overseeing the alignment of the tax strategy. Updates are promptly implemented to ensure ongoing compliance and effectiveness. Notably, we refrain from seeking or accepting any governmental benefits, reinforcing its commitment to ethical tax practices.

In our pursuit of transparency and accountability, we actively engage with regulators on tax-related matters and business conduct. Through open communication channels and designated grievance-handling mechanisms, stakeholders are encouraged to provide feedback, voice concerns, and seek resolutions.

Operating exclusively within the tax jurisdiction of India, we fulfil tax obligations diligently, including advance tax payments.



Comprehensive tax disclosures are a cornerstone of our commitment to transparency, with annual reports featuring independently assured tax disclosures by statutory auditors. Additionally, monthly compliance certificates are obtained from practicing chartered accountants to validate the accuracy of reporting and tax payments. This helps in providing the stakeholders and regulatory authorities with additional assurance of our adherence to tax laws and regulations.

## Resource Allocation and Growth Prioritisation

Guided by the performance of the past four financial years, our Company has planned to increase emphasis on the growth of the Real Estate segment. Additionally, in the Pulp and Paper segment, investments are being made to enhance the efficiency of production, maintenance of machinery, and easing critical business processes. All these changes are expected to occur within a few years, and we expect these improvements to boost the overall production capacity of the Pulp and Paper business.

## Cash Flows and Everyday Operational Expenses

For routine operational expenses and the ongoing functioning of our business operations, we maintain a short-term liquidity limit of around ₹ 1,000 Crores, primarily attributable to the nature of our Real Estate business. Additionally, we maintain a working capital limit of ₹ 800 Crores, which adequately covers the daily requirements across all business segments.

## Investing Towards the Future: Making CTIL More Sustainable

Our approach towards sustainable operations has been highlighted in our practices across our two business segments. The Real Estate business is focusing on obtaining Leadership in Energy and Environmental Design (LEED) certifications for offices. The new

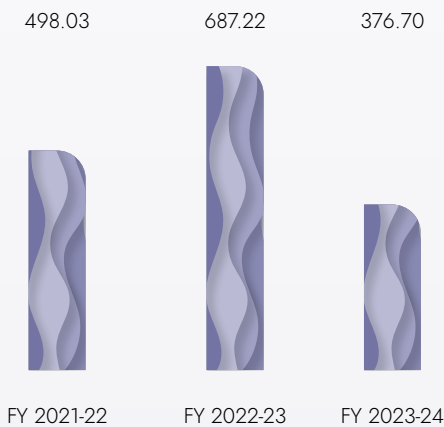
buildings that are under construction are commissioned in a manner that complies with the requirements of relevant certifications such as LEED and Global Real Estate Sustainability Benchmark (GRESB).

In the Pulp and Paper business, our investments are being made towards the elimination of harmful chemicals from the manufacturing processes. Such chemicals are being identified, and efforts are being made to replace these chemicals with substitutes that are less environmentally harmful, while being more user-friendly.

## EBITDA

Aside from net income, earnings before interest, taxes, depreciation, and amortisation (EBITDA), is a measure of profitability. EBITDA subtracts non-cash depreciation and amortisation expense, taxes, and debt costs based on the capital structure to accurately reflect cash profit produced by the Company's operations. CTIL's FY 2023-24 EBITDA stood at ₹ 376.70 Crores.

### EBITDA (Consolidated and including Discontinued Operations) in ₹ Crores





## Revenue Generation: Increasing Profits and Growth

CTIL's revenue generated increased during the current financial year. We saw an overall growth of 10.86% compared to revenue generated in FY 2022-23. While all our business segments of our Company contribute towards the overall revenue, a major chunk of the revenue was generated in the Pulp and Paper segment. In FY 2023-24, the total revenue from operations accrued was ₹ 5,321 Crores.

## Business Ethics and Anti-corruption

In our Company, we recognise the inherent risks associated with direct customer, vendor, supplier interaction, which is why we diligently assess all employees who are directly involved in customer interaction for potential corruption risks. We regularly assess all our business operations for risks related to corruption. This proactive approach aligns with our commitment to integrity and ethical business practices.

Our Code of Conduct, applicable to the Board, senior management, and every employee, serves as a guiding beacon for upholding ethics, integrity, and honesty in all our endeavours. It provides clear directives on addressing ethical dilemmas, establishes mechanisms for reporting unethical conduct, and fosters a culture of accountability across the Company. Additionally, we enforce a Related Party Transactions Policy to ensure transparency and fairness in our dealings with related parties. We arrange dedicated training sessions for governance body members, employees, and workers to train and communicate with them about these policies related to anti-corruption and procedures.

There have been no incidents of corruption in our Company during the last financial year and we have not been subjected to any fines, penalties, or regulatory actions related to cases of corruption or conflict of interests during the FY 2023-24.

Number of directors, employees, workers who were charged for bribery/corruption is given below:

|           | FY 2023-24<br>(Current<br>Financial Year) | FY 2022-23<br>(Previous<br>Financial Year) |
|-----------|-------------------------------------------|--------------------------------------------|
| Directors | Nil                                       | Nil                                        |
| KMPs      |                                           |                                            |
| Employees |                                           |                                            |
| Workers   |                                           |                                            |

## Way Forward

Moving forward, we are committed to leveraging strategic financial planning to sustain our strong financial position. Our steadfast focus on optimising resource allocation and implementing prudent risk management measures have fostered sustainable growth and resilience in the fiercely competitive market we operate in. Our Company's consistent financial success is a testament to our capacity to generate substantial revenue, enhance profitability, and bolster cash flows. These accomplishments highlight the efficacy of our financial management practices and reaffirm our devotion to delivering enduring value to our stakeholders.

Looking ahead, we will continue to vigilantly monitor market dynamics, embrace emerging financial technologies, and proactively adapt to potential risks and opportunities. Through these initiatives, we are confident in our ability to uphold our competitive advantage and propel long-term success to maximise financial capital for sustainable growth.



# Manufactured Capital

Manufactured capital forms the operational backbone of our performance. It encompasses our tangible assets and infrastructure, including our strategically located production facilities equipped with advanced machinery and technology, all optimised for efficiency and sustainability. We continuously invest in technological infrastructure, including automation and digitisation solutions, to ensure enhanced productivity and operational efficiency.

Our efficient supply chain management and adherence to stringent quality control measures are facilitated by our manufactured capital, enabling us to maintain high-quality standards while minimising environmental impact.

In essence, CTIL's manufactured capital is central to driving our operational excellence, maintaining our competitive advantage, and delivering sustainable value to our stakeholders.



## Empowering Sustainability: Pioneering Manufacturing Innovations for a Better Tomorrow

Our Real Estate segment, anchored in CTIL's 125-year-old rich legacy, specialises in the development of premium and mid-income residential housing. We are committed to excellence, collaborating with top-tier construction partners, architects, and suppliers to ensure best-in-class developments. In our Pulp and Paper segment, state-of-the-art manufacturing facilities exemplify our success in meeting diverse customer demands. These facilities support our continuously expanding product portfolio and growing client base, both domestically and internationally. We cater to customer needs with our advanced production capabilities and sustainable operations. Furthering our commitment, we invest in cutting-edge manufacturing plants and equipment, utilising non-toxic chemicals and eco-friendly processes to deliver superior services to our consumers.

### Key Highlights

#### Real Estate

##### Real Estate Development:

6 Residential Projects    2 Commercial Projects

**Area under construction:** 9.3 million sq. ft.

##### GRESB Ratings:

91/100 - Development (Residential) (12.30% improvement YoY)

80/100 - Standing Investment (Commercial) (23.07% improvement YoY)

#### Pulp and Paper

**Manufacturing Capacity:** 4,81,130 tonnes per annum

**Capacity Utilisation:** 97%

##### Innovative and Eco-Friendly Products:

- Tissue offering expansion to include brown tissues and ultra-soft tissues
- Foray into Oil and Grease-resistant (OGR) paper, brown craft paper

## SDG Linkages



## Key Material Topics Under Manufactured Capital

- Occupational Health and Safety
- ESG Incident and Risk Management
- Customer Experience and Satisfaction
- Brand Management
- Energy and Emissions Management
- Water and Wastewater Management
- Waste Management

## Linkages with NGRBC Principle:

Principle 2

Principle 6

Principle 9

## Linkages with other Capitals:



**Human Capital:** Our strong and resilient workforce breathes life into manufactured capital, unlocking its full potential and driving our Company's success. Investing in training programmes equips our workforce with the skills needed to effectively utilise the manufactured capital.



**Financial Capital:** Consistent investment in production and construction processes ensures a stable financial foundation for our operations.



**Natural Capital:** We are responsible for a balanced consumption of resources and managing our natural capital with environmental sustainability in mind for real estate construction, and paper production.



**Intellectual Capital:** Exploring and implementing innovative practices and technologies to upgrade our manufacturing processes, fostering a culture of continuous improvement, and staying ahead in the industry.

## Real Estate Construction and Development

Dedicated to excellence, we steadfastly uphold our commitment to deliver high-quality residential and commercial properties. Our approach distinguishes us in the industry, as we focus on efficient design, a customer-centric philosophy, impeccable quality, and the seamless integration of sustainability with cutting-edge technologies. We are actively engaged in expanding our comprehensive project portfolio through detailed strategic planning and market analysis.

### Ongoing and Completed Projects

**Residential**

**Birla Vanya**  
**Kalyan Maharashtra**  
13.3 lakhs Sq. Ft Area under development

**Birla Navya**  
**Golf Course Extension, Gurugram, NCR**  
18.5 lakhs Sq. Ft Area under development

**Birla Niyaara (P1 & P2)**  
**Worli, Mumbai**  
24.8 lakhs Sq. ft Area under development

**Birla Alokya**  
**Whitefield, Bengaluru**  
5.5 lakhs Sq. Ft Area under development

**Birla Tisya**  
**Rajajinagar, Bengaluru**  
6.5 lakhs Sq. Ft Area under development

**Birla Trimaya**  
**Rajajinagar, Bengaluru**  
36.2 lakhs Sq. Ft Area under development

**Commercial**

**Birla Centurion**  
**Worli, Mumbai**  
3.5 lakhs Sq. Ft A Operational

**Birla Aurora**  
**Worli, Mumbai**  
2.6 lakhs Sq. F Operational



## Upcoming Projects with Development Potential



### Residential

#### Walkeshwar

##### South Mumbai

0.6 lakh sq. ft

#### Hindalco

##### Thane

53.9 lakh sq. ft

#### RR Nagar

##### South-West, Bengaluru

10.1 lakh sq. ft

#### Sarjapur

##### South-East, Bengaluru

28.7 lakh sq. ft

#### Wellesley Road

##### Pune

16.2 lakh sq. ft

#### IHP,

##### Mathura Road

14.3 lakh sq. ft

#### Birla Navya (P3)

##### NCR

6.8 lakh sq. ft

#### Birla Trimaya (P2 & P3)

##### Rajajinagar, Bengaluru

29.0 lakh sq. ft

Being actively involved in strategic planning, we identify and develop properties in prime locations, focussing on the mid-premium to ultra-luxury segment, which constitutes nearly half of India's real estate market.

Our activities range from land identification and acquisition to sales and facilities management. Currently, our strategic expansion prioritises residential properties in key urban centres such as National Capital Region (NCR), Mumbai Metropolitan Region (MMR), Bengaluru, and Pune; cities that represent about two-thirds of India's residential real estate sector. This targeted approach allows us to deepen our presence in key cities. We maximise our impact by delivering exceptional designs and amenities tailored to the evolving needs of discerning customers thereby setting new benchmarks in the real estate industry. Our legacy of quality and sustainability propels us to provide an iconic brand experience that resonates with our values and customer expectations.



Our Focus Areas



Customer  
Centricity



Ensuring  
Quality



Integrating  
Sustainability



Design



Next Level Living:  
Powered by  
Technology

Our Real Estate segment is strategically focused on five pivotal areas, namely Customer Centricity, Design, Quality, Technology and Sustainability. These collectively drive our commitment to excellence and innovation.



Customer  
Centricity

Our dedication to a holistic customer experience starts from the initial sale and continues till possession. We understand that each micro market has its own unique demands, which is why we engage in detailed market research to accurately address and fulfil the needs and aspirations of our customers across diverse segments. This commitment is embodied in our iconic brand experience, characterised by exceptional design, rigorous quality control, and the integration of the latest technologies.

Moreover, we place paramount importance on customer satisfaction. Each customer benefits from

the personalised attention of a dedicated relationship manager, who is always available to resolve queries, address concerns, and gather feedback. To enhance this personalised service, Birla Estates' 'My Home' app provides homeowners with instant access to construction updates, payment records, and essential documents securely authenticated via fingerprint, ensuring a seamless and enriched living experience.

This approach not only helps us maintain our legacy of excellence but also builds a lasting trust that makes every interaction truly memorable.



Design

Design excellence and sustainable innovation are pivotal to our approach at Real Estate Segment of CTIL. We are dedicated to enhancing the user experience with our residential and commercial projects that not only showcase signature aesthetics but also incorporate environment-friendly features. Our guiding design philosophy, LifeDesigned®, draws from deep insights into the lifestyles and aspirations of our customers, ensuring that each project is a nurturing space that enriches lives.

LifeDesigned® transcends traditional architecture by integrating innovative practices with practical sustainability. We collaborate with a diverse team of experts, each contributes with their unique perspectives that breathe life into our vision.

Our commitment to this philosophy is evident across all our projects, each designed to be a benchmark in architectural excellence. By pushing the boundaries of design and functionality, we ensure that every structure is not only a place to live but a space that is alive with potential and promise for the future.



Ensuring  
Quality

In our Real Estate segment, maintaining the highest quality standards is paramount to exceeding customer expectations. This commitment is deeply ingrained in every facet of our operations, from meticulous design and precision in construction to unmatched customer service and continued support.

Quality for us transcends meeting technical specifications; it involves delivering exceptional value that enhances the living experiences of our customers. To uphold these standards, we have instituted a comprehensive quality

management system that scrutinises all operational aspects. This system ensures that every process is efficient, effective, and continuously improved upon to align with our strategic objectives of delivering high quality products and services.

By rigorously assessing and refining our procedures, we not only meet, but aim to surpass the expectations set by our customers, to build lasting trust. This ongoing pursuit of excellence defines our journey towards creating spaces that are not just built but are crafted with precision and consideration.



### Using Wireless Maturity Sensors to Determine Concrete Quality during Construction

In the construction sector, accurately assessing the compressive strength of concrete is crucial for the integrity and longevity of structures. Traditional methods, which are labour-intensive and involve preparing and testing samples in the form of cubes or cylinders, can cause delays and uncertainties.

To enhance both efficiency and accuracy in determining concrete quality, our Real Estate segment has embraced innovative technology by adopting wireless maturity sensors, aligning with the American Society for Testing and Materials (ASTM) C1074 standard. These sensors, embedded directly within the concrete, monitor the hydration temperature history, a key indicator of strength development.

This advanced method delivers continuous, real-time insights into the concrete's maturity, providing a reliable basis for making informed decisions about the appropriate timing for subsequent construction activities. By integrating wireless sensors, we can optimise construction schedules, maintain rigorous quality standards, and mitigate risks associated with premature building activities. This technology not only improves the safety and efficiency of our projects but also plays a crucial role in enhancing the long-term durability and structural integrity of our constructions.



#### Next-Level Living: Powered by Technology

Embracing technological advancements, our projects integrate Robotic Process Automation (RPA), AI, and the Internet of Things (IoT) to redefine the standards of living and construction efficiency. These technologies streamline operations, enhance productivity, and ensure timely and cost-effective completion of projects with minimal errors.

We employ Building Information Modelling (BIM) as a core technology across our developments. BIM develops a collaborative environment among all stakeholders

involved in a project, enhancing communication, and facilitating efficient decision-making. Its capabilities in clash detection and resolution significantly improve the design and construction processes, ensuring that every project aligns perfectly with our vision for high-quality, technologically advanced, and secure living spaces.

By integrating these sophisticated tools, we not only meet but exceed the modern homeowner's expectations, providing an enriched living experience that leverages technology for comfort, convenience, and sustainability.



#### Integrating Sustainability

At CTIL's Real Estate segment, our dedication to sustainability is woven into every aspect of our business operations. We prioritise the use of locally sourced materials to reduce transportation emissions and implement rigorous waste management practices to ensure responsible disposal and recycling during construction.

Our designs focus on energy efficiency, maximising the use of natural light and ventilation to reduce reliance on artificial climate control systems, which not only conserve energy but also ensure healthier living conditions, embodying our commitment to environmental stewardship.

Water conservation is a critical aspect of our sustainability strategy. Our properties are equipped with state-of-the-art wastewater treatment facilities that recycle water for irrigation. Moreover, we have installed water-saving fixtures like low-flow toilets, which significantly reduce water usage per flush, aerated faucets that mix air with water to maintain pressure while using less water, and water-efficient showerheads that optimise water flow without compromising the showering experience. Additionally, sensor-operated faucets are installed to minimise water wastage by ensuring water is only dispensed when necessary. We also support sustainable water management through rainwater harvesting systems that contribute to reducing our dependence on water supplies, showcasing our commitment towards water stewardship.

Renewable energy solutions, including the installation of solar panels for street lighting and water heating, play a pivotal role in our energy strategy. These help to cut carbon emissions and reduce our reliance on non-renewable energy sources. Moreover, we strive to integrate biodiversity conservation into our operations by complying with all relevant state and national laws, preserving natural habitats, indigenous species, and ecosystems, ensuring the green cover, protecting existing native trees and taking steps to safeguard endangered & vulnerable species of flora and fauna through our biodiversity policy. This not only helps in carbon sequestration but also provides residents with scenic verdant areas to relax and rejuvenate.

Our commitment to environmental stewardship is evident throughout our construction and operational practices, rigorous waste management practices which ensure responsible disposal and recycling during construction, minimising environmental impact, our emphasis on renewable energy, energy efficiency, leveraging natural light and ventilation to reduce reliance on artificial climate control systems, along with state-of-the-art wastewater treatment facilities and rainwater harvesting systems. Furthermore, we are also committed to biodiversity conservation by preserving natural habitats and safeguarding endangered species.

**Utilising Ground Granulated Blast Furnace Slag (GGBS) at Birla Niyaara and Alokya and its Impacts**

We have incorporated ground granulated blast furnace slag (GGBS) into our concrete mix at Birla Niyaara & Alokya. GGBS, a by-product of the iron-making process, serves as an exemplary supplementary cementitious material (SCM) that significantly enhances the ecological and structural integrity of our constructions.

The integration of GGBS in our concrete formulations aligns with our strategic focus on sustainable development. By substituting a portion of Portland cement with GGBS, we achieve concrete with superior strength and durability, effectively reducing the likelihood of cracking, shrinkage, and permeability. This not only extends the lifespan of our structures but also diminishes maintenance needs, translating into considerable cost savings over the life cycle of the buildings.

Moreover, the use of GGBS plays a crucial role in our environmental stewardship efforts. Annually, we have successfully prevented the emission of approximately 1,805 metric tons of CO<sub>2</sub> by opting for GGBS as a sustainable alternative in our concrete production. This practice not only diverts significant amounts of industrial by-product from landfills but also promotes resource conservation by integrating these materials back into the construction cycle, thereby fostering a circular economy.

**Advancing Sustainable Buildings**

CTIL's real estate segment pioneers sustainable residential and commercial buildings that epitomise our commitment to environmental stewardship and social responsibility. From inception to completion, our projects integrate innovative design, advanced technologies, and responsible construction practices to minimise environmental impact and enhance occupant well-being. Through attention to detail, we align our development with the Indian Green Building Council (IGBC), incorporating features such as passive design principles, high-performance insulation, and renewable energy solutions to reduce carbon emissions and promote sustainable living.

Our flagship projects Birla Centurion and Birla Aurora are platinum-certified, highlighting our focus on building safe, sustainable, and superior experiences. Notably, Birla Centurion sets a new standard with its 150 KLD ZLD system, a testament to our dedication to water conservation and environmental responsibility. These achievements, coupled with our integration of rigorous environmental standards as recognised by the IGBC certifications, showcase our efforts in promoting energy efficiency, water conservation, and environmental stewardship.

**Project/Property-wise List of our Green Building**

| Project Type | Project Name  | Certifications                    | Location  |
|--------------|---------------|-----------------------------------|-----------|
| Residential  | Birla Vanya   | IGBC Gold Pre - Certification     | Mumbai    |
|              | Birla Navya   | IGBC Gold Pre - Certification     | Gurugram  |
|              | Birla Niyaara | LEED Platinum Pre - Certification | Mumbai    |
|              | Birla Tisya   | IGBC Platinum Pre - Certification | Bengaluru |
|              | Birla Alokya  | IGBC Gold Pre - Certification     | Bengaluru |



## Pulp and Paper Manufacturing

CTIL's Pulp and Paper segment operates from a large manufacturing plant in Lalkua, Uttarakhand, covering 396 acres, with an annual production capacity of 4.81 lakhs MT.

We pride ourselves on being one of the most responsible manufacturers in the country, pledged to environmental care and community aid.

By extensively utilising recycled materials and agro-based inputs like bagasse, we significantly lower our ecological footprint. Our commitment to the effective utilisation of cutting-edge technologies and sustainable manufacturing practices enhances operational efficiency and product quality, reinforcing our leadership in the sector and our dedication to deliver superior value to our customers and stakeholders.

We focus on enhancing product quality, operational efficiency, and sustainability within our Pulp and Paper operations. The division prioritises the use of eco-friendly materials like bagasse and recycled paper, and champions initiatives like social forestry to support environmental sustainability. Innovation is key, with efforts to develop new, sustainable products such as ultra-soft tissues and eco-friendly packaging solutions. Integrating World Class Manufacturing (WCM) practices, including the Kaizen initiatives, are central to the segment's operations, ensuring continuous improvement in productivity, quality, and environmental stewardship.

Our primary areas of focus align closely with the key principles of sustainable development and responsible business practices, which are crucial for optimising resource efficiency and minimising our environmental footprint. By concentrating on the sustainable sourcing of raw materials, the implementation of advanced recycling processes, and the adoption of renewable energy sources, we aim to reduce our ecological impact while enhancing operational efficiency. Our commitment extends to social responsibility, where we engage in community development and ensure the well-being of our workforce. Together, these efforts not only create value for our business but also contribute positively to society.

### Our Focus Areas



Maximisation of Forest Value Through Sustainable Forest Management



Impact Oriented Society through Recycling



Commitment to Superior Quality Standards



Continuous Improvement in Manufacturing Processes



Utilisation of Renewable Energy Resources in Industrial Operations

## Maximisation of Forest Value through Sustainable Forest Management

Efficient and sustainable forest management features in every aspect of our Pulp and Paper operations. By implementing responsible raw material sourcing strategies and adhering to strict environmental standards, we effectively manage the forest covers. Through our Social Farm Forestry initiative, and partnerships with various stakeholders including NGOs and community groups, we ensure a steady, sustainable supply of pulpwood. These efforts not only guarantee the continuity and quality of our material supply but also enhance its cost-effectiveness.

## Building an Impact-oriented Society through Recycling

Our approach to incorporate recycled paper as a raw material in pulp production processes emphasises our commitment to sustainability and environmental protection. By reusing recycled paper, we significantly reduce our reliance on virgin wood fibre, thereby conserving natural resources and minimising environmental impact. This strategic initiative not only aligns with global sustainability goals but also contributes to mitigating climate change by reducing carbon emissions associated with traditional pulp production methods. Furthermore, by adopting circular economy principles, we demonstrate our dedication to responsible resource management and set a commendable example for the pulp and paper industry.



## Commitment to Superior Quality Standards

Our commitment to quality is evident at every stage of production, the meticulously crafted Standard Operating Procedures (SOPs) ensure the seamless integration of Quality Assurance (QA) and Quality Control (QC) across every facet of our operations. From rigorous checks and verification of raw materials to real-time monitoring of process control parameters to cutting-edge Distributed Control Systems (DCS), we leave no stone unturned in upholding quality standards. Our state-of-the-art laboratories, strategically positioned within each section and department, guarantee the precision and integrity of final products and components. In essence, our focus on quality encompasses every aspect of our operations and services, ensuring that we deliver the highest quality products to our customers.

## Continuous Improvement in Manufacturing Processes

At our Paper and Pulp segment, WCM principles are at the heart of our commitment to operational excellence. Our approach is built around the continuous improvement framework known as PQCDSEIM— Productivity, Quality, Cost, Delivery, Environment, Safety, Innovation, and Morale. This robust framework guides our operations, enhancing efficiency and competitiveness. A key component of our strategy is the Kaizen programme, which has successfully embedded a culture of continuous improvement across our Company. This initiative encourages broad participation and innovative problem-solving at all levels, significantly exceeding its targets since inception.

## Utilisation of Renewable Energy Resources in Industrial Operations

Our approach to energy management highlights our devotion to sustainability by significantly increasing the use of renewable energy sources, such as solar power, and bioenergy. By integrating energy produced from solar power plants and biomass, we have enhanced our renewable energy portfolio, reducing reliance on non-renewable sources, and supporting the global transition to a low-carbon economy. The extensive use of biomass, which includes wood bark, perul, pith & CMG and black liquor, has already generated significant energy outputs, contributing to our overall energy efficiency, generating 4,982.35 MJ of energy in FY 2023-24.





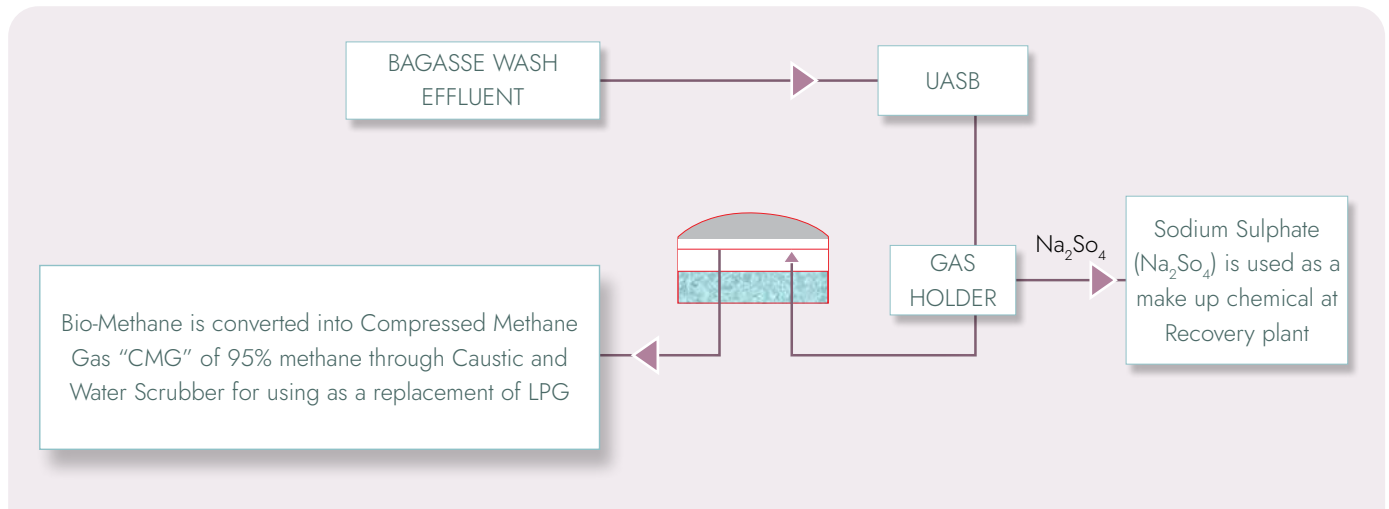
## Innovative Bio-gas Production from Efficient Wastewater Management

# 504 MT

Substitution of LPG at tissue plant in FY 2023-24

# 426 Kg

In-house Sodium Sulphate produced in FY 2023-24



In pursuit of sustainable solutions, CTIL's Pulp and Paper segment implemented an innovative approach to reduce reliance on conventional energy sources. By leveraging advanced green technology, we efficiently treat high Chemical Oxygen Demand (COD) wastewater from bagasse-based paper production, converting it into valuable biogas. This biogas, primarily consisting of methane, is then purified, and compressed into Compressed Methane Gas (CMG), serving as a viable substitute for traditional Liquefied Petroleum Gas (LPG). Furthermore, the process yields sodium sulfate as a by-product, which is repurposed as a makeup chemical at the recovery plant.

Utilising CMG as a substitute for LPG and sodium sulfate as a by-product not only reduces the Company's carbon footprint but also showcases our efforts in resource optimisation. This strategic initiative not only aligns with our sustainability goals but also sets a commendable example for the pulp and paper industry.





## Diverse Product Offerings

Our extensive expertise manifests in our diversified product offering designed to meet both traditional and specialised needs across various industries. We excel in producing fine writing and printing paper, which includes specialised options such as MICR cheque paper for banking needs, high-quality Maplitho (surface size-paper) for offset printing, and versatile copier paper for daily office use. Our Overlay Tissue caters to specific industrial requirements, emphasising our capability to serve niche markets.

In addition to these, we produce a range of virgin fibre grade soft tissues, which are crafted from pure wood pulp to ensure superior softness and absorption. These include Facial Napkins, Kitchen Towels, Toilet Tissues, and Carrier Tissues, designed for both household and commercial use. Our leadership extends into the packaging sector with our Multilayer Packaging Board offerings, comprising of Folding Box Board (FBB), Solid Bleached Sulphate (SBS), and Cup Stock grades, widely used in food packaging and other applications.

Our commitment to sustainability is highlighted through our innovative Century Green Pulp, an eco-friendly product derived from responsibly managed resources. This unique pulp variant is utilised in producing environmentally friendly tableware, reducing dependency on non-renewable materials, and offering a sustainable alternative in consumer goods. This diverse range of products not only reflects our commitment to meet the evolving demands of our global clientele.

## Empowering Growth through our Key Products

We focus on driving growth with our key products, using advanced engineering and technology to meet both global and local market needs.



### Writing and Printing Paper

We specialise in a variety of writing and printing papers tailored for notebooks, envelopes, and industrial applications. Recently, we have expanded our offerings to include unbleached Kraft (Hi BF) paper, specifically designed to cater to the burgeoning demands of the e-commerce sector.



### Tissues

As one of leading tissue paper manufacturers, we manufacture a wide range of tissues, including OBA-free tissue products from 100% virgin pulp. Our offerings include paper napkin tissues, bathroom tissue rolls, kitchen towels, and facial tissues. All our tissue products are FDA certified and elemental chlorine-free, ensuring they meet the highest standards of safety and quality, making them among the best in the Indian market.



### Multilayer Packaging Board

Our production facilities deliver premium quality packaging solutions such as Folding Box Board (FBB), Solid Bleached Board (SBB), Solid Bleached Sulfate (SBS), and various backboards, including poly-coated, uncoated, and grey back. These boards are highly sought after in the FMCG, pharmaceutical, and food industries for their superior protection and presentation capabilities.



### Speciality Products

Our commitment to environmental sustainability is exemplified by our Century Green pulp, used in eco-friendly tableware products. This innovative product is derived from responsibly managed resources, reflecting our dedication to reducing environmental impact.

Through these key product categories, we not only meet the diverse and evolving needs of our customers but also drive sustainability, quality, and innovation in the Pulp and Paper segment. Each category represents our advanced manufacturing capabilities and strategic vision, ensuring that we continue to be a leader in the market and a trusted partner in sustainable manufacturing.



### Enabling Quality Production

Through ongoing investments in R&D, along with advancements in technology, we have strategically utilised sustainable raw materials such recycled paper to produce pulp. This approach has not only enriched our product offerings with innovative, eco-friendly solutions but also enhanced the quality of our existing product line-up.

### 100% Virgin Pulp

CTL's Pulp and Paper segment exclusively utilises 100% virgin pulp in its production processes, particularly for tissue products. This choice guarantees superior strength, durability, and purity in all our tissue products.

### Production of OBA-Free Paper

Our commitment to reduce chemical use extends to producing Optical Brightener Agent (OBA) free tissue products. This approach ensures our papers maintain their natural colour while minimising adverse environmental and societal impact.

### Forest Stewardship Council (FSC) Certification

Our dedication to sustainable forestry practices is reflected through our product offerings that include use of Forest Stewardship Council (FSC) certified materials for required products. This prestigious certification ensures that our paper products are sourced from responsibly managed forests, promoting biodiversity, and supporting local communities.

### Adoption of Element Chlorine-Free (ECF) Bleaching Techniques

We employ Elemental Chlorine-Free (ECF) bleaching techniques in our paper production to avoid the use of harmful chlorine compounds. This method significantly reduces the potential for environmental pollution and supports our sustainability goals.

By advancing our manufacturing processes and embracing sustainable raw materials, we are not only adhering to global sustainability standards but also actively contributing to the preservation and enhancement of natural ecosystems. This strategic direction ensures our operations support both the environment and our communities, affirming our commitment to responsible industry leadership.

### Certifications for our Excellence in Production

#### Certifications

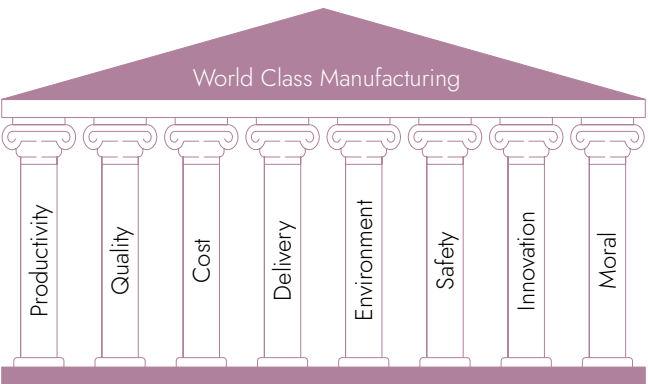
|             |                                        |
|-------------|----------------------------------------|
| ISO 9001    | Quality Management Systems (QMS)       |
| ISO 14001   | Environmental Management Systems (EMS) |
| ISO 45001   | OH&S management system                 |
| FSC C104223 | Forest Stewardship Council             |

These certifications highlight our commitment to maintain exacting standards in quality, environmental management, and sustainability across our operations.

## World Class Manufacturing (WCM)

At CTIL's Pulp and Paper Segment, WCM is more than a methodology; it is the backbone of our drive towards operational excellence. It is anchored on an integrated management model that prioritises continuous improvement across all facets of our operations. This model ensures that we maintain competitiveness through rigorous focus on quality, delivery, and cost efficiency.

### WCM Framework



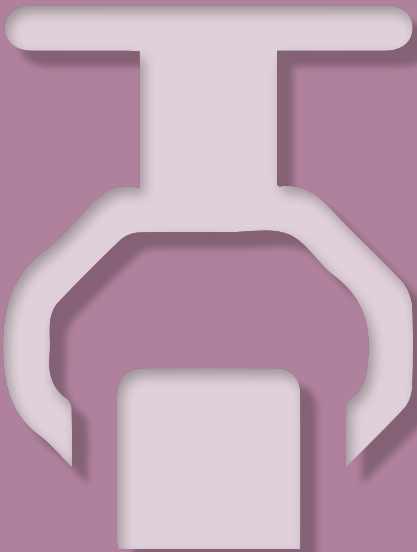
Our WCM model is structured around eight interlinked pillars, encapsulated by the acronym PQCDESIM—Productivity, Quality, Cost, Delivery, Environment, Safety, Innovation, and Morale. Each of these pillars represents a core area of focus that collectively drives our quest for manufacturing excellence.



### Kaizen: Catalyst for Lean Manufacturing

Kaizen is the cornerstone of our culture of continuous improvement. Initiated a year ago, our Kaizen programme was aimed at embedding lean manufacturing practices across the unit, enabling us to reduce costs and enhance operational efficiency. The initial target for the FY 2023-24 was set at 600-700 Kaizens, but the enthusiastic response from our teams led to a staggering achievement of more than 300% of the target.

It involves organising focused events that engage teams from various levels of our Company. These events are specifically designed for a problem-solving environment and where systematic approaches to challenges are the norm. The inclusivity of the programme ensures that suggestions and improvements are sourced from everyone across the hierarchy, from management to the shop floor workers.





### Training and Empowerment through One-Point Lessons (OPLs)

A key component of our Kaizen initiative is the implementation of One-Point Lessons (OPLs). These lessons are targeted at enhancing the understanding of machinery operations among employees. OPLs provide crucial information about critical machines, including operational do's and don'ts, assembly, and layout details. These lessons are circulated to each operator, ensuring that every team member is equipped with the knowledge to operate safely and efficiently.



### Recognition and Incentivisation

To sustain the momentum of the Kaizen initiative, the segment conducts quarterly awards that recognise the best Kaizens and the plants that have submitted the most improvements. The selection process is meticulously designed to avoid biases, with nominations reviewed by a committee composed of cross-functional heads. Each Kaizen is evaluated against the PQCDSEIM criteria and rated on a scale of 1-5. The awards not only celebrate achievements but also plays a crucial role in refining our Kaizen management system.





## Enhancing Tissue Production Efficiency: A Case Study in Operational Excellence

In line with our World Class Manufacturing (WCM) principles, particularly focusing on Productivity and Quality, a pivotal modification was undertaken in one of our key tissue production lines. This initiative, which began as a Kaizen project that later won the quarterly "Best Kaizen Award," aimed at optimising machine operations through advanced algorithm adjustments and comprehensive machine parameter analysis.

**Operational Improvement:** The modification involved a detailed re-evaluation and recalibration of the tissue machine's operational algorithm. This strategic adjustment allowed for a 20% increase in machine speed, enhancing throughput without compromising product quality. The process also included a rigorous examination of existing machine parameters and the implementation of real-time monitoring systems to ensure optimal performance continuously.

**Impact on Production:** These enhancements led to an increase in the annual tissue output by 1529.5 metric tons. Moreover, the operational efficiency gained through this initiative significantly reduced production costs. These savings are fundamental in reinforcing our competitive edge in the market, aligning with our overarching goals to control cost and maximise resource utilisation.

**Team Engagement and Morale:** A critical aspect of this project was its impact on team morale and competency. The successful modification of the production line not only demonstrated our capability to innovate and improve but also played a crucial role in skill development for our workforce. The project engaged multiple levels of our operational team, fostering a sense of accomplishment and enhanced ownership over the production processes.

This case study is a testament to our promise to enhance efficiency and productivity through innovative practices in the pulp and paper industry and effectively embrace benefits of lean methodology through Kaizen.

## Streamlining Paper Production: Advanced Automation in Copier Conversion Lines

We identified the necessity for technological advancements in our paper conversion processes. Previously hindered by outdated automation and manual interventions, the conversion lines faced challenges in maintaining the pace and quality required to meet market demands effectively.

**Technological Enhancement:** To address these challenges, we implemented a dual approach, upgrading the existing cutter line and installing a new, state-of-the-art LineOmatic cutter. The upgrade of the existing line involved enhancements to machine automation that rectified issues related to size variation and increased operational speed by 150 meters per minute, significantly boosting throughput.

**New Installation:** The installation of the new LineOmatic cutter, with an annual capacity of 50,000 metric tons, was a strategic move to directly convert large paper reels into A4-sized copier reams. This not only streamlined the conversion process but also ensured higher consistency and quality in the final product.

**Operational Benefits:** The integration of advanced automation in the conversion lines has led to a notable reduction in workforce requirements and packaging costs. This optimisation has yielded in significant monthly savings, leading to operational excellence and fiscal prudence.

The successful implementation of these technologies sets a benchmark for future upgrades and reaffirms our dedication to continuous improvement across operations through continuous improvement.



## Way Forward

As we reflect on our achievements and challenges, the journey ahead for our manufacturing operations is both ambitious and crucial. Embracing a future-oriented approach, we desire to enhance our manufacturing processes through sustainable practices, technological innovation, and efficient resource management. This strategic direction is designed not only to optimise our current operations but to also set a robust foundation for sustainable growth and value creation across manufactured capital. We aim to,

### Enhance Sustainable Manufacturing Practices

Prioritise sustainable resource management and expand our social forestry initiatives to become wood positive, securing a sustainable supply of raw materials and contributing to carbon sequestration.

### Adopt and Expand Use of Renewable Energy

Increase the deployment of renewable energy in our operations, particularly through the integration of solar energy, biogas, and installation of new recovery boilers.

### Commit to Quality and Efficiency

Continue to uphold stringent quality checks through the production process and enhance operational efficiency through technological upgrades, ensuring that all manufacturing processes meet or exceed industry standards.

### Advancing WCM

Looking ahead, we are committed to advancing our WCM practices by integrating more sophisticated technologies and methodologies that align with our sustainability goals and operational needs. We aim to not only maintain our leadership in manufacturing efficiency but also set new benchmarks for environmental protection and social responsibility within the industry.







# Human Capital

At CTIL, we recognise that our success is driven by the dedication, expertise, and passion of our diverse workforce. In this section, we discuss our approach to human capital management, highlighting our vow to build a culture of inclusivity,

innovation, and continuous learning. From attracting top talent to nurturing employee development and well-being, we prioritise, creating an environment where every individual can thrive and contribute to our collective success.



## Nurturing Potential, Empowering Growth: Unleashing the Power of Our People

As integral stakeholders in our journey towards success, our employees hold a decisive role in shaping our trajectory. We are dedicated in adopting a professional environment characterised by collaboration, inclusivity, and a dedication to both individual and collective growth. As we stride forward into a phase of expansion, we remain resolute in our commitment to bolster diversity, equity, and inclusion across our workforce. We passionately believe that a workplace enriched with diverse perspectives and inclusive practices serves as a catalyst for innovation, creativity, and heightened productivity.

Central to our approach is the provision of continuous learning and development opportunities. We recognise the indispensable value of investing in our employees, their skills, and capabilities, empowering them to unleash their full potential and drive impactful contributions towards our shared objectives. Moreover, the well-being and safety of our workforce stands at the forefront of our priorities. Acknowledging the significance of a balanced work-life equilibrium, we implement comprehensive wellness programmes and robust health and safety measures, encouraging an environment favourable to both personal and professional growth.

In parallel with our focus on employee development and well-being, we want to align our HR systems and processes with the approved standards set forth by the ABG. Furthermore, we prioritise cross-departmental integration and the modernisation of our Company's structure, thereby ensuring operational efficiency and agility in achieving our strategic objectives. Through these concerted efforts, we remain dedicated to nurturing a workforce that thrives amidst dynamic challenges, driving us towards sustained growth and success.

## Key Highlights

**Total Workforce:** 7,708

**Total Female Workforce:** 308

**Board Diversity:** 29% Female

**Total recordable work-related injuries of employees:** 45% YoY decrease

**Total new employee hired:** 229

**Total permanent employee Training Hours:** 42,158

**Occupational Health and Safety Management System (45001:2018)**

**Employee Satisfaction Survey (VIBE):** 97% participation rate

**Diversity Ratio:** There has been a 19% increase in diversity ratio Y-O-Y.

## SDG Linkages



## Key Material Topics Under Human Capital:

Occupational Health and Safety

## Linkages with NGRBC Principle:

Principle 3

Principle 5

## Linkages with other Capitals:



**Financial Capital:** Investing in our workforce not only enhances their capabilities but also contributes to their overall well-being. By prioritising employee engagement, satisfaction, and mental health, we create a positive work environment that fosters increased productivity and financial stability.



**Intellectual Capital:** Our exceptional workforce serves as the creative engine propelling us towards the future. Their dedication to (R&D), innovative thinking, and forward-looking solutions has been instrumental in shaping our success.



**Natural Capital:** Our investment in educating employees about environmental awareness directly supports sustainability. Encouraging innovation among our workforce also drives the development of eco-friendly technologies, furthering environmental stewardship.



**Social Capital:** Our workforce strengthens relationships within communities through volunteering programmes and CSR activities, building trust and credibility with stakeholders and enhancing our social license to operate.

## Workforce Composition and Workforce Diversity

At the core of our Company lies a dedicated workforce, which we recognise as our asset. We are cultivating an environment that prioritises collaboration, diversity, and integrity among our employees. The Human Resources team spearheads the development of comprehensive strategies and initiatives pertaining to recruitment, training, development, and employee retention. Central to our mission is the efficient and effective management of our workforce, with a keen emphasis on promoting an environment that supports mental health and overall employee satisfaction.

We firmly believe that unlocking the full potential of our employees is not just advantageous but imperative for our business success. This necessitates the creation of an empowering workplace environment that nurtures and empowers talent. Our workforce serves as the driving force behind our business endeavours, compelling us to continually innovate and evolve. Through our relentless pursuit of innovation, we aim to cultivate a stronger, more competitive, and performance-driven environment that caters to the holistic well-being and professional growth of our employees.

### Workforce Breakdown:

| Category              | Males        | Females    |
|-----------------------|--------------|------------|
| Permanent Employees   | 979          | 99         |
| Contractual Employees | 86           | 15         |
| Permanent Workers     | 1,562        | 0          |
| Contractual Workers   | 4,773        | 194        |
| <b>Total</b>          | <b>7,400</b> | <b>308</b> |

### Workforce Breakdown by Age:

| Category (Employees)  | Males        | Females    |
|-----------------------|--------------|------------|
| Below 30 years of age | 160          | 37         |
| 30-50 years of age    | 644          | 75         |
| Above 50 years of age | 261          | 2          |
| <b>Total</b>          | <b>1,065</b> | <b>114</b> |

| Category (Workers)    | Males        | Females    |
|-----------------------|--------------|------------|
| Below 30 years of age | 1,417        | 84         |
| 30-50 years of age    | 3,677        | 110        |
| Above 50 years of age | 1,241        | 0          |
| <b>Total</b>          | <b>6,335</b> | <b>194</b> |

Our policies are designed to foster a culture of inclusivity and diversity, while promoting a flexible work environment and resulting in a low employee turnover rate.

Emphasising diversity as a strategic priority, we have dedicated efforts towards enhancing gender representation by actively increasing women's recruitment and engagement. Furthermore, we place significant importance on educational and geographical diversity.

In terms of educational diversity, we aim to challenge traditional hiring practices that prioritise degrees and relevant educational backgrounds, instead we prioritise skill sets. Geographical diversity is also a key focus area, with us recognising the value of providing opportunities to individuals from regions with limited access to employment opportunities.

**New Hires by Age**

| Age                   | Employees  |           | Workers  |          |
|-----------------------|------------|-----------|----------|----------|
|                       | Male       | Female    | Male     | Female   |
| Below 30 Years of Age | 58         | 21        | 0        | 0        |
| 30-50 Years of Age    | 111        | 22        | 0        | 5        |
| Above 50 Years of Age | 16         | 1         | 3        | 0        |
| <b>Total</b>          | <b>185</b> | <b>44</b> | <b>3</b> | <b>5</b> |

The turnover data is shown in the table provided below:

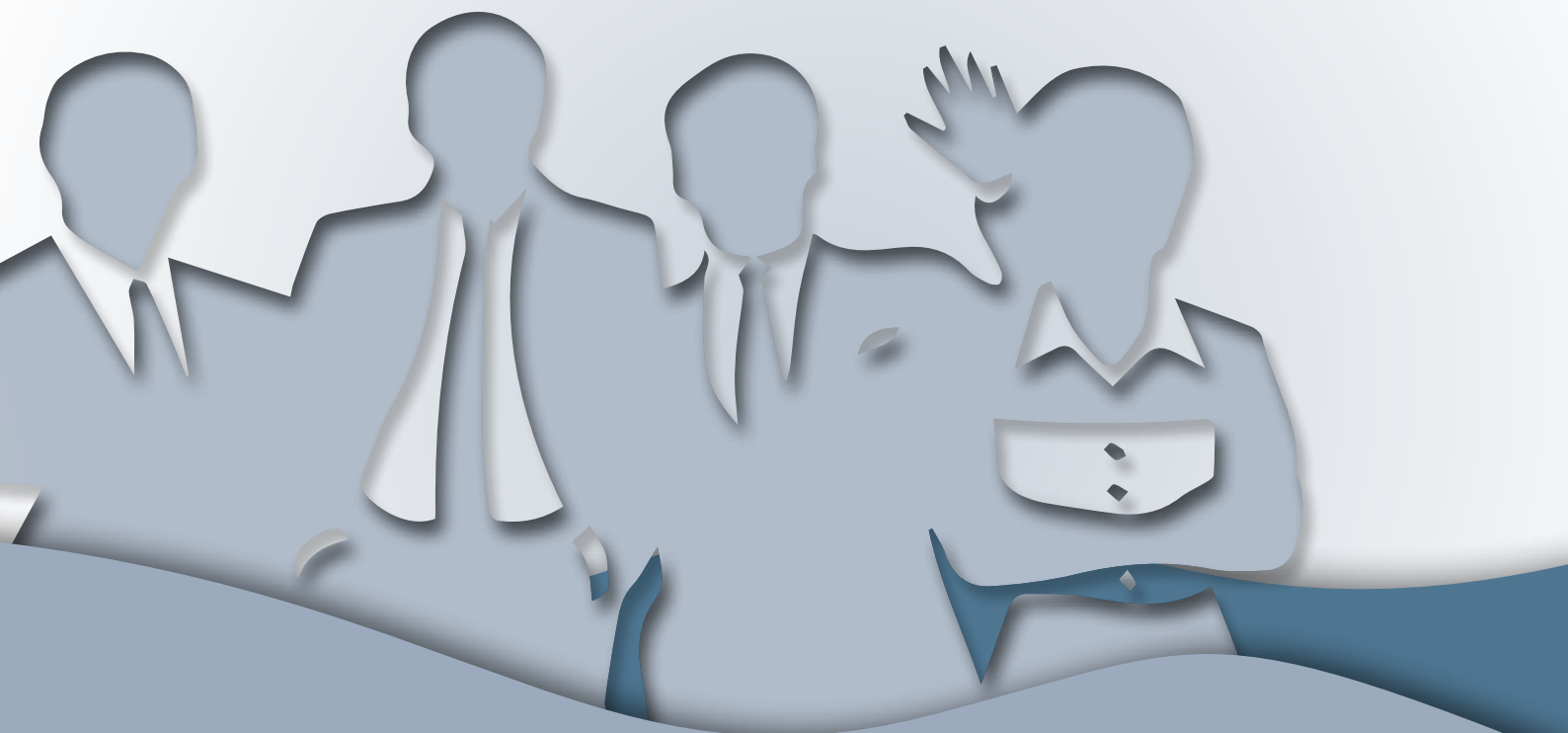
| Category              | Employees  |           | Workers      |           |
|-----------------------|------------|-----------|--------------|-----------|
|                       | Males      | Females   | Males        | Females   |
| Below 30 years of age | 133        | 13        | 394          | 28        |
| 30-50 years of age    | 177        | 8         | 870          | 29        |
| Above 50 years of age | 42         | 2         | 145          | 0         |
| <b>Total</b>          | <b>352</b> | <b>23</b> | <b>1,409</b> | <b>57</b> |

**Turnover Rate**

|                    | Male | Female | Total |
|--------------------|------|--------|-------|
| Permanent Employee | 33%  | 26%    | 33%   |
| Permanent Worker   | 63%  | 200%   | 65%   |

**Hire Rate**

|                    | Male | Female | Total |
|--------------------|------|--------|-------|
| Permanent Employee | 17%  | 42%    | 19%   |
| Permanent Worker   | 1%   | 0%     | 1%    |



## Diversity, Equity, and Inclusion

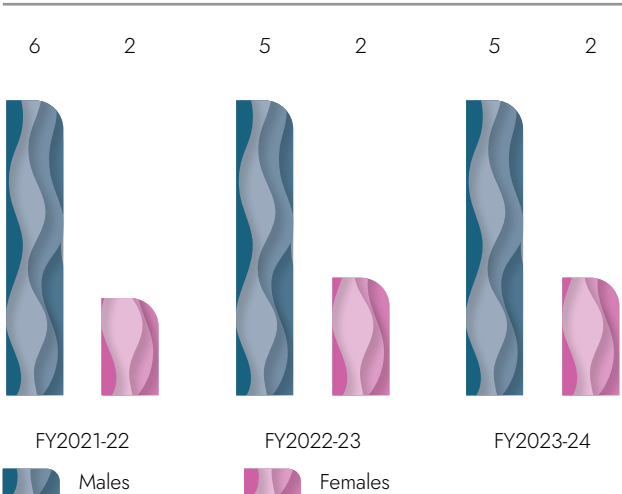
At CTIL, we are dedicated to creating a workplace where everyone feels valued and included irrespective of their background. We are creating a supportive environment where every employee can thrive. We provide thorough training to ensure that there is no discrimination based on factors like gender, race, religion, or disability. At our Company, we run manager sensitisation programmes to promote diversity awareness. Our behavioural sensitisation initiatives bring a sense of belonging among employees. We strictly prohibit discrimination based on race, colour, gender, sexual orientation, religion, age, disability, or any other protected status. We believe in fair treatment for all and make our hiring, promotion, and compensation decisions solely based on merit and qualifications.



**No incidents of discriminations reported during FY 2023-24**

We prioritise inclusivity by installing wheelchair ramps and accessible restrooms for convenience. Our ongoing programmes support women by celebrating their achievements and specifically address their unique challenges. We also conduct programmes to empower women, encouraging confidence and speaking-up against wrongdoings. We are proud to offer employment opportunities to local tribal women, promoting economic and social empowerment. Recognising the value of diversity, we endeavour to increase women's representation in our workforce. Additionally, we ensure fairness by maintaining wage equity across all levels of employment.

## Board Diversity at CTIL



## Employee Compensation (Ratio of Basic Salary and Remuneration)

| Employee Category | Ratio of Female to Male |
|-------------------|-------------------------|
| Senior Management | 0.10                    |
| Middle Management | 0.09                    |
| Other Employees   | 0.15                    |





## Skill Development and Training

At the heart of our success lies talent development, a vital catalyst for both business growth and achieving talent objectives. We are dedicated to nurturing and advancing our workforce through a diverse range of E-learning programmes, ensuring sustained engagement and continuous development among our team members. Providing comprehensive training in both the pulp and paper and real estate industries is vital for enhancing employee competence, improving operational efficiency, ensuring compliance with industry regulations, and promoting health and safety standards. Training covers technical skills relevant to each sector and helps to develop well-rounded professionals capable of navigating diverse challenges in these dynamic industries.

In the Real Estate segment, we prioritise continuous learning and development, facilitated by a dedicated Learning and Development (L&D) team. This fiscal year, we have focused on identifying training needs in collaboration with managers, ensuring relevance and effectiveness. With input from this process, we have created comprehensive training calendars and informative brochures to guide our efforts. Internally, we conduct specific training sessions tailored to our team's requirements, while also participating in group-level training initiatives. Notably, our participation in the Gyanodaya training programme at the ABG level underlines our loyalty to the cause of holistic employee development.

There are structured training courses aimed at equipping our workforce with the skills and knowledge needed to excel in their roles and contribute to our collective success. Such training consists of negotiation skills, leadership development, data analytics and training regarding design thinking and development. Along with these we provide Green Building Accredited professional training for selected employees. Our training is customised in a manner to bestow our employees with ESG awareness, stakeholder management, and build accountability. Apart from the dedicated courses there are few trainings which are conducted in line with a specific project.

### Pictures of different training programmes at Real Estate:





In our Pulp and Paper segment, our commitment lies in the diligent completion of our training programmes as outlined and achieving our man-day objectives as scheduled. Our training covers critical areas for our industry and teaches skills through hands-on experience, which we believe is crucial. We offer our workers and employees with skill-based and on-the-job training options which include a wide range of subjects like, Energy/Perform, Achieve, and Trade (PAT) benchmarking, environmental policy and its impact, generative AI, proper handling of hazardous chemicals, and quality management systems (QMS), etc. We prioritise continuous upskilling of our workforce across various industrial domains. These training courses aim to empower our workforce with the necessary knowledge and skills to excel in their roles while promoting a culture of excellence and safety across our operations.

**Pictures of different training programmes at Pulp and Paper:**



|                | Average Hours<br>of Training FY<br>2023-24 |         | Average Hours<br>of Training FY<br>2022-23 |         |
|----------------|--------------------------------------------|---------|--------------------------------------------|---------|
| Metric         | Males                                      | Females | Males                                      | Females |
| Real Estate    | 6.86                                       | 5.37    | 142.3                                      | 73.3    |
| Pulp and Paper | 59.07                                      | 1.85    | 14.4                                       | 14.4    |

Ensuring the integrity and professionalism of our security operations is paramount to our Company's commitment to ethical conduct and human rights. Out of the total 194 security personnel employed within our Company, 160 have undergone formal training regarding the Company's human rights policies and their application to security procedures. This represents an impressive 82% of the security workforce. Furthermore, the training requirements extend to third-party organisations that provide security personnel, ensuring alignment with our standards and values.





## Employee Satisfaction at CTIL

We have recently introduced 'VIBES', an innovative employee satisfaction survey, designed to gauge various facets of our Company's dynamics. This survey is structured around three overarching themes: engagement, business, and workplace. Each theme is carefully tailored to align with our core operations, aiming to delve deeper into the specific aspects that shape our workplace environment.

Under the theme of engagement, Vibes delves into factors that contribute to employee motivation, job satisfaction, and overall commitment. This includes aspects such as opportunities for career growth, recognition and rewards, and alignment with our goals and objectives, enhancing a sense of purpose and fulfilment among employees.

The business theme of Vibes focuses on aspects related to the broader business strategy and operations. This may include questions about our communication, clarity of goals and objectives, and perceptions of leadership effectiveness. Thereafter, the workplace theme of Vibes examines the physical and cultural aspects of our work environment. This encompasses factors such as workplace safety, inclusivity and diversity, and the availability of resources and support for employees to perform their roles effectively.

By breaking down each theme into specific categories with targeted questions, Vibes provides valuable insights into the areas where we excel and where improvements might be needed. This comprehensive approach allows us to better understand the needs and perspectives of our employees, ultimately enabling us to create a more engaging, productive, and supportive work environment.

We acknowledge our workforce has the right to form and join a union and to engage in pay negotiations on a collective basis. Employee representatives are assured of no discrimination and are provided with access to all places of work to perform their duties as employee representatives. At Pulp and Paper, all workers are covered by unions to facilitate collective bargaining agreements. This ensures that workers can negotiate and establish fair wages that go beyond the minimum standard. A minimum notice period of 30 days is provided usually prior to the implementation of significant operational changes that might have significant impact on employees and their representatives.



## Employee Health, Wellness, and Safety

Our dedication to prioritising the health and safety of individuals is ingrained in our core values. We uphold this promise by ensuring full compliance with all health and safety laws and regulations. Maintaining a secure and conducive working environment for our employees is vital, and we implement appropriate safety measures to achieve this goal. This dedication points out our business ethos and principles, reflecting our steady efforts to build on well-being of our workforce.



### Cultivating Mental Wellness: Our Collaboration with MPower

At our Company, prioritising the mental well-being of our team members is a top priority. That is why we have partnered with MPower, an esteemed organisation dedicated to mental health awareness. Together, we have launched a wellness certification programme held on Thursdays and Fridays. Around 25 individuals from our team have been selected to undergo this training and become certified wellness ambassadors. Their role is crucial; they will provide support to any colleague facing mental health challenges. Additionally, we offer confidential counselling services through both MPower and Santulan, ensuring that our employees have access to the help they need in a safe and private environment. Through this collaboration, we are dedicated to breaking the stigma surrounding mental health and developing a workplace culture that selects well-being, in every way.

Our partnership with MPower is a testament to our commitment to addressing mental health concerns both within and outside the workplace. Through online sessions and resources, we aim to provide our employees and the society with the tools and support they need to prioritise their mental well-being.



At CTIL, we prioritise the health and safety of all individuals associated with our operations, including employees, workers, visitors, and stakeholders. To ensure everyone's well-being, we have taken extensive measures like providing health and safety related training to our permanent employees and workers. During the reporting period, 74% of all permanent employees and 81% of permanent workers received training in health and safety. An occupational health centre, overseen by a full-time doctor, tends to both on-site injuries and community health needs, supported by two ambulances for swift response. In collaboration with reputable hospitals in Rudrapur and Haldwani, patients receive appropriate care, putting emphasis on employee well-being.

Building upon our commitment to health and safety, we also prioritise the well-being of our employees during significant life events. In Birla Estates apart from maternity and paternity leave policies, we provide extra support to new mothers through our "Mother Care" voucher programme. New mothers receive an additional 5 days of leave for the next two consecutive years beyond their maternity leave, known as child-care leave. Furthermore, when site visits occur, our Company covers the costs for the mother, the child, and an additional caretaker, ensuring their well-being during these visits.

We prioritise the health and safety of our employees and workers by maintaining a safe work environment. To achieve this, we have established an Occupational Health and Safety Management System (OHSMS) in our Pulp and Paper segment. While, for the Real Estate

segment our commercial building Birla Aurora is OHSMS certified. These sites are certified for ISO 45001:2018. Additionally, we internally evaluate compliance with ISO 45001:2008 within the certified premises. Our certified sites accommodate 7,281 employees, representing approximately 94% of our workforce. Additionally, at our segments we conduct practical demonstrations and training sessions on firefighting for our workers. These sessions cover various aspects such as different types of fires, firefighting techniques, and essential 'Do's and Don'ts' when dealing with fires. We conduct regular training for firefighters and offer various safety training programmes to further enhance our safety measures.

Non-occupational health and safety benefits such as health insurance and accident insurance are also provided to our employees and workers. There are three kinds of Insurance coverages: Mediclaim (covering immediate family), Nischint Policy — Life insurance policy, and the Personal Accident Policy.

All our business segments have several measures to maintain a safe and secure workplace. The Real Estate sector has established a comprehensive operational health and safety plan, supported by a robust management system that includes detailed work instructions and SOPs. To maintain strict adherence to health and safety protocols, all activities are routed through a permit-to-work system, ensuring comprehensive compliance with established practices. The Pulp and Paper segment diligently upholds safety standards through regular safety meetings, internal and external safety system audits, and the implementation of 'Zero Harm' life-saving rules. We have a dedicated medical staff and facility to address any unforeseen activity that might have occurred at the plant. To fasten up the process, we have installed software called PEHEL for data tracking regarding medical activities. We even conduct periodic health checkups for all our employees.

To embed the importance of safety amongst all our employees and workers, we at CTIL conduct different events and activities. We conduct National Safety Week, where we acknowledge achievements, initiatives, and contributions towards creating a safer work environment through certificates, awards, incentives, or public recognition ceremonies. This has helped us in motivating our employees and workers to take proactive steps regarding safety.



## Identifying Risks and Hazards

With safety being essential at CTIL, we have established robust procedures to ensure the identification, assessment, and mitigation of workplace hazards. SOPs are in place for handling work-related hazard incidents. Any risks identified are immediately addressed, and improvements are made based on in-depth assessments. In emergencies, occupational health services are offered to employees and workers. To ensure diligent identification of workplace hazards and ongoing risk assessment, we maintain uniform practices across our business segments.

### ► HIRA

Utilise Hazard Identification and Risk Assessment (HIRA) as a method to assess the working environment, engage with staff members, and pinpoint potential risks.

### ► JSA

Conduct Job Safety Analysis (JSA) to identify potential risks at each stage and determine suitable counter-measures.

### ► BBSO

Implemented a Behaviour-Based Safety Observation (BBSO) system to identify risks associated with behaviour. Implemented a Behaviour-Based Safety Observation (BBSO) system to identify risks associated with behaviour.

### ► Regular Safety Audits

It is conducted by both internal and external entities to ensure strict adherence to safety standards and uncover any potential hazards.

### ► Investigations

Mechanism is in place for incident investigations to thoroughly examine incidents and identify associated risks and hazards.

We focus on mitigating major hazards such as falls from height and electrical risks. We have taken a proactive approach to electrical safety by implementing Electrical Lockout Tagout (LOTO) procedures at the batching front level. This, coupled with the use of equipment meeting IP65 rated standards, highlights our diligence to robust electrical safety practices across our business operations. We have even installed bands and safety-zips for our workers who work at heights, thus ensuring proper measures to prevent any hazard related to working at heights.

Promoting safety regulation awareness remains a primary focus with regular half-yearly workshops organised to deliver vital briefings to employees, contractors, and team members. Additionally, thorough communication of necessary rules and regulations occurs during the recruitment process to ensure employee's understanding and adherence.





| Safety Incident/Number                                                    | Category        | FY 2023-24    | FY 2022-23     |
|---------------------------------------------------------------------------|-----------------|---------------|----------------|
| Recordable work related injury Rate (per one million-person hours worked) | Employees       | 1.28          | 1.06           |
|                                                                           | Workers         | 0.48          | 0.37           |
| Total recordable work-related injuries                                    | Employees       | 6             | 11             |
|                                                                           | Workers         | 12            | 7              |
| No. of fatalities                                                         | Employees       | 0             | 0              |
|                                                                           | Workers         | 0             | 2              |
| Fatality Rate                                                             | Employees -Rate | 0             | 0              |
|                                                                           | Workers - Rate  | 0             | 0.1            |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees       | 0             | 0              |
|                                                                           | Workers         | 0             | 0              |
| Number of hours worked                                                    | Employees       | 46,78,479.8   | 2,95,50,758.12 |
|                                                                           | Workers         | 2,56,30,753.3 |                |

## Worker Participation and Consultation for Occupational Health and Safety

In our business segments, we prioritise worker involvement in occupational health and safety (OHS) initiatives. We actively solicit worker insights through feedback systems, nurturing a culture of collaboration. Some of the initiatives taken up by Pulp and Paper segment are Apex Electrical-High Risk Focus Team, Behaviour-based Safety Observation, Daily Safety Induction etc. Some of the safety engagements conducted by Real Estate are external trainings from experts on HIRA and Behaviour-based safety, Incident Investigation for Contractor, and Contractor Staff.







## Major Health and Safety Related Initiatives and System Implementation:

### Real Estate:

#### Safety Initiatives at Real Estate:

In Real Estate, safety is not just a priority during construction; it is ingrained in every aspect of our design and operations. From balcony walls to electrical connections, we meticulously ensure the safety of our inhabitants, especially catering to senior citizens and those with special needs.

Our commitment to safety extends to our construction sites, where we have achieved an exemplary record—no fatalities in six years. We provide all workers with Suraksha 24x7 pocket diaries, containing comprehensive safety guidelines and essential do's and don'ts for working on-site, ensuring their well-being and adherence to safety protocols. We take worker's safety seriously, conducting arbitrary interviews with the British and Indian safety councils to assess training adequacy. Moreover, we implement a stringent three-tier supervision system, pre-qualifying contractors based on safety policies, legal compliance, and tool availability. Non-compliance is not tolerated—we enforce penalty clauses to underscore our unwavering commitment to a safe working environment.

Our wellness calendar emphasises holistic well-being, encompassing physical health, community wellness, financial well-being, and emotional well-being. As part of our commitment, we host a bi-monthly Happy Hour initiative featuring karaoke, dance, employee Olympics, and a tombola party, encouraging fellowship and promoting overall wellness among our team.

Considering the safety policies, legal compliance, and tool availability; non-compliance is not tolerated—we enforce penalty clauses to underscore our unwavering commitment to a safe working environment.

#### Safety Initiatives at Pulp and Paper:

For safety, at Pulp and Paper, every week, from Tuesday to Friday, we conduct comprehensive safety programmes intended to build a positive safety culture and achieving our goal of 'Zero Harm'. These programmes serve to not only promote safety consciousness among our team but also to train them on vital safety aspects such as the Safety Work Permit System, Lock Out Tag Out procedures, and the proper use of Personal Protective Equipment.

Apart from this, we ensure regular safety patrolling across all our plants to maintain vigilance and address any potential hazards promptly. Our Suraksha application empowers every staff member to report unsafe behaviour and conditions, facilitating immediate action and compliance. Furthermore, we conduct bi-annual mock drills focusing on emergencies like gas leaks, fire incidents, and explosions to ensure preparedness and swift response. To further reinforce our safety culture, we organise various safety promotional activities, including safety poster contests, safety slogans, and safety essays. We also recognise and reward contractors based on their safety performance, on National Safety Day. Additionally, our Sumadhur Programme, led by external trainers, focuses on mental well-being, offering comprehensive training over three days with the option for spouses to join on the final day for family well-being sessions.





The major health initiatives undertaken include organising two mass medical camps, benefiting 280 individuals. These camps were conducted by a team of seven members from the Sparsha Foundation, providing essential healthcare services on-site. Additionally, to enhance emergency response capabilities, an Automated External Defibrillator (AED) has been made accessible at the site, ensuring prompt medical assistance in case of cardiac emergencies. Furthermore, in observance of the 53<sup>rd</sup> National Safety Week in March 2024, various awareness and training programmes were conducted. Moreover, external training sessions were organised by experts on Behaviour-based Safety (BBS), Hazard Identification and Risk Assessment (HIRA), and Incident Investigation for Contractor, Project Management Consultant (PMC), and contractor staff, equipping them with the necessary knowledge and skills to mitigate workplace risks effectively.

#### Safety Accolades Real Estate:

Safety Shield and Five Golden Start Safety Award -2024 by National Safety Council.



BSC- International Safety Award -2023 (Merit Category) By British Safety Council



## Pulp and Paper:

### Promoting a Safe and Healthy Workplace

To establish a safe workplace, we have implemented several measures across our business segments:

#### Regular Safety Awareness and Trainings

We prioritise safety through comprehensive training sessions for employees, labourers, and visitors, covering hazard identification, emergency response, PPE usage, and safe work practices. Our safety awareness program further cultivates a robust safety culture by ensuring consistent communication on policies, procedures, and health guidelines, including hygiene practices and preventive measures for overall well-being.

#### Mental Health Initiatives

We prioritise our employees' well-being by providing confidential counseling services through MPower and Santulan. Apart from this, we also are working towards implementing provisions for linking mental well-being to productivity improvements in the workplace. The first pilot for the same has already been deployed at the marketing division of Pulp and Paper segment, which has yielded significant positive results.

#### "Do's and Don'ts" Guidelines

Clear and concise instructions on safe practices and behaviours are communicated through 'Do's and Don'ts' guidelines. These guidelines serve to prevent accidents and minimise risks by outlining the appropriate actions to take in specific situations.

## Employee Retention Strategies

We believe that attracting and retaining the best talent is crucial for our continued success and growth. We prioritise our employees' well-being by offering comprehensive benefits packages. Additionally, we prioritise employees and their family's health by offering various healthcare benefits, such as a Mediclaim coverage, to safeguard their physical and mental well-being. We also provide essential support to female employees through maternity and parental leave provisions, ensuring they have the necessary assistance during important life events. In FY 2023-24, we proudly achieved a 67% return-to-work rate and sustained employment for female employees who took maternity leave.

Every Republic Day, we recognise employees with the Best Attendance Award. Also, if any employee becomes disabled due to a work-related injury, we find them a suitable role in another department and ensure they continue to receive all benefits and compensation. We are committed to taking care of our employees at every step of their journey.

In the Real Estate segment, we implement employee retention activities by conducting potential assessments to identify employees' strengths. Employees identified as part of the talent pool will then participate in the Development Assistance Centre (DAC), where their future roles and career paths are discussed. In the current fiscal year, significant employees have undergone this assessment, paving the way for talent counselling sessions; internal talent is prioritised over external hiring whenever possible for key roles.

Additionally, our Talent Grant policy, operating at the ABG level, rewards employees with Company stocks based on a predetermined calculation. This policy ensures that employees are recognised and incentivised for their contributions.

We might not have a formal programme in place, but we extend support to mid to senior-level employees and executives' post-retirement. Aligned with the ABG policies, we offer a weeklong training programme covering areas such as savings, spirituality, socialisation, health, and exercise for retired professionals and their spouses.

Although we have never experienced forced retirements or layoffs, in the event of forced retirement or layoffs, they will adhere to ABG policies, facilitating transitions to other segments within the group and establishing counselling centres to support affected individuals. Additionally, employees identified as part of the talent pool undergo Development Assistance Centre (DAC) programmes, focusing on skill development, confidence building, and adapting to new challenges in the workplace. The Human Resources team assesses individual needs, provides guidance, and offers support throughout the transition process, signifying our promise to the long-term success and employability of its personnel.



### Testimony for Long term Service



**From novice to navigator:  
36 years of learning and  
leading.**

**Alok Kumar,  
Sr. Manager**

I have a total of 36 years of experience with Century Pulp and Paper. I am grateful for the journey I have had with Pulp and Paper segment of CTIL. Here, empowerment, skill development, and career growth are not just ideals; they are lived realities. When I first joined, I started my career as trainee in 1988, but with the Company's immense support and skill development programmes, I have progressed to a senior manager.

Throughout my tenure here, I have witnessed first-hand the Company's dedication in enhancing a culture of inclusivity, innovation, and excellence. The emphasis placed on continuous learning and development initiatives has allowed me to refine my skills, explore new opportunities, and grow both personally and professionally. I got numerous opportunities to accept new challenges, lead initiatives, and contribute meaningfully to the Company's overarching goals. Each project I have undertaken has not only displayed my capabilities but also highlighted the trust and confidence the Company has in me.

Reflecting on my journey, I am filled with immense pride and gratitude for the role CTIL has played in shaping my career trajectory. The consistent support, encouragement, and recognition I received have not only validated my contributions but have also instilled within me a deep sense of pride and belonging.



## Performance Evaluation at CTIL

Performance evaluation is fundamental for employees as it offers a structured and impartial appraisal of their job performance. It serves as a platform for employees to gain valuable insights into their strengths and areas for enhancement, facilitating their professional growth. Performance evaluations play a pivotal role in ensuring employees remain accountable for their tasks while aligning their objectives with our goals. Evaluations not only acknowledge and reward employees' accomplishments but also fuel motivation and job satisfaction. In addition, they serve as a channel for open communication between employees and managers, encouraging a culture of collaboration, exchange, and ongoing improvement. All employees and workers are covered under the performance evaluation and career development schemes. Throughout the year, we assess their achievements against predefined goals, offering regular feedback to ensure optimal performance. Our employees and workers participate in a comprehensive performance evaluation and career development scheme. In FY 2023-24, 96% of employees and 87% of workers actively engaged in this programme, fortifying our resolve to foster growth and leadership. We ensure to provide performance review to all the employees who have joined the Company three months prior to the appraisal year's end. As a result, according to our policy the employees/ workers who have joined within those three months are not entitled to performance review. Thus, this financial year we could not provide performance evaluation to all our employees and workers.

Performance evaluations contribute significantly to the success of both individuals and the Company, by promoting personal development and enhancing overall performance. We value employee feedback

on various aspects such as work-life balance, job satisfaction, and growth opportunities to cultivate a positive work environment through effective two-way communication. Regarding transition assistance, while there may not be a formal policy in place, we offer various supportive measures such as service extensions, training initiatives, and counselling sessions to aid employees in transitioning smoothly into new roles. The HR department is fully committed to providing comprehensive support for career development, ensuring employees are equipped with the necessary resources for their professional journey and a brighter future ahead.

## Way Forward

Moving forward, CTIL is dedicated to cultivating an inclusive and diverse workplace where fairness is paramount. We are committed to empowering our workforce through continuous learning and development initiatives, driving sustainable growth. Leveraging insights from 'VIBES', we aim to refine our workplace dynamics, and promote greater engagement and fulfilment among employees. Our focus extends to ensuring that employee well-being initiatives benefit all, prioritising retention and fostering a safe and healthy workplace. Through a holistic approach to employee health, wellness, and safety, we are poised to elevate our human capital and propel our Company forward with kindness and strength.





# Natural Capital

We strongly adhere to the principle that, 'what benefits the society ultimately benefits our business.' Guided by this ethos, we persist in investing in initiatives that support a culture of responsibility and accountability towards the environment.

Our initiatives elucidate our approach to managing and leveraging natural capital, showcasing our dedication to sustainable business practices and environmental stewardship.





## Preserving Our Natural Capital: A Commitment to Sustainability at CTIL

As a Company deeply reliant on natural resources for raw materials, we recognise the critical role environmental stewardship plays in ensuring the longevity of our operations and the well-being of our planet. In response to the pressing challenges of climate change and environmental degradation, we have implemented a comprehensive array of initiatives aimed at conserving and enhancing our natural capital. By adopting responsible sourcing practices, reducing emissions, and developing innovative waste management solutions, we strive to preserve the integrity of our natural ecosystems while driving our business objectives.

### Key Highlights

**Water Withdrawal:** 9% year-on-year reduction

**Water Conservation:** 49 water conservation initiatives in Pulp and Paper Segment

**Energy Intensity:** 12% year-on-year reduction

**Renewable Electricity:** 12% year-on-year increase

**Water Discharge:** 5% year-on-year reduction in Real Estate segment

**Waste Management:** 99% of waste diverted from disposal

**ISO Certifications:** ISO 14001:2015- Environmental Management System in Pulp and Paper Segment

Installed green power in Birla Aurora and Birla Centurion

### SDG Linkages



## Key Material Topics Under Natural Capital:

- ESG Incident and Risk Management
- Energy and Emissions Management
- Water and Wastewater Management
- Waste Management

## Linkages with NGRBC Principle:

Principle 2

Principle 6

## Linkage with other capitals:



**Financial Capital:** The financial performance is intricately linked to natural capital, encompassing vital resources like land, forests, and minerals. These resources directly influence our Company's economic outcomes.



**Intellectual Capital:** The wealth of knowledge concerning ecosystems, biodiversity, and natural processes forms the cornerstone of intellectual capital. This knowledge cultivates innovation, drives the development of new technologies, and inspires the adoption of sustainable practices.



**Social and Relationship Capital:** The preservation and access to natural resources play a pivotal role in fostering social cohesion, defending cultural values, and enhancing the overall quality of life within communities.



**Manufacturing Capital:** Natural capital functions as a primary source of raw materials for manufacturing processes. The sustained availability and responsible extraction of natural resources profoundly impacts manufacturing operations, supply chains, and the overall efficiency and sustainability of production systems.



**Human Capital:** Essential ecosystem services provided by natural capital, such as clean air, water, and food, are fundamental for human health and productivity, underlining the critical importance of maintaining these resources for the well-being of individuals and communities alike.

## Preserving Nature, Powering Progress: Our Sustainable Journey Begins Here

At CTIL, we are devoted to combat climate change and deliver value to our stakeholders. By focusing on clean energy consumption, we remain faithful in our efforts to reduce greenhouse gas emissions. Additionally, we prioritise biodiversity conservation, recognising its critical role in maintaining ecological balance and resilience.

At present, 32% of our total energy consumption is sourced from renewable sources, emblematic of our resolute shift towards cleaner and more sustainable energy alternatives. Notable progress has been made in our sustainability endeavours, exemplified by a commendable 63% year-on-year reduction in Scope 2 emissions. With respect to waste management, our effective waste reduction and recycling initiatives have led to a remarkable diversion of 99% of waste from disposal. Conservation of water is equally vital to us. We have achieved a 9% year-on-year reduction in water withdrawal. Through the optimisation and exploration of innovative technologies, we aim to further diminish our water footprint. At our Real Estate segment,

we have a robust biodiversity policy that guides our initiatives towards biodiversity conservation. In the Pulp and Paper segment, we are taking substantial steps towards tree plantation. In this financial year, we have planted 52.97 lakhs saplings across 2,414.3 hectares.

To ensure the efficacy of our climate change initiatives, we have established a specialised task force on energy, waste, and water. These task forces collaborate seamlessly across departments to devise and implement strategic measures in alignment with our sustainability objectives. With the help of our dedicated team, we are in a continuous quest to identify new avenues for improvement.

Furthermore, we uphold a robust governance framework to meticulously monitor and evaluate the progress of our environmental endeavours, ensuring a trajectory of continuous improvement.





## Green Focus: Building on Four Key Pillars

Aligned with our sustainable practices, we have prioritised four key pillars - namely, energy efficiency, emission reduction, water stewardship, and waste management. With our untiring green focus, we aim to contribute to a more sustainable future while positively impacting the environment and the communities we serve.



### Energy efficiency:

We are dedicated to implementing mechanisms for energy-saving and reduction in energy consumption, bolstering our efforts towards radical and adaptive actions aimed at enhancing energy efficiency across operations.

#### Goal:

To improve energy efficiency in operations across all business segments.



### Emission reduction

We are continuously working towards clean energy usage in our operations and emission reduction measures across the value chain remains a top priority, as we diligently work towards the decarbonisation of our business operations.

#### Goal:

To reduce greenhouse gas emissions across all business segments.



### Efficient waste management

Embracing the principles of the 3Rs—Reduce, Reuse, Recycle; we are committed to effective waste management practices. By integrating these principles into our operations, we aim to create a greener and more sustainable future while minimising waste generation and promoting resource efficiency.

#### Goal:

To achieve zero waste to landfill and implement measures for reusing waste across all segments over time.

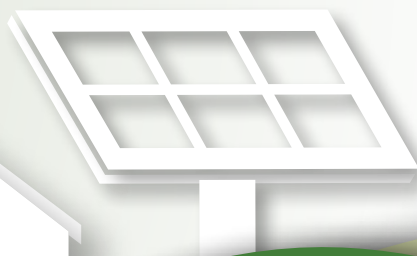


### Effective water stewardship

Recognising water as precious natural capital, we place great importance on conserving and reusing water across our on-site operations and the surrounding areas. Our ongoing efforts focus on not only reducing our water consumption, but also reduction in wastewater and its treatment before release to minimise our environmental footprint.

#### Goal:

To make water stewardship a core value in all segments, enhancing water efficiency across operations.



## Key Pillars



### ENERGY EFFICIENCY

With a significant dependency of the world economy on fossil fuels, ensuring a consistent and clean energy supply is imperative for all enterprises. Across our diverse business segments, we employ the most energy-efficient production practices, thereby contributing to energy conservation efforts.

To uphold transparency and accountability, we are continuously and rigorously monitoring and reporting systems and processes across all business segments. These systems enable precise tracking and analysis of our energy consumption patterns, facilitating the identification of areas with heightened energy usage. Armed with this comprehensive data, we are further improving our existing strategies and initiatives aimed at driving reductions in energy consumption.

Moreover, we recognise the importance of engaging our employees and stakeholders in energy conservation endeavours. Through targeted programmes and initiatives, we promote awareness and cultivate a culture of sustainability within our Company, ensuring that every individual contributes to our collective goal of a greener future.

Each of our business segments employs unique approaches to fulfil their energy needs and implements strategies for energy conservation. The below trends show how our efforts have helped in reducing our energy consumption and energy intensity.



### CTIL Energy Consumption Trends

| Year       | Non-Renewable (TJ) | Percentage (%) | Renewable (TJ) | Percentage (%) | Total Energy Consumption (TJ) |
|------------|--------------------|----------------|----------------|----------------|-------------------------------|
| FY 2023-24 | 10,775.08          | 68             | 5,075.50       | 32             | 15,850.58                     |
| FY 2022-23 | 9,542.1            | 60             | 6,458.27       | 40             | 16,000.37                     |
| FY 2021-22 | 9,906.41           | 59             | 6,884.12       | 41             | 16,790.53                     |

### CTIL Energy Intensity

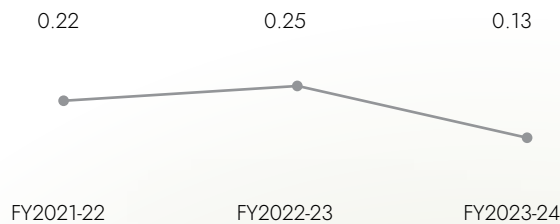




## Real Estate:

Energy is a vital component to our Real Estate business, playing a critical role in construction and leasing activities. Energy is needed to power large devices, instruments, and tools used during construction and in the management of leased facilities. The Real Estate segment has implemented many energy saving and energy efficiency programmes across its operations. All our commercial buildings are entirely powered by renewable energy. This initiative has significantly reduced carbon emissions across our operations.

### Energy Intensity Real Estate (GJ/Sq. Mt.)



## Initiatives for Green Energy

We have adopted multiple green energy measures at our residential and commercial buildings.

### Pioneering Green Solutions

This year our major focus was on green energy. We have taken major efforts across our buildings which includes the installation of photovoltaic cells.

#### Here are the key initiatives implemented at selected buildings:

- Birla Aurora has achieved a remarkable 100% transition to green energy, while Birla Centurion has made significant progress with a 38% shift. Together, these efforts have reduced CO<sub>2</sub> emissions in our commercial properties by 43%. In addition to this, both the properties have installed EV charging infrastructure to support sustainable transportation.
- At Birla Tisya, we have been generating renewable energy, averaging 900kWh per month.

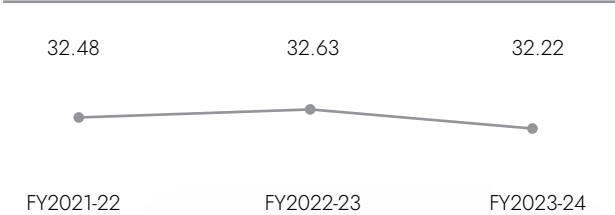
We have also installed Photo Valtic Cells to power the path lights at the Birla Vanya.



## Pulp and Paper:

Our Pulp and Paper segment embraces a diverse energy strategy, encompassing various sources such as High-Speed Diesel (HSD), coal, Liquefied Petroleum Gas (LPG), and renewables like solar power and some of the notable steps towards using biomass such as, Compressed methane gas (CMG), wood bark, pith, black liquor, perul etc. Our energy-saving initiatives encompass the implementation of various measures, such as integrating a new evaporator, installing a new head box, and employing air agitators throughout different processes. We have also worked towards installing energy-efficient technologies and enhancing operational processes through improvements in traps, valve passing, and insulation.

### Pulp and Paper Energy Intensity (GJ/MT)



Our energy management system is structured around the Perform, Achieve, and Trade (PAT), enabling us to monitor, evaluate, and improve our energy performance compared to baseline levels. We meticulously track various energy parameters which helps us in identifying areas for improvement and implementing targeted measures to optimise energy usage. Moreover, 34% of our energy needs are produced internally from renewable fuels including biomass and solar electricity.





## Case Study

### CMG - Energy Efficient Solution

In our pursuit of sustainable energy solutions, we have innovatively utilised Compressed Methane Gas (CMG), generated from the waste produced from our operations. This initiative significantly reduces Liquefied Petroleum Gas (LPG) consumption. By using CMG for air drying, we are moving towards minimising our environmental footprint and boosting our operational efficiencies.

### Impact of Evaporator System Upgrade

To boost energy efficiency and meet future production needs, we have installed an advanced evaporator system to enhance our evaporation capacity. This upgrade has resulted in a notable increase in our Steam Economy and has concurrently amplified steam generation at the boiler, facilitated by higher black liquor solid content.



## Emission Reduction

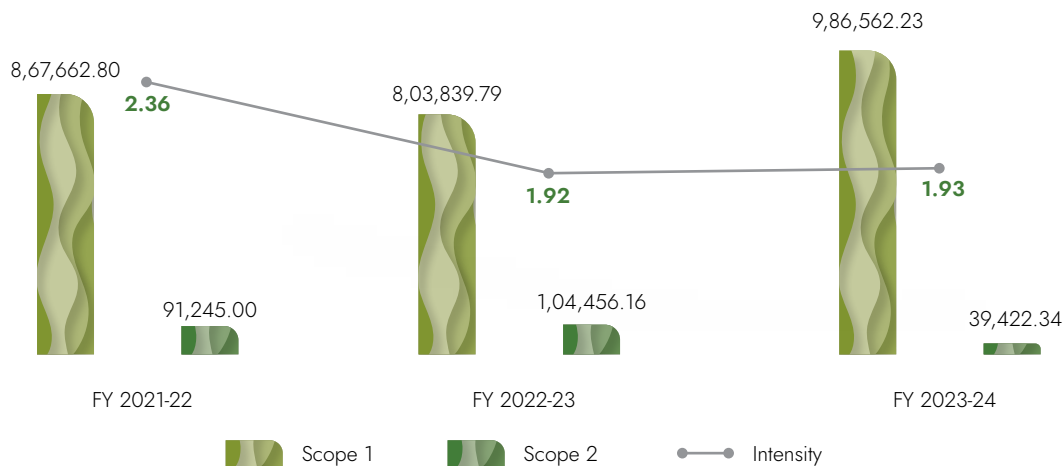
We diligently monitor Scope 1 and Scope 2 emissions across project sites, manufacturing plants, and office buildings. The primary contributors to Scope 1 emissions across the business segments are the different fuels utilised for energy, including coal, gasoline, HSD, natural gas and LPG.

We utilise the GHG protocol for accounting our carbon footprint. In calculating these emissions, we have used the emission factors provided by both the Intergovernmental Panel on Climate Change (IPCC) and the Central Electricity Authority (CEA) for Scope 1 and Scope 2 emissions, respectively.



### CTIL Emission Profile

(tCo2e/ lakhs ₹)



Note: There is a marginal increase in emission intensity compared to FY 2022-23 due to increase in the share of conventional energy in the Pulp and Paper segment.

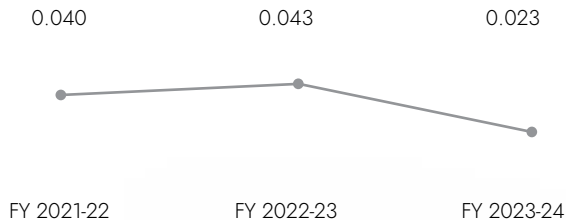
Moreover, during the reporting period, we have emitted 8.10 kg of CFC-11 equivalent ozone-depleting substances (ODS). This includes 6.27 kg of CFC-11 equivalent from the use of R-22 and 1.83 kg of CFC-11 equivalent from R-123. These emissions were calculated based on the quantities of ODS used and their respective Ozone Depletion Potentials (ODP), referred from the Handbook on Data Reporting under Montreal Protocol by United Nations Environment Program (UNEP) Division of Technology. We are committed to reducing our ODS emissions and are exploring alternatives to these substances to minimise our environmental impact by replacing R-22 and R-123 with zero ODS refrigerants.



## Real Estate:

Amidst growing concerns about climate change and environmental sustainability, our commitment to reducing GHG emissions remains persistent. As part of our ongoing efforts, we have quantified our GHG Emissions for our Real Estate business segment.

### Emission Intensity Real Estate (tCO<sub>2</sub>e/Sq. Mt.)



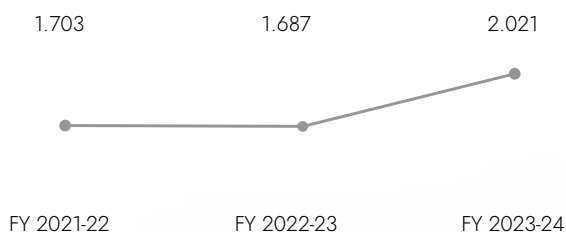
### Highlighted Story: Reducing Embedded Carbon Emissions

## Fortifying Structures, Reducing Emissions with GGBS

In FY 2023-24, Birla Estates prioritised sustainability by integrating 2,440 MT of Ground Granulated Blast Furnace Slag (GGBS) into construction projects, leading to a significant reduction in CO<sub>2</sub> emissions. This conscious decision not only enhanced the strength and durability of the concrete but also minimised thermal cracking, ensuring the long-term integrity of our structures.

## Pulp and Paper:

### Emission Intensity Pulp and Paper (tCO<sub>2</sub>e/MT)



In line with our commitment to environmental sustainability in the Pulp and Paper segment, we have undertaken significant measures to lower our GHG emissions.

The utilisation of clean fuel like CMG which is generated from our Bio-Methanation plant has contributed to our overall emissions reduction goals. These efforts have effectively reduced our thermal energy consumption.

Despite our efforts there has been an increase in emission intensity that can mainly be attributed to a decrease in renewable fuel consumption. This decline in renewable fuel usage correlates with heightened imports of pulp, consequently reducing black liquor production.

## Emissions other than GHG Emission

All our business segments strictly adhere to the air emissions guidelines set by regional and central regulatory bodies. Robust monitoring systems have been implemented across all our operations to accurately track key pollutants such as oxides of nitrogen and sulfur (NO<sub>x</sub>, SO<sub>x</sub>), and particulate matter. To ensure compliance with legal criteria regarding air quality, all boiler stacks and kilns are equipped with state-of-the-art Electrostatic Precipitators (ESP) technology.

| Parameter                             | Unit | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|---------------------------------------|------|------------|------------|------------|
| Oxides of Nitrogen (NO <sub>x</sub> ) | MT   | 581.42     | 866.16     | 744.45     |
| Oxides of Sulphur (SO <sub>x</sub> )  | MT   | 234.79     | 365.85     | 271.99     |
| Particulate Matter (PM)               | MT   | 740.77     | 730.30     | 469.97     |





## EFFICIENT WASTE MANAGEMENT

Waste management emerges as a fundamental aspect of our environmental commitment. At CTIL, we are committed to minimising waste generation and maximising resource efficiency as part of our broader integration of circular economy principles. Through innovative strategies and proactive initiatives, we are reshaping our approach to waste, with a focus on reducing, reusing, and recycling resources wherever possible.



### 3R Excellence: Shaping Sustainable Waste Solutions

#### ► Waste Reduction:

Throughout our business segments, we have deployed diverse strategies to pinpoint avenues for waste reduction. Within the Real Estate segment, the adoption of sustainable construction methods and waste management systems aims to diminish both construction and operational waste, while the Pulp and Paper segment prioritises refining production processes with technological advancements to curtail overall waste production.

#### ► Resource Reuse:

Throughout our operations, we actively encourage the reuse of materials and resources. In the Pulp and Paper segment, sawdust, bark, and used oil are reused as fuel for the lime kiln and boiler. In Real Estate, Construction and Demolition (C&D) wastes are being reused in road construction and refilling.

#### ► Recycling:

Our commitment to waste reduction is demonstrated through various recycling initiatives. In the Pulp and Paper segment, the ETP sludge is used for board manufacturing and the fly ash from it is sent to cement industry. At our residential and commercial sites, we have installed organic waste converters to manage organic waste and convert it into manure used for plantation purposes.

Our efforts are guided towards building a sustainable future, preserving resources, and reducing our ecological impact which we are achieving by conforming to the reduce, reuse, and recycle (3R) waste management principles.



### Waste Generation by CTIL

#### Total waste generated:

| Year       | Type of Waste | Total Waste Generated (MT) | Total waste Diverted from Disposal (MT) | Total Waste Directed to Disposal (MT) |
|------------|---------------|----------------------------|-----------------------------------------|---------------------------------------|
| FY 2023-24 | Non-Hazardous | 3,47,868.03                | 3,88,220.18                             | 5,331.53                              |
|            | Hazardous     | 45,664.28                  |                                         |                                       |
|            | Total         | 3,93,532.31                |                                         |                                       |
| FY 2022-23 | Non-Hazardous | 2,93,099.30                | 2,90,982.84                             | 3,356.03                              |
|            | Hazardous     | 1,239.37                   |                                         |                                       |
|            | Total         | 2,94,338.67                |                                         |                                       |
| FY 2021-22 | Non-Hazardous | 2,93,566.69                | 2,92,374.99                             | 1,932.95                              |
|            | Hazardous     | 741.24                     |                                         |                                       |
|            | Total         | 2,94,307.94                |                                         |                                       |

## Waste Management Journey: Divergence and Disposal

In our ongoing efforts towards environmental stewardship, we have continued to divert 99% of the waste generated from disposal. Guided by our 3R's Philosophy, our initiatives have enabled us to divert waste from landfills. For example, in the Real Estate segment, we repurpose the construction and demolition waste in different construction activities. Similarly for our Pulp and Paper segment, most of the waste generated (such as piith, sawdust, etc.) is repurposed as fuel to power the operations.





## Real Estate:

Waste management is highly important to us, and we incorporate environmentally conscious practices into every project at all levels in our Real Estate segment. Starting at the design phase, we have implemented effective mechanisms for the responsible disposal of both solid and liquid waste. Our objective is to implement zero liquid discharge systems at the design stage. We utilise STP to treat wastewater, and the treated water is subsequently repurposed for gardening and flushing, thereby minimising water wastage. This approach has resulted in no liquid discharge from the Real Estate segment's offices in the current financial year. Additionally, we prioritise sustainability by repurposing topsoil excavated during construction for landscaping purposes and ensuring the appropriate management and disposal of any remaining soil. Waste generated during the construction phase, whether hazardous or non-hazardous, including municipal waste, is stored, managed, and disposed of on-site.



### Case Study

#### Maximising Resource Efficiency through Comprehensive Waste Management

At our commercial operations, we utilise organic waste converters to transform various organic waste materials such as leftover vegetables, meat, bread, leaves, fruit, and fruit skins into valuable compost. This compost serves as a vital resource for organic farming operations, contributing to sustainable gardening practices. In addition to organic waste converters, we implement various other waste management practices on-site, ensuring that all recyclable waste is managed responsibly by authorised recyclers.

#### Recycled Concrete Aggregates for Sustainable Construction

Within our residential operations, recycled concrete aggregates are used in making PCC (Plain Cement Concrete) for construction purposes. This strategy reduces the quantity of waste dumped in landfills and eases the strain on the environment. Reusing old concrete not only lessens the demand for fresh resource extraction but also reduces the environmental damage caused by resource extraction and transportation.

## Pulp and Paper:

In our waste management practices at the Pulp and Paper segment, we employ various strategies to ensure the efficient diversion and utilisation of waste materials. Solid waste, consisting primarily of dust, dirt, and saw dust, is incinerated in the boiler. The fly ash, generated

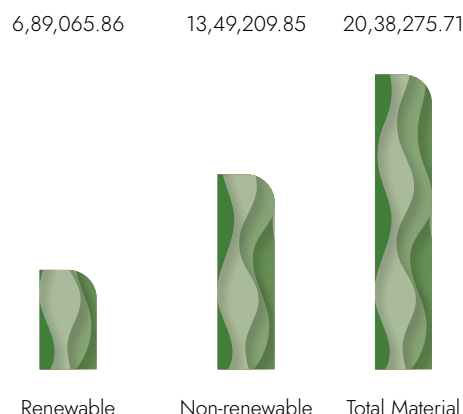
during operations, is utilised by the cement industry through our circular economy approach. Notably, we have successfully diverted all waste generated by us away from landfills. Additionally, black liquor, a byproduct of our processes, is utilised in the recovery boiler to generate steam.

## Responsible Material Consumption

At CTIL, we prioritise responsible consumption of materials, striving to minimise waste and maximise resource efficiency across our operations. By implementing innovative technologies, adopting eco-friendly production processes, and promoting recycling and reuse, we ensure that our material consumption is both responsible and sustainable.

At CTIL, we remain dedicated to incorporating renewable materials as a significant portion of our overall material usage. Out of the total material used which is 20,38,275.51 MT, 23% materials are recycled.

### Material Consumption at CTIL (MT)



## Real Estate:

In our Real Estate segment, we prioritise sourcing raw materials locally, within a 500Km radius. Our operations are committed to promoting the use of recycled resources, including recycled concrete, glass, sustainable building materials etc. thereby reducing our reliance on virgin materials. Additionally, we ensure that low Volatile Organic Compound (VOC) paints are utilised in our projects to uphold environmental sustainability.

## Pulp and Paper:

Our Pulp and Paper segment primarily utilises a variety of raw materials including wood, bamboo, bagasse, pulp, recycled paper etc. We remain committed to adhering to the Forest Stewardship Council (FSC®) guidelines, ensuring that our wood sourcing practices avoid questionable origins such as historic and endangered forests.



## EFFECTIVE WATER STEWARDSHIP

Recognising the prevalent water scarcity challenges in the society, we are actively addressing water conservation and stewardship. We have taken a proactive approach towards identifying potential risks related to water availability and implemented water conservation measures. In addition, we have set targets aimed at limiting water discharge, withdrawal, and consumption to ensure responsible water usage throughout our operations.

### Mindful Utilisation of Water as a Shared Resource

As a Company, we recognise that water is a shared resource and advocate its judicious use. Consequently, water management initiatives are undertaken by our business segments. Each business tailors its actions to fulfil the water requirements by aligning with specific needs and operational circumstances.

In the Real Estate segment, our water procurement strategy encompasses a diverse range of sources, encompassing surface water, and third-party supplies. Within the Pulp and Paper segment, we use groundwater. We place a strong emphasis on the sensible utilisation of these water resources sustainability. Through efficient water management practices, we strive to minimise water consumption while maintaining the highest standards of sustainability.





## Water Management at CTIL

| Water Parameters for All Areas            |                |                |                |
|-------------------------------------------|----------------|----------------|----------------|
| Parameter                                 | FY 2023-24     | FY 2022-23     | FY 2021-22     |
| Water withdrawal by source (in KL)        |                |                |                |
| Surface water                             | -              | 6,72,886.80    | 7,56,290.34    |
| Groundwater                               | 1,20,29,001.00 | 1,32,06,081.05 | 1,40,07,839.15 |
| Third party water                         | 6,90,032.20    | 71,938.00      | 49,538.77      |
| Total water withdrawal (in KL)*           | 1,27,19,033.20 | 1,39,50,905.85 | 1,48,13,668.26 |
| Total volume of water consumption (in KL) | 1,27,19,033.20 | 1,92,61,415.85 | 2,05,53,479.26 |
| Water discharge by source (in KL)         |                |                |                |
| Surface water                             | 78,47,476.00   | 82,99,391      | 88,28,383      |
| Total volume of water Discharge (in KL)** | 78,47,476.00   | 82,99,391      | 88,28,383      |
| Water intensity (kl/ lakhs ₹)             | 23.90          | 40.81          | 50.52          |

\* The TDS of water withdrawal is below 1000 mg/l

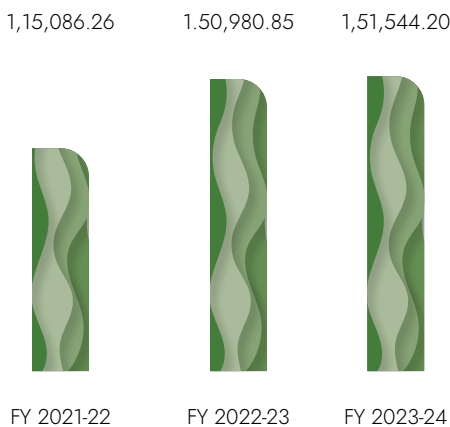
\*\* The TDS of water discharge is in between 1500-2000 mg/l in Pulp and Paper segment.

| Water Parameters for Areas with Water Stress |            |            |            |
|----------------------------------------------|------------|------------|------------|
| Parameter                                    | FY 2023-24 | FY 2022-23 | FY 2021-22 |
| Water withdrawal by source (in KL)           |            |            |            |
| Surface water                                | -          | -          | -          |
| Groundwater                                  | -          | 20,009.09  | 10,529.15  |
| Third party water                            | 38,103.20  | 12,340.00  | 6,143.00   |
| Total water withdrawal (in KL)               | 38,103.20  | 32,349.09  | 16,572.15  |
| Total volume of water consumption (in KL)    | 38,103.20  | 32,349.09  | 16,672.15  |
| Water discharge by source (in KL)            |            |            |            |
| Total volume of water Discharge (in KL)      | -          | -          | -          |

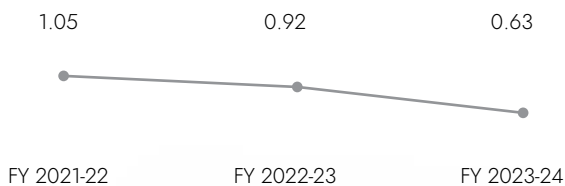
## Real Estate:

As we continue to grow our business and expand operations within the Real Estate segment, it is essential to recognise the increasing demand for water. We have set up STPs at all our sites and the treated water is used for secondary purposes. Rainwater harvesting structures have been implemented across all projects. Over the course of the past three financial years, the segment has introduced innovative water reuse and recycling initiatives, resulting in substantial improvement in the amount of water recycled.

### Water Withdrawal at Real Estate (KL)



### Water Intensity Real Estate (KL/Sq. Mt.)



## Case Study

### Sustainable Curing solutions

Curing is critical for enhancing the strength and durability of concrete structures. By carefully maintaining optimal moisture and temperature conditions during the initial hardening phase, curing ensures the concrete achieves its full potential. Water is traditionally utilised for curing, serving to prevent moisture loss and facilitate proper hydration of the cementitious materials. However, our commitment to sustainable practices has led us to embrace innovative solutions such as curing compounds. These liquid membrane-forming materials, diligently applied to freshly poured concrete, act as a shield against premature moisture evaporation. This not only promotes improved hydration but also significantly reduces the reliance on water for curing. As a result, our utilisation of curing compounds not only enhances concrete performance by reducing plastic cracking, shrinkage, and surface dusting but highlights our dedication to environmentally conscious construction practices, minimising water usage while maximising structural integrity.

### Efficient Water-Saving Solution

In both residential and commercial projects, we are striving for 100% recycling of water for activities like gardening, right from the design stage. For instance, at our labour camp in Birla Tisya, Bengaluru, domestic sewage is treated on-site and then transported via tankers to use in the construction activity, exemplifying our commitment to using treated STP water. In the fiscal year 2024 alone, we have utilised 4.2 million litres of treated STP water. Reuse of STP water reduces reliance on freshwater withdrawal, promoting sustainable water management practices.



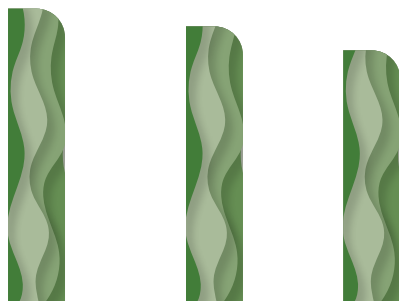


## Pulp and Paper:

Water is an indispensable component and a vital input material in the papermaking process. Recognising its significance, the Pulp and Paper segment has implemented a range of measures to monitor its water-related impacts. Leveraging innovative technologies, we aim to tackle the emerging challenges posed by water scarcity while actively contributing to the preservation of this crucial resource. Our plant has a low specific water consumption as compared to industry standards, owing to our relentless focus on water retreatment and conservation initiatives. 55% of our water requirement is met through recycled water.

### Water Withdrawal at Pulp and Paper (KL)

1,39,89,175.00    1,31,71,542.00    1,20,18,227.00



FY 2021-22

FY 2022-23

FY 2023-24

### Water Consumption Intensity in Pulp and Paper (KL/MT)

29.40    28.32    25.82



FY 2021-22

FY 2022-23

FY 2023-24

## Major Water Saving Activities

| Activity                                                             | Approx. Water saving Achieved |
|----------------------------------------------------------------------|-------------------------------|
| Reuse from Chemical Recovery Plant                                   | 100M3/Hr.                     |
| Reclamation of stock back water and reuse in Chipper & Chips Washing | 150 M3/Hr.                    |
| Recycling of bleaching stage back water                              | 100M3/Hr.                     |
| Recirculation of sealing water                                       | 150M3/Hr.                     |
| Recovery of cooling & sealing water from Bagasse                     | 100M3/Hr.                     |
| Reclamation of stock back water and reuse for Bagasse Wash Plant     | 100M3/Hr.                     |

## Water Discharge

Through increased effluent recycling, we have effectively minimised discharge volumes from our operations. This proactive water management not only benefits our operations but also contributes to local ecosystem and water resource preservation. Leveraging advanced recycling methods, we have boosted wastewater recovery and treatment capabilities, leading to significant reductions in effluent discharge and environmental impact.





## NURTURING BIODIVERSITY

We prioritise harmonious coexistence with nature and sustainable development as core values. By integrating biodiversity considerations into our daily activities, we aim to improve the long-term health of ecosystems while balancing nature and business needs.

For biodiversity preservation, we carefully plan and execute activities to avoid disrupting protected areas and regions with significant biodiversity. Adhering strictly to 'Green Building' standards ensures our projects uphold environmentally sustainable practices.

We actively cultivate local plants and shrubs in our green spaces, avoiding invasive species and supporting biodiversity and groundwater replenishment. None of the IUCN (International Union for Conservation of Nature) Red List species have been impacted by our activities.



## Real Estate:

At our Real Estate business segment, we prioritise the preservation of biodiversity, fostering thriving ecosystems on our premises. This not only maintains ecological equilibrium but also supports community well-being and enhances the aesthetic appeal of our locations. Central to our dedication is an extensive Biodiversity Policy, seamlessly integrating conservation with sustainable practices. Key aspects of our policy include incorporating a minimum of 80% native species into our projects and proactively protecting endangered flora and fauna. We aim to cultivate an environment that promotes biodiversity, enriches local ecosystems, and sustains the vitality of our projects.



### Case Study

#### Biodiversity Enhancement

Our Real Estate segment prioritises biodiversity enhancement, right from project acquisition, nurturing native species while deterring invasive processes. To ensure the effectiveness of our efforts, we conduct thorough studies of flora, fauna, and biodiversity by collaborating with external research bodies. For instance, we are currently conducting a comprehensive biodiversity study within a 10 kms radius for one of our projects with a specific focus on conserving the nearby river ecosystems. Over the next 3-6 months, we are working towards compiling a detailed biodiversity database to guide our future projects. This structured approach allows us to maintain a consistent and impactful biodiversity enhancement strategy across all our endeavours.

#### The biodiversity study encompasses:

##### Landscape Assessment

A meticulous examination of the landscape's characteristics, including terrain, vegetation, and geological features are used to paint a holistic picture of the ecosystem's composition and structure.

##### Habitat Analysis

Delve into the diverse habitats present within the site, from forests and wetlands to grasslands and water bodies, to identify key ecological niches and their significance in supporting biodiversity.

##### Flora and Fauna Inventory

An exhaustive inventory of species inhabiting the area, spanning native, exotic, vulnerable, and invasive species, shedding light on the richness and diversity of the local biodiversity.



## Pulp and Paper:

Our Pulp and Paper segment has taken significant strides towards biodiversity enhancement through the initiative of the plantation of samplings undertaken in the financial year. In FY 2023-24 alone, we planted 53 lakhs saplings across 2,414.3 hectares. The Company's overarching aim is to become wood positive, by steadily increasing plantation efforts each year to meet our total wood requirements without relying on external sources.

Furthering our commitment to biodiversity conservation, we have established 12 Amrit Sarovars, which serve as water source for wildlife in the region. We also actively collect dry leaves from forests, thereby mitigating the risk of forest fires and creating employment opportunities for local women. In the realm of farm forestry, we have set ambitious targets to plant 100 lakh seedlings. To ensure the survival rates of these plantations, we have adopted a multifaceted approach. This includes planting more trees, providing training to farmers in 80 decentralised nurseries, offering Forest Research Institute (FRI) certified seeds, and purchasing wood from farmers at rates above market price. This integrated approach involves the collaboration of 80 leading farmers and promotes intercropping, thereby providing additional income opportunities.

## Recognising Innovative Green Cover Development

We are proud to announce that we have been honoured with the prestigious Quality Circle (QC) Rudrapur Chapter Award for our innovative approach to developing green cover through plantation. We are proud to announce that we have been honoured with the prestigious Quality Circle (QC) Rudrapur Chapter Award for our innovative approach to developing green cover through plantation. Our approach prioritises various key objectives, including enhancing carbon sequestration, producing in-house raw materials, minimising environmental impact, and reducing our reliance on external sources for raw materials. This accolade serves as a testament to our dedication to fostering a greener and more sustainable future through pioneering initiatives in the field of environmental conservation.

## Way Forward

At CTIL, we fully recognise the importance of natural capital and its pivotal role in our business operations, as well as its broader impact on society and the environment. Year after year, we are working towards implementing proactive measures aimed at mitigating negative impact across the two segments of our business.

In our approach to natural capital, we consistently surpass legal requirements and compliance standards. We understand that by safeguarding and enhancing natural resources, we ensure the long-term viability of our Company, drive innovation, and generate benefits for all stakeholders involved. Through partnerships with key stakeholders, we believe we can collectively address challenges posed by declining biodiversity, climate change, and resource shortages, paving the way for a future where natural capital is respected, preserved, and restored.

Our Company has made significant strides in improving its natural capital across various fronts, achieving notable progress so far. Our focus remains on making our facilities self-sufficient through renewable energy while enhancing energy efficiency and reducing reliance on fossil fuels. Looking forward, we are committed to continuing this journey, enhancing our natural capital, and contributing to a more sustainable future.



# Social & Relationship Capital

Our strategy for social and relationship capital is foundational. We understand the critical importance of cultivating strong connections with our customers, suppliers, society, and other stakeholders. By building trust, promoting transparency, and aligning goals through open communication and collaboration, we aim to harness the collective strengths and perspectives of all stakeholders to address societal challenges and drive sustainable development.

Through strategic initiatives and partnerships, we actively seek to make a meaningful impact on the communities we serve. From supporting underprivileged families with essential resources to promoting environmental conservation and inclusivity, our commitment extends beyond business success to create a more equitable and sustainable world for all.



## Strengthening Bonds, Elevating Lives: Leveraging Social Capital for Good

At CTIL, we recognise that our success is intricately tied to the well-being of the communities we serve. Our approach to social and relationship capital revolves around cultivating meaningful connections and driving customer-centric initiatives. Our motivation lies in creating a positive impact. We believe that sustainable business practices lead to long-term success. By integrating ESG considerations into our operations, we strive for a harmonious balance between profitability, societal well-being, and customer satisfaction.

We actively engage with local communities through various programmes, including education, healthcare, and skill development. By empowering individuals, we contribute to the overall progress of society. We actively work to address pressing social issues, such as healthcare, sanitation, education, women's empowerment, skill development, community development etc.

With our customer-centric approach to business, customers are at the heart of everything we do. We listen to their needs, preferences, and feedback to continuously improve our products and services. We deliver value, quality, and reliability, in our Real Estate and Pulp and Paper segments.

Through transparent communication and ethical practices, we aim to build lasting relationships with our suppliers and vendors driving social responsibility and ensuring a brighter future for all stakeholders.

## Key Highlights

**Lives impacted through CSR Initiatives:** 1,18,208

**Total spendings on CSR:** 4.88 Crores

**Trees planted:** 52.97 lakhs

**100%** of our products in all segments prioritise safety and responsible usage, ensuring customer well-being.

**Zero** instances of data breach were observed during the reporting year

**62.04%** of our input materials are responsibly and sustainably sourced.

**Zero** complaint with respect to data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, unfair trade practices across the business segments

## SDG Linkages



## Key Material Topics Under Social and Relationship Capital:

- Customer Experience and Satisfaction
- Brand Management
- Data Privacy and Cybersecurity

## Linkages with NGRBC Principle:

Principle 5

Principle 8

Principle 9

## Linkages with other Capitals:



**Financial Capital:** Enhancing social and relationship capital fortifies stakeholder trust and engagement. This, in turn, translates into better financial outcomes and increased accessibility to financial resources.



**Intellectual Capital:** Collaborative relationships enable the exchange of knowledge, which in turn stimulates innovation and supports the growth of intellectual capital. By actively engaging in collaborations, collective expertise, insights, and resources, continuous innovation and enhance overall organisational capabilities can be leveraged.



**Natural Capital:** Improving social and relationship capital facilitates the alignment of interests and the pursuit of shared goals, resulting in positive outcomes for the environment and society.



**Human Capital:** Robust social connections and positive relationships are essential for nurturing talent, promoting employee wellbeing, and maximising the potential for human capital for driving the Company's success.



**Manufactured Capital:** Social and relationship capital enhances manufacturing capabilities by facilitating collaborative partnerships, promoting a culture of innovation, and driving efficiency within the Company.

## Forging Connections, Catalysing Change: A Commitment to Social Responsibility

We actively collaborate with local communities around our plants. Our CSR initiatives span critical areas such as education, health, and environmental sustainability. Through strategic partnerships with organisations like “A World of Opportunity” Foundation (AWOO Foundation) we provide scholarship to students across India while institutions like MPower helps us address mental health issues to promote positive change in society.

In education, we have supported the development of roads and walls of school buildings and other facilities, ensuring access to quality education for children. Happy and healthy children are the future of this country and for us, health remains a priority in our initiatives. We organise medical camps, blood donation drives, and health awareness programmes for girls and women. Additionally, we have contributed to infrastructure development in government hospitals, enhancing healthcare accessibility for all. Under environmental stewardship, we promote sustainable practices within our business units, such as encouraging leaf collection for fuel use. Hand pump installations and campaigns for environmental protection enrich our contributions to empower the community.

We encourage active employee engagement to broaden the reach of our CSR initiatives. Our workforce is deeply committed to community service, and we actively promote and support employee volunteerism. Through volunteering, we strengthen community bonds and empower employees to drive positive change, aligning personal values with our ardour for social responsibility.

## Real Estate:

Our Real Estate segment is deeply committed to both empowering workers and enriching the lives of local communities. Through comprehensive training programmes, workers gain valuable skills and certifications, expanding their employability and providing opportunities. Simultaneously, environmental initiatives such as road clean-ups and river cleaning projects minimise the environmental impact revitalising natural resources. Our approach emphasises transparency, collaboration, and meaningful engagement with stakeholders, building trust and long-lasting partnerships for sustainable growth.



### Impact Stories

#### Empowering Workers and Enhancing Communities

Workers from diverse trades, including carpentry, fitting, scaffolding, welding, and electrical work, received expert guidance from CIDC\*-trained professionals. This initiative not only enhanced job performance but granted certifications opening doors to new employment opportunities.

#### Minimising Environmental Impact

At Birla Niyaara, we have spearheaded initiatives to clean roads and paint walls in nearby areas with the aim to beautify the surroundings and enhance the quality of life for residents.

\*CIDC – Construction Industry Development Council







## Pulp and Paper:

Our commitment to community welfare extends far and wide, encompassing diverse initiatives aimed at uplifting lives and encouraging sustainable development. From promoting women's health and hygiene, supporting para sports participation, and ensuring access to safe drinking water, we are dedicated to making a meaningful difference in the lives of those we serve. Additionally, our proactive efforts in community sanitation, healthcare, animal welfare, environmental sustainability, and fire prevention help us nurture holistic community development and environmental stewardship.



### Healthcare Initiatives



On 27<sup>th</sup> July, 2023, a Medical mobile van was handed over to the Chief Medical officer of Nainital, facilitating medical access to rural areas of the district.



On 26<sup>th</sup> December, 2023, an immunisation drive as a part of National Immunisation Campaign was conducted for children and pregnant women in the local community, at Lalkua.



On 25<sup>th</sup> February, 2024, a medical camp was held at Janta Inter College, Lalkua, offering a comprehensive range of expert services including consultations from physicians, eye specialists, orthopedists, dermatologists, cardiologists, gynecologists, pediatricians, neurologists, and pathologists. Free medicines and check-ups were provided.

Benefiting approximately

**782** individuals



## Cleaning, Sanitation and Drinking Water and Infrastructure Initiatives



Regular cleaning and garbage disposal from slum areas like Hathikhana, Rajeev Nagar Colony, and Bengali Colony ensure a healthier environment. Fogging and mosquito spraying efforts further combat malaria and dengue.

Benefiting approximately

**15,000** residents

On 18<sup>th</sup> June, 2023, a collaborative cleaning drive was conducted in Lalkua, involving teams from Indo Tibetan Border Force (ITBP), Nagar Panchayat, Forest Department, and District Administration. This was aimed to raise social awareness while cleaning roads and garbage dumping areas, with a primary focus on reducing single-use plastic.

Benefitting approximately

**5,000** people



To promote menstrual hygiene at Lal Bahadur Shastri Government Degree College in Halduchaur, Nainital, we installed a sanitary napkin vending machine.

Thirty toilets were constructed at Bindukhatta & Shantipuri at Lalkua.

Total no. of beneficiaries

**50** approx.



Thirty hand pumps were installed in Bindukhatta, at Lalkua ensuring access to safe drinking water for the community.

Benefitting approximately

260 people



Two cowsheds were erected for stray cows in Thakurdwara, Uttar Pradesh.

Benefitting a total of

1,000 beneficiaries

At Government High School Ghoranala, Bindukhatta, Lalkua we completed the construction of an Reinforced Cement Conrete(RCC) road and building, along with fixing the entry gate. Additionally, a boundary wall was constructed at Janta High School in Bhindukhatta., Lalkua.

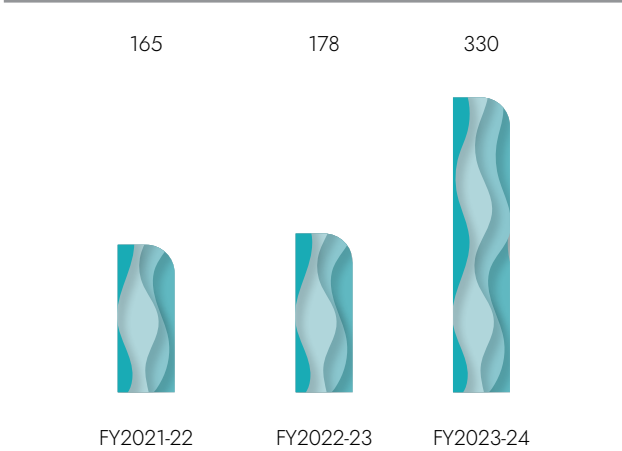


Fire Prevention and Sustainability

In the rugged terrains of Uttarakhand, the accumulation of dry pine needles, particularly Perul, significantly elevates the risk of wildfires. These fires not only threaten local communities but also wreak havoc on the region's biodiversity and ecological balance. The Chir Pine, known for its highly flammable needles (Perul), dominates the lower altitudes of the Himalayas and is a major contributor to the fire hazard. The situation is further exacerbated by factors such as human negligence, dry weather conditions, and the heatwave effect in districts like Champawat and Nainital. To mitigate this risk, we initiated a collaborative effort with the Forest Division, Nainital, to collect Perul. This endeavours not only aims to prevent wildfires but also provides employment opportunities, particularly for women, in these regions. Utilising Perul as fuel in our Power Boilers, we collected a record-breaking 330 Metric tonnes.



Perul (MT)





## Other Initiatives

Responding to the severe cold weather in Thakurdwara, we acted by distributing 800 blankets to disadvantaged families, providing them with warmth and comfort through the winter months. Additionally, we initiated a programme to distribute eucalyptus cones to farmers, aimed at preventing soil erosion and promoting greenery, thus fostering social forestry initiatives. This dual-purpose endeavour not only supports farmers but also contributes to environmental conservation efforts, in line with our commitment to creating eco-social value.

Moreover, we provided financial assistance of ₹ 3.5 lakhs to Smt. Nirmala Devi, enabling her participation in the Para Lawn Ball event at the Para Asian Games held in China. This support, facilitated in response to a request from the Sub-Divisional Magistrate (SDM), Haldwani, stresses on our perseverance to support individuals in their pursuit of excellence and inclusivity on the international stage.

## Stakeholder Interaction and Grievance Redressal

We actively engage with stakeholders to understand community needs. Through meetings and complaint drop boxes, we engage with community groups, addressing their specific concerns and promoting transparency in our actions. Conducting 'Need' assessment surveys enables us to tailor our initiatives to effectively address specific requirements.

### CSR Contributions from the Pulp and Paper Segment:

| CSR Project Name                                       | Cumulative Amount Spent in FY 2023-24 in lakhs | Approx. no. of Beneficiaries |
|--------------------------------------------------------|------------------------------------------------|------------------------------|
| Preventive and Curative Health Services in Communities | 2.61                                           | 6,000                        |
| Sanitation Provisions                                  | 63.97                                          | 41,700                       |
| Promoting Education                                    | 3.45                                           | 250                          |
| Rural Infrastructure Development Projects              | 74.74                                          | 12,499                       |
| Environmental Sustainability                           | 2                                              | 5,000                        |
| Promotion of Sports                                    | 3.5                                            | 1                            |
| <b>Total amount in FY 2023-24 (lakhs)</b>              | <b>150.27</b>                                  |                              |

## Sustainable Procurement

At CTIL, we emphasise on the importance of building strong relationships with our suppliers and value chain partners. Working closely alongside them, we strive for mutual growth and success, harnessing innovative advancements to drive our business forward.

# 62.04%

of inputs were sourced sustainably

Supplier engagement and screening are critical components of our supply chain strategy. By cultivating strong relationships with suppliers and supporting their growth, we establish a reliable and efficient supply chain. We are embarking on a transformative journey towards establishing a resilient and ethically-driven supply chain by building a rigorous screening process. This process will ensure alignment with our values, including responsible sourcing and ethical practices. We prioritise local suppliers and assess factors such as product quality, delivery reliability, and adherence to ethical standards. Additionally, we consider aspects like an OEM's manufacturing capacity, team size, and environmental impact of raw materials. This comprehensive approach allows us to maintain a sustainable and resilient supply chain. Our supplier performance evaluation process emphasises the importance of product quality, timely delivery, and environmental impact assessment. Through sample assessments and maintaining a balanced supplier portfolio, we ensure reliability and mitigate dependency risks. Moreover, we are deeply committed to upholding human rights standards, promoting fair labour practices, and ensuring safe working conditions across our supply chain. This holistic approach fosters transparency and ethical procurement practices, ensuring that all stakeholders are treated with dignity and respect.

Our supply chain management encapsulates the characteristics of quality, collaboration, and sustainability. We engage with global suppliers, emphasising safety, environmental awareness, and compliance. Our preference for environment-friendly materials includes sourcing from agriculture and farm forestry, recycled content, and low-impact equipment. Regular performance reviews, strategic sourcing, and transparent communication enhance our supplier relationships. Our ethical approach ensures compliance with laws and fair competition principles.

In the Real Estate segment, we prioritise quality and ESG considerations in our procurement processes, particularly for finishing materials like wallpapers, sanitary ware, and tiles. Our supplier selection process is careful, aligning with ABG's procurement policy and tailored to the preferences of our customer base. We conduct thorough due diligence when onboarding new suppliers, evaluating factors such as ownership, health and safety standards, compliance, and production capacity. We exclusively partner with the best vendors, ensuring reliability and excellence in material sourcing. Moreover, we are actively developing policies like the Net-zero and Green Procurement policies to further strengthen our sustainability commitments.

## Supporting Regional Suppliers

In the supplier performance evaluation process, we actively support local suppliers, acknowledging their role in community growth and economic empowerment. Our focus is on sourcing from nearby vendors and service providers, which helps create jobs and boost socioeconomic progress within these areas. Through careful evaluation and monitoring, we uphold high standards for quality, safety, and sustainability, ensuring that our approach benefits both the vendors and the region's overall prosperity.

Most of our raw materials are collected domestically. In FY 2023-24 we have procured ₹ 521 Crores worth materials from local suppliers out of the total procurement budget of ₹ 680 Crores.

The Pulp and Paper segment sources raw materials from a diverse range of suppliers, including women farmers, small landholders, local suppliers, intermediaries, and Micro, Small, and Medium Enterprises (MSMEs).

## Percentage of Input Materials (Inputs to Total Inputs by Value) Sourced d Directly from MSMEs/ Small Producers.

|                |                                              | FY 2023-24               | FY 2022-23                |
|----------------|----------------------------------------------|--------------------------|---------------------------|
|                |                                              | (Current Financial Year) | (Previous Financial Year) |
| Real Estate    | Directly sourced from MSMEs/ small producers | 2.30                     | 4.82                      |
|                | Directly from within India                   | 100                      | 100                       |
| Pulp and Paper | Directly sourced from MSMEs/ small producers | 2.51                     | 2.5                       |
|                | Directly from within India                   | 67.58                    | 71.42                     |







## Pioneering Social Forestry Initiative

In our endeavour to achieve sustainable procurement, our Pulp and Paper segment has led to a transformative social forestry initiative. We are meticulously planting trees, ensuring an impressive 90% survival rate, thus minimising the need for additional tree cutting for production in the coming years. In this FY, we have planted 52.97 lac saplings across 2414.3 hectares. By leveraging local resources, we fulfil our wood requirements from nearby areas, thereby fostering economic growth within the community. We have established 80 decentralised nurseries, equipped with FRI certified seeds and farmer training, within this area. Farmers benefit from nominal-priced seeds and intercropping practices, enhancing their income. We work hand in hand with farmers, we commit to purchasing their wood at fair prices, ensuring mutual benefit and care for the environment.

## Upholding Human Rights

At CTIL, our commitment lies in upholding human rights and building an inclusive workplace where everyone feels valued and respected, irrespective of their background. We prioritise equal opportunities and work to eliminate discrimination based on gender, caste, race, religion, or disability. Through initiatives that enhance accessibility and empower women and local communities, we aim to create a balanced and inclusive environment, ensuring wage equity across all levels.

At CTIL, we prioritise the protection of human rights throughout our operations, supported by a comprehensive Human Rights Policy. This policy serves as a guiding framework to ensure adherence to human rights standards across the Company. We have established robust internal mechanisms for employees to report human rights concerns confidentially and securely. Any issues brought forward are thoroughly investigated. We are committed to addressing any human rights violations promptly and effectively to uphold our values of fairness and respect. Regular assessments are conducted to evaluate the Company's performance in various human rights aspects, with corrective actions taken as needed to address any identified concerns.

## Zero Complaints

on Sexual Harassment, Discrimination at Workplace, Child Labour, Forced Labour and wages





## Enhancing Customer Experience

We actively engage with our valued customers. By listening to customer feedback, understanding their needs, and customising our offerings, we ensure personalised solutions that cater to their most intricate needs. We measure satisfaction through the key indicators and implement improvements based on their insights. Transparency and open dialogue are integral to develop strong relationships built on trust and mutual respect.

At CTIL, safeguarding customer privacy and protecting personal data are our top priorities. We strictly adhere to rigorous privacy and security standards, ensuring responsible data management practices. By prioritising customer privacy and data security, we aim to shape trust and nurture lasting relationships with our valued customers.



***Safety of customers, employees and workers is paramount to Birla Estates.***

**- Narendra Joshi  
(National Operations Head)**



The well-being and safety of our customers, ensuring responsible usage and marketing practices for our products and services is a priority. Through comprehensive reviews and systematic assessments, we continuously evaluate and enhance the safety of our offerings, adhering to both mandatory regulations and voluntary codes. Furthermore, our marketing materials are crafted to provide clear and transparent information, empowering customers to make informed decisions confidently.



No complaints or requests regarding personal data removal.



Zero instances of data security breaches.



Zero instances of non-compliance with product information and labelling.



Zero incidents of product health and safety.



## Cultivating Customer Relationships

### Real Estate

Our dedicated Customer Relationship Management (CRM) team ensures seamless interaction with customers from post-sale to handover stages. We utilise various systems such as a customer-facing app, SAP-Cloud for customer, instant messaging chatbots, Net Promoter Score (NPS), and Customer Satisfaction Score (CSAT) to facilitate engagement. Additionally, relationship managers in each business segment address customer complaints and issues promptly.

### Pulp and Paper

NPS is utilised to gauge customer loyalty, with dedicated personnel addressing any negative feedback received. Feedback is categorised (technical, marketing, quality), followed by internal discussions to determine appropriate compensation or product replacement for the customer.





## Customer-centric Initiatives

### Real Estate

We strive to create residential havens that inculcate sustainable living and safety, in every facet. In our commercial ventures, we educate on eco-conscious waste management and fire safety, empowering clients with knowledge. Initiatives like the Sustainability Wall at our Birla Niyaara Experience Centre further facilitate conscientious real estate practices.

### Pulp and Paper

We take the lead in promoting safe product usage through informative website content and detailed product booklets. Our engaging customer meetings offer firsthand education on how to safely handle and maximise the benefits of our products.



## Product Excellence

### Real Estate

We prioritise quality living and working environments, that are evident in our residential and commercial projects featuring pre-certified green buildings. Accredited by renowned bodies like LEED and IGBC, the certification ensures superior safety, indoor air quality, and energy efficiency, offering our customers peace of mind and sustainable spaces.

### Pulp and Paper

We are committed to making top-notch products that meet strict global standards. Our line-up includes high-quality board, pulp, and tissue products, and we are always working to make them even better. What makes us unique is that we are the only ones producing top-grade virgin pulp tissue without Optical Brightening Agent (OBA), ensuring the best quality. One of our standout products is our towel tissue, made to meet the required 42 GSM grade.



## Customer Centricity- Real Estate

Being a real estate company, we are committed to enriching the lives of our customers by cultivating vibrant communities where individuals and families can truly thrive. From the inception of our projects to the management of shared spaces, we design every aspect to promote a lifestyle that enhances well-being and cultivates meaningful social connections. Our goal is to create environments where residents can realise their fullest potential and lead truly fulfilling lives.

We harness the power of digital technology to enhance customer experiences across every aspect of our real estate offerings.

### Some of the initiatives have been explained below:

#### Virtual Reality (VR) and Augmented Reality (AR):



We leverage VR and AR technologies to offer 360-degree virtual tours and immersive experiences of our flats. From presenting interior layouts to highlighting features such as wind and sun alignment and fire-safety measures, customers can delve into every aspect of our properties with detailed exploration.

#### Photorealistic Touch Screen Displays:



We harness the power of Unreal Engine to craft photorealistic touch screen displays that showcase our entire projects. Our customers can experience real-time views from their preferred apartments and delve into every detail of the project, from amenities to clubhouse facilities, right at their fingertips.

#### Gen-AI Models in Marketing Campaigns:



In our latest marketing endeavours, we ingeniously integrate state-of-the-art Gen-AI models for campaign development, social media outreach, and digital media targeting. We leverage this technology not only to enrich the customer handover process but also to facilitate a smooth transition into their new homes.







Dwell App

The Dwell App transcends mere management—it is a portal to modern, interconnected living. With its intuitive interface and extensive capabilities, the app enhances the digital experience, empowering both residents and real estate professionals to thrive in today’s ever-evolving landscape. As we introduce Dwell App, we bring forth a premier post-possession application and society management ERP crafted for the needs of real estate professionals and customers alike. Setting a new standard for seamless digital experiences, Dwell App offers a comprehensive array of features accessible across various platforms and devices, from Android and iOS to Windows, MacOS, tablets, mobile phones, and desktops.

With Dwell App, users can enjoy the following cutting-edge features:



Gatekeeper management

Ensuring secure and convenient entry for residents and visitors.



Rental Provision

Effortlessly share their property details for rent.



Asset Management

Keep track of community assets and resources with robust asset management capabilities.



Amenities Booking

Easily reserve community amenities such as gyms, swimming pools, and event spaces.



Home store

Exclusive services including home cleaning, pest control, bird netting, and more.



Inventory Management

Managing shared resources or tracking maintenance supplies, enhancing efficiency and accountability within the community.

Pictures of the Dwell application and its features







## My Home App

This App surpasses mere functionality. It stands as a digital hub meticulously crafted to enrich the homeowner's journey and streamline every aspect of their homeownership experience. With its user-friendly interface and comprehensive features, My Home App sets the gold standard for digital excellence in real estate management, empowering homeowners to remain seamlessly connected and well-informed throughout their journey. Tailored to enhance the digital customer experience, the App provides a comprehensive suite of features designed to empower homeowners and keep them informed every step of the way.

### Key features of My Home App include:



#### Construction Progress Tracking

Stay updated on the construction status of your dream home with real-time images and progress updates conveniently accessible within the app.



#### Document Management

From legal paperwork to architectural plans, the App ensures that homeowners have quick and easy access to all necessary documentation whenever needed.



#### Payments Management

Hassle-free payment management with the App. Access past payment history, view upcoming payment schedules, and plan for future payments all in one convenient location within the app.



#### Convenient Payment Options

Homeowners can choose between online payment or locate nearby cheque drop boxes for traditional payment methods—all seamlessly integrated into the app for a hassle-free experience.

### Pictures of the My Home application and its features



## Brand Building by Reaching out to Customers at Real Estate

In the domain of Real Estate at the core of our values lies the principle of customer-centricity, marking a pivotal shift in mindset that prioritises our customers in all endeavours. Throughout 2024, we have initiated a range of programmes across our construction sites geared towards enriching the overall customer experience and nurturing enduring relationships.

**We have achieved this through focusing on two key areas:**



### Process Optimisation

At Birla Estates, we orchestrate every aspect of the customer journey, from onboarding to key handover. Our initiatives, such as Project Ananda and Ode to Love, prioritise customer-centricity, ensuring seamless documentation, experiential unit handovers, and memorable family involvement. Through detailed SOPs and dedicated teams, we elevate customer experiences, fostering lasting relationships built on trust and satisfaction.



### Living Experience Enhancement

Birla Estates offers comprehensive pre-possession services, including tie-ups with renowned vendors like Arrivae, HomeLane, Bonito Designs, and Siemens for interior design solutions and home appliances. Our commitment to customer satisfaction is demonstrated through our core values of Speed, Seamlessness, Integrity, Empathy, Commitment, and Agility, which are entrenched in our interactions, processes, technology, and people, ensuring a positive and impactful experience for all our customers.



### Customers Speak on Home Possession:



Birla Alokya has set a standard and ensures that you keep it up. I would like to personally thank your executives for their professionalism and customer focus. The handover process was very well personalised and will remain an unforgettable memory for us.

Customer from  
Birla Alokya project



The entire process, from booking to possession, unfolded seamlessly. Grateful for the personalised touch that turned it into a truly memorable day! Kudos to the team – they're truly amazing!

Customer from  
Birla Alokya project



From day one interaction with all the Birla team management was awesome.

Customer from  
Birla Navya project





We had a tough timeline of getting registration completed within a week and the team did a great job to accommodate us.

**Customer,**  
**Birla Tisya, Bengaluru**



My first visit to Birla Tisya was good and the subsequent visits always better and more comfortable. It further convinced me about my decision to be part of this project as justified on all fronts – project, people and perfect preparation. From launch to the sale agreement, everything has happened precisely & hassle-free.

**Customer,**  
**Birla Tisya, Bengaluru**



We appreciate the entire staff of Birla Vanya for the process of registration of our property on time and special thanks to the team as they did everything on time.

**Customer**  
**Birla Vanya, Kalyan**



I had a dream of owning a house in Mumbai as I stay in Bangkok; and Birla Niyaara will be making that dream come true after so many years. In this journey, your assigned broker and Birla Estates' sales executive gave me all details about the project and since I was not in Mumbai, they virtually showed the project to me and my family on a well organised zoom session.

After I decided to buy, I was helped with all the paperwork and documents by the relationship manager online. Finally, when I arrived in Mumbai for the registration purpose, the relationship manager was extremely helpful in showing me around the whole project and going with me for the registration process. All my doubts and queries were answered to my utmost satisfaction. I am really happy to be a part of the Birla Niyaara family.

**Customer,**  
**Birla Niyaara, Worli, Mumbai**



## Customer Centricity - Pulp and Paper

In our Pulp and Paper segment, a notable evolution is underway, we are expanding our business-to-customer market, embarking on a journey of customer brand building. We are also diversifying our product offerings to include consumer-centric items like stationary products, strategically positioning ourselves to deepen consumer connections, fortify brand identity, and drive business growth. We have stringent quality assurance measures to ensure product quality.

We have taken up some initiatives for conscious customers. All tissues produced by our Pulp and Paper segment exclusively use virgin materials, ensuring heightened hygiene standards by minimising extensive bleaching processes. Distinguishing ourselves, we are the sole Indian company crafting OBA (Optical Brightening Agent)-free tissues, promoting safer long-term usage.

One of our major aims is to change the perception among paper consumers, challenging the notion that paper usage is inherently unsustainable due to tree depletion.

We prioritise our customers' needs and satisfaction, ensuring that every interaction reflects our commitment to excellence and care. From stringent quality assurance to sustainable practices, we strive to exceed expectations and build enduring relationships founded on trust and integrity.

**Below are our notable initiatives which we enforce to ensure the customer centricity:**



### **Fast and Reliable Service:**

We have network of service centres to ensure quick order fulfilment across the country.



### **Long-Term Customer Partnerships:**

Incentive programmes are designed to benefit customers in the long run, making them more competitive in the market.



### **Serving the Entire Value Chain:**

We build relationships not only with direct customers but also their customers, catering to the entire supply chain.



### **Responsive to Feedback:**

A quality and complaint redressal process ensures all customer concerns are tracked and addressed.



### **Building Strong Relationships:**

Regular customer meetings are held at our manufacturing facility to showcase new developments and share strategic vision, fostering strong relationships across product segments.



## Way Forward

Looking ahead, at CTIL, we envision an even deeper integration of sustainability principles into our business practices. We will explore new avenues for community engagement and partnership, leveraging emerging technologies and collaborative platforms to address evolving societal needs.

In our pursuit of customer-centricity, we will harness the power of data analytics and artificial intelligence to anticipate and exceed customer expectations. Personalised experiences and seamless interactions will define our approach, ensuring that every touchpoint with our customers is meaningful and memorable.

Furthermore, we will continue to uphold our values of transparency and ethical conduct, setting new standards for corporate governance and responsible business behaviour. Through proactive engagement with stakeholders and transparent communication, we will build trust and credibility, positioning us as a leader in corporate social responsibility and sustainable development.

In the Pulp and Paper business, we acknowledge the importance of sustainable forestry and manufacturing methods. Our primary emphasis lies in conscientious sourcing of environmentally friendly substitutes for conventional materials. We are also looking forward to increasing our dependency on local players in the supply chain. Through ongoing interventions and innovations, we strive to integrate customer centricity in our business approach.

We will also intensify our social and governance initiatives, revising our CSR activities annually, taking up new initiatives and maintaining a robust governance structure to ensure ethical operations.

As we embrace the challenges and opportunities of the future, we remain committed to driving positive change and creating shared value for all our stakeholders.







# Intellectual Capital

Our innovative solutions have propelled us to become a commercial powerhouse in India. Deeply committed to nurturing a culture of innovation, we are well-prepared for the future, to generate a sustainable value for all those involved in

our endeavours. We aspire to harness our intellectual prowess to drive significant advancements and contribute to the prosperity of both, the Company, and the communities we serve.



## Innovations in Processes and Products for a Resilient Future

Our advancement is deeply rooted in the potency of our intellectual capital. Our dedication revolves around developing and constantly shaping top-notch products and services driven by a robust culture of modernisation. Intellectual capital embodies the intangible assets stemming from knowledge, encompassing our Company's proficiency, methodologies, and systems. Through innovation, we enhance the calibre, sustainability, and enduring growth prospects of our wide array of products and enterprises.

## Key Highlights for the Year

New Projects/Products Launched: 4

## SDG Linkages



## Key Material Topics Under Social and Relationship Capital:

- Customer Experience and Satisfaction
- Brand Management

## Linkages with NGRBC Principle:

Principle 2

Principle 6

Principle 9

## Linkages with other Capitals:



**Financial Capital:** Nurturing intellectual capital enhances a culture of innovation, fuelling revenue growth and fostering the expansion of financial capital.



**Natural Capital:** Investing in intellectual capital champions sustainable practices, optimising resource utilisation, and safeguarding the environment, thus enhancing natural capital for the benefit of future generations.



**Social and Relationship Capital:** Intellectual capital serves as a catalyst for addressing social challenges through innovative solutions, fostering meaningful relationships, and changing communities.



**Human Capital:** Strategic investment in intellectual capital cultivates employee knowledge and expertise, building a culture of innovative thinking and empowering effective problem-solving, driving continuous development and enriching human capital.



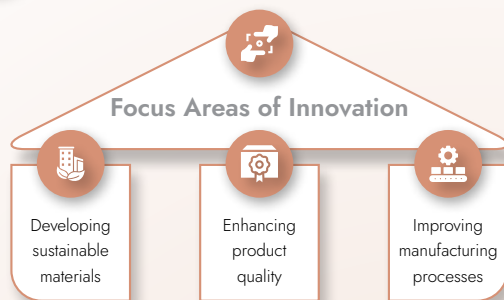
**Manufactured Capital:** Leveraging intellectual capital propels the optimisation of manufacturing processes, resulting in heightened efficiency and cost reduction. This strategic approach enhances productivity amplifying the value creation of manufactured capital, thus fortifying competitive edge and market resilience.

In a world where change is the only constant, we embrace innovation as the vital lifeline of our business. It is the catalyst that transforms challenges into opportunities and ideas into reality.

At CTIL, our dedicated teams, with their diverse expertise, are the bedrock for our innovative endeavours. They bring forth groundbreaking ideas that redefine industry standards and set new benchmarks.

## Key Enablers of Our Innovative Spirit

Our commitment to Research and Development (R&D) stands as a testament to our beliefs in the power of intellectual capital. With significant investments in R&D, we have established state-of-art facilities that serve as the breeding ground for creativity and technological breakthroughs. Our intellectual capital is not just a resource, it is the engine that drives our product design, process optimisation, and technological advancements.



We prioritise key areas of focus, namely, 'Developing sustainable materials', 'Enhancing product quality' and 'Improving manufacturing processes' which are aimed at driving sustainable growth and societal impact. Central to our innovation agenda is the development of sustainable materials.

Our commitment to R&D is evident in our consistent efforts to push the boundaries of what is possible. We strategically leverage our intellectual property, including patents and trademarks, to carve out a competitive edge in the global marketplace. Our portfolio of intellectual assets reflects our pioneering spirit and commitment to maintaining our position as industry leaders.

We encourage innovation by fostering a culture of risk-taking, collaboration, and continuous learning. We believe that every employee has the potential to contribute to our innovative journey, and we empower them with the tools and freedom to explore new horizons.

## Empowering Innovation for Positive Transformation

### REAL ESTATE



*Innovation is the lifeblood of our business. It's what allows us to create not just buildings, but communities that stand the test of time. Our focus on integrating the latest technology and continuous innovation ensures that we are not just part of the industry's evolution; we are at the forefront, leading it.*

**- K. T. Jithendran, MD-CEO,  
Birla Estates Pvt. Ltd. (BEPL)**

Our Real Estate segment is pushing the frontiers of the industry forward to encourage innovation and intellectual capital. Propelled by CTIL's legacy that spans over a century, our Real Estate segment has consistently been at the helm of integrating cutting-edge technologies and sustainable practices into our business model.

Innovation is driven by a steadfast dedication to enhance customer experiences and creating value at every level. Our innovative spirit is fuelled by the **LifeDesigned®** philosophy, which ensures that every project is crafted to cater to the evolving needs of our customers. This philosophy is not just a guiding principle, but a tangible reality in our projects, where thoughtful designs, landscaped green spaces, lifestyle amenities, and environmental consciousness come together to create harmonious living spaces.

The key focus areas for innovation include sustainable development, smart city applications, and offsite construction. By leveraging Artificial Intelligence (AI) and the Internet of Things (IoT), we are exploring new frontiers in smart building applications and are working towards transforming its commercial offices into smart spaces. We do not just aim to build properties; we aim to craft ecosystems that stand as a testament to the power of innovation.



## Advancing Building Construction through Concrete Sensor Innovation:



### Problem

A significant challenge faced by the Real Estate segment is the effective monitoring of properties and conditions within building structures through the construction lifecycle. Traditional methods of concrete strength testing, such as cube or cylinder testing, are laborious, time-intensive, and provide sporadic data, leading to variability and potential inefficiencies in decision-making.



### Solution

The segment has embarked on a transformative journey by introducing cutting-edge concrete sensor technology. By embedding state-of-the-art sensors directly into concrete structures, we are pioneering a new era of construction management. The sensors enable the real-time monitoring of concrete maturity is a key indicator of in-place strength development.

Unlike traditional methods that rely on labour-intensive cube or cylinder testing, this approach leverages the principle of concrete hydration temperature history to estimate real-time strength accurately.

The adoption of wireless sensors presents several distinct advantages. These are,

- Data is continuously logged and retrieved in real-time, eliminating the variability associated with intermittent cube or cylinder testing. This consistency ensures more reliable results and enables proactive decision-making during construction.
- The maturity method provides a predictive insight into the actual in-place strength of concrete, offering invaluable benefits for optimising concrete mixes and reducing construction cycle times.

With sufficient data from these sensors, we can refine concrete compositions, optimise costs, and streamline project timelines based on real-time strength assessments. To validate the efficacy of the sensor technology, we also conduct comparative studies by placing maturity sensors alongside traditional cube or cylinder testing. This approach provides tangible evidence of sensor accuracy and reliability, enhancing confidence in our innovative methods.



### Benefits

#### Real-time Monitoring:

Concrete sensors offer real-time data on crucial parameters like temperature and humidity, facilitating proactive monitoring and immediate response during construction.

#### Lifecycle Management:

These sensors play a vital role in long-term management beyond construction, monitoring environmental conditions and structural integrity for proactive maintenance, thereby extending the lifespan of buildings and infrastructure.

#### Precision Engineering:

Leveraging concrete sensors enables precise engineering in construction projects by optimising concrete mixtures and curing processes based on real-time data insights, enhancing material usage and overall quality.

#### Data-driven Decision Making:

Concrete sensors empower informed decisions at every stage of the construction life cycle through the collection of valuable data, optimising schedules and predicting maintenance needs to enhance efficiency and productivity across projects.



## Delivering Customer Experience through PropTech Tools

The Real Estate segment leverages digital technology to elevate customer experiences across all facets of the offerings. Through the integration of PropTech tools, customers come closer to their dream properties, offering immersive virtual tours and cutting-edge digital experiences.

The integration of digital technology not only sets new standards for customer experience in the real estate industry but also demonstrates a commitment to innovation and excellence in every aspect of its offerings.



### Dwell App

- Modern living gateway
- User-friendly, feature-rich
- Empowers residents and professionals



### My Home App

- Digital homeownership hub
- Enhances homeowner journey
- Connects and informs users



### VR & AR Technologies

- 360° virtual property tours
- Detailed interior and safety features



### 360° Walkthroughs & Matterport Tours

- Global home experience
- Interactive, multi-device support



### Photorealistic Displays

- Unreal Engine 4 visuals
- Real-time apartment views
- Comprehensive project exploration



### Curved LED Wall Experience

- Immersive Birla Niyaara centre
- Lifelike home previews



### Gen-AI in Marketing

- Innovative campaign tools
- Social media and digital targeting
- Smooth customer handover process





## PULP AND PAPER



*As global markets evolve towards intricate structures and competition intensifies in creating sustainable products, the Pulp and Paper sector remains committed to continuous innovation and aligning its core business values with sustainability.*

**- R.K. Dalmia, MD,  
Century Textiles Industries Limited (CTIL)**



With a rich history dating back to 1984, our dedication to innovation is woven into the fabric of our operations, driving us to explore new frontiers in product design, process optimisation, and technological advancements. Our innovation strategy is centred around sustainability, cost-effectiveness, and quality. We are committed to developing sustainable, bio-degradable, and eco-friendly products that meet the highest standards of quality and hygiene. By leveraging our intellectual capital, we aim to enhance our manufacturing processes.

We foster a culture of innovation by investing in research and development (R&D) and embracing cutting-edge technologies. We have invested in new technologies and machinery to double our tissue paper production and have developed several alternatives to plastic for manufacturing eco-friendly tableware items. This commitment to innovation has allowed us to replace old products with new, innovative offerings, giving us a competitive edge in the market.

## Innovative Products Launched in FY 2023-24



Carrier Tissue (Water-based coating)



Oil and Grease Resistance (OGR) Paper



Brown carrier tissue



Ultra-soft tissue



Cigarette boards



Straw paper

A significant milestone for us is the development of 'Century Green Pulp', crafted from bagasse utilising advanced moulding technology. This innovative green pulp serves as the foundation for crafting biodegradable tableware items notably, adhering to stringent Food and Drug Administration (FDA) regulations, aligning with the guidelines set forth by the Food Safety and Standards Authority of India (FSSAI) for food packaging, ensuring both sustainability and safety in our offerings.



## Green Innovation: Proficient Wastewater Management to Generate Clean Energy



### Problem

The Pulp and Paper segment faces challenges in managing high Chemical Oxygen Demand (COD) wastewater effectively leading to environmental concerns and resource wastage. Conventional wastewater treatment methods often fall short in addressing these issues, resulting in increased operational costs and environmental impact.



### Solution

An innovative green technology, utilising the Upflow Anaerobic Sludge Blanket (UASB) process, has been introduced to convert high COD wastewater into valuable biogas, primarily composed of methane. This biogas is further upgraded into Compressed Methane Gas (CMG) through Caustic and Water Scrubbing processes, making it suitable for use as a substitute for Liquefied Petroleum Gas (LPG) in tissue paper plants.

#### Wastewater Treatment using Upflow Anaerobic Sludge Blanket (UASB) Process:

- The high COD wastewater from the Pulp and Paper segment is treated using the UASB process.
- In this anaerobic treatment method, wastewater flows upwards through a bed of anaerobic sludge where microorganisms break down organic pollutants, converting them into biogas.
- Methane (CH<sub>4</sub>) is the primary component of the biogas produced in this process.

#### Biogas Upgradation to Compressed Methane Gas (CMG):

- The biogas obtained from the UASB process is upgraded to CMG with a methane concentration of 95%.
- This upgradation is achieved through Caustic and Water Scrubbing:

##### Caustic Scrubbing:

The biogas is passed through a caustic solution (sodium hydroxide) to remove acidic gases like CO<sub>2</sub> and H<sub>2</sub>S.

##### Water Scrubbing:

Further purification is done by passing the gas through water to remove remaining impurities and moisture.

### Utilisation of CMG:

The purified CMG, now predominantly methane, is then suitable for use as a replacement for Liquefied Petroleum Gas (LPG) in tissue paper manufacturing processes within the plant.

CMG serves as a clean and sustainable energy source, reducing dependence on conventional fossil fuels like LPG and contributing to environmental sustainability.



### Benefits

#### Efficient Wastewater Treatment:

The UASB process efficiently treats high COD wastewater, utilising anaerobic microorganisms to convert organic pollutants into biogas, addressing environmental concerns and regulatory compliances.

#### Clean Energy Generation:

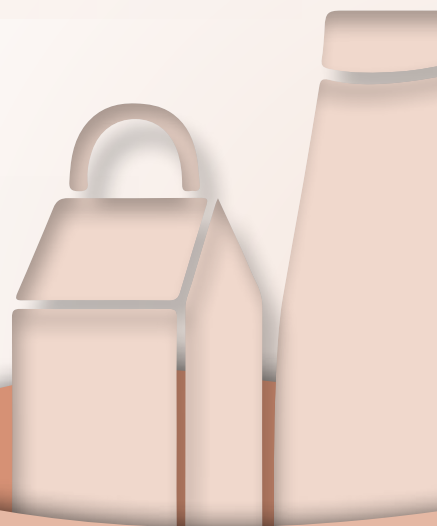
Biogas produced from wastewater treatment serves as a valuable energy resource, reducing dependence on conventional fossil fuels like LPG and contributing to environmental sustainability.

#### Resource Optimisation:

The conversion of wastewater into biogas and CMG promotes circular economy principles, minimising waste generation and maximising resource utilisation within the pulp and paper production process.

#### Environmental Footprint Reduction:

By utilising CMG as a clean and sustainable energy source, the overall environmental footprint of pulp and paper production is reduced, aligning with corporate sustainability goals and regulatory requirements.





## Innovatively Leveraging Precipitated Calcium Carbonate for Sustainable Gains:



### Problem Statement:

Our Pulp and Paper segment faces challenges related to resource management and environmental impact within our operations. Traditional methods rely heavily on wood pulp, leading to increased energy consumption and emissions associated with pulp production. Additionally, the reliance on external sources for filler materials adds logistical complexities and environmental strain.



### Solution

To address these challenges, we established an on-site Precipitated Calcium Carbonate (PCC) production facility, showcasing profound intellectual capital in resource management and environmental stewardship. This strategic adoption of PCC optimises paper quality, enhances mill competitiveness, and significantly reduces reliance on wood pulp and energy, while minimising emissions associated with pulp production.



### Benefits

#### Environmental Impact Reduction:

On-site PCC production directly improves air quality by curbing particulate, sulfur dioxide, and carbon dioxide emissions. Each ton of PCC absorbs approximately 440 kgs of CO<sub>2</sub> during its production, contributing to carbon footprint reduction.

#### Efficient Resource Utilisation:

Integration of PCC within the paper mill's operations minimises reliance on external filler materials, reducing logistical complexities and environmental impact associated with transportation. This approach fosters economic benefits within the local community and reduces operational costs for CTIL.

#### Wastewater Treatment Enhancement:

The strategic use of PCC within the paper manufacturing process facilitates efficient solid by product utilisation and minimises organic load (BOD/COD) in wastewater treatment, contributing to environmental sustainability and regulatory compliance.

#### Operational Efficiency and Competitiveness:

Seamless integration of PCC enhances paper quality, whiteness, opacity, and consistency, driving operational efficiency and enhancing mill competitiveness in the market.

## Way Forward

Moving forward, at CTIL we remain committed to driving growth and excellence through innovation. By continuing to prioritise R&D, inculcating a culture of collaboration, and embracing new technologies, we aim to maintain our position as a commercial powerhouse while making significant strides towards sustainability and societal impact. We continue to invest in empowering each team member to contribute their unique insights and expertise towards our collective success. With a focus on developing sustainable materials, enhancing product quality, and improving manufacturing processes, we seek to set new benchmarks of excellence and environmental stewardship in the industries we operate in. Through ongoing innovation and a strong adherence to our core values, we are confident that we are poised to lead positive transformation in the ever-evolving landscape of business and technology.

# GRI Content Index

| Statement of use                |                                                                      | Century Textiles and Industries Limited (CTIL) has reported in accordance with the GRI Standards for the period 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024. |                |                |        |             |
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|                                 | 2-3 Reporting period, frequency and contact point                    | Introduction - Reporting Scope and Boundary BRSR (Section A-9, 12)                                                                                                           | 6<br>222       |                |        |             |
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|                               | 2-29 Approach to stakeholder engagement                 | Stakeholder Engagement<br>BRSR (Principle 4 - Essential Indicator - 2)                                                                                                       | 48<br>263              |                |        |             |
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|                                     | 205-3 Confirmed incidents of corruption and actions taken                            | Financial Capital- Business Ethics and Anti-corruption<br>BRSR (Principle 1 - Essential Indicator - 5 and 7)                                                                 | 63<br>245       |                |        |             |
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|                               | 301-2 Recycled input materials used                                    | Natural Capital - Responsible Material Consumption<br>BRSR (Principle 2 - Leadership Indicator - 3)                                                                          | 107<br>250 |                 |                                    |                                                                                                                                                   |
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|                               | 302-2 Energy consumption outside of the organisation                   | -                                                                                                                                                                            | -          | 302-2 (a, b, c) | Information unavailable/incomplete | CTIL is currently not tracking energy consumption outside the organisation. The Company is in process of implementing measures to track the same. |



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|                                   | 302-4 Reduction of energy consumption                            | Natural Capital - Energy Efficiency                                                                                                                                          | 100        |                 |                |                                                                                                                                                                                                                                                                      |
|                                   | 302-5 Reductions in energy requirements of products and services | -                                                                                                                                                                            | -          | 302-5 (a, b, c) | Not applicable | CTIL has excluded this indicator from the content index due to the inapplicability or lack of relevance to the products or services of CTIL. The excluded indicator do not significantly impact the overall understanding of the sustainability performance of CTIL. |
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| GRI 305:<br>Emissions 2016    | 305-1 Direct (Scope 1) GHG emissions                                                                                                            | Natural Capital - Emission Reduction<br>BRSR (Principle 6 - Essential Indicator - 7)                                                                                         | 104<br>276 |                             |                                    |                                                                                                                         |
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|                               | 305-3 Other indirect (Scope 3) GHG emissions                                                                                                    | -                                                                                                                                                                            | -          | 305-3 (a, b, c, d, e, f, g) | Information unavailable/incomplete | CTIL is currently not tracking Scope 3 emissions. The Company is in process of implementing measures to track the same. |
|                               | 305-4 GHG emissions intensity                                                                                                                   | Natural Capital - Emission Reduction<br>BRSR (Principle 6 - Essential Indicator - 7)                                                                                         | 104<br>276 |                             |                                    |                                                                                                                         |





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|-------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|--------|-------------|
| GRI 1 used                                      |                                                                                       | GRI 1: Foundation 2021                                                                                                                                                       |                 |                |        |             |
| GRI Standard/<br>Other Source                   | Disclosure                                                                            | Location                                                                                                                                                                     | Page No.        | Omission       |        |             |
|                                                 |                                                                                       |                                                                                                                                                                              |                 | Requirement(s) | Reason | Explanation |
|                                                 | 305-5 Reduction of GHG emissions                                                      | Natural Capital - Emission Reduction<br>BRSR (Principle 6 - Essential Indicator - 7)                                                                                         | 104<br>276      |                |        |             |
|                                                 | 305-6 Emissions of ozone-depleting substances (ODS)                                   | Natural Capital - Emission Reduction                                                                                                                                         | 104             |                |        |             |
|                                                 | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | Natural Capital - Emissions other than GHG Emission<br>BRSR (Principle 6 - Essential Indicator - 6)                                                                          | 105<br>276      |                |        |             |
| Waste                                           |                                                                                       |                                                                                                                                                                              |                 |                |        |             |
| GRI 306: Waste 2020                             | 306-1 Waste generation and significant waste-related impacts                          | Natural Capital - Efficient Waste Management<br>BRSR (Principle 6 - Essential Indicator - 10)                                                                                | 106<br>279      |                |        |             |
|                                                 | 306-2 Management of significant waste-related impacts                                 | Natural Capital - Efficient Waste Management<br>BRSR (Principle 6 - Essential Indicator - 10)                                                                                | 106<br>279      |                |        |             |
|                                                 | 306-3 Waste generated                                                                 | Natural Capital -Waste Generation by CTIL<br>BRSR (Principle 6 - Essential Indicator - 9)                                                                                    | 106<br>277      |                |        |             |
|                                                 | 306-4 Waste diverted from disposal                                                    | Natural Capital - Waste Generation by CTIL, Waste Management Journey: Divergence and Disposal<br>BRSR (Principle 6 - Essential Indicator - 9)                                | 106<br>277      |                |        |             |
|                                                 | 306-5 Waste directed to disposal                                                      | Natural Capital - Waste Generation by CTIL, Waste Management Journey: Divergence and Disposal<br>BRSR (Principle 6 - Essential Indicator - 9)                                | 106<br>277      |                |        |             |
| Supplier environmental assessment               |                                                                                       |                                                                                                                                                                              |                 |                |        |             |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 New suppliers that were screened using environmental criteria                   | Social and Relationship Capital- Sustainable Procurement<br>BRSR (Principle 2- Essential Indicator - 2, Principle 6 - Leadership Indicator - 7)                              | 119<br>249, 285 |                |        |             |

| Statement of use                                      |                                                                                                          | Century Textiles and Industries Limited (CTIL) has reported in accordance with the GRI Standards for the period 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024. |           |                |        |             |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------|--------|-------------|
| GRI 1 used                                            |                                                                                                          | GRI 1: Foundation 2021                                                                                                                                                       |           |                |        |             |
| GRI Standard/<br>Other Source                         | Disclosure                                                                                               | Location                                                                                                                                                                     | Page No.  | Omission       |        |             |
|                                                       |                                                                                                          |                                                                                                                                                                              |           | Requirement(s) | Reason | Explanation |
|                                                       | 308-2 Negative environmental impacts in the supply chain and actions taken                               | BRSR (Principle 6 - Leadership Indicator - 7)                                                                                                                                | 285       |                |        |             |
| <b>Employment</b>                                     |                                                                                                          |                                                                                                                                                                              |           |                |        |             |
| GRI 401:<br>Employment<br>2016                        | 401-1 New employee hires and employee turnover                                                           | Human Capital - Workforce Composition and Workforce Diversity<br>BRSR (Section A-22)                                                                                         | 82<br>226 |                |        |             |
|                                                       |                                                                                                          |                                                                                                                                                                              |           |                |        |             |
|                                                       | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Human Capital - Employee Retention Strategies<br>BRSR (Principle 3 - Essential Indicator - 1)                                                                                | 94<br>253 |                |        |             |
|                                                       | 401-3 Parental leave                                                                                     | Human Capital - Employee Health, wellness, and Safety<br>BRSR (Principle 3 - Essential Indicator - 5)                                                                        | 88        |                |        |             |
| <b>Occupational health and safety</b>                 |                                                                                                          |                                                                                                                                                                              |           |                |        |             |
| GRI 403:<br>Occupational<br>Health and Safety<br>2018 | 403-1 Occupational health and safety management system                                                   | Human Capital - Employee Health, wellness, and Safety<br>BRSR (Principle 3 - Essential Indicator - 10-a)                                                                     | 88<br>257 |                |        |             |
|                                                       | 403-2 Hazard identification, risk assessment, and incident investigation                                 | Human Capital - Identifying Risks and Hazards<br>BRSR (Principle 3 - Essential Indicator - 10-b)                                                                             | 90<br>257 |                |        |             |
|                                                       | 403-3 Occupational health services                                                                       | Human Capital - Employee Health, wellness, and Safety                                                                                                                        | 88        |                |        |             |
|                                                       | 403-4 Worker participation, consultation, and communication on occupational health and safety            | Human Capital - Worker Participation and Consultation for Occupational Health and Safety                                                                                     | 91        |                |        |             |
|                                                       | 403-5 Worker training on occupational health and safety                                                  | Human Capital - Skill Development and Training<br>BRSR (Principle 3 - Essential Indicator - 8)                                                                               | 85<br>256 |                |        |             |



| Statement of use                              |                                                                                                                     | Century Textiles and Industries Limited (CTIL) has reported in accordance with the GRI Standards for the period 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024. |                |                |        |             |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|--------|-------------|
| GRI 1 used                                    |                                                                                                                     | GRI 1: Foundation 2021                                                                                                                                                       |                |                |        |             |
| GRI Standard/<br>Other Source                 | Disclosure                                                                                                          | Location                                                                                                                                                                     | Page No.       | Omission       |        |             |
|                                               |                                                                                                                     |                                                                                                                                                                              |                | Requirement(s) | Reason | Explanation |
|                                               | 403-6 Promotion of worker health                                                                                    | Human Capital - Employee Health, wellness, and Safety BRSR (Principle 3 - Essential Indicator - 10-d, 12)                                                                    | 82<br>258, 259 |                |        |             |
|                                               | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Human Capital - Promoting a Safe and Healthy Workplace BRSR (Principle 3 - Essential Indicator - 10, 15)                                                                     | 93<br>257, 259 |                |        |             |
|                                               | 403-8 Workers covered by an occupational health and safety management system                                        | Human Capital - Employee Health, Wellness and Safety                                                                                                                         | 82             |                |        |             |
|                                               | 403-9 Work-related injuries                                                                                         | Human Capital - Identifying Risks and Hazards BRSR (Principle 3 - Essential Indicator - 11)                                                                                  | 90<br>258      |                |        |             |
|                                               | 403-10 Work-related ill health                                                                                      | Human Capital - Identifying Risks and Hazards BRSR (Principle 3 - Essential Indicator - 11)                                                                                  | 90<br>258      |                |        |             |
| Training and education                        |                                                                                                                     |                                                                                                                                                                              |                |                |        |             |
| GRI 404: Training and Education 2016          | 404-1 Average hours of training per year per employee                                                               | Human Capital- Skill Development and Training                                                                                                                                | 85             |                |        |             |
|                                               | 404-2 Programs for upgrading employee skills and transition assistance programs                                     | Human Capital - Skill Development and Training BRSR (Principle 3 - Essential Indicator - 8)                                                                                  | 85<br>256      |                |        |             |
|                                               | 404-3 Percentage of employees receiving regular performance and career development reviews                          | Human Capital - Performance Evaluation at CTIL BRSR (Principle 3 - Essential Indicator - 9)                                                                                  | 95<br>257      |                |        |             |
| Diversity and equal opportunity               |                                                                                                                     |                                                                                                                                                                              |                |                |        |             |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees                                                                  | Human Capital - Diversity, Equity, and Inclusion BRSR (Section A-21, 20)                                                                                                     | 84<br>225      |                |        |             |

| Statement of use                         |                                                                                                | Century Textiles and Industries Limited (CTIL) has reported in accordance with the GRI Standards for the period 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024. |                 |                |        |             |
|------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|--------|-------------|
| GRI 1 used                               |                                                                                                | GRI 1: Foundation 2021                                                                                                                                                       |                 |                |        |             |
| GRI Standard/<br>Other Source            | Disclosure                                                                                     | Location                                                                                                                                                                     | Page No.        | Omission       |        |             |
|                                          |                                                                                                |                                                                                                                                                                              |                 | Requirement(s) | Reason | Explanation |
|                                          | 405-2 Ratio of basic salary and remuneration of women to men                                   | Human Capital - Diversity, Equity, and Inclusion<br>BRSR (Principle 5 - Essential Indicator - 3)                                                                             | 84<br>268       |                |        |             |
| <b>Non-discrimination</b>                |                                                                                                |                                                                                                                                                                              |                 |                |        |             |
| GRI 406: Non-discrimination 2016         | 406-1 Incidents of discrimination and corrective actions taken                                 | Social and Relationship Capital - Upholding Human Rights<br>BRSR (Principle 5 - Essential Indicator - 6)                                                                     | 121<br>269      |                |        |             |
| <b>Child Labor</b>                       |                                                                                                |                                                                                                                                                                              |                 |                |        |             |
| GRI 408: Child Labour                    | 408-1 Operations and suppliers at significant risk for incidents of child labor                | BRSR (Principle 5 - Essential Indicator - 10, Leadership Indicator - 4)                                                                                                      | 270, 271        |                |        |             |
| <b>Forced or Compulsory Labor</b>        |                                                                                                |                                                                                                                                                                              |                 |                |        |             |
| GRI 409: Forced or Compulsory Labour     | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | Social and Relationship Capital - Upholding Human Rights<br>BRSR (Principle 5 - Essential Indicator - 10, Leadership Indicator - 4)                                          | 121<br>270, 271 |                |        |             |
| <b>Security Practices</b>                |                                                                                                |                                                                                                                                                                              |                 |                |        |             |
| GRI 410: Security Practices 2016         | 410-1 Security personnel trained in human rights policies or procedures                        | Human Capital - Skill Development and Training                                                                                                                               | 86              |                |        |             |
| <b>Local communities</b>                 |                                                                                                |                                                                                                                                                                              |                 |                |        |             |
| GRI 413: Local Communities 2016          | 413-1 Operations with local community engagement, impact assessments, and development programs | Social and Relationship Capital - Forging Connections, Catalyzing Change: A Commitment to Social Responsibility                                                              | 116             |                |        |             |
|                                          | 413-2 Operations with significant actual and potential negative impacts on local communities   | Social and Relationship Capital - Forging Connections, Catalyzing Change: A Commitment to Social Responsibility                                                              | 116             |                |        |             |
| <b>Supplier social assessment</b>        |                                                                                                |                                                                                                                                                                              |                 |                |        |             |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New suppliers that were screened using social criteria                                   | Social and Relationship Capital - Sustainable Procurement                                                                                                                    | 119             |                |        |             |



| Statement of use                            |                                                                                                     | Century Textiles and Industries Limited (CTIL) has reported in accordance with the GRI Standards for the period 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024. |            |                |        |             |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------------|--------|-------------|
| GRI 1 used                                  |                                                                                                     | GRI 1: Foundation 2021                                                                                                                                                       |            |                |        |             |
| GRI Standard/<br>Other Source               | Disclosure                                                                                          | Location                                                                                                                                                                     | Page No.   | Omission       |        |             |
|                                             |                                                                                                     |                                                                                                                                                                              |            | Requirement(s) | Reason | Explanation |
|                                             | 414-2 Negative social impacts in the supply chain and actions taken                                 | BRSR (Principle 3 - Leadership Indicator - 5, 6)                                                                                                                             | 261        |                |        |             |
| <b>Customer health and safety</b>           |                                                                                                     |                                                                                                                                                                              |            |                |        |             |
| GRI 416:<br>Customer Health and Safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories                 | Social and Relationship Capital - Enhancing Customer Experience<br>BRSR (Principle 9 - Leadership Indicator - 2)                                                             | 122<br>297 |                |        |             |
|                                             | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | Social and Relationship Capital - Enhancing Customer Experience<br>BRSR (Principle 3 - Essential Indicator - 6)                                                              | 122<br>255 |                |        |             |
| <b>Marketing and labeling</b>               |                                                                                                     |                                                                                                                                                                              |            |                |        |             |
| GRI 417:<br>Marketing and Labeling 2016     | 417-1 Requirements for product and service information and labeling                                 | Social and Relationship Capital - Enhancing Customer Experience<br>BRSR (Principle 9 - Essential Indicator - 2)                                                              | 122<br>295 |                |        |             |
|                                             | 417-2 Incidents of non-compliance concerning product and service information and labeling           | Social and Relationship Capital - Enhancing Customer Experience<br>BRSR (Principle 9 - Essential Indicator - 3)                                                              | 122<br>296 |                |        |             |
|                                             | 417-3 Incidents of non-compliance concerning marketing communications                               | BRSR (Principle 9 - Essential Indicator - 3 and 6)                                                                                                                           | 296        |                |        |             |
| <b>Customer privacy</b>                     |                                                                                                     |                                                                                                                                                                              |            |                |        |             |
| GRI 418:<br>Customer Privacy 2016           | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data  | Social and Relationship Capital - Enhancing Customer Experience<br>BRSR (Principle 9 - Essential Indicator - 3 and 7)                                                        | 122<br>296 |                |        |             |



# UN SDG Linkages



- Social and Relationship Capital



- Human Capital
- Social and Relationship Capital



- Human Capital
- Social and Relationship Capital



- Manufacturing Capital
- Natural Capital
- Intellectual Capital



- Social and Relationship Capital



- Human Capital
- Social and Relationship Capital



- Natural Capital
- Social and Relationship Capital
- Intellectual Capital



- Financial Capital
- Manufacturing Capital
- Human Capital
- Natural Capital
- Social and Relationship Capital
- Intellectual Capital



- Financial Capital
- Manufacturing Capital
- Natural Capital
- Intellectual Capital



- Financial Capital
- Manufacturing Capital
- Natural Capital
- Social and Relationship Capital
- Intellectual Capital



- Manufacturing Capital
- Natural Capital



- Natural Capital



- Financial Capital
- Human Capital
- Social and Relationship Capital



- Financial Capital
- Manufacturing Capital
- Natural Capital
- Intellectual Capital



- Natural Capital



- Financial Capital
- Natural Capital

# Glossary of Abbreviations

|        |                                                                 |
|--------|-----------------------------------------------------------------|
| 3R     | Reduce, Reuse, Recycle                                          |
| ABG    | Aditya Birla Group                                              |
| AED    | Automated External Defibrillator                                |
| AI     | Artificial intelligence                                         |
| AR     | Augmented Reality                                               |
| ASTM   | American Society for Testing and Materials                      |
| AWOO   | A World of Opportunity                                          |
| BBS    | Behaviour-Based Safety                                          |
| BBSO   | Behaviour-Based Safety Observation                              |
| BIM    | Building Information Modelling                                  |
| BOD    | Biochemical Oxygen Demand                                       |
| BoDs   | Board of Directors                                              |
| BRSR   | Business Responsibility and Sustainability Reporting            |
| C&D    | Construction and Demolition                                     |
| CEA    | Central Electricity Authority                                   |
| CEO    | Chief Executive Officer                                         |
| CFO    | Chief Financial Officer                                         |
| CIDC   | Construction Industry Development Council                       |
| CMG    | Compressed Methane Gas                                          |
| COD    | Chemical Oxygen Demand                                          |
| CSAT   | Customer Satisfaction Score                                     |
| CRM    | Customer Relationship Management                                |
| CSR    | Corporate Social Responsibility                                 |
| CTIL   | Century Textiles and Industries Limited                         |
| DAC    | Development Assistance Centre                                   |
| DCS    | Distributed Control Systems                                     |
| DNA    | Deoxyribonucleic Acid                                           |
| EBITDA | Earnings Before Interest, Taxes, Depreciation, and Amortisation |
| ECF    | Elemental Chlorine Free                                         |
| EMS    | Environmental Management Systems                                |



|       |                                                        |
|-------|--------------------------------------------------------|
| ERM   | Enterprise Risk Management                             |
| ERP   | Enterprise Resource Planning                           |
| ESG   | Environmental, Social, and Governance                  |
| ESP   | Electrostatic Precipitators                            |
| ETP   | Effluent Treatment Plant                               |
| FBB   | Folding Box Board                                      |
| FDA   | Food and Drug Administration                           |
| FMCG  | Fast-moving consumer goods                             |
| FRI   | Forest Research Institute                              |
| FSC   | Forest Stewardship Council                             |
| FSSAI | Food Safety and Standards Authority of India           |
| GGBS  | Ground Granulated Blast Furnace Slag                   |
| GHG   | Greenhouse gas                                         |
| GRESB | Global Real Estate Sustainability Benchmark            |
| GRI   | Global Reporting Initiative                            |
| HIRA  | Hazard Identification and Risk Assessment              |
| HO    | Head Office                                            |
| HoDs  | Head of the Departments                                |
| HSD   | High-Speed Diesel                                      |
| IFC   | International Finance Corporation                      |
| IFRS  | International Financial Reporting Standards Foundation |
| IGBC  | India Green Building Council                           |
| INR   | Indian Rupee                                           |
| IoT   | Internet of Things                                     |
| IPCC  | Intergovernmental Panel on Climate Change              |
| IRO   | Investor Relations Officers                            |
| ISSB  | International Sustainability Standards Board           |
| ISO   | International Organisation for Standardisation         |
| ITBP  | Indo Tibetan Border Force                              |
| IUCN  | International Union for Conservation of Nature         |

|       |                                                     |
|-------|-----------------------------------------------------|
| JSA   | Job Safety Analysis                                 |
| KLD   | Kilo Litre per day                                  |
| KMPs  | Key Managerial Personnel                            |
| KPI   | Key Performance Indicator                           |
| L&D   | Learning and Development                            |
| LEED  | Leadership in Energy and Environmental Design       |
| LOTO  | Lockout Tagout                                      |
| LPG   | Liquefied Petroleum Gas                             |
| MICR  | Magnetic Ink Character                              |
| MMR   | Mumbai Metropolitan Area                            |
| MMRD  | Mumbai Metropolitan Region Development              |
| MSCI  | Morgan Stanley Capital International                |
| MSME  | Micro, Small, and Medium Enterprises                |
| MT    | Metric Ton                                          |
| NCR   | National Capital Region                             |
| NGRBC | National Guidelines on Responsible Business Conduct |
| NGO   | Non-Governmental Organisation                       |
| NOx   | Nitrogen Oxides                                     |
| NPS   | Net Promoter Score                                  |
| OBA   | Optical Brightener Agent                            |
| OEM   | Original Equipment Manufacturer                     |
| OGR   | Oil and Grease Resistant                            |
| OHS   | Occupational Health and Safety                      |
| OHSMS | Occupational Health and Safety Management System    |
| OPS   | One-point Lessons                                   |
| PAT   | Performance, Achieve and Trade                      |
| PCC   | Precipitated Calcium Carbonate                      |
| PF    | Provident Fund                                      |
| PM    | Particulate Matter                                  |
| PMC   | Project Management Consultancy                      |



|          |                                                                                   |
|----------|-----------------------------------------------------------------------------------|
| PPE      | Personal Protective Equipment                                                     |
| PQCDESIM | Productivity, Quality, Cost, Delivery, Environment, Safety, Innovation, and Moral |
| QA       | Quality Assurance                                                                 |
| QC       | Quality Control                                                                   |
| QMS      | Quality Management Systems                                                        |
| RCC      | Reinforced Cement Concrete                                                        |
| RCS      | Recycled Claim Standard                                                           |
| R&D      | Research and development                                                          |
| RERA     | Real Estate Regulatory Authority                                                  |
| RPA      | Robotic Process Automation                                                        |
| SAP      | Systems, Applications & Products in Data Processing                               |
| SASB     | Sustainability Accounting Standards Board                                         |
| SBB      | Solid Bleached Board                                                              |
| SBS      | Solid Bleached Sulphate                                                           |
| SCM      | Supplementary Cementitious Material                                               |
| SDGs     | Sustainable Development Goals                                                     |
| SDM      | Sub-Divisional Magistrate                                                         |
| SEBI     | Securities and Exchange Board of India                                            |
| SOP      | Standard Operating Procedure                                                      |
| SOx      | Sulphur Oxides                                                                    |
| STP      | Sewage Treatment Plant                                                            |
| UASB     | Upflow Anaerobic Sludge Blanket                                                   |
| VOC      | Volatile Organic Compound                                                         |
| VR       | Virtual Reality                                                                   |
| WCM      | World Class Manufacturing                                                         |
| YOY      | Year-on-year                                                                      |
| ZLD      | Zero Liquid Discharge                                                             |



# Independent Assurance Statement



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**TÜVNORDGROUP**



*M. Borekar*



TUVNORDGROUP



# STATUTORY REPORTS





# DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 127<sup>th</sup> Annual Report of the Company, accompanied by the audited statement of accounts for the year ended March 31, 2024. As we step into a new world emerging from the Covid pandemic, our Company is navigating through uncertainties stemming from inflationary pressures post-pandemic recovery and the challenges posed by the Ukraine-Russia conflict and the Israel-Hamas war. Despite these challenges, our Company has maintained growth momentum, with improved profitability in the continuing operations for the financial year 2023-24 after accounting for all expenses and interest costs. We remain vigilant, regularly monitoring our business operations, and exerting every effort to ensure the well-being of our staff and workers across all our offices and manufacturing plants.

The summarized financial results are given below.

## 1. SUMMARISED FINANCIAL RESULTS:

(₹ in Crores)

| PARTICULARS                                                                                                                               | Standalone      |                | Consolidated    |                |
|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|-----------------|----------------|
|                                                                                                                                           | 2023-24         | 2022-23        | 2023-24         | 2022-23        |
| <b>Continuing Operations</b>                                                                                                              |                 |                |                 |                |
| Earnings before Exceptional items, Finance Cost, Tax, Depreciation and Amortisation and Share of Profit/ (Loss) of Joint-Venture (EBITDA) | 882.71          | 745.29         | 717.67          | 593.30         |
| Less: Finance Cost                                                                                                                        | 96.42           | 69.52          | 35.51           | 34.22          |
| <b>Profit before Exceptional items, Tax Depreciation and Amortisation and Share of Profit / (Loss) of Joint-Venture</b>                   | <b>786.29</b>   | <b>675.77</b>  | <b>682.16</b>   | <b>559.08</b>  |
| Less: Depreciation and Amortisation expenses                                                                                              | 201.34          | 191.65         | 209.87          | 195.93         |
| <b>Profit before Exceptional items, Tax and Share of Profit / (Loss) of Joint Venture</b>                                                 | <b>584.95</b>   | <b>484.12</b>  | <b>472.29</b>   | <b>363.15</b>  |
| Add: Exceptional item                                                                                                                     | -               | 134.21         | -               | 134.21         |
| <b>Profit before Tax and Share of Profit/ (Loss) of Joint Venture</b>                                                                     | <b>584.95</b>   | <b>618.33</b>  | <b>472.29</b>   | <b>497.36</b>  |
| Less: Share of Profit/(Loss) of Joint Venture                                                                                             | -               | -              | (22.40)         | (1.84)         |
| <b>Profit before tax</b>                                                                                                                  | <b>584.95</b>   | <b>618.33</b>  | <b>449.89</b>   | <b>495.52</b>  |
| Less/(Add):                                                                                                                               |                 |                |                 |                |
| Current Tax                                                                                                                               | 72.29           | 92.84          | 117.45          | 92.84          |
| Deferred Tax                                                                                                                              | 115.11          | 98.99          | 27.39           | 79.54          |
| Deferred tax relating to earlier period                                                                                                   | 0.19            | 0.55           | 0.19            | 0.55           |
| <b>Profit after tax from continuing operations</b>                                                                                        | <b>397.36</b>   | <b>425.95</b>  | <b>304.86</b>   | <b>322.59</b>  |
| <b>Discontinued Operations</b>                                                                                                            |                 |                |                 |                |
| Add / (Less):                                                                                                                             |                 |                |                 |                |
| Loss before tax from discontinued operations                                                                                              | (164.71)        | (88.67)        | (162.07)        | (89.27)        |
| Loss on remeasurement to Net Realisable Value                                                                                             | (214.00)        | -              | (214.00)        | -              |
| Tax (Expense)/ Income of discontinued operations                                                                                          | 132.51          | 31.03          | 131.59          | 31.23          |
| <b>Loss from discontinued operations</b>                                                                                                  | <b>(246.20)</b> | <b>(57.64)</b> | <b>(244.48)</b> | <b>(58.04)</b> |
| <b>Net Profit for the year</b>                                                                                                            | <b>151.16</b>   | <b>368.31</b>  | <b>60.38</b>    | <b>264.55</b>  |
| Other Comprehensive Income                                                                                                                | (1.00)          | 1.19           | (1.40)          | 0.18           |
| <b>Total Comprehensive Income</b>                                                                                                         | <b>150.16</b>   | <b>369.50</b>  | <b>58.98</b>    | <b>264.73</b>  |
| (Gain)/Loss Attributable to Non-Controlling Interest                                                                                      | -               | -              | (9.85)          | 7.33           |
| <b>Total Comprehensive Income of the Company</b>                                                                                          | <b>150.16</b>   | <b>369.50</b>  | <b>49.13</b>    | <b>272.06</b>  |
| <b>Retained Earnings</b>                                                                                                                  |                 |                |                 |                |
| Balance brought forward                                                                                                                   | 1958.65         | 1633.83        | 1660.95         | 1433.57        |
| Total comprehensive Income for the year                                                                                                   | 150.16          | 369.50         | 49.13           | 272.06         |
| Equity Dividend                                                                                                                           | (55.23)         | (44.68)        | (55.23)         | (44.68)        |
| Balance carried forward                                                                                                                   | 2053.58         | 1958.65        | 1654.85         | 1660.95        |



## DIRECTORS' REPORT (Contd.)

The performance of each business segment of the Company has been comprehensively discussed in the Management Discussion and Analysis Report (forming part of the Annual Report).

### 2. DIVIDEND:

The Board of Directors has recommended a dividend of 50% i.e., ₹ 5/- (Rupees Five only) per share, of the face value of ₹ 10/- each, for your approval which will be subject to applicable tax in the hands of shareholders. This dividend will be paid when declared by the shareholders, in accordance with law. The aggregate amount of dividend will absorb ₹ 55.85 Crores. Last year the dividend was paid @ 50% subject to applicable tax in the hands of shareholders.

### 3. TRANSFER TO RESERVES:

The Board of Directors of your Company has decided not to transfer any amount to the General Reserves out of retained earnings, for the year ended 31<sup>st</sup> March, 2024.

### 4. SHARE CAPITAL:

The Company's paid-up equity Share Capital remains at ₹ 111.69 Crores as on 31<sup>st</sup> March, 2024. During the year, the Company has not issued any Shares or Convertible Securities.

### 5. EXPORTS:

The total exports of the Company amounted to ₹ 268.94 Crores (Previous year ₹ 306.62 Crores) representing about 6.71% of its turnover from continuing operations.

### 6. CREDIT RATING:

Your Company has adequate liquidity and a strong balance sheet. CRISIL reaffirmed their credit rating as 'CRISIL AA' / 'CRISIL A1+' respectively for Long-Term and Short-Term financial instruments of the Company. This stands as a testament to your Company's sound financial management and its capacity to fulfill financial obligations promptly.

## 7. DISCONTINUED OPERATIONS:

### a. Birla Century Textile division:

Considering the operational challenges faced by our Company's Textile plant, Birla Century, located in Jhagadia, Bharuch, Gujarat, the Board took decisive action in the early second quarter of 2023-24. It approved the initiation of a restructuring process for our Textile Business Operations at the aforementioned plant. This involved discontinuing the in-house spinning and weaving departments, with subsequent approval for the disposal of plant and machinery, relevant spares, tools, and equipment associated with these departments.

Additionally, a Voluntary Retirement Scheme (VRS) was rolled out at the plant, resulting in a majority of workers from the spinning and weaving departments opting for voluntary retirement. To optimize the utilization of the process house, the Board sanctioned the operation of the plant solely as a process house. Under this arrangement, the plant procures 1,05,000 meters of specialized greige fabrics per day through outsourcing for processing purposes.

These strategic measures have led to a substantial reduction in operating expenses.

Despite vigorous efforts throughout the year to improve the financial performance of the aforementioned plant by adopting an outsourcing model and operating solely as a process house, the Unit continued to grapple with operational losses. This was primarily due to adverse market conditions, characterized by the absence of viable orders that could cover even the operational costs.

In light of these challenges, the Board of Directors convened a meeting on March 22, 2024, to review the operations of the said plant. After careful deliberation, the Board approved the discontinuation of most operations at the

## DIRECTORS' REPORT (Contd.)

plant, with only minor manufacturing activities and other related tasks, such as supplying Yarn to Birla Advanced Knits Private Limited (a Joint Venture of the Company and Grasim Industries Limited), to be retained.

**b. Sale of Century Yarn and Century Denim:**

As previously disclosed, the Company had sold and finalized the sale transactions concerning its Century Yarn and Century Denim Units within the Textile Segment, adhering to applicable laws. Despite the Labour Commissioner rejecting an application from a group of workers to raise an Industrial Dispute regarding the sale, the matter took a different turn following the direction of the High Court. Subsequently, the Labour Commissioner initiated a Dispute before the Industrial Tribunal, Madhya Pradesh.

The Company is currently assessing all available legal avenues to contest the aforementioned reference.

**8. EXPANSION & MODERNISATION:**

**a. Pulp and Paper:**

As part of technical upgradation and production enhancement, following initiatives have been taken-

• **Paper Plant:**

Paper Machine-1 (PM1):

A new head box has been installed, and the cooling dryer cylinder replaced with steam dryer cylinder at PM1 for capacity enhancement from 70 tpd to 100 tpd in Cupstock and quality improvement such as Formation and GSM variation.

Paper Machine-3 (PM3):

New LineOmatic A4 Copier Sheeter installed and commissioned on 20<sup>th</sup> September, 2023 to increase Copier sheeting capacity by 50,000 MT/annum. Apart from copier sheeting capacity increase, not only

copier packing quality will be improved but additionally there will be packing cost saving.

• **Pulp Mill:**

Bagasse:

New Meloni filter installed and commissioned in bagasse mill to filter black liquor going to recovery plant.

WPP :

One additional digester is made operational in WPP plant and with this, unbleached pulp production is expected to increase from 90 tpd to 108 tpd.

PGP :

PGP pulp plant was stopped to improve structural safety and for other installations like higher capacity pumps etc. and the same has resumed production in April, 24 as scheduled.

• **Recovery Plant:**

New Evaporator was commissioned in October, 2023 and has started giving results. Firing solids increased from 62% to 70% due to which steam generation increased from 3.1 to 3.28 t/t of black liquor solids.

- b. To sustain competitiveness and enhance quality, the Company continues to implement modernization and technological upgrade programs across all its units. Stringent cost-control measures are rigorously enforced across various areas and are subject to regular review. Special attention is dedicated to energy and water conservation efforts.

**9. DIRECTORS:**

**a. Appointment / Reappointment of Directors:**

- i. Ms. Preeti Vyas (DIN: 02352395) completed her first term of five years as an Independent

**DIRECTORS' REPORT (Contd.)**

Director of the Company on 31<sup>st</sup> March, 2024. On recommendation of the Nomination & Remuneration Committee ('NRC') and the Board of Directors, the Shareholders of the Company approved the reappointment of Ms. Vyas on 20<sup>th</sup> March, 2024 as an Independent Director of the Company for second term of five years commencing from 01<sup>st</sup> April, 2024 up to 31<sup>st</sup> March, 2029 (both days inclusive), by way of a special resolution passed through Postal ballot by remote e-voting.

- ii. Pursuant to the provisions of Section 152 of the Companies Act, 2013, ('the Act') and Articles of Association of the Company Mr. Kumar Mangalam Birla (DIN: 00012813) retires by rotation, as Director, at the ensuing Annual General Meeting of the Company and being eligible, offers himself for reappointment. A brief profile of Mr. Kumar Mangalam Birla is provided in the Notice of AGM.

The Board recommends his reappointment.

- iii. Pursuant to the provisions of Articles of Association of the Company and the Companies Act, 2013, Mr. Sunirmal Talukdar (DIN: 00920608), a Chartered Accountant having specialization and comprehensive experience in various areas such as Strategic and Tactical Planning, Mergers and Acquisitions, Corporate Governance, Project Evaluation & Financing, Equity and Debt Syndication, Internal Control / Audit Compliance, Direct / Indirect and International Taxation, Organizational Restructuring, has been appointed as an Independent Director on the Board of the Company for a period from 24<sup>th</sup> July, 2024 to 5<sup>th</sup> December, 2026 and Mr. Pramod Kabra (DIN: 02252403), a Chartered Accountant having wide ranging global experience in Strategy, Finance, Merger & Acquisition, Supply Chain and Innovations, has been appointed as an Independent Director on the Board of the Company w.e.f.

24<sup>th</sup> July, 2024 for a period of five years. The advantage of their vast experience will be available for the benefit of the Company. The requisite resolutions for approving the appointment of Mr. Sunirmal Talukdar and Mr. Pramod Kabra as Independent Directors of the Company are being placed before the members at the ensuing 127<sup>th</sup> Annual General Meeting of the Company.

The Board recommends their appointment.

**b. Familiarization Program for the Independent Directors:**

Throughout the years, the Company has established a robust familiarization process for newly appointed Directors, ensuring they understand their roles and responsibilities in alignment with the requirements of the Companies Act, 2013. This comprehensive process encompasses an overview of the Company's Textiles, Pulp & Paper, and Real Estate businesses, including associated risks and opportunities.

Additionally, Directors receive regular updates on best business practices and industry developments pertaining to the Company's Textiles, Pulp and Paper, and Real Estate segments, ensuring they remain informed and equipped to make informed decisions.

**c. Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), the Board has carried out an annual performance evaluation of its own performance; that of the Directors individually; as well as the evaluation of the working of its Audit, Nomination & Remuneration, CSR, and other Committees of the Board.

At the Board meeting, a thorough discussion was held on all pertinent factors essential for evaluating the performance of individual Directors, the Board, and its various Committees. A structured questionnaire, in line with SEBI's

## DIRECTORS' REPORT (Contd.)

circular, was meticulously prepared by the Nomination & Remuneration Committee and recommended to the Board. This questionnaire facilitated the evaluation of the Board, its committees, and individual Directors. Inputs from Directors were considered, covering various aspects of the Board's functioning, including the adequacy of its composition, execution of specific duties, obligations, and governance.

Whilst evaluating the performance of individual Directors, including the Chairman of the Board, parameters such as engagement level, contribution, independence of judgment, knowledge, and perspective for discussion were considered, along with the safeguarding of the Company's interests and those of its minority shareholders.

The evaluation of Independent Directors was carried out by the entire Board, excluding the Director under evaluation, ensuring their independence from management. The performance evaluation of the Chairman and non-independent Directors was conducted by the Independent Directors in a separate meeting. Overall, the Directors expressed satisfaction with the evaluation process.

**d. Meetings:**

During the year, 8 (eight) Board meetings were convened and held. The details thereof are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**10. AWARDS, CERTIFICATES, PRIZES:**

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

**Birla Estates Private Limited (100% subsidiary):**

- Birla Tisya, a project in Bengaluru was awarded the "Safety Shield Award" and "Five Golden Stars Award" by National Safety Council, India recognizing exceptional excellence and performance in Occupational Safety and Health

(OSH) Management System.

- Birla Niyaara, a project in Mumbai was awarded the winner of prestigious "15<sup>th</sup> CIDC Vishwakarma Safety Award 2024" for the best HSE practices.
- Birla Navya, a project in Gurugram was Awarded the "Platinum Award" for the Quality Excellence at "Apex India Quality Excellence Award 2023" and the "National EHS Award" in the GSS (Global Safety Summit) powered by World Safety Forum, London.

**Birla Century (Textiles Division):**

- SEEM National Energy Management Gold Award was successively received 3<sup>rd</sup> time in a row from Society of Energy Engineers & Managers. This is about improving energy efficiency by any manufacturing facility.
- Greentech Safety Gold Award 2023 by Green Tech Foundation, New Delhi for Safety Excellence.

**Century Pulp & Paper Division:**

- The Division has received first prize in 114<sup>th</sup> and 115<sup>th</sup> "All India Farmers' Fair and Agro-Industrial Exhibition" 2023 and 2024 respectively, organized by and held at G B Pant University of Agriculture & Technology, Pantnagar, Uttarakhand.
- Award for Creativity for plantation activities in 36<sup>th</sup> Quality Circle Competition conducted by Confederation of Indian Industry (CII) at Rudrapur on 22<sup>nd</sup> September, 2023.

**11. STATUTORY AUDITORS:**

S R B C & Co. LLP, Chartered Accountants (ICAI Firm Registration No.324982E/ E300003), who are the Statutory Auditors of the Company were initially appointed for a term of five years at the Annual General Meeting of the Company held on 28<sup>th</sup> July, 2016. S R B C & Co. LLP completed their said term of five years as Statutory Auditors of the Company at the conclusion of the 124<sup>th</sup> Annual General Meeting held on 16<sup>th</sup> July, 2021 and being eligible under section 141 of the Companies Act, 2013 were reappointed for a second term of 5 (five) consecutive years w.e.f. 16<sup>th</sup> July, 2021 by the shareholders at the said AGM.



## DIRECTORS' REPORT (Contd.)

### 12. AUDITORS' REPORT:

The Auditors' Report to the Shareholders does not contain any reservation, qualification, adverse remark, or disclaimer. During the year under review, neither the Statutory Auditors nor the Cost Accountant & Secretarial Auditors have under Section 143(12) of the Companies Act, 2013 reported to the Audit Committee of the Board, any instances of fraud committed against the Company by its officers and employees, the details of which would otherwise be required to be mentioned in this report.

### 13. COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the cost accounts and cost records are required to be maintained by the Company, in respect of various manufacturing activities and are required to be audited. Accordingly, such accounts and cost records are maintained in respect of various manufacturing activities. The cost audit report for the financial year 2022-23 was filed with the Ministry of Corporate Affairs on 8<sup>th</sup> August, 2023. M/s. R. Nanabhoy & Co., Cost Accountants, were appointed as the Company's Cost Auditor.

Your directors have on the recommendation of the Audit Committee, appointed M/s. R. Nanabhoy & Co., Cost Accountants, to audit the cost accounts of the Textiles and Pulp & Paper products of the Company for the financial year 2024-25 at a remuneration of ₹ 0.90 lac.

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

### 14. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

2014, the Company has appointed M/s. Gagrani & Gagan, Company Secretaries in practice (CP No.1388), to undertake the Secretarial Audit of the Company for the year ending 31<sup>st</sup> March, 2025. The Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2024 is annexed herewith as '**Annexure I**' to this Report. The Company has complied with all applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (SS1 and SS2), relating to the meetings of the Board including its Committees and General Meetings which have mandatory application during the year under review. The Secretarial Audit Report does not contain any adverse qualification, reservation, remark, or disclaimer.

### 15. FIXED DEPOSITS:

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

### 16. LOANS, GUARANTEES AND INVESTMENTS:

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

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

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

### 18. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31<sup>st</sup> March, 2024 and state that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been



## DIRECTORS' REPORT (Contd.)

followed along with proper explanation relating to material departures;

- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis;
- e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**19. CTIL EMPLOYEE STOCK OPTION SCHEME 2023:**

At a meeting held on 16<sup>th</sup> January, 2023, the Board of Directors approved the formulation of an Employee Stock Option Scheme viz. CTIL Employee Stock Option Scheme 2023 ("ESOS 2023" or "Scheme") in terms of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 (SEBI SBEB and SE Regulations). The Board mandated the Nomination and Remuneration Committee to implement and administer ESOS 2023. The Shareholders of the Company have approved ESOS 2023 on 09<sup>th</sup> March, 2023 by way of postal ballot under which the Company may create, offer, and grant from time to time, in one or more tranches, not exceeding 17,25,000 employee stock options to its employees as defined in the aforesaid scheme working exclusively with the Company and its group company(ies) (as defined under SEBI SBEB and SE Regulations)

including subsidiary company(ies) and associate company(ies) of the Company. For implementation of the Scheme, a trust viz. 'CTIL Employee Welfare Trust' was formed which acquired 12,52,480 equity shares of the Company through secondary acquisition on the platform of a recognized Stock Exchange for cash consideration during the year. As per Ind AS, purchase of own equity shares is treated as treasury shares and is disclosed under 'Other Equity' in the Financial Statements. As on 31<sup>st</sup> March, 2024, the trust holds 12,52,480 equity shares of your Company for transfer to the eligible employees under the Scheme upon exercise of options. Each option when exercised would be converted into one fully paid-up equity share of ₹ 10/- each of the Company. Further, the Company has granted 12,27,535 options to the employees of its wholly owned subsidiary viz. Birla Estates Private Limited as per the Scheme.

The Scheme is in compliance with the SEBI SBEB and SE Regulations and the approval of the shareholders and a certificate to that effect from the secretarial auditors of the Company will be available on our website [www.centurytextind.com](http://www.centurytextind.com) for inspection by the shareholders. The web-link for the details on the aforesaid Scheme as required to be disclosed in terms of SEBI SBEB and SE Regulations are placed on the Company's website which is <https://www.centurytextind.com/assets/pdf/others/esop-disclosure.pdf>

**20. KEY MANAGERIAL PERSONNEL:**

Mr. R. K. Dalmia is the Managing Director of the Company. Mr. Snehal Shah and Mr. Atul K. Kedia are the Chief Financial Officer and Company Secretary respectively of the Company.

**21. CORPORATE GOVERNANCE:**

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

**22. AUDIT COMMITTEE AND VIGIL MECHANISM:**

The Audit Committee is comprised of four members and all of them are Independent Directors. The Company



## DIRECTORS' REPORT (Contd.)

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

### 23. RISK MANAGEMENT:

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

The Audit Committee has also been delegated with the responsibility of monitoring and reviewing risk management, assessment, and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing

and mitigating all elements of risks which the Company may be exposed to.

The key risks identified by the Company include financial & economic risk, operational risk, competition risk, cyber security and data protection risk and compliance of all applicable statutes and regulations. The Company has a well-defined ERM policy & mechanism to mitigate these risks.

During the year the Board approved Business Continuity Management System (BCMS) policy document consisting of Business Continuity plan including policy / procedures / manual of the Company. The Company reviews the risk register periodically, to align with the changes in the economic environment, market practices and regulations. The top risks of the company and its businesses are reviewed at least twice in a year by the Risk Management Committee. The last such review was done on 28<sup>th</sup> February, 2024.

### 24. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In terms of the provisions of section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The Committee recommends to the Board activities as specified in Schedule VII of the Companies Act, 2013 to be undertaken during the year. The composition and terms of reference of the CSR Committee are provided in the Corporate Governance report, which forms part of this Annual Report.

The Company has also in place a CSR Policy and the same is available on the Company's website: [www.centurytextind.com](http://www.centurytextind.com). As per the CSR Policy, the Company actively contributes to the social and economic development of the local communities and builds a better sustainable way of life for the weaker sections of society, through engagement in the areas of Education, Promotion of Sports activities, Sustainable Livelihood & Women Empowerment, Infrastructure Development, Health Care and Sanitation etc. The projects are primarily undertaken in neighboring villages around the Company's plant locations. During the year under review, your Company spent

## DIRECTORS' REPORT (Contd.)

₹ 4.88 Crores, against ₹ 4.87 Crores being its statutory obligation for the financial year 2023-24, towards identified and approved CSR initiatives covered under Schedule VII of the Companies Act 2013, directly/ through the implementing agencies.

During the year, the Company undertook several projects covering promotion of education (inclusive of providing scholarship for needy and meritorious students through A World of Opportunity Foundation - AWOOF), preventive healthcare, promotion of sports activities, rural infrastructure development etc. Through Mpower the Company also provided awareness of mental health which has become increasingly prominent in recent times. The Company reached out to around 144 locations across 19 States.

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

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

**25. NOMINATION AND REMUNERATION COMMITTEE:**

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

The salient feature of the Company's Remuneration Policy is attached as 'Annexure III' and forms a part of this Report. The Remuneration Policy is available on the website of the Company viz. [www.centurytextind.com](http://www.centurytextind.com).

**26. RELATED PARTY TRANSACTIONS:**

All transactions entered with related parties as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year, which conflicted with the interest of the Company and

hence, enclosing Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (Ind-AS 24) has been made in the notes to the Financial Statements.

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

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

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

**27. DECLARATION BY INDEPENDENT DIRECTORS:**

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

**DIRECTORS' REPORT (Contd.)****28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

During the year 2023-24, no significant and material order has been passed by any regulator or by any Court or Tribunal which has a material impact on the financial position of the Company.

**29. INTERNAL FINANCIAL CONTROL:**

The Company maintains robust internal financial control systems tailored to the size, scale, and complexity of its operations. Throughout the year, these controls underwent testing, revealing no reportable material weaknesses. Adequate policies and procedures are in place to ensure the orderly and efficient conduct of business operations, encompassing adherence to Company policies, asset safeguarding, fraud and error prevention and detection, accuracy and completeness of accounting records, and timely generation of reliable financial information.

Throughout the review period, the Company did not encounter any instances of fraud. The internal auditor diligently monitors and assesses the effectiveness and sufficiency of internal control systems. Based on the internal auditor's report, corrective actions are initiated by respective departments to reinforce controls in their respective domains. Significant audit findings and subsequent corrective measures are presented to the Audit Committee of the Board for review.

**30. SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES:**

Birla Estates Private Ltd., a Wholly Owned Subsidiary of the Company has various on-going projects viz. Phase II of 'Birla Vanya' at Kalyan near Mumbai, 'Birla Navya' (under Avarna Projects, LLP between Birla Estates and Anantraj) at Gurugram and 'Birla Niyaara' at Worli, Mumbai, 'Birla Tisya' at Rajajinagar, Bengaluru. During the year it launched a project viz. 'Birla Trimaya' at Devanahalli, Bengaluru and new Phase Silas of Birla Niyaara at Worli, Mumbai.

During the year, Birla Estates Pvt. Ltd. registered a profit after tax of ₹ 12.77 Crores (previous year loss after tax of ₹ 47.90 Crores) and Birla Century Exports Pvt. Ltd.,

another Wholly Owned Subsidiary of the Company registered a profit of ₹ 1.67 Crores (previous year loss of ₹ 0.62 Crores). Further, "CTIL Community Welfare Foundation" a not-for-profit Company incorporated under Section 8 of the Companies Act, 2013 (wholly owned subsidiary) during the year for undertaking Charitable and Corporate Social Responsibility (CSR) activities of the Company registered a surplus of ₹ 0.16 lac.

None of the Subsidiaries mentioned above is a material subsidiary for the FY2023-24 as per the threshold limit laid down under the SEBI LODR Regulations. However, in terms of the said Regulations, Birla Estates Private Limited is a material subsidiary of the Company for the FY2024-25.

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

As reported in earlier years your Company has formed a 50:50 Joint Venture in collaboration with Grasim Industries Limited namely 'Birla Advanced Knits Private Limited' (JV Company) to manufacture Circular Knit Fabrics. The project is located at the existing Birla Century Campus in Bharuch District. It is having knitting and processing capacity of about 600 Ton of fabric per month. The salient feature of this project is blending of different fibres majorly Viscose, Modal and Excel (Lyocell) fibres.

During the year, the J V Company registered a loss of ₹ 22.40 crores (previous year's loss of ₹ 1.84 crores) (50% profit/loss).

**31. CONSOLIDATED FINANCIAL STATEMENT:**

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

## DIRECTORS' REPORT (Contd.)

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

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

**33. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

The Company has zero tolerance for sexual harassment at workplace. During the year under review, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of an Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company is committed to providing a safe and conducive work environment to all its employees and associates.

**34. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING:**

A separate section of Business Responsibility and Sustainability Report forms part of this Annual Report as required under Regulation 34(2) (f) of the SEBI LODR Regulations.

**35. PARTICULARS OF EMPLOYEES:**

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

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2024 is given in a separate Annexure to this Report.

The said Annexure is not being sent along with this Report to the Members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members who are interested in obtaining this annexure may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by the Members at the Registered Office of the Company, 21 days before the 127<sup>th</sup> Annual General Meeting and up to the date of the said Annual General Meeting during business hours on working days.

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

**36. ANNUAL RETURN:**

The web-link for the Annual Return placed on the Company's website is <https://www.centurytextind.com/assets/pdf/download-forms/annual-return-2024.pdf>

**37. NAME OF THE COMPANY:**

Since the Company's focus is now on real estate business, it is appropriate that the name of the Company should be suitably changed so as to give a better perspective of its activities. It is therefore, proposed that the name of the Company be changed to reflect the focus on the real estate business and as may be made available and approved by the Registrar of Companies, Ministry of Corporate Affairs which will be subject to your approval and other statutory authorities as may be required.

**38. GENERAL DISCLOSURES:**

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



## DIRECTORS' REPORT (Contd.)

- iv. The Company has not issued any shares with differential voting rights.
- v. There has been no change in the nature of business except as mentioned in the item no. 7(a) of this Report.
- vi. The Company has not made any application during the year under the Insolvency and Bankruptcy Code, 2016 and there is no proceeding pending under the said Code as at the end of the financial year.
- vii. During the year, the Company has not undergone any one-time settlement and therefore the disclosure in this regard is not applicable.

### 39. ACKNOWLEDGEMENTS:

Your directors thank the various Central and State Government Departments, Organizations and

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

Registered Office:

On behalf of the Board

Century Bhavan

Dr Annie Besant Road

**R.K. Dalmia**

**Y.P. Dandiwala**

Worli, Mumbai-400 030

Managing Director

Director

Dated: 7<sup>th</sup> May, 2024

DIN: 00040951

DIN: 01055000



# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report encapsulates the operational and financial performance of Century Textiles and Industries Limited for the fiscal year ended 31<sup>st</sup> March, 2024, and constitutes an integral part of the Annual Report.

## 1. OVERALL REVIEW :

In the year under review, the Company witnessed growth in earnings before interest, tax, and depreciation (EBITDA) compared to the previous year. This growth was primarily driven by the robust performance of the Real Estate Division, benefiting from increasing demand in the sector. However, the Pulp and Paper Division faced challenges due to cost pressures stemming from low-priced imports and surplus supply domestically. The performance of the Textile Division of the Company, despite taking a number of improvement steps continued to incur EBITDA losses due to poor market conditions. Accordingly, in view of the adverse conditions and non-availability of viable orders covering even the cost, there was no option but to discontinue operations at the Textile plant except for certain minor manufacturing activities and supply chain operations relating to supply of yarn to Birla Advanced Knits Pvt. Ltd., a joint venture of the Company and Grasim Industries Ltd. to continue at the said plant. Accordingly, the Board of Directors of the Company at its meeting held on 22<sup>nd</sup> March, 2024 has approved discontinuation of operations of Textile plant viz. Birla Century at Jhagadia, Bharuch. In view of this the textiles business is not included in the business segment reporting mentioned hereinafter.

India's real estate market exhibited resilience amidst global turbulence, buoyed by factors such as urbanization, rising middle-class incomes, foreign investments, and government support. This positive momentum spurred the Company's real estate development endeavors across key cities like Mumbai, Bengaluru, Gurugram, NCR, and Pune.

During FY24, the Company achieved substantial sales across various projects, marked by the successful launch of Silas at Birla Niyaara in Mumbai and Birla Trimaya in Bengaluru.

In FY24, the Company sold nearly 1.7 million sq.ft. of space, generating a total value of ₹ 3,985 Crores across

all launched projects. The flagship project, Birla Niyaara in Worli, Mumbai, saw a phenomenal success with the launch of its new phase, Silas. Within a month of its launch, Sales for Silas surpassed a staggering ₹ 2,391 Crores. Similarly, Birla Trimaya in Bengaluru achieved equally impressive results. The project completely sold out within 36 hours of its launch, achieving a Booking Value of ₹ 486 Crores.

During FY24, Birla Estates Private Limited (BEPL), a wholly-owned subsidiary of your Company, strategically expanded its portfolio. This was achieved through the successful acquisition and joint development rights of five projects across Mumbai, Thane, Delhi, Bengaluru and Pune. These projects have a combined Gross Development Value (GDV) exceeding ₹ 16,000 Crores.

Project handovers have been initiated for Birla Alokya, Bengaluru, Birla Vanya Phase I, Kalyan and Birla Navya Phase I, Gurugram. This marks a notable achievement and provides customers with an exceptional experience during the handover process in all three regions.

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

### a. Industry Structure and Development:

Over the past few years, the world has steadily rebounded from the disruptions caused by COVID-19, yet geopolitical tensions have kept industries on edge.

According to the latest India Development Update from the World Bank, India continues to demonstrate resilience amidst a challenging global environment. It stands out as one of the fastest-growing major economies. Paper consumption is closely tied to a country's economic development. Although India currently has low per capita paper consumption, this trend is steadily improving alongside economic progress and various governmental initiatives.

The primary drivers of demand for the paper industry stem from a combination of factors. These include increasing income levels, expanding



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

per capita expenditure, rapid urbanization, rising demand for Personal Care & Sanitation products, government initiatives, phenomenal increase in online shopping, heightened hygiene awareness, and a larger proportion of the population earning income. These factors are anticipated to fuel consumption and indicate significant growth potential for the paper industry within the country.

### b. Opportunities and Threats:

The Indian paper industry has experienced substantial transformations over the past few decades, marked by the adoption of modern technology and heightened investments in the sector. Additionally, the industry has reaped the rewards of government policies aimed at fostering sustainable forest management practices and promoting the utilization of eco-friendly materials.

Following are the Opportunities & Threats for the Industry :

#### Opportunities:

- **Literacy:** Government policies on education (NEP), rising enrolment, and various schemes promoting education.
- **Growing Consumption:** Increased consumption of packaging paper/board in the food (Food & Beverages) and pharma/cosmetic sectors.
- **Hygiene Emphasis:** Government emphasis on hygiene and steady growth in healthcare and hospitality demand, boosting demand for the tissue segment.
- **E-commerce Growth:** Rapidly rising shipments in the e-retail industry and increased penetration levels in overall retail, driving growth in segment volumes.
- **Demand for Eco-friendly Products:** Increasing demand for high-quality and eco-friendly paper packaging products.
- **Market Expansion:** Opportunities to widen the market through bans on single-use

plastics, leading to innovative product creation.

- **E-commerce Demand:** With the exponential growth of the e-commerce sector, demand for packaging paper, Kraft & board expected to increase in parallel.
- **Plastic Substitution:** Multinational companies seeking to minimize plastic from their packaging, with paper being a strong contender due to its biodegradable properties.

#### Threats:

- **Rising Raw Material Costs:** Increasing costs of raw materials.
- **Wood Scarcity:** Challenges related to the scarcity of wood.
- **Increasing Input Costs:** Rising input costs including coal, chemicals, and other inputs.
- **Competition from Imports:** Growing competition from imports, especially from ASEAN countries.
- **BIS Certification Impact:** BIS certification leading to an increase in Copier Paper imports.
- **Digitalization Impact:** Digitalization affecting paper demand in certain areas.
- **Higher Energy Costs:** Higher energy costs affecting competitiveness.

### c. Segmental Review and Analysis:

The paper, paperboard, and packaging sector continue to grapple with competitive pricing from ASEAN and Chinese markets, subdued domestic demand, and a surge in wood costs.

Throughout the year, the demand for paper and tissue experienced fluctuating market conditions. However, the packaging board sector faced challenges, particularly due to lower demand from domestic pharma, FMCG, export food and beverage sectors, and the hosiery market in the middle of the year. Additionally, high-volume imports from ASEAN countries in the tissue,

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

writing, and printing segments, along with BIS certification requirements for other imported brands increasing copier imports, have impacted the domestic paper market.

The upcoming addition of approximately 24 lakh tons of virgin board capacity in China and Indonesia over the next few months is expected to create a temporary excess supply situation, which will likely impact the Indian industry as well.

**d. Risks and Concerns:**

Price fluctuations, interrupted raw material availability, and rising input costs remain major concerns for the paper industry. As businesses pass on the increased costs to consumers, consumer sentiments are affected, leading to further contraction in demand.

The Indian virgin board packaging market is expected to encounter tough price competition from international suppliers in FY 2024-25.

The risk of higher imports in the writing, printing, copier, and board segments by international manufacturers will result in volume and cost pressures.

**e. Outlook:**

India's projected GDP growth for the current fiscal year has been revised upward to 7% from the previous estimate of 6.7%. This robust growth will be driven by investments from both the public and private sectors, as well as an improvement in consumer demand.

Paper demand is anticipated to grow moderately in fiscal 2025. The paperboard segment is expected to be a key driver of demand in both the near and long term, fueled by healthy demand from various end-use industries. Demand for writing and printing (W&P) paper is forecasted to experience sharp growth in fiscal 2025, as schools, colleges, and office spaces reopen alongside the anticipated rollout of the National Education Policy (NEP).

The Government's increased spending on education for the next three years, estimated to be approximately 20% higher than the previous three years, will place greater emphasis on education and literacy. This, coupled with the demand for higher-quality paper and increasing advertising expenditure, will drive growth in the writing and printing paper segment. Similarly, the demand for higher-quality packaging for FMCG, pharmaceuticals, textile products, driven by organized retail, booming e-commerce, and rising healthcare needs, will catalyze the growth of the paperboard and packaging paper market.

Furthermore, the increasing awareness of hygiene and preference for quick-service restaurants will bolster demand for tissue products, both for At Home and Away from Home (AFH) consumption.

Looking ahead, the medium to long-term outlook for the Indian paper industry remains positive and is expected to further expand in tandem with the country's GDP and overall economy.

### 3. BUSINESS SEGMENT – REAL ESTATE

**a. Industry Structure and Development:**

India is likely to become the third-largest economy in 2027<sup>1</sup>, based on projections that account for the Country's sustained economic growth and expanding market size. Additionally, India has recorded the highest growth rates among major advanced and emerging economies<sup>1</sup>. Supported by a growing economy, the real estate sector in India has experienced significant transformation. It is poised for substantial growth, with a projected value of USD 1.5 trillion by 2034<sup>2</sup>. This estimate reflects a threefold increase from its current size and highlights its substantial contribution to the nation's economic output, accounting for 10.5%<sup>2</sup>.

<sup>1</sup> Source: Press Release by Press Information Bureau, Government of India, Ministry of Finance, dated 01st February, 2024. Link: <https://pib.gov.in/PressReleasePage.aspx?PRID=2001124> accessed on 15th April, 2024

<sup>2</sup> Source: Press Release by CII Link: <https://www.cii.in/PressreleasesDetail.aspx?enc=OfwnSJRDlux9mCml0eD2D09OzURPeEI7qsEBP071LA=#:~:text=We%20anticipate%20the%20Indian%20real,brighter%2C%20more%20prosperous%20tomorrow.%22>



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

The Indian residential real estate market shows a trend shift. New launches saw a modest rise, while total absorption surged by YoY. This robust demand exceeding new supply by 18% led to a significant decline in unsold inventory. This gap provides an opportunity to launch new projects to cater to the existing demand<sup>3</sup>.

The office space has seen significant growth, driven primarily by multinational corporations establishing Global Capability Centres (GCCs). India's favourable ecosystem and large untapped potential make it the preferred destination for GCCs. Economic resilience, evolving perceptions and rising demand from global corporations position India for sustainable growth. As companies leverage India's growth-oriented environment and expand, the office market is set for continued growth<sup>4</sup>.

The strategic integration of innovation and technology is propelling the real estate sector forward, fostering increased efficiency and facilitating the introduction of novel property formats, such as fractional ownership and data centres. This represents a significant evolution in the real estate landscape, expanding the spectrum of offerings to cater to a more diverse range of investor demands<sup>2</sup>. Exhibiting a robust and persistent upward trajectory, the Indian Data Centre market is experiencing significant growth. This momentum is fuelled by the nation's rapidly growing digital infrastructure, driven by the burgeoning use of digital services and the ever-increasing demand for data storage and processing capabilities<sup>5</sup>.

### b. Opportunities and Threats:

The Indian real estate market presents a unique opportunity for strategic development. Driven by rapid urbanization and rising income levels, metropolitan landscapes are undergoing significant transformations. This has led to a surge in demand for high quality housing and a

superior lifestyle. As more people move to cities and experience a higher standard of living, there is a growing preference for premium residential properties that offer prime locations, superior amenities, holistic living, community of like-minded people and modern comfort. These include well-designed living spaces, recreational facilities, green areas and advanced security measures. As a result, your Company is focusing on creating residential projects that cater to this evolving demand for luxury and convenience.

Customer centricity is a key pillar of your Company. Prioritizing a data-driven understanding of client's needs and aspirations, ensuring a seamless and positive experience throughout their journey with us. This commitment is reflected in every touchpoint, from the initial engagement to the ongoing support provided after purchase. Product innovation informed by thoughtful design principles, timely delivery and transparency in operations all contribute to achieving this goal.

### c. Segment Review Analysis:

Your Company has achieved significant milestones in FY24, demonstrating continued growth and strong customer trust.

In FY24, nearly 1.7 million sq. ft. were sold, amounting to ₹ 3,985 Crores across all launched projects. The new phase, Silas of our flagship project Birla Niyaara in Worli, Mumbai, has witnessed exceptional success. Within just a month of its launch, it recorded sales exceeding ₹ 2,391 Crores. Similarly, Birla Trimaya in Bengaluru was completely sold out within 36 hours of its launch, achieving a Booking Value of ₹ 486 Crores.

Further, solidifying our reach, we recently inaugurated our first international office in Dubai, a strategic expansion designed to cater to the prospective customer base in the Gulf region and around.

<sup>3</sup> Source: prop equity

<sup>4</sup> Source: Article published by JLL on "India's office market enters the next growth phase". Link: <https://research.jllapsites.com/indias-office-market-enters-the-next-growth-phase/>

<sup>5</sup> Source: Report published by CBRE "From Byte to Business: India Data Centre Market Powering in Progress in 2023". Link: <https://www.cbre.co.in/insights/reports/from-bytes-to-business-india-data-centre-market-powering-progress-in-2023>

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

Furthermore, in FY24, Collection stood at ₹ 1,525 Crores with an efficiency rate of over 97%, underscoring the strong connection we have established with our customers and the trust they have placed in us.

During FY24, Birla Estates Pvt. Ltd. (BEPL), the 100% subsidiary of your Company, expanded its portfolio through the successful finalization of five projects with a combined Gross Development Value (GDV) surpassing ₹ 16,000 Crores. Notably, this includes an acquisition of a 5.8 acre land parcel in Sangamwadi, Pune, marking its entry into the Pune market with a gross potential of over ₹ 2,500 Crores. Other acquisitions comprised a marquee plot in Walkeshwar, Mumbai, a 28 acre land parcel in Sarjapur, Bengaluru, approximately 31 acre land parcel in Thane and a joint development agreement with India Hume Pipe for a 6.8 acre residential project situated in Mathura Road, Delhi.

Project handovers have been initiated for Birla Alokya, Bengaluru, Birla Vanya Phase I, Kalyan and Birla Navya Phase I, Gurugram. This marks a notable achievement and provides customers with an exceptional experience during the handover process in all three regions. At all other launched projects, execution is in full swing, with a complete focus on ensuring safety, maintaining high-quality and ensuring timely delivery. Approximately 13 million safe man-hours have been successfully completed across all our under-construction projects.

Our commercial assets, Birla Aurora and Birla Centurion, continue to generate steady rental income. Birla Aurora has successfully transitioned to green energy and Birla centurion has achieved 100% green energy utilization in its common areas, marking a significant milestone in our commitment to a greener future.

In Global Real Estate Sustainability Benchmark (GRESB) rating, BEPL scored 91 in Development Benchmark (Residential) and 80 in Standing Investments (Commercial). We remain committed to reducing carbon emissions across all our properties.

BEPL unwavering commitment to safety at its project site has been recognized at multiple forums. Birla Niyaara, Mumbai, recognized with the "Safety Trophy at 15<sup>th</sup> CIDC Vishwakarma Awards 2024" for its best HSE Practices. Birla Tisya, Bengaluru received "Safety Shield Award" from National Safety Council, India. Birla Navya, Gurugram received the "National EHS Award" from Global Safety Summit and "Merit Winner Award trophy" from the British Safety Council. Birla Tisya, Bengaluru was awarded "Five Golden Stars award" by the National Safety Council.

**d. Risk and Concerns:**

The declining inventory and stable absorption are positive signs but challenges remain. Streamlining approvals is essential to attract investment and expedite project completion. Effective cost management is crucial to combat price volatility caused by global economic uncertainty. Close monitoring is required to maintain the supply and demand of raw materials and other commodities.

**e. Outlook:**

Residential real estate is poised for a strong growth potential in the upcoming year, driven by surging demand and a strong consumption record. Urbanization trends, a thriving rental market and consistent property value appreciation are poised to fuel a transformative period in the coming quarters. The industry's growing demand for premium and luxury housing aligns perfectly with our expertise, positioning us for significant growth and expansion. Our unwavering commitment to customer centricity, operational excellence and sustainable practice will propel us forward in the coming years.

**4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company maintains robust internal control systems to align with growth objectives while ensuring compliance with regulations and safeguarding against fraud. An extensive internal audit framework, overseen by the Audit Committee, evaluates control effectiveness and recommends enhancements. The



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

Company's Internal Control system is underpinned by an extensive, year-round, independent internal audit. Annually, a comprehensive internal audit plan covering various functions across all divisions is formulated and ratified by the Audit Committee. Quarterly, the Audit Committee convenes with auditors and management personnel to conduct an audit review, reaching consensus on an action plan to address areas

identified for improvement or enhancement from these audits. Audit findings are categorized as High, Medium, or Low based on associated risks and impacts, with a scientifically derived Control Effectiveness Index (CEI©) score. A CEI score exceeding 90% is deemed satisfactory performance, while anything below 71% is considered inadequate. Presently, your Company's CEI score stands at 88 %.

## 5. HIGHLIGHTS OF THE COMPANY'S FINANCIAL PERFORMANCE:

(₹ in Crores)

| PARTICULARS                                                                                                                               | Standalone      |                | Consolidated    |                |
|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|-----------------|----------------|
|                                                                                                                                           | 2023-24         | 2022-23        | 2023-24         | 2022-23        |
| <b>Continuing Operations</b>                                                                                                              |                 |                |                 |                |
| Total income                                                                                                                              | 4010.74         | 3890.51        | 4570.01         | 3856.40        |
| Earnings before Exceptional items, Finance Cost, Tax, Depreciation and Amortisation and Share of Profit/ (Loss) of Joint Venture (EBITDA) | 882.71          | 745.29         | 717.67          | 593.30         |
| Less: Finance Cost                                                                                                                        | 96.42           | 69.52          | 35.51           | 34.22          |
| <b>Profit before Exceptional items, Tax, Depreciation and Amortisation and Share of Profit / (Loss) of Joint Venture</b>                  | <b>786.29</b>   | <b>675.77</b>  | <b>682.16</b>   | <b>559.08</b>  |
| Less: Depreciation and Amortisation expenses                                                                                              | 201.34          | 191.65         | 209.87          | 195.93         |
| <b>Profit before Exceptional items, Tax and Share of Profit / (Loss) of Joint Venture</b>                                                 | <b>584.95</b>   | <b>484.12</b>  | <b>472.29</b>   | <b>363.15</b>  |
| Add: Exceptional item                                                                                                                     | -               | 134.21         | -               | 134.21         |
| <b>Profit before Tax and Share of Profit/ (Loss) of Joint Venture</b>                                                                     | <b>584.95</b>   | <b>618.33</b>  | <b>472.29</b>   | <b>497.36</b>  |
| Less: Share of Profit/(Loss) of Joint Venture                                                                                             | -               | -              | (22.40)         | (1.84)         |
| <b>Profit before tax</b>                                                                                                                  | <b>584.95</b>   | <b>618.33</b>  | <b>449.89</b>   | <b>495.52</b>  |
| Less/(Add):                                                                                                                               |                 |                |                 |                |
| Current Tax                                                                                                                               | 72.29           | 92.84          | 117.45          | 92.84          |
| Deferred Tax                                                                                                                              | 115.11          | 98.99          | 27.39           | 79.54          |
| Deferred tax relating to earlier period                                                                                                   | 0.19            | 0.55           | 0.19            | 0.55           |
| <b>Profit after tax from continuing operations</b>                                                                                        | <b>397.36</b>   | <b>425.95</b>  | <b>304.86</b>   | <b>322.59</b>  |
| <b>Discontinued Operations</b>                                                                                                            |                 |                |                 |                |
| Add / (Less):                                                                                                                             |                 |                |                 |                |
| Loss before tax from discontinued operations                                                                                              | (164.71)        | (88.67)        | (162.07)        | (89.27)        |
| Loss on Remeasurement to Net Realisable Value                                                                                             | (214.00)        | -              | (214.00)        | -              |
| Tax (Expense)/ Income of discontinued operations                                                                                          | 132.51          | 31.03          | 131.59          | 31.23          |
| <b>Loss from discontinued operations</b>                                                                                                  | <b>(246.20)</b> | <b>(57.64)</b> | <b>(244.48)</b> | <b>(58.04)</b> |
| <b>Net Profit for the year</b>                                                                                                            | <b>151.16</b>   | <b>368.31</b>  | <b>60.38</b>    | <b>264.55</b>  |



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

The Consolidated EBITDA including exceptional item from continuing operations for the year 2023-24 is ₹ 695.27 Crores (including share of Joint Venture) as against ₹ 725.67 Crores.

The Standalone EBITDA including exceptional gain from continuing operations for the year 2023-24 is ₹ 882.71 Crores as against ₹ 879.50 Crores.

In Consolidated financial statement finance cost has gone up from ₹ 34.22 Crores to ₹ 35.51 Crores.

Key financial metrics for the fiscal year, including total income, EBITDA, and net profit, reflect the Company's performance. Noteworthy changes include increased interest costs and satisfactory technical performance across all plants.

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

| Ratios                                                             | 2023-24 | 2022-23 | Change (%) | Explanation for change                                                                                                             |
|--------------------------------------------------------------------|---------|---------|------------|------------------------------------------------------------------------------------------------------------------------------------|
| 1. Debtors Turnover Ratio                                          | 31.36   | 25.29   | 24.00%     | -                                                                                                                                  |
| 2. Inventory Turnover Ratio                                        | 6.41    | 3.99    | 60.65%     | Due to decrease in closing inventory of textile division on account of discontinuation of textile division                         |
| 3. Interest Coverage Ratio                                         | 6.07    | 6.08    | -0.16%     | -                                                                                                                                  |
| 4. Current Ratio                                                   | 1.72    | 1.16    | 48.28%     | Due to increase in Real Estates inventory on account of Real Estates projects developments and increase in liquid fund investments |
| 5. Debt Equity Ratio                                               | 0.61    | 0.26    | -134.62%   | Due to increase in debt on account of issue of NCD, LRD and term loan for Real Estates projects                                    |
| 6. Operating Profit Margin (including discontinued operations) (%) | 5.86    | 6.26    | -6.39%     | -                                                                                                                                  |
| 7. Net Profit Margin (including discontinued operations) (%)       | 1.13    | 5.51    | -79.49%    | Refer Note                                                                                                                         |
| 8. Return on Net Worth (%)                                         | 1.47    | 6.55    | -77.56%    | Refer Note                                                                                                                         |

The above key financial ratios are in accordance with Note 46A of Consolidated Financial Statements prepared in accordance with Ind AS requirements and Schedule III of the Companies Act, 2013 and exhibit changes compared to the previous fiscal year, attributed to various factors impacting operational and financial performance.

**Note:** Due to discontinuation of textile business during the year, the Group has assessed the recoverability of Property, plant and equipment and other assets of the said Division and recognized a provision aggregating to Rs. 214.00 Crores as Loss on measurement to net realizable value and in previous year, the Group had recorded exceptional gain on account of transfer of leasehold land of Rs.134.21 crores. Accordingly, all ratios related to cash flows, revenue and profitability of the Group have been impacted as compared to previous year.

#### 7. HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:

The Company emphasizes fostering a high-performance work culture, supported by robust HR systems and development initiatives. The employee count decreased due to operational changes in the Textile segment.

We are genuinely inspired by our organization's dedication to nurturing an agile, high-performance, and diverse work culture. With over 125 years of existence, our esteemed legacy stands as a beacon, highlighting robust values, innovation, customer-centricity, and sustainability. The combined skills, expertise, experience, passion, and steadfast commitment



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

of our workforce greatly enrich our understanding of customers and reinforce relationships, thereby elevating our brand as an employer of choice. The ongoing cultivation of harmonious industrial relations across all our plants and sites serves as a testament to the enduring success of our organization.

Our organization's thrilling and ambitious growth strategies undeniably create pathways to unmatched career advancements. The demand for excellence from our employees, coupled with differentiation based on performance, merits, and potential, alongside a robust emphasis on development, mentoring, and training, collectively fosters operational brilliance. We have adopted several best-in-class HR systems such as the Talent Management System, Employee Engagement Assessment through Employee Voice Systems, and benchmark policies to ensure the highest standards across our operations.

As of March 31, 2024, the total employee strength stands at 2,439 (4,080 as on 31<sup>st</sup> March, 2023), exemplifying our collective dedication and commitment to our strategic objectives. It's noteworthy that this year, the number of employees has decreased by 1,641 due to the discontinuation of operations at the Textile plant, namely Birla Century, located in Jhagadia, Bharuch, Gujarat.

### 8. HEALTH, SAFETY AND SECURITY MEASURES:

Stringent health, safety, and security measures are integral to the Company's operations, ensuring a "Zero Harm" environment and prioritizing employee well-being across all locations.

As a responsible corporate citizen, the Company's steadfast dedication to human health and safety is commendable. Our plants and sites strictly adhere to Occupational Health and Safety management standards, seamlessly integrating responsibilities for occupational health, hygiene, and safety into daily business operations. Our employees' well-being receives the utmost priority, with comprehensive safety inspections and audits regularly conducted at every plant and project site. Furthermore, health and safety awareness programs are organized across all

locations, cultivating a culture of well-being among our employees.

As a cherished organization, we are dedicated to fostering a "Zero Harm" environment, placing the utmost value on lives above all else. Our Occupational Health and Safety standards and procedures guarantee a uniform approach to managing significant hazards throughout our business operations, always in compliance with relevant laws and regulations. The availability of modern occupational health and medical services through well-equipped health centers at all manufacturing plants highlights our unwavering commitment to employee well-being.

The Company consistently places the safety and well-being of its employees as the highest priority. Through proactive implementation of precautionary and safety measures, we demonstrate our dedication to safeguarding employees against potential threats. By consistently enforcing preventive and protective safeguards at our plants and sites, the Company reinforces its commitment to creating a secure work environment for all.

### 9. CAUTIONARY STATEMENT:

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

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024****[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**CENTURY TEXTILES AND INDUSTRIES LIMITED,**  
Century Bhavan,  
Dr. Annie Besant Road, Worli,  
Mumbai - 400030

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, **we hereby report that** in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) The following laws applicable specifically to the Company:
  1. The Real Estates (Regulations and Development) Act, 2016.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

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

**WE FURTHER REPORT THAT**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive



## SECRETARIAL AUDIT REPORT (Contd.)

Directors and Independent Directors. No change in the composition of the Board of Directors took place during the period under review,

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

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

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

**We further report that** during the audit period –

- (i) The Company has issued and allotted 65000 Unsecured, Redeemable, Listed, Non-Convertible Debentures of ₹ 1,00,000 each amounting to ₹ 650 crores and Redeemed 2380 Secured, Non-convertible Debentures of ₹ 10, 00,000 each amounting to ₹ 238 crores.
- (ii) The Company has, during the year discontinued Business operations of textiles unit at Jhagadia, Bharuch (Gujarat).
- (iii) The Company has, during the year incorporated a section 8 company "CTIL Community Welfare Foundation" for Charitable and Corporate Social Responsibility (CSR) activities of the Company.

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

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

Place : Mumbai

Date : May 07, 2024

UDIN : F001772F000311202

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

## Annexure-A

To,

The Members,

**CENTURY TEXTILES AND INDUSTRIES LIMITED,**

Century Bhavan,

Dr. Annie Besant Road, Worli,

Mumbai – 400030

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

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

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

Gagan B. Gagrani  
M.No. : FCS 1772

CP No. : 1388

Place : Mumbai

Date : May 07, 2024

UDIN : F001772F000311202

**ANNUAL REPORT ON CSR ACTIVITIES**

## 1. Brief outline on CSR Policy of the Company:

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

## 2. Composition of CSR Committee:

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

| Sr. No. | Particulars                                                                                                                                                | Web-link                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i.      | Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company. | <p><b><u>CSR Committee</u></b><br/> <a href="https://www.centurytextind.com/assets/pdf/others/committees-of-the-board-and-name-of-its-members-08112019.pdf">https://www.centurytextind.com/assets/pdf/others/committees-of-the-board-and-name-of-its-members-08112019.pdf</a></p> <p><b><u>CSR Policy</u></b><br/> <a href="https://www.centurytextind.com/assets/pdf/others/csr-policy-2020.pdf">https://www.centurytextind.com/assets/pdf/others/csr-policy-2020.pdf</a></p> <p><b><u>CSR Projects</u></b><br/> <a href="https://www.centurytextind.com/assets/pdf/others/csr-projects-approved-by-the-board-for-the-fy-2023-24.pdf">https://www.centurytextind.com/assets/pdf/others/csr-projects-approved-by-the-board-for-the-fy-2023-24.pdf</a></p> |

## 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: N.A.

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹ 243.43 Crores
- (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 4.87 Crores
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (d) Amount required to be set-off for the financial year, if any: NIL
- (e) Total CSR obligation for the financial year (b+c-d): ₹ 4.87 Crores
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 4.80 crores
- (b) Amount spent in Administrative Overheads: ₹ 0.08 crores
- (c) Amount spent on Impact Assessment, if applicable: N.A.
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 4.88 crores



## ANNUAL REPORT ON CSR ACTIVITIES (Contd.)

(e) CSR amount spent or unspent for the Financial Year 2023-24:

| Total Amount Spent<br>for the Financial Year<br>(₹ in Crores) | Amount Unspent (₹ in Crores)                                                                 |                  |                                                                                                                            |        |                  |
|---------------------------------------------------------------|----------------------------------------------------------------------------------------------|------------------|----------------------------------------------------------------------------------------------------------------------------|--------|------------------|
|                                                               | Total Amount transferred to<br>Unspent CSR Account as per<br>sub-section (6) of section 135. |                  | Amount transferred to any fund specified under<br>Schedule VII as per second proviso to sub-section<br>(5) of section 135. |        |                  |
|                                                               | Amount                                                                                       | Date of Transfer | Name of the Fund                                                                                                           | Amount | Date of Transfer |
| 4.88                                                          | -                                                                                            | -                | -                                                                                                                          | -      | -                |

f) Excess amount for set-off, if any:

| Sr. No. | Particulars                                                                                                 | Amount<br>(₹ in Crores) |
|---------|-------------------------------------------------------------------------------------------------------------|-------------------------|
| (1)     | (2)                                                                                                         | (3)                     |
| i)      | Two percent of average net profit of the company as per sub-section (5) of section 135                      | 4.87                    |
| ii)     | Total amount spent for the Financial Year                                                                   | 4.88                    |
| iii)    | Excess amount spent for the Financial Year [(ii)-(i)]                                                       | 0.01                    |
| iv)     | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | NIL                     |
| v)      | Amount available for set off in succeeding Financial Years [(iii)-(iv)]                                     | 0.01                    |

(7) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

| 1       | 2                            | 3                                                                                          | 4                                                                                      | 5                                              | 6                                                                                                                            |                  | 7                                                                      | 8                  |
|---------|------------------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------------------------------------------|--------------------|
| Sr. No. | Preceding Financial Year (s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (₹ in lacs) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (₹ in lacs) | Amount spent in the Financial Year (₹ in lacs) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any |                  | Amount remaining to be spent in succeeding financial years (₹ in lacs) | Deficiency, if any |
|         |                              |                                                                                            |                                                                                        |                                                | Amount (₹ in lacs)                                                                                                           | Date of Transfer |                                                                        |                    |
| 1       | 2022-23                      |                                                                                            |                                                                                        |                                                | NIL                                                                                                                          |                  |                                                                        |                    |
| 2       | 2021-22                      | 73.07                                                                                      | NIL                                                                                    | NIL                                            | NIL                                                                                                                          | -                | NIL                                                                    | NIL                |
| 3       | 2020-21                      | *509.27                                                                                    | NIL                                                                                    | NIL                                            | NIL                                                                                                                          | -                | NIL                                                                    | NIL                |

\* The Company has spent in FY 2021-22 ₹ 1.18 lac in addition to ₹ 509.27 lacs transferred to unspent CSR Account..

(8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(✓) Yes    (✗) No

If Yes, enter the number of Capital assets created/ acquired: 10



## ANNUAL REPORT ON CSR ACTIVITIES (Contd.)

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year :

| (1)<br>Sr. No. | (2)<br>Short particulars of the property or asset(s) [including complete address and location of the property]                                                                                               | (3)<br>Pincode of the Property or asset(s) | (4)<br>Date of creation         | (5)<br>Amount of CSR Amount spent (₹ In lacs) | (6)<br>Details of entity/ Authority/beneficiary of the registered owner |                                                                      |                                                                                                                                              |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------|-----------------------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
|                |                                                                                                                                                                                                              |                                            |                                 |                                               | CSR Registration Number, if applicable                                  | Name                                                                 | Registered address                                                                                                                           |
| 1              | Television for Smart Class (2 nos.)<br>Diwan Dhanji High School, Post: Jhagadia, Tal: Jhagadia, Dist: Bharuch, Gujarat 393110                                                                                | 393110                                     | 22 <sup>nd</sup> December, 2023 | 4.12                                          | N.A.                                                                    | Diwan Dhanji High School                                             | Diwan Dhanji High School, Post: Jhagadia, Tal: Jhagadia, Dist: Bharuch, Gujarat 393110                                                       |
| 2              | Construction of Mid-Day Meal Centre at Valia Primary School<br>Post: Valia, Tal: Valia, Dist: Bharuch, Gujarat 393135                                                                                        | 393135                                     | 15 <sup>th</sup> March, 2024    | 17.27                                         | N.A.                                                                    | Valia Primary School                                                 | Valia Primary School<br>Post: Valia, Tal: Valia, Dist: Bharuch, Gujarat 393135                                                               |
| 3              | Construction of Library Building at Boridra Primary School<br>Post: Boridra, Tal: Jhagadia, Dist: Bharuch, Gujarat - 393110                                                                                  | 393110                                     | 15 <sup>th</sup> March, 2024    | 20.00                                         | N.A.                                                                    | Boridra Primary School                                               | Boridra Primary School<br>Post: Boridra, Tal: Jhagadia, Dist: Bharuch, Gujarat- 393110                                                       |
| 4              | Construction of compound wall around Community Hall at Nana Sanja Gram Panchayat,<br>Post: Nana Sanja, Tal: Jhagadia, Dist: Bharuch, Gujarat - 393110                                                        | 393110                                     | 1 <sup>st</sup> July, 2023      | 7.70                                          | N.A.                                                                    | Nana Sanja Gram Panchayat                                            | Nana Sanja Gram Panchayat,<br>Post: Nana Sanja, Tal: Jhagadia, Dist: Bharuch, Gujarat- 393110                                                |
| 5              | Construction of Cowsheds (2 nos.)<br>Village: Elar, Teh: Thakurdwara<br>District: Moradabad,<br>Uttar Pradesh- 244001                                                                                        | 244001                                     | 25 <sup>th</sup> March, 2024    | 25.96                                         | N.A.                                                                    | Deputy District Officer, Thakurdwara                                 | Village: Elar, Teh: Thakurdwara<br>District: Moradabad, Uttar Pradesh- 244001                                                                |
| 6              | Handpumps (Safe Drinking water-Sanitation) (31 nos.)<br>Village: Lalkua & Bindukhatta<br>District: Nainital, Uttarakhand- 262402<br>Village: Shantipuri,<br>District: Udham Singh Nagar, Uttarakhand- 263148 | 262402<br><br><br><br>263148               | 16 <sup>th</sup> March, 2024    | 15.55                                         | N.A.                                                                    | Community residing in villages viz: Lalkua, Bindukhatta & Shantipuri | Village: Lalkua & Bindukhatta<br>Dist: Nainital, Uttarakhand- 262402<br>Village: Shantipuri,<br>Dist: Udham Singh Nagar, Uttarakhand- 263148 |



## ANNUAL REPORT ON CSR ACTIVITIES (Contd.)

| (1)<br>Sr. No. | (2)<br>Short particulars of the property or asset(s) [including complete address and location of the property]                                                                           | (3)<br>Pincode of the Property or asset(s) | (4)<br>Date of creation         | (5)<br>Amount of CSR Amount spent (₹ In lacs) | (6)<br>Details of entity/ Authority/beneficiary of the registered owner |                                                                                                  |                                                                                                                                             |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------|-----------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
|                |                                                                                                                                                                                          |                                            |                                 |                                               | CSR Registration Number, if applicable                                  | Name                                                                                             | Registered address                                                                                                                          |
| 7              | Construction of Toilets (30 nos.)<br>Village: Bindukhatta & Lalkua<br>District: Nainital, Uttarakhand-262402<br>Village: Shantipuri,<br>District: Udham Singh Nagar, Uttarakhand- 263148 | 262402<br><br>263148                       | 11 <sup>th</sup> March, 2024    | 8.74                                          | N.A.                                                                    | Construction of toilets for community residing in villages viz: Lalkua, Bindukhatta & Shantipuri | Village: Bindukhatta & Lalkua<br>Dist: Nainital, Uttarakhand-262402<br>Village: Shantipuri,<br>Dist: Udham Singh Nagar, Uttarakhand- 263148 |
| 8              | Construction of pillars, RCC road & brick work with plaster, fixing of steel door at Rajkiya Uchta Madhymic Vidhyalaya<br>Village: Ghoranala<br>Dist: Nainital, Uttarakhand-262402       | 262402                                     | 03 <sup>rd</sup> November, 2023 | 1.59                                          | N.A.                                                                    | Rajkiya Uchta Madhymic Vidhyalaya<br>Village: Ghoranala<br>Dist: Nainital, Uttarakhand-262402    | Rajkiya Uchta Madhymic Vidhyalaya<br>Village: Ghoranala<br>Dist: Nainital, Uttarakhand-262402                                               |
| 9              | Construction of boundary wall and flooring work at Janta Inter College<br>Village: Bindukhatta,<br>Dist: Nainital, Uttarakhand- 262402                                                   | 262402                                     | 21 <sup>st</sup> February, 2024 | 1.56                                          | N.A.                                                                    | Janta Inter College<br>Village: Bindukhatta,<br>Dist: Nainital, Uttarakhand- 262402              | Janta Inter College<br>Village: Bindukhatta,<br>Dist: Nainital, Uttarakhand- 262402                                                         |
| 10             | Installation of Sanitary Napkin Vending Machine at Lal Bahadur Shastri Govt PG College<br>Village: Halduchaur<br>Dist: Nainital, Uttarakhand-263139                                      | 263139                                     | 06 <sup>th</sup> November, 2023 | 0.24                                          | N.A.                                                                    | Lal Bahadur Shastri Govt PG College<br>Village: Halduchaur<br>Dist: Nainital, Uttarakhand-263139 | Lal Bahadur Shastri Govt PG College<br>Village: Halduchaur<br>Dist: Nainital, Uttarakhand-263139                                            |

(9) Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135: Not Applicable

Place: Mumbai

Date: 07<sup>th</sup> May, 2024**R.K. Dalmia**Managing Director  
(DIN: 00040951)**Rajashree Birla**Chairperson – CSR Committee  
(DIN: 00022995)

## REMUNERATION POLICY

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

#### GENERAL:

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

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

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

#### REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR:

##### (a) Remuneration / Commission:

The Committee noted that in the past the Company has paid remuneration to Non-Executive Directors by way of commission and if the Company's net profits computed for the purpose under the applicable provisions of the Companies Act, 2013 so permits in future, that practice should be restored. Commission may be paid within the monetary limit fixed and approved by the Board subject to the overall limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

##### (b) Sitting Fees:

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



## ANNEXURE IV

**DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014****A. CONSERVATION OF ENERGY:****(i) the steps taken or impact on conservation of energy:**Textile Division:

- Revamping of existing Turbine to back pressure turbine.
- Replacement of HOT Insulation with Perlite Insulation.
- Reuse of media filter backwash water rejection by Small RO.
- Optimizing steam consumption in dearator.
- Replacement of VAM Chiller with Small capacity.

Pulp and Paper Division:

- Installation of New Evaporator 275 TPH.
- Boiler no. 8 MP heater taken in line to increase feed water temperature.
- Feed water power optimization.
- Cooling tower power optimization by cleaning condenser tubes.
- Installation of LED lights.
- Installation of VFD on cooling towers.
- Filtrate pump power optimization at Bagasse Pulp Mill (during off season).
- So2 circulation pump 110 KW motor replaced with 22 KW.

**(ii) The Steps taken by the unit for utilizing alternative sources of energy:**Textile Division:

- 3MW Renewable (Wind) power is purchased from Kutch Wind farm Pvt. Ltd. (KWDPL).

Pulp and Paper Division:

- Continued usage of Black Liquor & Pith (Biomass product) for steam generation.
- Continued usage of CMG at Tissue plant in place of LPG.
- Continued utilization of solar Energy.
- Continued utilization of Bark in Boiler 7&8 as a blending fuel for saving fossil fuels.

- During pine needle (perul) season continued burning pine needle (perul) as blending fuel for saving fossil fuels.
- Replacement of LSHS in place of FO.

**(iii) Capital investment on energy conservation equipment: ₹ 120.65 Crores**Textile Division:

- Revamping of existing Turbine to back pressure Turbine.
- Replacement of HOT Insulation with Perlite Insulation.
- Replacement of VAM Chiller with Small capacity.

Pulp and Paper Division:

- New Evaporator.

**B) TECHNOLOGY ABSORPTION:****(i) the efforts made towards technology absorption:**

- New head box at WPP Plant.
- New CHM cutter at Paper Machine (PM) 3.
- Installation of new evaporator by shutting down of old evaporator 1.
- Retrofitting of breakers at PM 1,2,3, Board plant, Bagasse Pulp mill, Recovery & Fiberline.
- Relay upgradation at Bagasse Pulp Mill.
- ESP controller upgradation at Powerhouse & Recovery.
- Upgradation of PM 1 refine motor from 750 rpm to 600 rpm.
- PM 1 fan pump motor upgrade from 1000 to 750 rpm.
- PM 1 & 2 Shower upgradation.
- Upgradation of Old ECH braking system with pneumatic braking system.
- BM 6 Miltex Sheeter unwind stand auto centering unit coupling upgradation.
- Board Machine drive section HMI upgradation.

## DISCLOSURE OF PARTICULARS WITH RESPECT... (Contd.)

- Desuperheating pressure control converted to Auto control by providing Pressure Transmitter & Control Valve.
- At 21 MW TG, for Main steam temperature relay logic modification provided for low alarm & tripping.
- At Powerhouse Schreader makes solenoid valves changed with SMC / Genetic make solenoid valves for easy override to manual operation.
- Boiler 5/6/7/8 DCS Panel rack power supply upgraded from 110VAC coming from single transformer to 220VAC output (from UPS).
- Enmass Boiler DCS controller upgraded from 451 to 457 due to this complex networking (multi networking & multi-media converters) eliminated. Now a single FO based network is there.
- Recovery in wash tank Butterfly type control valve changed with Ball valve type control valve to resolve the issue of frequent failure of internal gasket & metallic sheet.
- Bagasse Pulp Mill, in screen surge chest outlet Optical type consistency transmitter installed in place of rotary type.
- At Fiberline, Air Dryer is installed in instrument airline to overcome the problem of frequent failure of control valves positioners.

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

- Reduction in Power consumption.
- Quality Improvement.
- Reduction in Steam consumption.
- Increase in Renewable share.

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

NIL

**(iv) The expenditure incurred on Research and Development**

(₹ in Crores)

|     |                                                         |       |
|-----|---------------------------------------------------------|-------|
| (a) | Capital expenditure                                     | 0.48  |
| (b) | Recurring expenditure                                   | 2.88  |
| (c) | Total                                                   | 3.36  |
| (d) | Total R&D expenditure as a percentage of total turnover | 0.06% |

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

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

(₹ in Crores)

|                                  |         |
|----------------------------------|---------|
| Foreign Exchange earned (inflow) | 276.68  |
| Foreign Exchange used (outflow)  | 1039.83 |

On behalf of the Board,

R. K. DALMIA  
Managing Director  
DIN: 00040951

Y. P. DANDIWALA  
Director  
DIN: 01055000

Dated: 07<sup>th</sup> May, 2024



## Annexure-V

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:

| Sr. No. | Name of Director / KMP   | Designation                            | Remuneration of Director / KMP for financial year 2023-24 (₹ in lacs) | % increase in Remuneration in the financial year 2023-24 | Ratio of remuneration of each Director / to median remuneration of employees |
|---------|--------------------------|----------------------------------------|-----------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------------------------|
| 1.      | Mr. Kumar Mangalam Birla | Chairman                               | 33.83                                                                 | 0.33                                                     | 8.17                                                                         |
| 2.      | Smt. Rajashree Birla     | Non-Executive Non-Independent Director | 37.28                                                                 | 8.00                                                     | 9.00                                                                         |
| 3.      | Mr. Yazdi P. Dandiwala   | Non-Executive Independent Director     | 40.73                                                                 | 7.13                                                     | 9.84                                                                         |
| 4.      | Mr. Rajan A. Dalal       | Non-Executive Independent Director     | 39.98                                                                 | 6.27                                                     | 9.66                                                                         |
| 5.      | Mr. Sohanlal K. Jain     | Non-Executive Independent Director     | 37.98                                                                 | 3.29                                                     | 9.17                                                                         |
| 6.      | Ms. Preeti Vyas          | Non-Executive Independent Director     | 37.88                                                                 | 7.10                                                     | 9.15                                                                         |
| 7.      | Mr. R. K. Dalmia         | Managing Director                      | 572.56                                                                | 7.71                                                     | 138.30                                                                       |
| 8.      | Mr. Snehal Shah          | Chief Financial Officer                | 203.61                                                                | 17.93                                                    | NA                                                                           |
| 9.      | Mr. Atul K. Kedia        | Company Secretary                      | 94.27                                                                 | 4.63                                                     | NA                                                                           |

- (ii) The median remuneration of employees of the Company during the financial year 2023-24 was ₹ 4.14 lacs.
- (iii) In the financial year, there was an increase of 3.24% in the median remuneration of employees.
- (iv) There were 2,439 permanent employees on the roll of the Company as on 31<sup>st</sup> March, 2024.
- (v) Average percentage increase made in the salaries of employees other than Managerial Personnel in the last financial year i.e. 2023-24 was 10.66%. Whereas the average increase in the Managerial remuneration for the financial year 2023-24 was not comparable with 2022-23 as during the financial year 2022-23, Mr. J. C. Laddha ceased as Managing Director of the Company w.e.f. 12<sup>th</sup> August, 2022 and Mr. R. K. Dalmia ceased as Whole-time Director of the Company and became Managing Director of the Company w.e.f. the said date.
- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



# "FORM AOC-1"

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

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

### Part A: Subsidiaries

(₹ in Crores)

| Sr. No. | Name of the subsidiary                                                                                                      | Birla Estates Private Limited                                       | Birla Century Exports Private Limited | Birla Century International LLC (Subsidiary of Birla Century Exports Private limited) | Avarna Projects LLP (Subsidiary of Birla Estates Private Limited) | Birla Tisya LLP (Subsidiary of Birla Estates Private Limited) | Birla Arnaa LLP (Subsidiary of Birla Estates Private Limited) | CTIL Community Welfare Foundation |
|---------|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------|
| 1       | The date since when subsidiary was acquired/ incorporated                                                                   | 26 <sup>th</sup> December 2017                                      | 13 <sup>th</sup> November 2018        | 19 <sup>th</sup> August 2019                                                          | 19 <sup>th</sup> June 2019                                        | 21 <sup>st</sup> November 2019                                | 24 <sup>th</sup> February 2022                                | 02 <sup>nd</sup> November 2023    |
| 2       | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | Same as reporting period of Century Textiles and Industries Limited |                                       |                                                                                       |                                                                   |                                                               |                                                               |                                   |
| 3       | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Indian Rupees                                                       | Indian Rupees                         | USD Exchange Rate as at 31 <sup>st</sup> March 2024: ₹ 83.37                          | Indian Rupees                                                     | Indian Rupees                                                 | Indian Rupees                                                 | Indian Rupees                     |
| 4       | Share capital                                                                                                               | 200.00                                                              | 0.50                                  | 0.10                                                                                  | 0.05                                                              | 0.05                                                          | 0.25                                                          | 0.01                              |
| 5       | Reserves and surplus                                                                                                        | (139.61)                                                            | (0.40)                                | (0.11)                                                                                | (2.52)                                                            | (7.18)                                                        | (8.92)                                                        | -                                 |
| 6       | Total assets                                                                                                                | 2431.74                                                             | 0.11                                  | -                                                                                     | 960.28                                                            | 339.07                                                        | 160.51                                                        | 0.01                              |
| 7       | Total Liabilities                                                                                                           | 2371.35                                                             | 0.02                                  | -                                                                                     | 962.70                                                            | 346.15                                                        | 168.94                                                        | -                                 |
| 8       | Investments                                                                                                                 | 0.35                                                                | -                                     | -                                                                                     | -                                                                 | -                                                             | -                                                             | -                                 |
| 9       | Turnover                                                                                                                    | 605.54                                                              | -                                     | 0.20                                                                                  | 222.02                                                            | -                                                             | -                                                             | 0.01                              |
| 10      | Profit / (Loss) before taxation                                                                                             | (6.06)                                                              | (0.19)                                | 1.86                                                                                  | 24.03                                                             | (2.64)                                                        | (8.75)                                                        | -                                 |
| 11      | Provision for taxation                                                                                                      | (1.03)                                                              | -                                     | -                                                                                     | 2.75                                                              | 4.47                                                          | -                                                             | -                                 |
| 12      | Profit / (Loss) after taxation                                                                                              | (7.09)                                                              | (0.19)                                | 1.86                                                                                  | 26.78                                                             | 1.83                                                          | (8.75)                                                        | -                                 |
| 13      | Proposed Dividend                                                                                                           | -                                                                   | -                                     | -                                                                                     | -                                                                 | -                                                             | -                                                             | -                                 |
| 14      | Extent of shareholding (in percentage)                                                                                      | 100%                                                                | 100%                                  | 100%                                                                                  | 50%                                                               | 40%                                                           | 47%                                                           | 100%                              |

#### Notes:

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

**Part B: Associates and Joint Ventures**

(₹ in Crores. except share)

| Sr. No. | Name of Associates or Joint Ventures                                                         | Industry House Limited                                                                                                                                                                                                                                                | Birla Advanced Knits Private Limited |
|---------|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| 1       | Latest audited Balance Sheet Date                                                            | 31 <sup>st</sup> March 2023                                                                                                                                                                                                                                           | 31 <sup>st</sup> March 2024          |
| 2       | Date on which the Associate or Joint Venture was associated or acquired                      | 27 <sup>th</sup> November 1952                                                                                                                                                                                                                                        | 14 <sup>th</sup> July, 2021          |
| 3       | Shares of Associate or Joint Ventures held by the company on the year end                    |                                                                                                                                                                                                                                                                       |                                      |
|         | a. Number of shares                                                                          | 5,625 Equity Shares                                                                                                                                                                                                                                                   | 2,50,00,000 Equity Shares            |
|         | b. Amount of Investment in Associates or Joint Venture                                       | 0.04                                                                                                                                                                                                                                                                  | 25.00                                |
|         | c. Extent of Holding (in percentage)                                                         | 35.28%                                                                                                                                                                                                                                                                | 50.00%                               |
| 4       | Description of how there is significant influence                                            | No significant influence as per Ind AS 28                                                                                                                                                                                                                             | Joint Venture                        |
| 5       | Reason why the associate/joint venture is not consolidated                                   | As the Company (Century Textiles and Industries Limited) does not have significant influence over Industry House Limited, the Company has not considered it as an associate as per Ind AS 28 "Investment in Associates and Joint Ventures" and hence not consolidated | Consolidated                         |
| 6       | Net worth attributable to shareholding as per latest audited Balance Sheet                   | 4.31                                                                                                                                                                                                                                                                  | 0.76                                 |
| 7       | Profit or Loss for the year attributable to shareholding as per latest audited Balance Sheet | (0.01)                                                                                                                                                                                                                                                                | (22.40)                              |
|         | i. Considered in Consolidation                                                               | No                                                                                                                                                                                                                                                                    | Yes                                  |
|         | ii. Not Considered in Consolidation                                                          | (0.01)                                                                                                                                                                                                                                                                | -                                    |

**Notes:**

- Names of Associates and Joint Ventures which are yet to commence operations: NIL
- Names of Associates and Joint Ventures which have been liquidated or sold during the year: NIL

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

*Directors*

**Kumar Mangalam Birla**-DIN No: 00012813

**Rajashree Birla**-DIN No: 00022995

**Yazdi P. Dandiwal**-DIN No: 01055000

**Rajan A. Dalal**-DIN No: 00546264

**Sohanlal K. Jain**-DIN No: 02843676

**Preeti Vyas**-DIN No: 02352395

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

**Snehal Shah**  
Chief Financial Officer

Mumbai : 07 May 2024

**R.K.Dalmia**  
Managing Director  
DIN No: 00040951

# CORPORATE GOVERNANCE REPORT

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

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

Corporate Governance refers to a set of laws, regulations and good practices that enables an organisation to perform its business efficiently and ethically to generate long-term wealth and create value for all its stakeholders. Good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

Aditya Birla Group ("Group") is committed towards the adoption of the best Corporate Governance practices and its adherence in true spirit, at all times. As a part of the Group, we feel proud to belong to a Group whose visionary founders laid the foundation stone for good governance and sustainable businesses long back and made it an integral principle of the business. Your Company continuously endeavours for excellence and at the same time focuses on enhancement of long-term stakeholder value through adoption of best governance and disclosure practices.

## II. BOARD OF DIRECTORS:

### (a) Composition of the Board:

As on 31<sup>st</sup> March, 2024, the Board of Directors comprises seven members consisting of six Non-Executive Directors who account for eighty five percent of the Board's strength as against the minimum requirement of fifty percent as per the Listing Regulations. The Non-Executive Directors are eminent professionals, having considerable professional experience in their respective fields. The composition is as under:-

| Name of the Director                                   | Category of Director     | Directorships in other Indian Public Limited Companies <sup>\$</sup> | No. of other Board Committee(s) of which he/she is a Chairman/Member <sup>@</sup> |          | No. of Shares held in the Company as on 31 <sup>st</sup> March, 2024 | List of Directorship held in other Listed Companies and its Category of Directorship<br>N-(Non-Executive, Non-Independent Director)<br>I-(Non-Executive, Independent Director)<br>E-(Executive Director)                        |
|--------------------------------------------------------|--------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------|----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                        |                          |                                                                      | Member                                                                            | Chairman |                                                                      |                                                                                                                                                                                                                                 |
| Mr. Kumar Mangalam Birla - Chairman<br>[DIN: 00012813] | Promoter - Non-Executive | 07                                                                   | -                                                                                 | -        | -                                                                    | 1. Grasim Industries Limited(N)<br>2. Hindalco Industries Limited(N)<br>3. UltraTech Cement Limited(N)<br>4. Aditya Birla Fashion and Retail Limited (N)<br>5. Aditya Birla Capital Limited (N)<br>6. Vodafone Idea Limited (N) |
| Smt. Rajashree Birla<br>[DIN: 00022995]                | Promoter- Non-Executive  | 05                                                                   | -                                                                                 | -        | -                                                                    | 1. Grasim Industries Limited(N)<br>2. Hindalco Industries Limited(N)<br>3. UltraTech Cement Limited(N)<br>4. Pilani Investment and Industries Corporation Limited (N)<br>5. Century Enka Limited (N)                            |



## CORPORATE GOVERNANCE REPORT (Contd.)

| Name of the Director                            | Category of Director        | Directorships in other Indian Public Limited Companies <sup>§</sup> | No. of other Board Committee(s) of which he/she is a Chairman/Member <sup>@</sup> |          | No. of Shares held in the Company as on 31 <sup>st</sup> March, 2024 | List of Directorship held in other Listed Companies and its Category of Directorship<br>N-(Non-Executive, Non-Independent Director)<br>I-(Non-Executive, Independent Director)<br>E-(Executive Director) |
|-------------------------------------------------|-----------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                 |                             |                                                                     | Member                                                                            | Chairman |                                                                      |                                                                                                                                                                                                          |
| Mr. Yazdi P. Dandiwala<br>[DIN: 01055000]       | Independent-Non-Executive   | 05                                                                  | 05                                                                                | -        | -                                                                    | 1. Hindalco Industries Limited(I)<br>2. Pilani Investment and Industries Corporation Limited(I)<br>3. Grasim Industries Limited(I)<br>4. Rashi Peripherals Limited(I)                                    |
| Mr. Rajan A. Dalal<br>[DIN: 00546264]           | Independent-Non-Executive   | 02                                                                  | 01                                                                                | 01       | -                                                                    | 1. Sutlej Textiles and Industries Limited (I)<br>2. Hindustan Composites Limited (I)                                                                                                                     |
| Mr. Sohanlal K. Jain<br>[DIN: 02843676]         | Independent-Non-Executive   | 01                                                                  | 02                                                                                | 02       | -                                                                    | 1. Century Enka Limited (I)                                                                                                                                                                              |
| Ms. Preeti Vyas <sup>§</sup><br>[DIN: 02352395] | Independent-Non-Executive   | 03                                                                  | -                                                                                 | -        | -                                                                    | 1. Aditya Birla Fashion and Retail Limited (I)<br>2. TCNS Clothing Company Limited (I)                                                                                                                   |
| Mr. R. K. Dalmia<br>[DIN: 00040951]             | Executive-Managing Director | 04                                                                  | -                                                                                 | -        | 7,150                                                                | -                                                                                                                                                                                                        |

<sup>@</sup> Committee positions only of the Audit Committee and Stakeholders' Relationship Committee in Public Limited Companies have been considered.

<sup>§</sup> Directorship is excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

**Notes:**

- In terms of provisions of the Companies Act, 2013, Smt. Rajashree Birla is related to Mr. Kumar Mangalam Birla being her son, except this, no director is related to any other director on the Board.
- Memberships of the Directors in various Committees are within the permissible limits of the Listing Regulations.
- Ms. Preeti Vyas (DIN: 02352395) completed her first term of five years as Independent Director on 31<sup>st</sup> March, 2024. On recommendation of the Nomination and Remuneration Committee and Board of Directors, Shareholders of the Company approved the reappointment of Ms. Vyas as an Independent Director for a second term of five years commencing from 1<sup>st</sup> April, 2024 up to 31<sup>st</sup> March, 2029 (both days inclusive). The said approval was received on 20<sup>th</sup> March, 2024, by way of a special resolution passed through Postal ballot.
- The Board of Directors at its meeting held on 7<sup>th</sup> May, 2024, has appointed Mr. Sunirmal Talukdar (DIN: 00920608) & Mr. Pramod Kabra (DIN: 02252403) as Independent Directors of the Company w.e.f. 24<sup>th</sup> July, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

**(b) Board Meetings and attendance of Directors:**

- The members of the Board have been provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings.

## CORPORATE GOVERNANCE REPORT (Contd.)

- (ii) During the year, the Board of Directors met 8 (eight) times on 24<sup>th</sup> April, 2023, 23<sup>rd</sup> May, 2023, 11<sup>th</sup> July, 2023, 19<sup>th</sup> July, 2023, 18<sup>th</sup> August, 2023, 20<sup>th</sup> October, 2023, 2<sup>nd</sup> February, 2024 and 22<sup>nd</sup> March, 2024. The maximum interval between any two meetings held during the year did not exceed 120 days.
- (iii) The attendance recorded for each of the Directors at the Board Meetings during the year ended as on 31<sup>st</sup> March, 2024 and of the last Annual General Meeting (AGM) is as under:-

| Name of Board of Directors | Number of meetings        |                               | AGM i.e.<br>27 <sup>th</sup> July, 2023 |
|----------------------------|---------------------------|-------------------------------|-----------------------------------------|
|                            | Held during the<br>tenure | Attended during<br>the tenure |                                         |
| Mr. Kumar Mangalam Birla   | 08                        | 01                            | Yes                                     |
| Smt. Rajashree Birla       | 08                        | 07                            | Yes                                     |
| Mr. Yazdi P. Dandiwala     | 08                        | 08                            | Yes                                     |
| Mr. Rajan A. Dalal         | 08                        | 08                            | No                                      |
| Mr. Sohanlal K. Jain       | 08                        | 06                            | Yes                                     |
| Ms. Preeti Vyas            | 08                        | 07                            | Yes                                     |
| Mr. R. K. Dalmia           | 08                        | 07                            | Yes                                     |

**(c) Code of Conduct:**

The Company has framed a Code of Conduct for the members of the Board of Directors and Senior Management Personnel of the Company. The said Code of Conduct is available on the website of the Company i.e. [www.centurytextind.com](http://www.centurytextind.com). The declaration by Mr. R. K. Dalmia, Managing Director of the Company regarding compliance by the Board members and Senior Management Personnel, with the said Code of Conduct is given as Annexure A to this report. In addition to this, a separate Code of Conduct for dealing in equity shares and other securities conferring voting rights in the Company is also in place and has been complied with.

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

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

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

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

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

The Board of Directors has confirmed that in the opinion of the board, the Independent Directors fulfill the conditions specified in Listing regulations and are independent of the management.



## CORPORATE GOVERNANCE REPORT (Contd.)

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

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

**III. COMMITTEES OF THE BOARD OF DIRECTORS:**

The Board has constituted various Committees of Directors with respective terms of reference as per the provisions of the Listing Regulations and the Companies Act, 2013 (the Act) to deal with matters and plays a vital role in improving the Board effectiveness in the areas where more focus and extensive discussions are required. The composition of the committees of the Board as on 31<sup>st</sup> March, 2024 are as follows:

| <b>Audit Committee</b>            | <b>Nomination and Remuneration Committee</b> | <b>Stakeholders' Relationship Committee</b> | <b>Corporate Social Responsibility Committee</b> | <b>Risk Management Committee</b> | <b>Committee of Independent Directors</b> | <b>Finance Committee</b> | <b>Prevention of Insider Trading Regulations Committee</b> |
|-----------------------------------|----------------------------------------------|---------------------------------------------|--------------------------------------------------|----------------------------------|-------------------------------------------|--------------------------|------------------------------------------------------------|
| Mr. Yazdi P. Dandiwala (Chairman) | Mr. Rajan A. Dalal (Chairman)                | Mr. Rajan A. Dalal (Chairman)               | Smt. Rajashree Birla (Chairperson)               | Mr. Yazdi P. Dandiwala           | Mr. Yazdi P. Dandiwala                    | Mr. Yazdi P. Dandiwala   | Mr. Yazdi P. Dandiwala (Chairman)                          |
| Mr. Rajan A. Dalal                | Mr. Kumar Mangalam Birla                     | Mr. Yazdi P. Dandiwala                      | Mr. Yazdi P. Dandiwala                           | Mr. Rajan A. Dalal               | Mr. Rajan A. Dalal                        | Mr. Rajan A. Dalal       | Mr. Rajan A. Dalal                                         |
| Mr. Sohanlal K. Jain              | Mr. Yazdi P. Dandiwala                       | Ms. Preeti Vyas                             | Mr. Rajan A. Dalal                               | Mr. Sohanlal K. Jain             | Mr. Sohanlal K. Jain                      | Mr. R. K. Dalmia         | Mr. R. K. Dalmia                                           |
| Ms. Preeti Vyas                   | Mr. Sohanlal K. Jain                         | Mr. R. K. Dalmia                            | Mr. R. K. Dalmia                                 | Mr. R. K. Dalmia                 | Ms. Preeti Vyas                           |                          |                                                            |

**a. Audit Committee:**

The Audit Committee was constituted by the Board at its meeting held on 27<sup>th</sup> May, 2000 and was reconstituted on 05<sup>th</sup> May, 2014. All the members of the Audit Committee are Non-Executive Independent Directors and are financially literate and one member has accounting and related financial management expertise.

During the year four meetings of the Audit Committee were held i.e. on 24<sup>th</sup> April, 2023, 19<sup>th</sup> July, 2023, 20<sup>th</sup> October, 2023 and 2<sup>nd</sup> February, 2024.

The details of composition as on 31<sup>st</sup> March, 2024 and attendance of the members at the Audit Committee meeting held during FY2023-24 are as given below:

| <b>Name of the members of the Audit Committee</b> | <b>Number of meetings</b>     |                                   |
|---------------------------------------------------|-------------------------------|-----------------------------------|
|                                                   | <b>Held during the tenure</b> | <b>Attended during the tenure</b> |
| Mr. Yazdi P. Dandiwala (Chairman)                 | 04                            | 04                                |
| Mr. Rajan A. Dalal                                | 04                            | 04                                |
| Mr. Sohanlal K. Jain                              | 04                            | 03                                |
| Ms. Preeti Vyas                                   | 04                            | 03                                |

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

The role and Terms of Reference of the Audit Committee cover the matters specified for Audit Committee under Listing Regulations as well as in Section 177 of the Act.



## CORPORATE GOVERNANCE REPORT (Contd.)

**b. Nomination and Remuneration Committee:**

The brief description of the terms of reference of Nomination and Remuneration Committee (NRC) is to guide the Board in relation to the appointment and removal, identifying persons and to recommend / review remuneration of the directors including Executive Director, Key Managerial Personnel (KMP) and Senior Management Personnel.

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

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

During the year, four meetings of the NRC were held i.e. on 24<sup>th</sup> April, 2023, 22<sup>nd</sup> June, 2023, 18<sup>th</sup> August, 2023 and 2<sup>nd</sup> February, 2024. The recommendations of the NRC have been accepted by the Board.

The details of composition as on 31<sup>st</sup> March, 2024 and attendance of the members at the NRC meetings held during FY2023-24 are as given below:

| Name of the members of Nomination and Remuneration Committee | Number of meetings     |                            |
|--------------------------------------------------------------|------------------------|----------------------------|
|                                                              | Held during the tenure | Attended during the tenure |
| Mr. Rajan A. Dalal (Chairman)                                | 04                     | 03                         |
| Mr. Kumar Mangalam Birla                                     | 04                     | -                          |
| Mr. Yazdi P. Dandiwala                                       | 04                     | 04                         |
| Mr. Sohanlal K. Jain                                         | 04                     | 04                         |

**Performance evaluation criteria for Independent Directors:**

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

- Time invested in understanding the Company and its unique requirements;
- External knowledge and perspective;
- Views expressed on the issues discussed at the Board; and
- Keeping updated on areas and issues that are likely to be discussed at the Board.

**c. Stakeholders' Relationship Committee:**

Stakeholders' Relationship Committee (SRC) of the Board comprises of three Non-Executive Independent Directors and one Executive Director. The composition of the Committee complies with the requirements of the Listing Regulations and the Act.

During the year, one meeting of the SRC was held i.e. on 29<sup>th</sup> January, 2024.

The details of composition as on 31<sup>st</sup> March, 2024 and attendance of the members at the SRC meeting held during FY2023-24 are as given below:



## CORPORATE GOVERNANCE REPORT (Contd.)

| Name of the members of Stakeholders' Relationship Committee | Number of meetings     |                            |
|-------------------------------------------------------------|------------------------|----------------------------|
|                                                             | Held during the tenure | Attended during the tenure |
| Mr. Rajan A. Dalal (Chairman)                               | 01                     | 01                         |
| Mr. Yazdi P. Dandiwala                                      | 01                     | 01                         |
| Ms. Preeti Vyas                                             | 01                     | 01                         |
| Mr. R. K. Dalmia                                            | 01                     | 01                         |

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

**Details of Shareholders' complaints as on 31<sup>st</sup> March, 2024:**

|                                                                 |    |
|-----------------------------------------------------------------|----|
| Number of complaints received during the financial year         | 32 |
| Number of complaints resolved during the financial year         | 32 |
| Number of pending complaints as on 31 <sup>st</sup> March, 2024 | 0  |

**d. Risk Management Committee:**

The Board of Directors of the Company has constituted the Risk Management Committee of the Board, and the composition is in line with the provisions of the Listing Regulations. Presently it comprises of three Non-Executive Independent Directors and one Executive Director. There is no regular Chairman appointed for the Committee, the members themselves elect a Chairman for each meeting of the Committee.

During the year, two meetings of the Risk Management Committee were held i.e. on 6<sup>th</sup> September, 2023 and 28<sup>th</sup> February, 2024.

The details of composition as on 31<sup>st</sup> March, 2024 and attendance of the members at the Risk Management Committee meetings held during FY2023-24 are as given below:

| Name of the members of Risk Management Committee | Number of meetings     |                            |
|--------------------------------------------------|------------------------|----------------------------|
|                                                  | Held during the tenure | Attended during the tenure |
| Mr. Yazdi P. Dandiwala                           | 02                     | 02                         |
| Mr. Rajan A. Dalal                               | 02                     | -                          |
| Mr. Sohanlal K. Jain                             | 02                     | 01                         |
| Mr. R. K. Dalmia                                 | 02                     | 02                         |

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

**e. Corporate Social Responsibility (CSR) Committee:**

The Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board presently comprising of one Non-Executive Promoter Director and two Non-Executive Independent Directors and one Executive Director.

The CSR committee recommends to the Board, the CSR activities to be undertaken during the year and the amount to be spent on the activities. The CSR Committee monitors the progress of the activities and amount spent.

During the year three meetings of the committee were held i.e. on 20<sup>th</sup> April, 2023, 17<sup>th</sup> October, 2023 and 29<sup>th</sup> January, 2024.

The details of composition as on 31<sup>st</sup> March, 2024 and attendance of the members at the CSR Committee meetings held during FY2023-24 are as given below:

## CORPORATE GOVERNANCE REPORT (Contd.)

| Name of the members of Corporate Social Responsibility Committee | Number of meetings     |                            |
|------------------------------------------------------------------|------------------------|----------------------------|
|                                                                  | Held during the tenure | Attended during the tenure |
| Smt. Rajashree Birla (Chairperson)                               | 03                     | 03                         |
| Mr. Yazdi P. Dandiwala                                           | 03                     | 03                         |
| Mr. Rajan A. Dalal                                               | 03                     | 03                         |
| Mr. R. K. Dalmia                                                 | 03                     | 03                         |

**f. Committee of Independent Directors:**

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

During the year, one meeting of the Committee of Independent Director was held i.e. on 27<sup>th</sup> March, 2024, which was attended by all the members as aforesaid.

**g. Finance Committee:**

The Board of Directors of the Company has constituted a Finance Committee of the Board presently comprising of two Non-Executive Independent Directors and one Executive Director. There is no regular Chairman appointed for the Committee, the members themselves elect a Chairman for each meeting of the Committee.

During the year, four meetings of the Finance Committee were held i.e. on 30<sup>th</sup> May, 2023, 31<sup>st</sup> May, 2023, 29<sup>th</sup> February, 2024 and 1<sup>st</sup> March, 2024.

The details of composition as on 31<sup>st</sup> March, 2024 and attendance of the members at the Finance Committee meetings held during the FY2023-24 are as given below:

| Name of the members of Finance Committee | Number of meetings     |                            |
|------------------------------------------|------------------------|----------------------------|
|                                          | Held during the tenure | Attended during the tenure |
| Mr. Yazdi P. Dandiwala                   | 04                     | 04                         |
| Mr. Rajan A. Dalal                       | 04                     | 02                         |
| Mr. R. K. Dalmia                         | 04                     | 03                         |

**h. Prevention of Insider Trading Regulations Committee:**

The Board of Directors of the Company had constituted a Prevention of Insider Trading Regulations (PITR) Committee presently comprising of two Non-Executive Independent Directors and one Executive Director.

During the year, one meeting of the Prevention of Insider Trading Regulations Committee was held i.e. on 28<sup>th</sup> November, 2023.

The details of composition as on 31<sup>st</sup> March, 2024 and attendance of the members at the PITR Committee meeting held during FY2023-24 are as given below:

| Name of the members of Prevention of Insider Trading Regulations Committee | Number of meetings     |                            |
|----------------------------------------------------------------------------|------------------------|----------------------------|
|                                                                            | Held during the tenure | Attended during the tenure |
| Mr. Yazdi P. Dandiwala (Chairman)                                          | 01                     | 01                         |
| Mr. Rajan A. Dalal                                                         | 01                     | 01                         |
| Mr. R. K. Dalmia                                                           | 01                     | -                          |



## CORPORATE GOVERNANCE REPORT (Contd.)

## IV. REMUNERATION OF DIRECTORS:

Remuneration to Non-Executive Directors is decided by the Board of Directors as authorized by the Articles of Association of the Company and within the limits set out in Section 197 of the Act. The members of the Company have in their meeting held on 18<sup>th</sup> July, 2022, authorised the Board of Directors of the Company to pay commission to Non-Executive Directors within the limits as set out in Section 197(1) of the Act, for a period of 5 years w.e.f. 01<sup>st</sup> April, 2022. The Board of Directors of the Company each year determines the quantum of commission payable to Non-Executive Directors considering the performance of the Company for the said year. The rates of sitting fees paid to the Non-Executive Directors for attending each meeting are mentioned hereunder:

| Particulars          | Sitting fees per meeting<br>(In ₹) |
|----------------------|------------------------------------|
| Board                | 50,000                             |
| Audit committee      | 25,000                             |
| All other Committees | 15,000                             |

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

| Sr. No. | Name of the Directors                       | Remuneration paid / payable<br>(All figures in Rupees) |                    |                                 |
|---------|---------------------------------------------|--------------------------------------------------------|--------------------|---------------------------------|
|         |                                             | Sitting fees paid <sup>a</sup>                         | Commission payable | Total                           |
| I       | Mr. Kumar Mangalam Birla                    | 50,000                                                 | 33,33,333          | 33,83,333                       |
|         | Smt. Rajashree Birla                        | 3,95,000                                               | 33,33,333          | 37,28,333                       |
|         | Mr. Yazdi P. Dandiwala                      | 7,40,000                                               | 33,33,333          | 40,73,333                       |
|         | Mr. Rajan A. Dalal                          | 6,65,000                                               | 33,33,333          | 39,98,333                       |
|         | Mr. Sohanlal K. Jain                        | 4,65,000                                               | 33,33,334          | 37,98,334                       |
|         | Ms. Preeti Vyas                             | 4,55,000                                               | 33,33,334          | 37,88,334                       |
| II      | <b>Executive Director</b>                   |                                                        |                    | <b>Remuneration<sup>b</sup></b> |
|         | <b>Mr. R. K. Dalmia – Managing Director</b> |                                                        |                    |                                 |
|         | Salary and allowances                       |                                                        |                    | 5,42,51,572                     |
|         | Contribution to Provident Fund              |                                                        |                    | 11,70,999                       |
|         | Superannuation Fund                         |                                                        |                    | 14,63,751                       |
|         | Perquisites                                 |                                                        |                    | 3,69,600                        |
|         | <b>Total</b>                                |                                                        |                    | <b>5,72,55,922</b>              |

- Sitting fees for attending meetings of the Board and/or Committee thereof.
- As the employee-wise break up of liability on account of Employee Benefits based on actuarial valuation is not available, the amount relatable to the Managing Director is not considered.

## Notes:

- None of the Non-Executive Directors have any material financial interest in the Company apart from the remuneration by way of fees and commission received by them. Certain professional services were rendered to the Company by a firm in which a Non-Executive Director is a partner. In the opinion and judgment of the Board, this did not affect the independence of the said director.

## CORPORATE GOVERNANCE REPORT (Contd.)

2. There is no severance fee or stock option in the case of the aforesaid managerial personnel. The respective tenure of the aforesaid managerial personnel shall be governed by the resolutions passed by the shareholders in general meeting with a notice period of three months by either side.
3. Commission to Non-Executive Directors including Independent Directors for financial year 2023-24 will be paid after the accounts are approved by the shareholders at the ensuing Annual General Meeting scheduled to be held on 23<sup>rd</sup> July, 2024.
4. Directors' commission amount is exclusive of applicable Goods and Service Tax (GST) which shall be borne by the Company.

**V. EMPLOYEE STOCK OPTION SCHEME (CTIL EMPLOYEE STOCK OPTION SCHEME 2023):**

At a meeting held on 16<sup>th</sup> January, 2023, the Board of Directors approved the formulation of an Employee Stock Option Scheme viz. CTIL Employee Stock Option Scheme 2023 ("ESOS 2023" or "Scheme") in terms of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 (SEBI SBEB and SE Regulations). The Board mandated the Nomination and Remuneration Committee to implement and administer ESOS 2023. The Shareholders of the Company have approved ESOS 2023 on 9<sup>th</sup> March, 2023 by way of postal ballot under which the Company may create, offer, and grant from time to time, in one or more tranches, not exceeding 17,25,000 employee stock options to its employees as defined in the aforesaid scheme working exclusively with the Company and its group company(ies) (as defined under SEBI SBEB and SE Regulations) including subsidiary company(ies) and associate company(ies) of the Company. For implementation of the Scheme, a trust viz. 'CTIL Employee Welfare Trust' was formed which acquired 12,52,480 equity shares of the Company through secondary acquisition on the platform of a recognized Stock Exchange for cash consideration during the year. As per Ind AS, purchase of own equity shares is treated as treasury shares and is disclosed under 'Other Equity' in the Financial Statements. As on 31<sup>st</sup> March, 2024, the trust holds 12,52,480 equity shares of your Company for transfer to the eligible employees under the Scheme upon exercise of options. Each option when exercised would be converted into one fully paid-up equity share of ₹ 10/- each of the Company. Further, the Company has granted 12,27,535 options to the employees of its wholly owned subsidiary viz. Birla Estates Private Limited as per the Scheme.

The Scheme is in compliance with the SEBI SBEB and SE Regulations and the approval of the shareholders and a certificate to that effect from the secretarial auditors of the Company will be available on our website [www.centurytextind.com](http://www.centurytextind.com) for inspection by the shareholders.

**VI. SENIOR MANAGEMENT PERSONNEL:**

The details of change in Senior Management Personnel (SMP) of the Company during FY 2023-24 and SMP as on 31<sup>st</sup> March, 2024 are as follows:

| Name of the Senior Management Personnel | Designation                                                             | Date of change              | Reason for change |
|-----------------------------------------|-------------------------------------------------------------------------|-----------------------------|-------------------|
| Mr. Arun Gaur                           | Chief Human Resource Officer                                            | 30 <sup>th</sup> June, 2023 | Retirement        |
| Mr. Vinod Chaturvedi                    | Chief Human Resource Officer                                            | 1 <sup>st</sup> July, 2023  | Appointment (1)   |
| Mr. Vijay Kaul                          | Chief Executive Officer - Century Pulp & Paper, division of the Company | 29th March, 2024            | Demise (2)        |
| Mr. Snehal Shah                         | Chief Financial Officer                                                 | -                           | -                 |
| Mr. Atul K. Kedia                       | Company Secretary                                                       | -                           | -                 |

(1) Mr. Vinod Chaturvedi resigned from the office w.e.f. 29<sup>th</sup> May, 2024 and Mr. Anand Tripathi appointed as Chief Human Resource Officer w.e.f. 1<sup>st</sup> June, 2024.

(2) Mr. Ajay Kumar Gupta is appointed as CEO –Century Pulp & Paper division of the Company w.e.f. 1<sup>st</sup> June, 2024.



## CORPORATE GOVERNANCE REPORT (Contd.)

## FOR SHAREHOLDERS' INFORMATION:

## VII. GENERAL BODY MEETINGS:

- (a) (i) The details of Annual General Meetings held in the last three years and the Special Resolution(s) passed thereat are as under:

| Year | AGM               | Day, Date and Time                                | Venue                                                                                                                                           | Special Resolution passed                                                                                                                                                                                                                                                                                |
|------|-------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2021 | 124 <sup>th</sup> | Friday; 16 <sup>th</sup> July, 2021; 02:30 p.m.   | Conducted through Video Conferencing from the Registered office of the Company at Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai 400 030. | <ul style="list-style-type: none"> <li>Approval of remuneration paid to Mr. J.C. Laddha, Managing Director for the year ended 31<sup>st</sup> March, 2021.</li> <li>Approval of the remuneration paid to Mr. R.K. Dalmia, Whole-time Director for the year ended 31<sup>st</sup> March, 2021.</li> </ul> |
| 2022 | 125 <sup>th</sup> | Monday; 18 <sup>th</sup> July, 2022; 02:30 p.m.   | -do-                                                                                                                                            | There was no matter which required passing of Special Resolution.                                                                                                                                                                                                                                        |
| 2023 | 126 <sup>th</sup> | Thursday; 27 <sup>th</sup> July, 2023; 02:30 p.m. | -do-                                                                                                                                            | <ul style="list-style-type: none"> <li>Re-appointment of Smt. Rajashree Birla as a Non-Executive Director.</li> <li>Approval of amendments in Article 73(i) of Articles of Association of the Company.</li> </ul>                                                                                        |

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

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

## (b) Postal Ballot:

## i. Details of special resolution passed last year through postal ballot:

During the year, the Company has sought the approval of members through postal ballot via remote e-voting for the following special resolution:

| Date of Postal Ballot Notice   | Date of Passing of Postal Ballot | Brief particulars of the resolution                                                                                                                                                                |
|--------------------------------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8 <sup>th</sup> February, 2024 | 20 <sup>th</sup> March, 2024     | Reappointment of Ms. Preeti Vyas as an Independent Director of the Company for second term of five consecutive years with effect from 1 <sup>st</sup> April, 2024 to 31 <sup>st</sup> March, 2029. |



## CORPORATE GOVERNANCE REPORT (Contd.)

**ii. Details of voting pattern:**

| Total Shares | No. of votes polled | In favour    |            | Against      |            |
|--------------|---------------------|--------------|------------|--------------|------------|
|              |                     | No. of votes | % of votes | No. of votes | % of votes |
| 11,16,95,680 | 8,13,91,946         | 7,61,85,242  | 93.60      | 52,06,704    | 6.40       |

**iii. Person who conducted the postal ballot exercise?**

The Company had appointed Mr. Gagan B. Gagrani, Practicing Company Secretary, Membership No. FCS 1772 and C.P. No. 1388 as the scrutinizer for conducting Postal Ballot through e-voting process in a fair and transparent manner.

**iv. Whether any special resolution is proposed to be conducted through postal ballot?**

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

**v. Procedure followed for postal ballot:**

Pursuant to and in compliance with the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act read with Rules 22 and 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, Secretarial Standard-2 on General Meetings ('SS-2'), read with the guidelines prescribed by the Ministry of Corporate Affairs ('MCA') for holding general meetings/conducting postal ballot process through e-voting vide General Circular No. 09/2023 dated 25<sup>th</sup> September, 2023 along with other relevant General Circulars issued by the MCA from time to time, and other applicable laws and regulations, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), the notice was sent to the Members of the Company to transact the special business as set out in the postal ballot notice for passing Special Resolution, as applicable, by remote e-voting process only.

The Company had provided facility to the Members to exercise voting through electronic voting system ('remote e-voting') on the e-voting platform provided by National Securities Depository Limited ('NSDL').

Members whose names appear in the Register of Members / List of Beneficial Owners as on the cut-off date i.e., Friday, 9<sup>th</sup> February, 2024 were eligible to cast their votes on the resolutions set out in the Notice.

The Scrutiniser, after the completion of scrutiny, submitted his report in accordance with the provisions of the Act, the Rules framed thereunder and the SS-2. The consolidated results of the voting by postal ballot and e-voting were then announced on 20<sup>th</sup> March, 2024 and are also available on the Company's website at [www.centurytextind.com](http://www.centurytextind.com) besides being communicated to BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE').

**VIII. MEANS OF COMMUNICATION:**

|                                                   |                                                                                                                   |                                                                                                                                                                              |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>(a) Quarterly results:</b>                     |                                                                                                                   |                                                                                                                                                                              |
| (i)                                               | Newspapers wherein results normally published in                                                                  | Financial Express, All India editions.<br>Loksatta, Mumbai edition.                                                                                                          |
| (ii)                                              | Any website, where displayed                                                                                      | <a href="http://www.centurytextind.com">www.centurytextind.com</a>                                                                                                           |
| (iii)                                             | Whether it also displays official news releases and presentations made to Institutional investors/to the analysts | Official news releases are displayed on the website. As and when any presentation is made to Institutional investors / analysts, the same are also displayed on the website. |
| <b>(b) Shareholders' grievances / complaints:</b> |                                                                                                                   |                                                                                                                                                                              |
|                                                   | Grievance Redressal division's E-mail ID for investors                                                            | <a href="mailto:ctil.investorrelations@adityabirla.com">ctil.investorrelations@adityabirla.com</a>                                                                           |



## CORPORATE GOVERNANCE REPORT (Contd.)

**IX. GENERAL SHAREHOLDER INFORMATION:****(a) Annual General Meeting to be held:**

Day : Tuesday  
 Date : 23<sup>rd</sup> July, 2024  
 Time : 02:30 P.M  
 Venue : Through Video Conferencing or other Audio-Visual Means

**(b) Financial Year : 2024-25**

First Quarterly Results : On or before 14<sup>th</sup> August, 2024  
 Second Quarterly Results : On or before 14<sup>th</sup> November, 2024  
 Third Quarterly Results : On or before 14<sup>th</sup> February, 2025  
 Audited Yearly Results for the : On or before 30<sup>th</sup> May, 2025  
 year ending 31<sup>st</sup> March, 2025

**(c) Dates of Book Closure:**

Friday, 12<sup>th</sup> July, 2024 to Tuesday, 23<sup>rd</sup> July, 2024 (Both days inclusive).

**(d) Dividend payment date:**

Dividend on equity shares will be made payable on or after Thursday, 25<sup>th</sup> July, 2024 once approved. In respect of shares held in physical form, the dividend will be paid to those shareholders whose name appear in the Register of Members as at Tuesday, 23<sup>rd</sup> July, 2024. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as per the data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

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

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

## CORPORATE GOVERNANCE REPORT (Contd.)

## (ii) Stock codes and ISIN numbers for the Company's Listed securities:

| Sr. No. | Particulars                                                                       | Name of Stock Exchange where securities are listed | Stock codes | ISIN Number  |
|---------|-----------------------------------------------------------------------------------|----------------------------------------------------|-------------|--------------|
| 1.      | Equity shares                                                                     | BSE Limited                                        | 500040      | INE055A01016 |
|         |                                                                                   | National Stock Exchange of India Limited           | CENTURYTEX  |              |
| 2.      | Secured Redeemable Non-Convertible Debentures (privately placed) (XIX Series)     | BSE                                                | 973812*     | INE055A07104 |
| 3.      | Unsecured Redeemable Non-Convertible Debentures (privately placed)(XX Series)     | BSE                                                | 974571      | INE055A08029 |
| 4.      | Unsecured, Redeemable, Non-Convertible Debentures (privately placed)(XXI Series)  | BSE                                                | 947877      | INE055A08037 |
| 5.      | Unsecured, Redeemable, Non-Convertible Debentures (privately placed)(XXII Series) | BSE                                                | 975457      | INE055A08045 |

\*On 22<sup>nd</sup> February, 2022, 2500 NCDs of ₹ 10,00,000/- each aggregating to ₹ 250 crores were issued with availability of put option. On 22<sup>nd</sup> February, 2024, 2380 NCDs of ₹ 238 crores have been redeemed pursuant to put option exercised by the Debenture holders.

**Notes:**

- i) Listing fees have been paid to the Stock Exchanges for the financial year 2024-25.
- ii) Depository connectivity:  
National Securities Depository Limited  
Central Depository Services (India) Limited

## (f) Market price data:

The details of monthly highest & lowest closing quotations of the equity shares of the Company during financial year 2023-24 are as under :-

(in ₹ per share)

| Month           | BSE Limited |          | National Stock Exchange of India Limited |          |
|-----------------|-------------|----------|------------------------------------------|----------|
|                 | High        | Low      | High                                     | Low      |
| April, 2023     | 683.15      | 644.75   | 682.75                                   | 644.80   |
| May, 2023       | 822.50      | 679.20   | 822.85                                   | 678.75   |
| June, 2023      | 861.80      | 783.90   | 861.50                                   | 783.05   |
| July, 2023      | 1,076.15    | 866.60   | 1,076.20                                 | 866.15   |
| August, 2023    | 1,075.65    | 976.65   | 1,075.55                                 | 977.40   |
| September, 2023 | 1,117.50    | 1,007.75 | 1,117.05                                 | 1,008.15 |
| October, 2023   | 1,193.65    | 1,063.20 | 1,195.05                                 | 1,061.85 |
| November, 2023  | 1,262.45    | 1,071.50 | 1,263.75                                 | 1,072.05 |



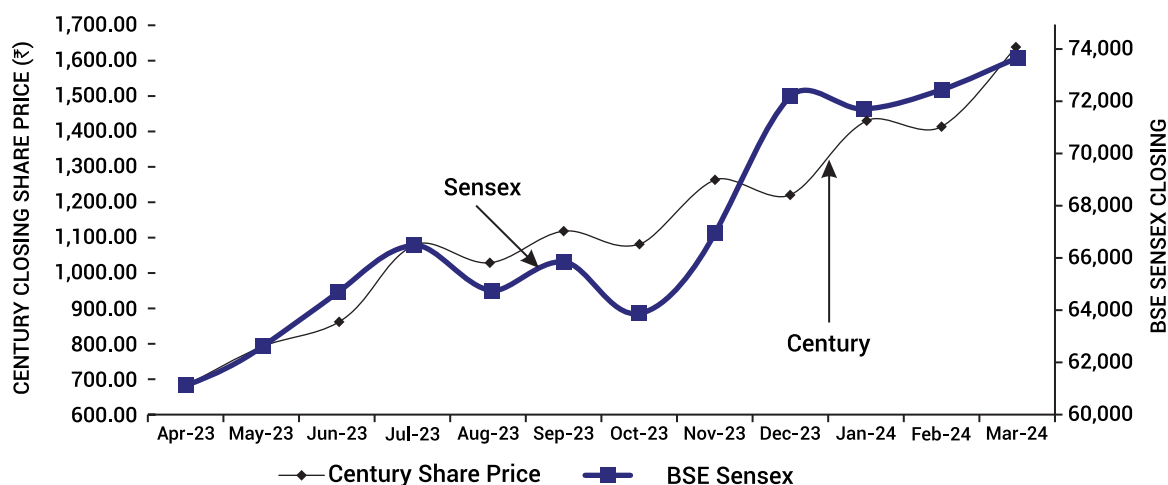
## CORPORATE GOVERNANCE REPORT (Contd.)

(in ₹ per share)

| Month          | BSE Limited |          | National Stock Exchange of India Limited |          |
|----------------|-------------|----------|------------------------------------------|----------|
|                | High        | Low      | High                                     | Low      |
| December, 2023 | 1,332.10    | 1,206.55 | 1,331.85                                 | 1,206.15 |
| January, 2024  | 1,583.70    | 1,245.65 | 1,587.00                                 | 1,246.05 |
| February, 2024 | 1,545.45    | 1,357.70 | 1,547.25                                 | 1,355.95 |
| March, 2024    | 1,632.50    | 1,338.80 | 1,629.90                                 | 1,344.55 |

## (g) Performance in comparison to broad based indices:

## CENTURY VS BSE SENSEX



## (h) Suspension from trading:

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

## (i) Registrar and Transfer Agents:

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

## Details of the Share Transfer Agent is:

## Address:

## Link Intime India Private Limited

C-101, 247 Park,

L.B.S. Marg,

Vikhroli (West),

Mumbai- 400 083. Maharashtra

Telephone No. 022 - 4918 6000, Fax No. 022 - 4918 6060.

## CORPORATE GOVERNANCE REPORT (Contd.)

**For shareholders queries :**

Telephone No. : 8108116767

Email ID : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in);  
[bonds.helpdesk@linkintime.co.in](mailto:bonds.helpdesk@linkintime.co.in)

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

**(j) Share Transfer System:**

As per SEBI norms, all requests for transfer, transmission and transposition of securities is effected only in dematerialized form. Further, the securities are issued in dematerialized form only. For processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. after processing the service request, a letter of confirmation is issued to the shareholders and is valid for a period of 120 days, within which the shareholder is required to make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialization request within 120 days, then RTA credits those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

Executives of the Company have been authorised to approve transfers in addition to the Committee.

**(k) Awareness about Online Dispute Resolution (SMART ODR):**

SEBI vide its circular dated 31<sup>st</sup> July, 2023, 4<sup>th</sup> August, 2023 and 20<sup>th</sup> December, 2023 has introduced Securities Market Approach for Resolution through Online Dispute Resolution (SMART ODR) Portal. This platform is designed to enhance investor grievance redressal by enabling investor to access online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. The SMART ODR Portal allows investors with additional mechanism to resolve the grievances and the same can be accessed at <https://smartodr.in/>. The said circulars and link to access SMART ODR portal are hosted on the website of the Company viz. [www.centurytextind.com](http://www.centurytextind.com). Shareholders could avail ODR mechanism only if resolution provided by the Company/RTA and SCORES platform of the SEBI are not satisfactory.

**(l) Distribution of shareholding:**

The shareholding distribution of equity shares of face value of ₹ 10/- each as at 31<sup>st</sup> March, 2024 is given below:-

| Sr. No. | No. of Equity Shares held | No. of Folios | No. of Shares       | Percentage of Shareholding |
|---------|---------------------------|---------------|---------------------|----------------------------|
| 1.      | 1 to 100                  | 53,208        | 17,50,892           | 1.57                       |
| 2.      | 101 to 500                | 12,875        | 31,58,954           | 2.83                       |
| 3.      | 501 to 1000               | 2,679         | 20,37,350           | 1.82                       |
| 4.      | 1001 to 5000              | 2,570         | 56,48,404           | 5.06                       |
| 5.      | 5001 to 10000             | 347           | 24,68,484           | 2.21                       |
| 6.      | 10001 to 100000           | 310           | 82,59,797           | 7.39                       |
| 7.      | 100001 to 500000          | 46            | 1,01,45,343         | 9.08                       |
| 8.      | 500001 & above            | 25            | 7,82,26,456         | 70.04                      |
|         | <b>Total</b>              | <b>72,060</b> | <b>11,16,95,680</b> | <b>100</b>                 |



## CORPORATE GOVERNANCE REPORT (Contd.)

**(m) Shareholding pattern as on 31<sup>st</sup> March, 2024:**

| Sr. No. | Category                                                            | No. of Folios | % of Folios   | No. of shares held  | % of share holding |
|---------|---------------------------------------------------------------------|---------------|---------------|---------------------|--------------------|
| 1.      | Promoter and Promoter group                                         | 7             | 0.01          | 5,60,77,970         | 50.21              |
| 2.      | Resident Individuals                                                | 69,412        | 96.33         | 2,01,61,379         | 18.05              |
| 3.      | Private Corporate Bodies                                            | 870           | 1.21          | 71,30,519           | 6.38               |
| 4.      | Nationalised Banks, Govt. Insurance Companies, Mutual Funds and AIF | 101           | 0.14          | 1,76,80,625         | 15.83              |
| 5.      | FII's & Foreign Portfolio Investors (Corporate)                     | 122           | 0.17          | 83,37,927           | 7.47               |
| 6.      | NRIs and OCBs                                                       | 1,547         | 2.14          | 10,54,780           | 0.94               |
| 7.      | Employee Welfare Trust / ESOP                                       | 1             | 0.00          | 12,52,480           | 1.12               |
|         | <b>Total</b>                                                        | <b>72,060</b> | <b>100.00</b> | <b>11,16,95,680</b> | <b>100.00</b>      |

- (n)** 26,789 equity shares of the face value of ₹ 10/- each for 237 folios in respect of which dividend was not encashed for seven consecutive years were transmitted to Investor Education and Protection Fund (IEPF) Authority on 23<sup>rd</sup> September, 2023. The above mentioned shares were transmitted pursuant to requirement under Section 124 of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time.

During the year, dividend of ₹ 35,26,462.50/- declared by the Company for the financial year ended 31<sup>st</sup> March, 2016, which remained unclaimed/ unpaid for seven consecutive years was transferred to IEPF on 14<sup>th</sup> September, 2023.

**(o) Dematerialisation of equity shares:**

About 98.97% of total equity share capital is held in dematerialised form with NSDL and CDSL.

**(p) Hedging of Risk:**

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

The Company has a robust framework in place to protect its interest from risks arising out of market volatility. Based on market intelligence and continuous monitoring, the procurement team is advised on appropriate strategy to deal with such market volatility. Except for Foreign currency exposure, the Company does not have any exposure hedged during the financial year 2023-24.

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

|                   |                                 |                                 |
|-------------------|---------------------------------|---------------------------------|
| Long-Term Rating  | CRISIL AA / Stable (Reaffirmed) | 23 <sup>rd</sup> February, 2024 |
| Short-Term Rating | CRISIL A1+ (Reaffirmed)         | 23 <sup>rd</sup> February, 2024 |



CORPORATE GOVERNANCE REPORT (Contd.)

**(r) Plant Locations:**

- |                                                                                                                                         |                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| <p>(i) BIRLA CENTURY<sup>#</sup><br/>Plot No. 826,<br/>GIDC Industrial Estate,<br/>Jhagadia - 393 110,<br/>Dist. Bharuch (Gujarat).</p> | <p>(iii) CENRAY MINERALS AND CHEMICALS<br/>Nawa Nagna,<br/>Jamnagar - 361 007, (Gujarat).</p>                         |
| <p>(ii) CENTURY RAYON<sup>*</sup><br/>Rayon, Tyre Cord &amp; Chemical Plants,<br/>Murbad Road,<br/>Kalyan - 421 103, (Maharashtra).</p> | <p>(iv) CENTURY PULP &amp; PAPER<br/>Ghanshyamdham,<br/>P.O. Lalkuan - 262 402,<br/>Dist. Nainital (Uttarakhand).</p> |

**Other Unit (Property Development)**

CENTURY ESTATES

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

<sup>#</sup> In the early second quarter of the year, the Company had initiated the process to restructure its operations of Textiles business viz. Birla Century Plant ('Plant') which included outsourcing some of the material from the third party instead of manufacturing it in the plant. Subsequently, on 22<sup>nd</sup> March, 2024, the Board of Directors approved the discontinuation of operations of the said plant.

<sup>\*</sup> With effect from 1<sup>st</sup> February, 2018, the Company has granted to Grasim Industries Limited (GIL) the right and responsibility to manage, operate, use and control the viscose filament yarn business of Century Rayon Division of the Company for 15 years, for a commuted royalty of ₹ 600 Crores, interest free, refundable, security deposit of ₹ 200 Crores and Century Rayon's working capital to GIL at actuals.

**(s) Address for correspondence:**

Century Textiles and Industries Limited  
Century Bhavan,  
Dr. Annie Besant Road,  
Worli, Mumbai- 400 030.  
Tel No.: 022 2495 7000

**X. OTHER DISCLOSURES:**

- (i) All related party transactions have been entered into in the ordinary course of business and were placed periodically before the Audit Committee in summary form including transactions for which omnibus approval of the Audit Committee was taken. There were no material individual transactions with related parties which were not in the normal course of business, required to be placed before the Audit Committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis. Transactions with related parties as per requirements of IND AS 24 - 'Related Party Disclosures' are disclosed in Note 40 to the Financial Statements.
- (ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.



## CORPORATE GOVERNANCE REPORT (Contd.)

(iii) The Company has established a Vigil mechanism / Whistle blower policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud etc. and the same has been disclosed on the website of the Company. Further in terms to the provisions of Listing Regulations, no personnel has been denied access to the Chairperson of the Audit Committee.

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

- a. Birla Estates Private Limited
- b. Birla Century Exports Private Limited
- c. CTIL Community Welfare Foundation

(v) Web-links:

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

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

(vii) Certificate from Practicing Company Secretary:

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

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

Any recommendations given by the Committees of the Board are required to be placed before the Board. The Board has accepted all the recommendations by various committees of the Board during the financial year 31<sup>st</sup> March, 2024.

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

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

| ₹ in Crores                                                                                                                                                                                                     |             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Particulars                                                                                                                                                                                                     | Amount      |
| Fees for audit and related services paid to SRBC & Co. LLP affiliate firms and to entities of the network of which SRBC & Co. LLP is a part of (Including fees for limited review, tax audit and reimbursment). | 1.98        |
| Other fees paid to SRBC & Co. LLP and other firms in the network entity of which SRBC & Co. LLP is a part of :                                                                                                  | 0.34        |
| <b>Total</b>                                                                                                                                                                                                    | <b>2.32</b> |

## CORPORATE GOVERNANCE REPORT (Contd.)

- (x) Disclosure in relation of Sexual Harassment of Women at Workplace:

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

|                                                          |   |
|----------------------------------------------------------|---|
| No. of complaints filed during the financial year        | 0 |
| No. of complaints disposed off during the financial year | 0 |
| No. of complaint pending as on end of the financial year | 0 |

- (xi) All Accounting Standards mandatorily required have been followed without exception in preparation of the financial statements.
- (xii) Procedures for assessment of risk and its minimisation have been laid down by the Company and reviewed by the Board. These procedures are periodically reassessed to ensure that executive management controls risks through means of a properly defined framework.
- (xiii) No money was raised by the Company through public issue, rights issue etc. in the last financial year.

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

- (b) The Company has a Managing Director on the Board of the Company viz. Mr. R. K. Dalmia whose appointment and remuneration has been fixed by the Board on the recommendation of Nomination and Remuneration Committee of the Board and approved by shareholders of the Company on 20<sup>th</sup> October, 2022 through postal ballot via remote e-voting.

The remuneration paid to Mr. R. K. Dalmia, Managing Director of the Company is mentioned in item IV of this report.

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

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

- (xvii) Details of Material Subsidiaries of the Company, including date and place of incorporation and name and date of appointment of Statutory Auditors of such subsidiaries:

Not applicable since there is no material subsidiary of the Company for the FY 2023-24.

- (xviii) Disclosure of certain types of agreements binding listed entities as mentioned under Clause 5A of paragraph A of Part A of Schedule III of Listing Regulations:

There are no agreements impacting the management or control of the Company or imposing any restriction or creating any liability upon the Company.

## XI. NON-COMPLIANCE:

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



## CORPORATE GOVERNANCE REPORT (Contd.)

**XII. DISCRETIONARY REQUIREMENTS:****1. The Board:**

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

**2. Shareholders' Rights:**

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

**3. Modified opinion(s) in audit report:**

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

**4. Separate posts of Chairperson and Chief Executive Officer:**

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

**5. Reporting of Internal Auditor:**

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

**XIII. DISCLOSURE OF COMPLIANCES:**

The Company has disclosed the compliance of regulations in respect of Corporate Governance under the Listing Regulations on its website viz. [www.centurytextind.com](http://www.centurytextind.com).

**XIV. COMPLIANCE CERTIFICATE:**

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

**XV. CEO/CFO CERTIFICATION:**

As required under Regulation 17(8) of Listing Regulations, the Managing Director and CFO have certified to the Board about compliance by the Company with the requirements of the said sub-regulation for the financial year ended 31<sup>st</sup> March, 2024.

**XVI. DISCLOSURES WITH RESPECT TO SUSPENSE ESCROW DEMAT ACCOUNT AND UNCLAIMED SUSPENSE ACCOUNT:**

- As per the Circulars/guidelines issued by SEBI, after due verification of the investor service requests received from the Shareholders/Claimants, 'Letter of Confirmation (LOC)' are issued in lieu of physical share certificate(s) by Companies/RTAs. The validity of such LOCs is one hundred twenty (120) days from the date of issuance, within which the Shareholder/Claimant is required to make a request to the Depository Participant (DP) for dematerializing the shares covered by the LOC. In case the demat request is not submitted within the aforesaid timeline of one hundred twenty (120) days, the Companies are required to transfer such shares to Suspense Escrow Demat Account (SEDA) of the Company opened for this purpose. Shareholders/Claimants can claim back their shares from SEDA by submitting the required documents to RTA as per SEBI Advisory dated 30<sup>th</sup> December, 2022.

## CORPORATE GOVERNANCE REPORT (Contd.)

Details of shares transferred to / released from SEDA during the FY2023-24 are as under:

| Particulars                                             | Number of shareholders | Number of equity shares |
|---------------------------------------------------------|------------------------|-------------------------|
| Shares lying as on 1 <sup>st</sup> April, 2023          | 0                      | 0                       |
| Shares transferred to SEDA during FY 2023-24            | 3                      | 320                     |
| Shares claimed back from SEDA during FY2023-24          | 1                      | 100                     |
| Shares lying in SEDA as on 31 <sup>st</sup> March, 2024 | 2                      | 220                     |

- As required under Regulation 39 of Listing Regulations, an Unclaimed Suspense Account of the Company has been opened during the year for crediting to the said account the unclaimed shares lying with the Company. The crediting of the unclaimed shares to the said account is under process.

**XVII. RECONCILIATION OF SHARE CAPITAL AUDIT:**

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

**XVIII. FILING OF COST AUDIT REPORT:**

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

Details of the Cost Audit Reports for the financial year 2022-23 filed during the year in compliance of the aforesaid are tabled below:

| Products                      | Name of the Cost Auditors | Date of Filing                |
|-------------------------------|---------------------------|-------------------------------|
| Textiles: Birla Century       | M/s. R. Nanabhoy and Co.  | 08 <sup>th</sup> August, 2023 |
| Paper: Century Pulp and Paper |                           |                               |

**XIX. DEBENTURE TRUSTEE DETAILS:**

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

| Name                     | SBICAP Trustee Company Limited                                                              | Axis Trustee Services Limited                                                               |
|--------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| Address                  | Mistry Bhavan, 4 <sup>th</sup> Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai – 400 020 | The Ruby, 2 <sup>nd</sup> Floor, SW 29, Senapati Bapat Marg I, Dadar West, Mumbai – 400 028 |
| Telephone No.            | 022-4302 5555/5566                                                                          | 022-62300451                                                                                |
| Fax No.                  | -                                                                                           | 022-6230 0700                                                                               |
| E-mail                   | corporate@sbicaptrustee.com                                                                 | debenturetrustee@axistrustee.in                                                             |
| Investor Grievance email | investor.cell@sbicaptrustee.com                                                             | complaints@axistrustee.in                                                                   |
| Website                  | www.sbicaptrustee.com                                                                       | www.axistrustee.in                                                                          |
| Contact person           | Mr. Rajiv Ranjan, Compliance Officer<br>Tel. No.: 022-4302 5503                             | Mr. Anil Grover, Operations Head                                                            |
| SEBI Registration No.    | IND000000536                                                                                | IND000000494                                                                                |

The above report has been placed before the Board at its meeting held on 07<sup>th</sup> May, 2024 and the same was approved.



## CORPORATE GOVERNANCE REPORT (Contd.)

## ANNEXURE A

**DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

To,

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

The Company has a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to further strengthen corporate governance practices of the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31<sup>st</sup> March, 2024.

Place: Mumbai  
Date: 07<sup>th</sup> May, 2024

**R. K. Dalmia**  
Managing Director  
DIN: 00040951

## ANNEXURE B

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

The Members of Century Textiles and Industries Limited

1. The Corporate Governance Report prepared by Century Textiles and Industries Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2024 as required by the Company for annual submission to the Stock exchange.

**MANAGEMENT'S RESPONSIBILITY**

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



## CORPORATE GOVERNANCE REPORT (Contd.)

**AUDITOR'S RESPONSIBILITY**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors as on March 31, 2024 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
  - iv. Obtained and read the minutes of the following committee meetings held from April 01, 2023 to March 31, 2024:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting (AGM) / Extra Ordinary General Meeting (EGM);
    - (d) Nomination and Remuneration Committee;
    - (e) Stakeholders Relationship Committee;
    - (f) Risk Management Committee;
    - (g) Independent Director's Committee;
    - (h) Finance Committee;
    - (i) Corporate Social Responsibility (CSR) Committee
  - v. Obtained necessary declarations from the directors of the Company;
  - vi. Obtained and read the policy adopted by the Company for related party transactions;
  - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee;
  - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.



## CORPORATE GOVERNANCE REPORT (Contd.)

### OPINION

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2024, referred to in paragraph 4 above.

### OTHER MATTERS AND RESTRICTION ON USE

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

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Membership Number: 049365

UDIN: 24049365BKGVJF2083

Place of Signature: Mumbai

Date: 7<sup>th</sup> May, 2024



# **Business Responsibility & Sustainability Report**





Century Textiles and Industries Limited (also referred to as 'CTIL' or 'the Company') is pleased to release its Business Responsibility and Sustainability Report (BRSR) for FY 2023-24. In terms of the requirements of Regulation 34(2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to Gazette notification no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12<sup>th</sup> July, 2023, the Company is submitting herewith the Business Responsibility and Sustainability Report for FY 2023-24, along with the Independent Assurance Statement provided by TUV India Private Limited. As part of CTIL's firm commitment to responsible and sustainable business practices, the Company has methodically reported its business performance and impact, aligning with the nine National Guidelines on Responsible Business Conduct (NGRBC) Principles.

This document outlines CTIL's strategic initiatives aimed at fostering sustainable expansion and creating substantial value for all stakeholders. It underscores the Company's indomitable commitment to sustainability objectives, deeply ingrained in its corporate responsibilities. Additionally, the Report elaborates on collaborative efforts among value chain partners, when relevant, underscoring the Company's concerted actions in achieving commendable sustainability benchmarks. CTIL has undergone assurance (refer to the Independent Assurance Report) and has taken extra steps to ensure transparent and accountable reporting practices.

CTIL's journey commenced in 1897. Amid numerous market fluctuations, the Company has remained persistent, resonating with ethical operations. Operating across three different segments, the Company has undertaken every conceivable measure to stand out as a leader in each business segment. The Company's success in every field is

underpinned by research and development, coupled with technical innovations integrated into its business operations.

CTIL is committed to environmental protection through a series of impactful initiatives. These efforts are geared towards reducing emissions and minimising the environmental impact on surrounding communities. Beginning at the design stage, stringent measures are implemented, especially in the Real Estate segment. All residential projects are green building-certified, with the flagship Birla Niyaara project aiming for the prestigious Building Research Establishment Environmental Assessment Methodology (BREEAM) certification. Furthermore, commercial buildings operate majorly on renewable energy, while energy efficiency measures across other business segments have resulted decrease in non-renewable electricity consumption compared to the Previous Year (PY). CTIL proactively manages waste to minimise the use of virgin materials. All generated waste and by-products are either recycled, repurposed for energy generation, or vended to third parties.

Moreover, the Company prioritises the health and safety of its workforce. These efforts have resulted in zero cases of human rights violations among the Company's workers and its value chain. In this financial year, no fatalities or high-consequence injuries has occurred, ensuring a much more suitable work environment for the entire workforce of the Company.

In line with CTIL's policies, the diversity ratio has increased by 19% year-on-year. This BRSR also brings into the limelight the approaches implemented or in process at CTIL and the achievements of the Company, so far.

**SECTION A: GENERAL DISCLOSURES****I. Details of the listed entity**

|    |                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                               |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Corporate Identity Number (CIN) of the listed entity                                                                                                                                                                                                                        | L17120MH1897PLC000163                                                                                                                                                                                                                                                                                                                                                         |
| 2  | Name of the listed entity                                                                                                                                                                                                                                                   | Century Textiles and Industries Ltd.                                                                                                                                                                                                                                                                                                                                          |
| 3  | Year of incorporation                                                                                                                                                                                                                                                       | 1897                                                                                                                                                                                                                                                                                                                                                                          |
| 4  | Registered office address                                                                                                                                                                                                                                                   | Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400 030                                                                                                                                                                                                                                                                                                                |
| 5  | Corporate address                                                                                                                                                                                                                                                           | Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400 030                                                                                                                                                                                                                                                                                                                |
| 6  | E-mail                                                                                                                                                                                                                                                                      | ctil.esgcentury@adityabirla.com                                                                                                                                                                                                                                                                                                                                               |
| 7  | Telephone                                                                                                                                                                                                                                                                   | 022-24957000                                                                                                                                                                                                                                                                                                                                                                  |
| 8  | Website                                                                                                                                                                                                                                                                     | <a href="http://www.centurytextind.com">www.centurytextind.com</a>                                                                                                                                                                                                                                                                                                            |
| 9  | Financial year for which reporting is being done                                                                                                                                                                                                                            | 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024                                                                                                                                                                                                                                                                                                                   |
| 10 | Name of the Stock Exchange(s) where shares are listed                                                                                                                                                                                                                       | National Stock Exchange of India Limited (NSE)<br>BSE Ltd.                                                                                                                                                                                                                                                                                                                    |
| 11 | Paid-up capital                                                                                                                                                                                                                                                             | ₹ 111.69 Crores                                                                                                                                                                                                                                                                                                                                                               |
| 12 | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report                                                                                                                                            | Contact person: Mr. Yogesh Natu<br>Designation: Head – Sustainability<br>E-mail: ctil.esgcentury@adityabirla.com<br>Telephone: +91-22-24957000                                                                                                                                                                                                                                |
| 13 | Reporting boundary *<br><br>Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together). | The disclosures in this report are presented on a consolidated basis for Century Textiles and Industries Limited (CTIL) and its three business segments, Pulp and Paper, Textiles, and its wholly owned subsidiary, Birla Estates Private Limited. This comprehensive approach ensures a holistic view of CTIL's sustainability efforts across all sectors of its operations. |
| 14 | Name of assurance provider                                                                                                                                                                                                                                                  | TUV India Private Limited                                                                                                                                                                                                                                                                                                                                                     |
| 15 | Type of assurance obtained                                                                                                                                                                                                                                                  | Limited Assurance                                                                                                                                                                                                                                                                                                                                                             |



## II. Products/services

### 16. Details of business activities (accounting for 90% of the turnover):

| S. no. | Description of main activity | Description of business activity                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | % of turnover of the entity |
|--------|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 1.     | Construction and Development | <b>Real Estate</b> – Birla Estates, the Real Estate segment, has presence in the premium to ultra-luxury residential markets and includes commercial and retail developments such as office spaces and retail outlets. The segment continues to expand aggressively by acquiring land parcels and forming strategic alliances across major cities, demonstrating CTIL's commitment to excellence and versatility in Real Estate development.                                                        | 21                          |
| 2.     | Manufacturing                | <b>Pulp and Paper</b> – The Company's manufacturing unit in Lalkua, Uttarakhand, produces an extensive array of paper products, including writing and printing paper, tissue paper, and paper board. This facility also houses a specialised unit dedicated to manufacturing raw materials for viscose filament yarn, staple fibre, and paper-grade pulp. This vertically integrated approach not only enhances efficiency but also underscores CTIL's commitment to sustainability and innovation. | 64                          |
| 3.     | Manufacturing                | <b>Textiles</b> – The Company crafts exquisite textiles, ranging from sophisticated suiting and shirting to luxurious fine fabrics and elegant household linen.                                                                                                                                                                                                                                                                                                                                     | 15                          |

### 17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

|                                                                                     | Product/service                                                                                                                     | NIC code               | % of total turnover contributed |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------------------|
|  | <b>Real Estate</b><br>1 a. Leasing activity (Real estate activity with owned or leased property) and sale of residential properties | 6810                   | 21                              |
|  | <b>Pulp and Paper</b><br>2 a. Wood/bagasse/recycled paper<br>b. Multilayer packaging board                                          | 1701, 1702, 1709       | 64                              |
|  | <b>Textiles</b><br>3 a. Fabrics<br>b. Made ups                                                                                      | 1311, 1312, 1313, 1392 | 15                              |



### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

| National                                                                          | Location                    | International                                                                      |
|-----------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------------------------------------|
|  | <b>3*</b> Number of plants  | <b>0</b>                                                                           |
|                                                                                   | <b>10</b> Number of offices | <b>1</b>                                                                           |
|                                                                                   | <b>13</b> Total             | <b>1</b>                                                                           |
|                                                                                   |                             |  |

\*This does not include plant locations of Century Minerals and Chemicals and Century Rayon.

\*The information with respect to Century Minerals and Chemicals is minuscule and can be considered as non-material for this reporting period.

\*With respect to Century Rayon – the Company has granted to Grasim Industries Ltd. (GIL) the right and responsibility to manage, operate, use, and control the viscose filament yarn business of the Century Rayon Division of the Company for 15 years with effect from 1<sup>st</sup> February, 2018.

#### 19. Markets served by the entity

##### a. Number of locations

| Locations                        | Number         |
|----------------------------------|----------------|
| National (No. of states)         | 36 (PAN India) |
| International (No. of countries) | 45             |

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute 5.88% to the total turnover of CTIL.

##### c. A brief on types of customers:

- **Real Estate:** In its Real Estate business segment, the Company is dedicated to developing high-end residential projects designed for discerning customers who seek luxurious and comfortable living spaces. Beyond its opulent residential offerings, the Company also provides premium commercial asset leasing services tailored to meet the needs of business clients. Committed to expansion and excellence, this segment focusses on strategic land development and forming powerful alliances across major cities.
- **Pulp and Paper:** The Pulp and Paper segment caters to a wide range of industries, including major printing and publishing houses, packaging, pharmaceuticals, Fast Moving Consumer Goods (FMCG), and Fast Moving Consumer Durables (FMCD).
- **Textiles:** The textiles segment caters to a broad spectrum of clients, including renowned clothing manufacturers, importers, distributors, and institutional channels.



**IV. Employees****20. Details as at the end of the financial year:****a. Employees and workers (including differently abled):**

| S. no.    | Particulars                    | Total (A)    | Male         |           | Female     |           |
|-----------|--------------------------------|--------------|--------------|-----------|------------|-----------|
|           |                                |              | No. (B)      | % (B/A)   | No. (C)    | % (C/A)   |
| Employees |                                |              |              |           |            |           |
| 1.        | Permanent (D)                  | 1,078        | 979          | 91        | 99         | 9         |
| 2.        | Other than permanent (E)       | 101          | 86           | 85        | 15         | 15        |
| 3.        | <b>Total employees (D + E)</b> | <b>1,179</b> | <b>1,065</b> | <b>90</b> | <b>114</b> | <b>10</b> |
| Workers   |                                |              |              |           |            |           |
| 4.        | Permanent (F)                  | 1,562        | 1,562        | 100       | 0          | 0         |
| 5.        | Other than permanent (G)       | 4,967        | 4,773        | 96        | 194        | 4         |
| 6.        | <b>Total workers (F + G)</b>   | <b>6,529</b> | <b>6,335</b> | <b>97</b> | <b>194</b> | <b>3</b>  |

**b. Differently abled employees and workers**

| S. no                       | Particulars                                      | Total (A) | Male     |            | Female   |          |
|-----------------------------|--------------------------------------------------|-----------|----------|------------|----------|----------|
|                             |                                                  |           | No. (B)  | % (B/A)    | No. (C)  | % (C/A)  |
| Differently abled employees |                                                  |           |          |            |          |          |
| 1.                          | Permanent (D)                                    | 1         | 1        | 100        | 0        | 0        |
| 2.                          | Other than permanent (E)                         | 0         | 0        | 100        | 0        | 0        |
| 3.                          | <b>Total differently abled employees (D + E)</b> | <b>1</b>  | <b>1</b> | <b>100</b> | <b>0</b> | <b>0</b> |
| Differently abled workers   |                                                  |           |          |            |          |          |
| 4.                          | Permanent (F)                                    | 5         | 5        | 100        | 0        | 0        |
| 5.                          | Other than permanent (G)                         | 4         | 4        | 0          | 0        | 0        |
| 6.                          | <b>Total differently abled workers (F + G)</b>   | <b>9</b>  | <b>9</b> | <b>100</b> | <b>0</b> | <b>0</b> |

**21. Participation/inclusion/representation of women**

|                          | Total (A) | No. and percentage of Females |         |
|--------------------------|-----------|-------------------------------|---------|
|                          |           | No. (B)                       | % (B/A) |
| Board of Directors       | 7         | 2                             | 29      |
| Key Management Personnel | 3         | 0                             | 0       |

**22. Turnover rate for permanent employees and workers**

|                     | FY 2023-24<br>(Turnover rate in current FY) |         |        | FY 2022-23<br>(Turnover rate in previous FY) |        |        | FY 2021-22<br>(Turnover rate in year prior to the previous FY) |        |        |
|---------------------|---------------------------------------------|---------|--------|----------------------------------------------|--------|--------|----------------------------------------------------------------|--------|--------|
|                     | Male                                        | Female  | Total  | Male                                         | Female | Total  | Male                                                           | Female | Total  |
| Permanent employees | 33.10%                                      | 26.29%  | 32.58% | 15.01%                                       | 24.32% | 15.58% | 14.54%                                                         | 18.48% | 14.74% |
| Permanent workers   | 62.93%                                      | 200.00% | 64.59% | 2.53%                                        | 8.92%  | 2.65%  | 6.25%                                                          | 14.15% | 6.39%  |

**V. Holding, subsidiary and associate companies (including joint ventures)****23. Names of holding/subsidiary/associate companies/joint ventures**

| S. no. | Name of the holding/subsidiary/associate companies/joint ventures (A) | Indicate whether holding/subsidiary/associate/joint venture | % of shares held by listed entity | Does the entity indicated at column A participate in the business responsibility initiatives of the listed entity? (Yes/No)                                                                                                                                                                                                                                                                                                                        |
|--------|-----------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Birla Estates Pvt. Ltd.                                               | Wholly Owned Subsidiary                                     | 100                               | Yes, CTIL is a part of the Aditya Birla Group (ABG), is inherently dedicated to business responsibility initiatives. This commitment is embedded in the Company's corporate philosophy. Every entity within the Company aligns closely with the parent company, actively participating in these initiatives. This unified approach across all subsidiaries ensures the consistent pursuit and advancement of CTIL's business responsibility goals. |
| 2.     | Birla Century Exports Pvt. Ltd.                                       | Wholly Owned Subsidiary                                     | 100                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 3.     | Birla Advanced Knits Pvt. Ltd.                                        | Joint Venture                                               | 50                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 4.     | Avarna Projects LLP                                                   | A Subsidiary of Birla Estates Pvt. Ltd.                     | 50 (*Refer to the note below)     |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 5.     | Birla Tisya LLP                                                       | A Subsidiary of Birla Estates Pvt. Ltd.                     | 40 (*Refer to the note below)     |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 6.     | Birla Arnaa LLP                                                       | A Subsidiary of Birla Estates Pvt. Ltd.                     | 47 (*Refer to the note below)     |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 7.     | Birla Century International LLC                                       | A Subsidiary of Birla Century Exports Pvt. Ltd.             | 100                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 8.     | Industry House Ltd.                                                   | Associate                                                   | 35.28                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 9.     | CTIL Community Welfare Foundation (Section 8 Company)                 | Wholly Owned Subsidiary                                     | 100                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

\*Note- Consolidation of entities in which the Group does not hold most of the voting rights (de facto control): The Group has consolidated the LLPs as subsidiaries under Ind AS-110 even though it only holds 50% or less of the voting rights in the LLPs. This is because the Group controls all relevant decisions regarding the operation of these entities.

^Note- Investments in Industry House Ltd. (IHL) are among the unquoted investments. 35.28% of the equity shares in IHL are held by the Company. According to "Ind AS 28 "Investments in Associates and Joint Ventures," the Company has not regarded Industry House Ltd. as an associate and has not consolidated because it does not have a substantial amount of influence over the Company. The Company's portion of Industry House Ltd.'s profits is negligible.

**V. CSR Details:****24.****(i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No)**

Yes, CSR is applicable as per Section 135 of the Companies Act, 2013.

**(ii) Turnover (in ₹)**

₹ 5,049.96 Crores

**(iii) Net worth (in ₹)**

₹ 4,094.70 Crores

**VII. Transparency and Disclosures –compliance****25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No)<br>(If yes, then provide web-link for grievance redress policy)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | FY 2023-24<br>(Current Financial Year)     |                                                              |         | FY 2022-23<br>(Previous Financial Year)    |                                                              |         |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|---------|
|                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities                                       | Yes, the business segments of CTIL have developed effective mechanisms for resolving grievances to address the concerns of local communities. These include holding periodic meetings with community representatives, installing complaint drop boxes at the entrances of factories and project sites, keeping a detailed log of complaints, and designating a specific individual tasked with resolving these issues promptly.                                                                                                                                                                                                                                                                                      | 0                                          | 0                                                            | -       | 0                                          | 0                                                            | -       |
| Shareholders /Investors                           | Yes, CTIL is committed to maintaining transparent and open communication with its shareholders and investors. To facilitate this, the Company provides various channels such as dedicated helplines for shareholders and investors, a specific email address for investor relations (ctil.investorrelations@adityabirla.com), and regular meetings with stakeholders. Additionally, the Company has established a dedicated investor relations team tasked with addressing queries, managing complaints, and offering the necessary support. This arrangement ensures that CTIL' stakeholders can directly reach out to the investor relations department with any concerns, questions, or grievances they may have. | 32                                         | 0                                                            | -       | 8                                          | 0                                                            | -       |

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No)<br>(If yes, then provide web-link for grievance redress policy)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | FY 2023-24<br>(Current Financial Year)     |                                                              |         | FY 2022-23<br>(Previous Financial Year)    |                                                              |         |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|---------|
|                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Employees and Workers                             | Yes, CTIL has appointed an Ethics and Vigilance Officer specifically tasked with addressing employee concerns related to ethics and compliance. The Company actively encourages its employees to express their concerns and suggestions through suggestion and complaint boxes, which are conveniently located throughout the Company's office premises. Additionally, it provides an ethics helpline that employees can use anonymously to report any ethical or compliance-related issues. To further assist its employees, the Company has established various committees and maintains a dedicated HR department that acts as a reliable point of contact. This structure ensures that employees receive the necessary support to address and resolve their concerns. These committees are committed to addressing employee grievances, offering guidance, and facilitating resolutions effectively. | 0                                          | 0                                                            | -       | 0                                          | 0                                                            | -       |
| Customers                                         | Yes, the marketing teams of the respective business units play a crucial role in promptly addressing customer complaints and feedback. When customers raise complaints, the marketing team takes proactive steps to resolve the issues. This may involve scheduling meetings at the customer's site, engaging in phone call discussions, or communicating through messages, depending on the type of concern.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 0                                          | 0                                                            | -       | 0                                          | 0                                                            | -       |



| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No)<br>(If yes, then provide web-link for grievance redress policy)                                                                                                                                                                                                                                                                                                          | FY 2023-24<br>(Current Financial Year)     |                                                              |         | FY 2022-23<br>(Previous Financial Year)    |                                                              |         |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|---------|
|                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                          | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Value Chain Partners                              | Yes, the procurement teams across CTIL's various business units are instrumental in addressing concerns raised by its value chain partners. When issues or complaints are reported, these teams take proactive measures to resolve them. Depending on the nature and urgency of the concern, they may schedule meetings, initiate phone call discussions, or communicate via messages to ensure an effective resolution. | 0                                          | 0                                                            | -       | 0                                          | 0                                                            | -       |



**26. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

| Sl. no. | Material issue identified       | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity                                                                                                                                                                                                                                                                                                                                                      | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                                                                                                                                                                            |
|---------|---------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | Business Ethics                 | Risk                                       | The failure to uphold business ethics can have direct consequences, including legal action, damaged reputation, and eroded trust among stakeholders. Misconduct such as fraud, corruption, or discrimination can result in significant financial penalties, lowered productivity, and increased regulatory scrutiny, potentially undermining the Company's long-term success and industry standing. | To mitigate these risks and reinforce CTIL's commitment to ethical operations, the Company has a dedicated Code of Conduct (BoD), employees, including Key Management Personnel (KMPs), thus setting clear ethical standards and guidelines.<br><br>In addition, strong mechanisms and controls are in place to identify ethics related issues.<br><br>Regular training sessions and awareness programmes are conducted to deepen employee understanding of ethical principles and compliance requirements. These initiatives are supported by ongoing stakeholder engagement, promoting transparency and ethical practices across all levels of the Company. | Non-compliance with ethical standards can lead to significant expenses related to legal proceedings and fines, as well as reputational damage. This could result in decreased sales, a loss of market share, and challenges in attracting new business and investment.                    |
| 2       | Data Privacy and Cyber Security | Risk                                       | CTIL operates in sectors such as Real Estate, Pulp and Paper, and Textiles where handling sensitive information is critical. Insufficient safeguards can expose the Company to cyber threats, risking unauthorised access to sensitive customer and operational data.                                                                                                                               | CTIL mitigates this risk through comprehensive employee training on cyber threats and phishing, upgrading technology with enhanced firewalls and newer operating systems for improved security, and maintaining a cybersecurity system.                                                                                                                                                                                                                                                                                                                                                                                                                       | Data breaches and cybersecurity lapses might seriously jeopardise the Company's reputation and expose CTIL's customers to risk. Developing a strong IT infrastructure, putting best practices into operation, and upholding strict IT security standards demand a large financial outlay. |



| Sl. no. | Material issue identified      | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity                                                                                                                                                                                                                                                                                                                                              | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                                                                                                                                              |
|---------|--------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3       | Occupational Health and Safety | Risk                                       | Inadequate health and safety procedures could lead to accidents, injuries, and potentially fatalities, thus negatively affecting workforce morale, increasing turnover, and reducing productivity. These issues may result in higher expenses for hiring and training, legal liabilities, compensation claims, fines, increased insurance premiums, and damage to the Company's reputation. | <p>CTIL is committed to fostering a zero-incident culture by maintaining rigorous compliance with the Health, Safety, and Environment (HSE) policy. The Company has implemented an ISO 45001:2018 certified Occupational Health and Safety Management System to proactively identify and mitigate risks. Regular training and awareness initiatives, daily toolbox meetings in Real Estate, quarterly audits, and a dedicated high-risk focus team in the Pulp and Paper segment help address potential hazards. Specific actions taken include safety training, and routine safety patrols, with internal assessments conducted quarterly, and external assessments annually in the Real Estate segment.</p> <p>The Company has documented procedures to carry out assessment of work-related hazards and risks. Some of the key ones include Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), Behaviour Based Safety Operations (BBSO), Incident Investigation, Safety Audits.</p> | Occupational health and safety risks pose legal liabilities, increased insurance costs, and compensation claims. Lost productivity due to injuries or illness further impacts the Company's profitability and reputation, with potential substantial costs. |

| Sl. no. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                                                                                                       |
|---------|---------------------------|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4       | Compliance                | Risk                                       | Non-compliance with statutory and regulatory requirements, particularly around environmental, social and governance parameters, can lead to legal action, brand damage, and decreased stakeholder trust. Thus, adherence to evolving regulatory and industry standards is critical to mitigating these risks and maintaining corporate reputation.                                                                                                                                                                                                                                                                                                                                                                                                                                             | CTIL has a robust compliance framework to ensure adherence to legal and regulatory requirements. This framework includes the periodic revision and updating of detailed checklists that capture regulatory demands, internal policies, and industry best practices. Regular concurrent audits and process monitoring during project execution are done to ensure compliance. For the Real Estate segment, a detailed regulatory checklist is prepared and verified by relevant stakeholders. Compliance data is documented quarterly and stored at the Head Office for subsequent discussions with the audit committee and the Board.                                                                                                                                                                                                           | Violations of regulations could lead to substantial fines and legal penalties, adversely affecting its financial health and potentially harming its reputation among stakeholders.                                   |
| 5       | Corporate Governance      | Risk                                       | Corporate governance acts as the foundation for a company's ethical and successful operation. It establishes a framework of rules, processes, and practices that ensure transparency, accountability, and responsible decision-making. Strong corporate governance fosters trust with investors, employees, and the public, ultimately leading to sustainable growth and positive impacts on all stakeholders. A lack of diversity on the Company's Board and inadequate Board oversight can impair reputation, regulatory compliance, decision-making processes, and long-term competitiveness. Poor management in key areas such as environmental sustainability, corporate ethics, or strategic decisions can lead to reputational damage, regulatory non-compliance, and financial losses. | CTIL is committed to the highest standards of corporate governance. The Company believes in fostering a culture of transparency, accountability, and fairness for all stakeholders. This includes a strong and independent Board of Directors, robust risk management practices, and open communication with its shareholders, employees, and the communities. The Company promotes diversity within its Board of Directors and Independent Directors to ensure unbiased decision-making. The Board's agile assessment processes are aligned with current market conditions to effectively determine strategies, policies, and sustainable development goals. This oversight extends to monitoring the Company's impact on the economy, environment, and society, facilitated by dedicated Board Committees that focus on these specific areas. | Inadequate corporate governance can lead to reputational damage, legal expenses, and operational inefficiencies. These issues can collectively result in significant financial losses and reduced shareholder value. |



| Sl. no. | Material issue identified                                          | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                                                                                                                                                                                      |
|---------|--------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6       | Environment, Social, Governance (ESG) Incident and Risk Management | Risk                                       | ESG incidents, including environmental damage, social conflicts, and governance failures, pose significant risks of regulatory fines, reputational damage, and financial losses. These incidents can disrupt operations, strain stakeholder relationships, and hinder long-term sustainability. On the other hand, proactive ESG management can enhance a company's attractiveness to investors and customers, reduce operational costs, open new market opportunities, build stakeholder trust, and equip companies to effectively navigate future challenges. | The Company has established a robust ESG risk management framework, overseen by its Risk Management Committee, which consists of Board members and key executives. This framework includes systematic risk identification, assessment, profiling, and response strategies, aligning with the Company's ESG principles. Each business unit identifies and escalates significant risks, ensuring proactive oversight. The Board of Directors establishes clear roles and responsibilities for comprehensive risk management across the Company. | Failure to manage ESG risks can lead to substantial regulatory fines, reputational damage, operational disruptions, decreased profitability, increased borrowing costs, and reduced investor confidence. These consequences may result in lower stock prices and diminished market competitiveness. |
| 7       | Customer Experience and Satisfaction                               | Opportunity                                | Prioritising exceptional customer service offers an opportunity to differentiate itself, enhance customer loyalty, and strengthen its brand. This dual focus is pivotal for sustainable growth                                                                                                                                                                                                                                                                                                                                                                  | CTIL prioritises actively engaging across various channels to listen to and incorporate their feedback and address customer concerns promptly. The Company has employed the Net Promoter Score (NPS) and Customer Satisfaction Score (CSAT) to monitor customer satisfaction.                                                                                                                                                                                                                                                                 | High customer satisfaction drives repeat business and revenue growth, and boosts reputation, thus attracting new customers and expanding market share.                                                                                                                                              |
| 8       | Brand Management                                                   | Opportunity                                | Effectively leveraging a diverse portfolio of brands and a multichannel distribution network offers opportunities to enhance customer segmentation, develop a future-ready product portfolio, and improve customer engagement.                                                                                                                                                                                                                                                                                                                                  | CTIL has strategically enhanced brand management across all operations. In Real Estate, its dedicated marketing team ensures customer satisfaction from construction to handover, utilising future-centric designs and virtual reality for greater transparency and engagement. In the Pulp and Paper sector, the Company is broadening its market reach, supported by sustainable practices like FSC-certified production and proactive reforestation.                                                                                       | Robust brand management leads to increased customer loyalty and acquisition, reduced marketing costs, and improved brand equity. These improvements contribute to greater profitability and a stronger competitive edge.                                                                            |

| Sl. no. | Material issue identified                        | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity                                                                                                                                                                                               | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                                                                                  |
|---------|--------------------------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9       | Energy and Emission Management (Decarbonisation) | Risk                                       | The Real Estate and manufacturing sectors are energy-intensive, facing significant challenges related to energy use and emissions. Adherence to stringent emission standards is essential to avoid legal, financial, and reputational risks. | CTIL advances its decarbonisation strategy by integrating renewable energy sources into its operations, which can significantly reduce the Company's reliance on grid energy and fossil fuels. This includes powering its commercial premises entirely with renewable energy and waste-to-energy practices across its manufacturing processes. CTIL uses energy efficient technologies such as advanced evaporators in the Pulp and Paper segment and pursues green building certifications like Leadership in Energy and Environmental Design (LEED), Indian Green Building Council (IGBC), and Building Research Establishment Environmental Assessment Methodology (BREEAM) for its Real Estate projects. These efforts underscore the Company's commitment to reducing its carbon footprint and enhancing its environmental performance. | The Failure to adequately manage energy and emissions could lead to regulatory fines (transition risk), reduced product demand, and reputational harm, negatively impacting financial outcomes. |
| 10      | Water and Wastewater Management                  | Risk                                       | Efficient water management is critical, especially in the water-intensive Pulp and Paper industry and during the construction phase in Real Estate. Mismanagement can lead to increased operational costs and reputational damage.           | The Company employs advanced water management strategies across its business segments. In the Pulp and Paper segment, it focusses on reducing water consumption and recycling water through technological enhancements and process optimisations. In Real Estate, it integrates water-saving technologies and recycling systems to minimise environmental impact and ensure efficient water use during construction and in completed buildings.                                                                                                                                                                                                                                                                                                                                                                                              | Inadequate water management can lead to higher operational expenses, fines for non-compliance, and it can impact project delivery and profitability.                                            |



| Sl. no. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity                                                                            | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Financial implications of the risk or opportunity (Indicate positive or negative implications)                         |
|---------|---------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| 11      | Waste Management          | Risk                                       | Improper waste management can lead to environmental pollution, resulting in regulatory penalties and reputational damage. | In CTIL 's Real Estate segment, they have implemented organic waste converters at commercial sites and have made provisions for the same at residential sites to transform organic waste into manure, enhancing sustainability. The business segment utilises recycled concrete aggregates in construction to reduce landfill dependency and reuse construction and demolition waste into paver blocks used onsite. In the Company's Pulp and Paper segment, it employs a systematic approach to waste utilisation where organic solid wastes are used as boiler fuel. Fly ash, a major byproduct, is sold to the cement industry as an initiative towards a circular economy. Additionally, sludge from the effluent treatment plants is repurposed in board manufacturing, and precipitated calcium carbonate is produced from carbon dioxide captured during the manufacturing process. | Failing to manage waste effectively could lead to substantial fines, increased operational costs, and legal penalties. |



**SECTION B: MANAGEMENT AND PROCESSES DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions                   |                                                                                                                                                                                                                                      | P1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| <b>Policy and management processes</b> |                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |    |    |    |    |    |    |    |
| 1.                                     | a. <b>Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>                                                                                                                   | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |    |    |    |    |    |    |    |    |
|                                        | b. <b>Has the policy been approved by the Board? (Yes/No)</b>                                                                                                                                                                        | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |    |    |    |    |    |    |    |    |
|                                        | c. <b>Web link of the policies, if available**</b>                                                                                                                                                                                   | CTIL upholds a comprehensive policy framework that encompasses both universal policies applicable across all business segments and specific policies tailored to individual segments. The Company is firm in its commitment to bolstering the coherence and uniformity of its policies, and is currently engaged in a thorough review and refinement process to achieve this objective. For access to the Company's policy portal and internal policies applicable to employees, please refer to the link mentioned below.<br><a href="https://www.centurytextind.com/investors.html#investorTab4">https://www.centurytextind.com/investors.html#investorTab4</a> |    |    |    |    |    |    |    |    |
| 2.                                     | <b>Whether the entity has translated the policy into procedures. (Yes/No)</b>                                                                                                                                                        | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |    |    |    |    |    |    |    |    |
| 3.                                     | <b>Do the enlisted policies extend to your value chain partners? (Yes/No)</b>                                                                                                                                                        | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |    |    |    |    |    |    |    |    |
| 4.                                     | <b>Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |    |    |    |    |    |    |    |
| P1                                     |                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</li> <li>Quality Management System (ISO 9001:2015)</li> <li>Fair Trade Certification (USA and Germany)</li> <li>SMETA (Sedex Members Ethical Trade Audit Report)</li> <li>Information Security Management Systems (ISO 27001:2013)</li> </ul>                                                                                                                                                                                                                                                                                       |    |    |    |    |    |    |    |    |
| P2                                     |                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>Environmental Management System (14001:2015)</li> <li>Zero Discharge of Hazardous Chemicals (ZDHC)</li> <li>Quality Management System (ISO 9001:2015)</li> <li>Occupational Health and Safety Management Systems (ISO 45001:2018)</li> <li>NABL Certification (R&amp;D) (17025:2017)</li> <li>Energy Management System (50001:2018)</li> <li>OEKO-TEX® Made in Green (MIG)</li> </ul>                                                                                                                                                                                                                                      |    |    |    |    |    |    |    |    |



| Disclosure Questions | P1 | P2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
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| <b>P2</b>            |    | <ul style="list-style-type: none"> <li>• OEKO-TEX® Standard 100 • Sustainable Textile Production (STeP)</li> <li>• Fair Trade Certification (USA and Germany)</li> <li>• Supima Certification</li> <li>• LEED (Leadership in Energy and Environmental Design)</li> <li>• Indian Green Building Certification</li> <li>• Global Organic Textile Standards (GOTS)</li> <li>• Organic Contents Standard (OCS)</li> <li>• Global Recycled Standard (GRS)</li> <li>• Recycled Claim Standard (RCS)</li> </ul> |    |    |    |    |    |    |    |
| <b>P3</b>            |    | <ul style="list-style-type: none"> <li>• Occupational Health and Safety Management System (45001:2018)</li> <li>• The International Integrated Reporting Council (IIRC) - Framework</li> </ul>                                                                                                                                                                                                                                                                                                           |    |    |    |    |    |    |    |
| <b>P4</b>            |    | <ul style="list-style-type: none"> <li>• CSR disclosures under Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended</li> <li>• Social Accountability (SA8000:2014)</li> <li>• Higg Index - Facility Social &amp; Labor Module (Higg FSLM)</li> </ul>                                                                                                                                                                         |    |    |    |    |    |    |    |
| <b>P5</b>            |    | <ul style="list-style-type: none"> <li>• Social Accountability (SA8000:2014)</li> <li>• Fair Trade Certification (USA and Germany)</li> <li>• Higg Index - Facility Social &amp; Labor Module (Higg FSLM)</li> </ul>                                                                                                                                                                                                                                                                                     |    |    |    |    |    |    |    |
| <b>P6</b>            |    | <ul style="list-style-type: none"> <li>• Higg Index- Facility Environmental Module (Higg FEM)</li> <li>• Environmental Management System (14001:2015)</li> <li>• Zero Discharge of Hazardous Chemicals (ZDHC)</li> <li>• Occupational Health and Safety Management System (45001:2018)</li> <li>• Energy Management System (50001:2018)</li> <li>• OEKO-TEX® Standard 100</li> </ul>                                                                                                                     |    |    |    |    |    |    |    |

| Disclosure Questions                                                                         | P1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |    |    |    |    |    |    |    | <ul style="list-style-type: none"> <li>Sustainable Textile Production (STeP)</li> <li>OEKO-TEX® Made in Green (MIG)</li> <li>Fair Trade Certification (USA and Germany)</li> <li>LEED (Leadership in Energy and Environmental Design)</li> <li>Indian Green Building Certification</li> <li>Global Organic Textile Standards (GOTS)</li> <li>Organic Contents Standard (OCS)</li> <li>Global Recycled Standard (GRS)</li> <li>Recycled Claim Standard (RCS)</li> </ul> |
| P7                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |    |    |    |    |    |    |    | <ul style="list-style-type: none"> <li>The International Integrated Reporting Council (IIRC) - Framework</li> <li>United Nations Sustainable Development Goals (SDGs)</li> </ul>                                                                                                                                                                                                                                                                                       |
| P8                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |    |    |    |    |    |    |    | <ul style="list-style-type: none"> <li>CSR disclosures under Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended</li> <li>The International Integrated Reporting Council (IIRC) - Framework</li> </ul>                                                                                                                                                                                    |
| P9                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |    |    |    |    |    |    |    | <ul style="list-style-type: none"> <li>Quality Management System (ISO 9001:2015)</li> <li>Information Security Management Systems (ISO 27001:2013)</li> </ul>                                                                                                                                                                                                                                                                                                          |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>Reduce greenhouse gas emissions and improve energy efficiency in operations across all business segments.</li> <li>Achieve zero waste to landfills and implement measures for reusing waste across all segments over time.</li> <li>Make water stewardship a core value in all segments, enhancing water efficiency across operations.</li> </ul> <p><b>Social</b></p> <ul style="list-style-type: none"> <li>Achieve and improve the diversity ratio across the business.</li> <li>Maintain constant improvement in the number of beneficiaries of CSR activities.</li> <li>Aim for zero harm. Implementing assessments of value chain partners on human rights issues across all business segments.</li> <li>Enhance engagement with value chain partners for responsible procurement.</li> </ul> |    |    |    |    |    |    |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |



| Disclosure Questions                                                                                                                      | P1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
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|                                                                                                                                           | <b>Governance</b> <ul style="list-style-type: none"> <li>Governance development and implementation of relevant ESG policies (based on topics identified in the materiality assessment).</li> <li>Setting coherence in the policy framework of different business segments of the Company.</li> </ul> <p>Moreover, CTIL rigorously assesses its operational and business-specific targets, actively refining and setting more precise, quantitative goals. This proactive approach ensures that the Company's commitments lead to measurable and sustainable outcomes.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |    |    |    |    |    |    |    |    |
| <b>6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.</b> | <b>Environment</b> <ul style="list-style-type: none"> <li>Renewable Energy Utilisation               <ul style="list-style-type: none"> <li>100% of commercial buildings are powered by renewable energy for own operations.</li> <li>12% increase in renewable electricity utilisation at a consolidated level.</li> </ul> </li> <li>Emissions and Energy Efficiency               <ul style="list-style-type: none"> <li>Energy efficiency and clean energy usage resulted in a reduction in GHG emission intensity in all business segments. In the Pulp and Paper segment, a new evaporator is enhancing energy efficiency and reducing operation time.</li> </ul> </li> <li>Water Management               <ul style="list-style-type: none"> <li>Achieved a water usage reduction of 25.82m<sup>3</sup>/tonne from the targeted 28m<sup>3</sup>/tonne in the Pulp and Paper segment, resulting in an 11% year-on-year Y-o-Y.</li> <li>49 water conservation schemes in the Pulp and Paper segment.</li> <li>55% of water requirements are met through recycled water in the Pulp and Paper segment.</li> <li>Rainwater harvesting is in place at commercial and residential sites.</li> </ul> </li> </ul> |    |    |    |    |    |    |    |    |

| Disclosure Questions | P1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              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| Disclosure Questions                                                                                                                                                            | P1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| <b>9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.</b> | Yes, the 'Risk Management Committee' shoulders the responsibility of overseeing the Company's approach to sustainability-related issues. Bi-annual meetings are convened to ensure a persistent focus on sustainability initiatives. The Committee comprises the following members:<br><br>Mr. Yazdi P. Dandiwalā – Independent Director<br><br>Mr. Rajan A. Dalal – Independent Director<br><br>Mr. Sohanlal K. Jain – Independent Director<br><br>Mr. Rajendra Kumar Dalmia – Managing Director |    |    |    |    |    |    |    |    |

#### 10. Details of Review of NGRBCs by the Company

| Subject for Review                                                                                                                          | Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee |    |    |    |     |    |    |    |    | Frequency (Annually/Half yearly/Quarterly/Any other – please specify) |    |    |    |    |              |    |    |    |
|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----|----|----|-----|----|----|----|----|-----------------------------------------------------------------------|----|----|----|----|--------------|----|----|----|
|                                                                                                                                             | P1                                                                                            | P2 | P3 | P4 | P5  | P6 | P7 | P8 | P9 | P1                                                                    | P2 | P3 | P4 | P5 | P6           | P7 | P8 | P9 |
| Performance against above policies and follow up action and frequency of review for performance against above policies and follow up action |                                                                                               |    |    |    | Yes |    |    |    |    |                                                                       |    |    |    |    | Annual basis |    |    |    |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances and frequency of review     |                                                                                               |    |    |    | Yes |    |    |    |    |                                                                       |    |    |    |    | Annual basis |    |    |    |

|                                                                                                                               | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|-------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|----|
| <b>11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency?</b> |    |    |    |    |    |    |    |    | No |

#### 12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

| Questions                                                                                                              | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|----|
| The entity does not consider the principles material to its business (Yes/No)                                          |    |    |    |    |    |    |    |    |    |
| The entity is not at a stage where it is able to formulate and implement the policies on specified principles (Yes/No) |    |    |    |    |    |    |    |    |    |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                |    |    |    |    |    |    |    |    |    |
| It is planned to be done in the next financial year (Yes/No)                                                           |    |    |    |    |    |    |    |    |    |
| Any other reason (please specify)                                                                                      |    |    |    |    |    |    |    |    |    |



SECTION C: PRINCIPLE - WISE PERFORMANCE DISCLOSURE



# Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

In line with this principle, the business must inform all its stakeholders about its adherence to local laws and initiatives to raise awareness about the National Guidelines on Responsible Business Conduct (NGRBC).

Ethics and integrity are fundamental to fostering sustainable business growth. CTIL has embedded corporate governance as a core aspect of its

operations, promoting transparency, accountability, and honesty. Every employee undergoes training in ethical practices, supported by robust measures to mitigate risks and ensure compliance. Aligned with Principle 1 of the NGRBC and dedicated to the United Nations' Sustainable Development Goals (UNSDGs), particularly SDGs 16 and 17, the Company actively advances peace, justice, and strong institutions through stringent ethical practices.





## Essential Indicators

### 1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

| Segment                           | Total number of training and awareness programs held                                                                | Topics/principles covered under the training and its impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | % of persons in respective category covered by the awareness programs |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Board of Directors                | Training and awareness programmes are conducted continuously to meet evolving needs and ensure ongoing improvement. | CTIL regularly acquaints its Independent Directors through comprehensive orientation programmes that cover the Company's industry landscape, business strategy, vision, values, and business model. Emphasis is placed on instilling principles of business ethics, equal employment opportunities, and fair practices, guaranteeing informed and impactful governance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 100                                                                   |
| Key Managerial Personnel (KMP)    | 1                                                                                                                   | The Company's training programmes for KMPs encompass a wide array of crucial topics. These include customer focus, equal employment opportunities, fair practices, insider trading prevention, non-harassment, and the prevention of sexual harassment. Additionally, they address conflict of interest, data protection, anti-corruption, and anti-bribery measures.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 66.67                                                                 |
| Employees other than BoD and KMPs | 155                                                                                                                 | The training programmes for employees and workers at CTIL are strategically focussed on key essential areas for personal and professional growth, fostering a positive work environment. These areas include:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 74.05                                                                 |
| Workers                           | 208                                                                                                                 | <p><b>Health and Safety:</b> Conducting regular sessions to maintain a safe working environment.</p> <p><b>Prevention of Sexual Harassment:</b> Implementing programmes to educate and prevent harassment, ensuring a workplace built on respect.</p> <p><b>Skill Upgradation:</b> Continuously, learning opportunities are provided in both technical and non-technical areas, empowering the workforce with evolving skills and knowledge.</p> <p><b>Ethical Standards (Code of Conduct):</b> Emphasising the importance of integrity and ethical practices.</p> <p><b>Other Technical and Non-Technical Skills:</b> Improving diverse skills is essential for professional growth.</p> <p><b>Insider Trading Compliance:</b> Conducting awareness sessions on the SEBI (Prohibition of Insider Trading) Regulations, 2015, specifically tailored for designated employees to prevent insider trading.</p> <p><b>Data Protection and Privacy:</b> Educating employees on the importance of data security and privacy practices.</p> <p><b>Anti-Corruption and Anti-Bribery:</b> Training on laws and policies to combat corruption and bribery in all business dealings.</p> <p><b>Conflict of Interest:</b> Identifying and managing potential conflicts of interest to uphold fairness and transparency.</p> <p><b>Customer Service Excellence:</b> Enhancing customer interaction skills and service quality through programmes.</p> | 13.08                                                                 |

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

| Monetary        |                 |                                                                     |               |                   |                                        |
|-----------------|-----------------|---------------------------------------------------------------------|---------------|-------------------|----------------------------------------|
|                 | NGRBC principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in ₹) | Brief of the case | Has an appeal been preferred? (Yes/No) |
| Penalty/fine    | -               | -                                                                   | Nil           | NA                | NA                                     |
| Settlement      | -               | -                                                                   | Nil           | NA                | NA                                     |
| Compounding fee | -               | -                                                                   | Nil           | NA                | NA                                     |

| Non-Monetary |                 |                                                                     |                   |                                        |
|--------------|-----------------|---------------------------------------------------------------------|-------------------|----------------------------------------|
|              | NGRBC principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the case | Has an appeal been preferred? (Yes/No) |
| Imprisonment | -               | -                                                                   | NA                | NA                                     |
| Punishment   | -               | -                                                                   | NA                | NA                                     |

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details                                                                               | Name of the regulatory/enforcement agencies/judicial institutions |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Not applicable, as there have been no reported incidents of this nature during FY 2023-24. |                                                                   |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, CTIL's commitment to integrity and ethical business practices is upheld through its dedicated Code of Conduct for the Board, senior management, and employees alike. This code places importance on ethics, integrity, and honesty, providing clear guidance for addressing ethical issues, establishing mechanisms to report unethical behaviour, and fostering a culture of accountability. Additionally, it enforces a robust Related Party Transactions Policy to ensure transparency and fairness in dealings involving related parties.

Access CTIL's comprehensive Code of Conduct for the Board and senior management through the Investor section of its website: <https://www.centurytextind.com/> or directly through this link: <https://www.centurytextind.com/assets/pdf/code-of-conduct/code-of-conduct.pdf>. Moreover, the Code of Conduct for employees is readily accessible to all through the Company's intranet.



**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.**

|           | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|-----------|----------------------------------------|-----------------------------------------|
| Directors |                                        |                                         |
| KMPs      | Nil                                    | Nil                                     |
| Employees |                                        |                                         |
| Workers   |                                        |                                         |

**6. Details of complaints about conflict of interest:**

|                                                                                              | FY 2023-24<br>(Current Financial Year) |         | FY 2022-23<br>(Previous Financial Year) |         |
|----------------------------------------------------------------------------------------------|----------------------------------------|---------|-----------------------------------------|---------|
|                                                                                              | Number                                 | Remarks | Number                                  | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil                                    | -       | Nil                                     | -       |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | Nil                                    | -       | Nil                                     | -       |

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

During FY 2023-24, CTIL has not been subjected to any fines, penalties, or regulatory actions related to cases of corruption or conflicts of interest.

**8. Number of days of accounts payables ((Accounts payable \*365)/Cost of goods or services procured) in the following format:**

**FY 2023-24 (Current Financial Year)**

Number of days of accounts payable | **54**

**FY 2022-23 (Previous Financial Year)**

Number of days of accounts payable | **61**

**9. Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

| Parameter                  | Metrics                                                                                | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|----------------------------|----------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                               | 65                                     | 69                                      |
|                            | b. Number of trading houses where purchases are made from                              | 80                                     | 80                                      |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses    | 69                                     | 67                                      |
| Concentration of Sales     | a. Sales to dealers/distributors as % of total sales                                   | 79                                     | 88                                      |
|                            | b. Number of dealers/distributors to whom sales are made                               | 89                                     | 90                                      |
|                            | c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors    | 49                                     | 58                                      |
| Share of RPTs in           | a. Purchases (Purchases with related parties/total purchases)                          | 0                                      | 0                                       |
|                            | b. Sales (Sales to related parties/total sales)                                        | 0                                      | 0                                       |
|                            | c. Loans & advances (Loans & advances given to related parties/total loans & advances) | 0                                      | 0                                       |
|                            | d. Investments (Investments in related parties/total Investments made)                 | 13.09%                                 | 25.69%                                  |





## Leadership Indicators

### 1. Awareness programs conducted for value chain partners on any of the principles during the financial year.

| Business Segment | Total number of awareness programs held | Topics/principles covered under the training                                                                                                                                                         | % of value chain partners covered (by value of business done with such partners) under the awareness programs |
|------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| Real Estate      | 41                                      | Safety related trainings, prevention of child labour, and good governance practices                                                                                                                  | 72                                                                                                            |
| Pulp and Paper   | 4                                       | Organisation principles, Century Pulp and Paper (CPP) sale approach and policies<br>Dealer plant visit - Organisation principles, CPP sustainable initiatives and machine capabilities, among others | 90                                                                                                            |
| Textiles         | 0                                       | NA                                                                                                                                                                                                   | 0                                                                                                             |

### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, CTIL has established robust processes to prevent and manage conflict of interest among its Board members and senior management, as outlined in the Company's Code of Conduct for these stakeholders. This code underscores the values of ethics, integrity, and

honesty, offering clear guidance on addressing ethical issues, establishing mechanisms to report unethical conduct, and fostering a culture of accountability. These stringent measures ensure that every decision and action adheres to the highest ethical standards. The code can be accessed through the Company's website, <https://www.centurytextind.com/>, or directly via this link: <https://www.centurytextind.com/assets/pdf/code-of-conduct/code-of-conduct.pdf>.





# Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe.

The requirement of this principle revolves around safety and resource efficiency in product design and manufacture. To create value, a business must adhere to the principle of minimising and mitigating its negative effects on the environment and society at every stage of the product's life cycle, from design to final disposal.

CTIL integrates sustainability as a core pillar of its operations, ensuring that its products and services maintain high environmental and social

standards. CTIL extends this commitment to its supply chains, prioritising sustainable raw materials and collaborating with firms committed to achieving net-zero emissions. In the upcoming fiscal year, CTIL plans to implement sustainable supply chain assessments to better track its efforts. Additionally, aligning with NGRBC's Principle 2, the Company actively supports several UN Sustainable Development Goals, including sustainable cities, responsible consumption, climate action, and ensuring clean water and sanitation for all.





## Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

|       | FY 2023-24 (Current FY) | FY 2022-23 (Previous FY) | Details of improvements in environmental and social impacts |
|-------|-------------------------|--------------------------|-------------------------------------------------------------|
| R&D   | 0                       | 20.92                    | -                                                           |
| Capex | 0                       | 0                        | -                                                           |

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, CTIL has established procedures for sustainable sourcing across all its segments. In the Company's Real Estate segment, it ensures sustainability by collaborating with ISO-certified suppliers who are dedicated in achieving environmental targets. An innovative use of Ground Granulated Blast Furnace Slag (GGBS) in concrete underscores the Company's commitment in reducing carbon emissions and effective waste management. In the Pulp and Paper segment, sustainability remains a priority with the adoption of FSC-certified raw materials and active support for social forestry initiatives. The Company continuously reviews and adapts its sourcing policies to uphold stringent environmental standards and ethical business practices.

- b. **If yes, what percentage of inputs were sourced sustainably?**

62.09%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

As part of Extended Producer Responsibility (EPR), the Company has implemented processes to manage the end-of-life reclamation of its plastic packaging materials. Partnering with a third-party agency, CTIL ensures the responsible reclamation and recycling of these materials. Meanwhile, other categories of waste such as e-waste, hazardous waste, and miscellaneous waste, are disposed of in strict compliance with applicable regulations and guidelines.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, EPR applies to CTIL specifically for its plastic packaging waste. The Company is registered with the Central Pollution Control Board (CPCB) as a Producers, Importers, and Brand Owners (PIBO) and CTIL acknowledges its responsibility to mitigate the environmental impact of its packaging materials.

Aligned with the CPCB guidelines, CTIL has implemented a comprehensive waste collection plan to ensure the effective gathering, recycling, and disposal of packaging waste associated with PIBO. Moreover, CTIL maintains full compliance with the Plastic Waste Management (PWM) rules, 2016. It is important to note that the Real Estate business operated by CTIL does not fall within the scope of EPR regulations.



## Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format?

| NIC Code | Name of product/service | % of total turnover contributed | Boundary for which the Life Cycle Perspective/Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) If yes, provide the web-link. |
|----------|-------------------------|---------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------------------------|
| -        | -                       | -                               | -                                                                      | -                                                         | -                                                                            |

CTIL plans to conduct LCA for its products in the near future.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of product/service | Description of the risk/concern | Action taken |
|-------------------------|---------------------------------|--------------|
| -                       | -                               | -            |

3. Percentage of recycled or reused input material to total material (by value) used in production (For manufacturing industry) or providing services (for service industry).

| Business segment | Indicate input material                          | Recycled or re-used input material to total material |                                                                                                                                                           |
|------------------|--------------------------------------------------|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  |                                                  | FY 2023-24<br>(Current Financial Year)               | FY 2022-23<br>(Previous Financial Year)                                                                                                                   |
| Real Estate      | Granulated Blast Furnace Slag (GGBS) in concrete | 1.22                                                 | Currently, the Company does not have systems in place to record the percentage of recycled or reused input materials relative to the total material used. |
|                  | Secondary steel                                  | 9.68                                                 |                                                                                                                                                           |
| Pulp and Paper   | Veneer chips                                     | 6.72                                                 | 3.70                                                                                                                                                      |
|                  | Bagasse (residual of sugar cane)                 | 28.61                                                |                                                                                                                                                           |
|                  | Wastepaper (domestic & imported)                 | 3.52                                                 |                                                                                                                                                           |
| Textiles         | Fibre                                            | 8.84                                                 | 0.02                                                                                                                                                      |

\* The % calculation of recycled or input material to the total material used in production is determined based on the mass of the material.



**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed of.**

|                                | FY 2023-24<br>(Current Financial Year) |          |                 | FY 2022-23<br>(Previous Financial Year) |          |                 |
|--------------------------------|----------------------------------------|----------|-----------------|-----------------------------------------|----------|-----------------|
|                                | Re-Used                                | Recycled | Safely Disposed | Re-Used                                 | Recycled | Safely Disposed |
| Plastics (including packaging) | 0                                      | 0        | 0               | 0                                       | 0        | 0               |
| E-waste                        | 0                                      | 0        | 0               | 0                                       | 0        | 0               |
| Hazardous waste                | 0                                      | 0        | 0               | 0                                       | 0        | 0               |
| Other waste                    | 0                                      | 0        | 0               | 0                                       | 0        | 0               |

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

| Indicate product category    | Reclaimed products and their packaging materials as % of total products sold in respective category |
|------------------------------|-----------------------------------------------------------------------------------------------------|
| Plastic waste as part of EPR | NA                                                                                                  |





# Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

The aforementioned principle mandates policies and procedures that uphold fairness, respect, and welfare for all workers throughout the Company and its supply chain, promoting diversity without bias. According to this principle, ensuring the well-being of employees and their families is integral to the overall welfare of the Company.

CTIL recognises the vital role its employees play in its business operations. Their well-being is foundational to the Company's success. As part of the Aditya Birla Group, the Company is firm in its commitment to diversity, ensuring equal opportunities and inclusion for all, including

minority groups, across all levels of its operations. The Company's comprehensive Human Rights Policy adheres to international standards set by organisations like the International Labour Organisation (ILO) and the United Nations Global Compact (UNGC), ensuring a workplace free from physical and mental harassment. Aligned with Principle 3, the Company's commitment extends to UN Sustainable Development Goals (SDGs) such as good health and well-being, decent work, reduced inequalities, and gender equality. CTIL strives to maintain a supportive work culture that complies with all necessary requirements and promotes the overall welfare of its employees.





## Essential Indicators

### 1. a. Details of measures for the well-being of employees.

| Category                       | % of employees covered by |                  |            |                    |            |                    |         |                    |            |                     |            |
|--------------------------------|---------------------------|------------------|------------|--------------------|------------|--------------------|---------|--------------------|------------|---------------------|------------|
|                                | Total<br>(A)              | Health insurance |            | Accident insurance |            | Maternity benefits |         | Paternity benefits |            | Day care facilities |            |
|                                |                           | Number<br>(B)    | %<br>(B/A) | Number<br>(C)      | %<br>(C/A) | Number<br>(D)      | % (D/A) | Number<br>(E)      | %<br>(E/A) | Number<br>(F)       | %<br>(F/A) |
| Permanent employees            |                           |                  |            |                    |            |                    |         |                    |            |                     |            |
| Male                           | 979                       | 979              | 100        | 979                | 100        | NA                 | NA      | 238                | 24         | 0                   | 0          |
| Female                         | 99                        | 99               | 100        | 99                 | 100        | 99                 | 100     | NA                 | NA         | 0                   | 0          |
| Total                          | 1,078                     | 1,078            | 100        | 1,078              | 100        | 99                 | 100     | 238                | 24         | 0                   | 0          |
| Other than permanent employees |                           |                  |            |                    |            |                    |         |                    |            |                     |            |
| Male                           | 86                        | 86               | 100        | 0                  | 0          | NA                 | NA      | 0                  | 0          | 0                   | 0          |
| Female                         | 15                        | 15               | 100        | 0                  | 0          | 15                 | 100     | NA                 | NA         | 0                   | 0          |
| Total                          | 101                       | 101              | 100        | 0                  | 0          | 15                 | 100     | 0                  | 0          | 0                   | 0          |

\*Currently, paternity benefits are available in our Real Estate segment, with plans to extend this crucial support to employees across all other business segments in the upcoming financial year.

### b. Details of measures for the well-being of workers:

| Category                     | % of workers covered by |                  |         |                    |         |                    |         |                    |         |                     |         |
|------------------------------|-------------------------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
|                              | Total<br>(A)            | Health insurance |         | Accident insurance |         | Maternity benefits |         | Paternity benefits |         | Day care facilities |         |
|                              |                         | Number<br>(B)    | % (B/A) | Number<br>(C)      | % (C/A) | Number<br>(D)      | % (D/A) | Number<br>(E)      | % (E/A) | Number<br>(F)       | % (F/A) |
| Permanent workers            |                         |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                         | 1,562                   | 1,562            | 100     | 1,562              | 100     | NA                 | NA      | 0                  | 0       | 0                   | 0       |
| Female                       | 0                       | 0                | 0       | 0                  | 0       | 0                  | 0       | NA                 | NA      | 0                   | 0       |
| Total                        | 1,562                   | 1,562            | 100     | 1,562              | 100     | 0                  | 0       | 0                  | 0       | 0                   | 0       |
| Other than permanent workers |                         |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                         | 4,773                   | 0                | 0       | 0                  | 0       | NA                 | NA      | 0                  | 0       | 0                   | 0       |
| Female                       | 194                     | 0                | 0       | 0                  | 0       | 194                | 100     | NA                 | NA      | 0                   | 0       |
| Total                        | 4,967                   | 0                | 0       | 0                  | 0       | 194                | 100     | 0                  | 0       | 0                   | 0       |



**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

**FY 2023-24 (Current Financial Year)**

Cost incurred on wellbeing measures as a % of total revenue of the Company | **0.12**

**FY 2022-23 (Previous Financial Year)**

Cost incurred on wellbeing measures as a % of total revenue of the Company | **0.12**

**2. Details of retirement benefits.**

| Benefits                | FY 2023-24 (Current FY)                            |                                                |                                                      | FY 2022-23 (Previous FY)                           |                                                |                                                      |
|-------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|
|                         | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                      | 100                                                | 100                                            | Y                                                    | 100                                                | 100                                            | Y                                                    |
| Gratuity                | 100                                                | 100                                            | Y                                                    | 100                                                | 100                                            | Y                                                    |
| ESI                     | 0                                                  | 0                                              | NA                                                   | 52.9                                               | 62.4                                           | Y                                                    |
| Others – please specify | 0                                                  | 0                                              | NA                                                   | 0                                                  | 0                                              | NA                                                   |

**3. Accessibility of workplaces**

**Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, CTIL is deeply dedicated to fostering inclusion and diversity within its workforce. In accordance with the Rights of Persons with Disabilities Act, 2016, the Company ensures that all its premises, including project sites and offices across various business segments, are fully accessible to differently abled employees and workers. This commitment is reflected in provisions like wheelchair-accessible restrooms on ground floors, as well as the installation of ramps and other necessary accessibility features at all business locations.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, CTIL integrates the provision of non-discrimination and equal opportunity for employment into its Human Rights Policy in accordance with the Rights of Persons with Disabilities Act, 2016. This policy is readily accessible to all employees through the Company's intranet systems. CTIL strives to provide equal opportunities to all employees and qualified applicants, without regard to race, colour, gender identity or expression, religion, national origin, age, disability, or any other protected status. Furthermore, the Company's hiring, promotion, and compensation practices are grounded in merit, qualifications, and capabilities.

**5. Return to work and retention rates of permanent employees and workers that took parental leave.**

| Gender | Permanent employees |                | Permanent workers   |                |
|--------|---------------------|----------------|---------------------|----------------|
|        | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male   | 100%                | 100%           | NA                  | NA             |
| Female | 33%                 | 0%             | #                   | #              |
| Total  | 67%                 | 75%            | -                   | -              |

# None of the permanent female workers availed of parental leave during this financial year.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

| Yes/No (If yes, then give details of the mechanism in brief) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Permanent workers                                            | <p>CTIL prioritises effective communication and swift resolution for any issue employees and workers might face. The Company's open-door policy allows direct interactions with senior management, ensuring immediate attention to concerns. Additionally, the Grievance Drop Box in Company premises allows the workforce to anonymously and confidentially report their issues. CTIL enforces a robust Whistle Blower Policy and a comprehensive Prevention of Sexual Harassment (POSH) policy, fostering a transparent and respectful work environment. The Company's Ethics and Vigilance Officer is specifically appointed to handle all complaints sensitively and confidentially. In terms of safety, the Company provides emergency contact cards in the Pulp and Paper segment and stringent safety regulations in the Real Estate segment. Non-compliance with these safety measures can result in penalties ranging from fines to termination, underscoring the Company's commitment to a safe and secure work environment.</p> <p>This framework ensures every employee and worker has access to a robust grievance redressal mechanism, fostering a supportive and secure workplace environment at CTIL.</p> |
| Other than permanent workers                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Permanent employees                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Other than permanent employees                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

**7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:**

| Category                         | FY 2023-24 (Current Financial Year)                     |                                                                                                  |          | FY 2022-23 (Previous Financial Year)                    |                                                                                                  |          |
|----------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------|---------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------|
|                                  | Total employees/ workers in the respective category (A) | No. of employees/ workers in the respective category who are part of association(s) or Union (B) | % (B/A)  | Total employees/ workers in the respective category (C) | No. of employees/ workers in the respective category who are part of association(s) or Union (D) | % (D/C)  |
| <b>Total permanent employees</b> | <b>1,078</b>                                            | <b>0</b>                                                                                         | <b>0</b> | <b>1,200</b>                                            | <b>0</b>                                                                                         | <b>0</b> |
| Male                             | 979                                                     | 0                                                                                                | 0        | 1,133                                                   | 0                                                                                                | 0        |
| Female                           | 99                                                      | 0                                                                                                | 0        | 67                                                      | 0                                                                                                | 0        |
| <b>Total permanent workers</b>   | <b>1,562</b>                                            | <b>0</b>                                                                                         | <b>0</b> | <b>3,147</b>                                            | <b>0</b>                                                                                         | <b>0</b> |
| Male                             | 1,562                                                   | 0                                                                                                | 0        | 3,092                                                   | 0                                                                                                | 0        |
| Female                           | 0                                                       | 0                                                                                                | 0        | 55                                                      | 0                                                                                                | 0        |

**8. Details of training given to employees and workers:**

| Category  | FY 2023-24 (Current Financial Year) |                               |         |                      |         | FY 2022-23 (Previous Financial Year) |                               |         |                      |         |
|-----------|-------------------------------------|-------------------------------|---------|----------------------|---------|--------------------------------------|-------------------------------|---------|----------------------|---------|
|           | Total (A)                           | On health and safety measures |         | On skill upgradation |         | Total (D)                            | On health and safety measures |         | On skill upgradation |         |
|           |                                     | No. (B)                       | % (B/A) | No. (C)              | % (C/A) |                                      | No. (E)                       | % (E/D) | No. (F)              | % (F/D) |
| Employees |                                     |                               |         |                      |         |                                      |                               |         |                      |         |
| Male      | 979                                 | 784                           | 80      | 499                  | 51      | 1,149                                | 789                           | 69      | 962                  | 84      |
| Female    | 99                                  | 18                            | 18      | 40                   | 40      | 78                                   | 72                            | 92      | 27                   | 35      |
| Total     | 1,078                               | 802                           | 74      | 539                  | 50      | 1,227                                | 861                           | 70      | 989                  | 81      |
| Workers   |                                     |                               |         |                      |         |                                      |                               |         |                      |         |
| Male      | 1,562                               | 1,262                         | 81      | 864                  | 55      | 3,028                                | 2,476                         | 82      | 1,606                | 53      |
| Female    | 0                                   | 0                             | 0       | 0                    | 0       | 55                                   | 55                            | 100     | 55                   | 100     |
| Total     | 1,562                               | 1,262                         | 81      | 864                  | 55      | 3,083                                | 2,531                         | 82      | 1,661                | 54      |

**9. Details of performance and career development reviews of employees and worker:**

| Category         | FY 2023-24 (Current Financial Year) |              |           | FY 2022-23 (Previous Financial Year) |              |            |
|------------------|-------------------------------------|--------------|-----------|--------------------------------------|--------------|------------|
|                  | Total (A)                           | No. (B)      | % (B/A)   | Total (C)                            | No. (D)      | % (D/C)    |
| <b>Employees</b> |                                     |              |           |                                      |              |            |
| Male             | 979                                 | 937          | 96        | 1,149                                | 1,149        | 100        |
| Female           | 99                                  | 96           | 97        | 78                                   | 78           | 100        |
| <b>Total</b>     | <b>1,078</b>                        | <b>1,033</b> | <b>96</b> | <b>1,227</b>                         | <b>1,227</b> | <b>100</b> |
| <b>Workers</b>   |                                     |              |           |                                      |              |            |
| Male             | 1562                                | 1365         | 87        | 3,028                                | 3,028        | 100        |
| Female           | 0                                   | 0            | NA        | 55                                   | 55           | 100        |
| <b>Total</b>     | <b>1,562</b>                        | <b>1,365</b> | <b>87</b> | <b>3,083</b>                         | <b>3,083</b> | <b>100</b> |

\* As per CTIL's policy, all employees and workers are entitled to an annual performance and career development review. These reviews align with the Financial Calendar Year cycle, running from April to March. The percentage of employees or workers not included in the current review primarily comprises those who joined the organisation between January 2024 and March 2024. They will be included in next year's performance review cycle, ensuring that all members have the opportunity to participate in the evaluation process within the designated timeframe.

**10. Health and safety management system:****a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, what is the coverage of such a system?**

Yes, the Company has implemented Occupational Health and Safety Management Systems (OHSMS) certified under ISO 45001:2018. This system provides comprehensive coverage for all employees, including contract workers. It ensures that occupational health and safety measures are effectively implemented and monitored throughout the organisation.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

CTIL adheres to its comprehensive Standard Operating Procedures (SOPs) across all business segments to proactively identify workplace hazards and evaluate risks. Moreover, as part of the ISO 45001:2018 Occupational Health and Safety Management System, the Company has documented procedures for conducting assessments of work-related hazards and risks. Key components include:

**Hazard Identification and Risk Assessment (HIRA):**

CTIL proactively engages with its working personnel to identify risks, analyse potential dangers, and implement appropriate controls to mitigate these risks effectively.

**Job Safety Analysis (JSA):** Before initiating any critical operations, the Company conducts JSA, meticulously analysing each job task at the activity level to assess and mitigate potential risks at every step.

**Behaviour-Based Safety Operations (BBSO):** This system helps the Company to identify risks associated with behaviours, foster a culture of reporting unsafe acts and conditions, and encourage voluntary adherence to safety practices.

**Incident Investigation:** The Company maintains a robust mechanism for investigating incidents, crucial for identifying root causes.

**Safety Audits:** The Company conducts rigorous safety audits regularly, both internally and by external parties, ensuring continuous adherence to safety standards.

These measures demonstrate CTIL's dedication to provide a safe and healthy work environment for all its employees and workers.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

CTIL prioritises the thorough training of its workers and employees in hazard identification and ensures they understand the protocols for reporting risks. To facilitate this, the Company has established several channels for reporting potential job-related hazards, including specialised written forms, direct conversations with managers, and communication with the Company's health and safety department. Additionally, the Whistle Blower Policy supports anonymous reporting of potential or actual risks. In the event of identifying a hazard, employees are empowered to promptly remove themselves from the danger zone, inform their managers, and adhere to defined evacuation protocols. These procedures guarantee timely reporting and proactive participation in maintaining a secure workplace environment.

**d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

CTIL goes beyond occupational health concerns by offering comprehensive non-occupational medical

services to guarantee the well-being of its employees and their families.

The Company's health benefits include robust health insurance covering Outpatient Department (OPD) consultations and hospitalisations for all employees and their immediate family members. This insurance not only addresses medical expenses for family members but also provides crucial support during emergencies, ensuring employees receive necessary medical care unrelated to work.

Additionally, the Company places a strong focus on mental and physical health through a range of wellness programmes. Regular health check-ups are conducted to ensure preventative care and the early detection of health issues.

In a significant initiative to support mental health, particularly in its Real Estate segment, CTIL has appointed 25 employees certified as wellness ambassadors by Mpower. The Company has partnered with Mpower to conduct mental health sessions for employees. Furthermore, a team of counsellors is available over the phone whenever employees or their family members seek assistance.

**11. Details of safety related incidents, in the following format:**

|                                                                               | Category  | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|-------------------------------------------------------------------------------|-----------|----------------------------------------|-----------------------------------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 1.28                                   | 1.06                                    |
|                                                                               | Workers   | 0.48                                   | 0.37                                    |
| Total recordable work-related injuries                                        | Employees | 6                                      | 11                                      |
|                                                                               | Workers   | 12                                     | 7                                       |
| No. of fatalities                                                             | Employees | 0                                      | 0                                       |
|                                                                               | Workers   | 0                                      | 2                                       |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees | 0                                      | 0                                       |
|                                                                               | Workers   | 0                                      | 0                                       |



## 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At CTIL, maintaining a safe and healthy workplace is foundational across all business segments. The Company's dedicated health and safety team diligently oversees operations and continually enhances performance in occupational health and safety. Specific risks such as electrical hazards are systematically addressed through targeted mitigation measures, while rigorous safety protocols safeguard employees working at heights.

Comprehensive safety handbooks provide employees with essential rules and practices, supported by regular

safety training that equips them with the necessary knowledge and skills. Monthly patrols are conducted to proactively identify and address any potential risks. Through a robust safety awareness programme, CTIL ensures employees are well-informed about regulations and procedures, fostering a strong safety culture. Segment-specific safety cards provide quick access to essential information and resources tailored to each operational area's needs. Thorough training on fire safety and emergency response prepares staff to effectively manage crises. Clear 'Dos and Don'ts' guidelines reinforce safe behaviours and procedures, minimising risks and accidents. These initiatives include all workers and employees, empowering them to recognise, report, and mitigate work-related risks.

## 13. Number of complaints on the following made by employees and workers.

|                    | FY 2023-24 (Current Financial Year) |                                           |         | FY 2022-23 (Previous Financial Year) |                                           |         |
|--------------------|-------------------------------------|-------------------------------------------|---------|--------------------------------------|-------------------------------------------|---------|
|                    | Filed during the year               | Pending resolution at the end of the year | Remarks | Filed during the year                | Pending resolution at the end of the year | Remarks |
| Working conditions | 0                                   | 0                                         | NA      | 0                                    | 0                                         | NA      |
| Health & safety    | 0                                   | 0                                         | NA      | 0                                    | 0                                         | NA      |

## 14. Assessments for the year

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|-------------------------------------------------------------------------------------------------------|
| Health and safety practices | 100                                                                                                   |
| Working conditions          | 100                                                                                                   |

## 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Yes. The assessment of health and safety practices and working conditions has enabled CTIL to identify key risk areas across its diverse segments. To streamline this process, a specialised high-risk team has been established, tasked with identifying and addressing key safety concerns within each operational domain. This team conducts safety patrols, visiting various sites and areas to perform audits and generate reports. Additionally, a detailed Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis is conducted to enhance risk mitigation strategies.

The high-risk focus team has identified electrical hazards and working at height as significant risks to employee health and well-being.

To address these issues, frequent electrical audits are conducted in the segment by the electrical head of the respective segment. Furthermore, Electrical Lockout Tagout (LOTO) procedures are implemented at the plant, alongside the utilisation of equipment meeting IP65-rated standards.

In the realm of Real Estate, the primary high-risk concern pertains to working at height. Given that CTIL develops high-rise buildings, ensuring the safety of workers operating at elevated heights is paramount. To achieve this, fall-resistant equipment is deployed within the Real Estate segment.



## Leadership Indicators

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, the Company guarantees extensive benefits for all its workers and employees, including life insurance coverage and compensation packages in the event of an unfortunate demise.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

CTIL diligently ensures that its value chain partners comply with statutory dues, implementing a series of robust measures to maintain transparency and adherence to regulations. These measures include:

**Engagement with Vendors:** The Company engages vendors with a proven track record of compliance with regulatory laws, an essential criterion across all its business segments.

**Internal Control Mechanism:** The Company has instituted an internal mechanism to ensure the punctual and thorough delivery of statutory dues, monitoring and verifying that all obligations are fulfilled timely.

**Verification of Challan Copies:** CTIL mandates that its contractors and third parties submit copies of the challan for Provident Fund (PF) and Employee State Insurance (ESI) contributions made on behalf of their employees. This step helps ensure that statutory payments are properly processed.

**Online Compliance Checks:** The Company employs online checks to verify the PF, ESI, and Goods and Services Tax (GST) returns filed by its contractors and third parties. This proactive approach allows efficient oversight and ensures compliance across its entire supply chain.

**3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

|           | Total no. of affected employees/workers |                                         | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |                                         |
|-----------|-----------------------------------------|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
|           | FY 2023-24<br>(Current Financial Year)  | FY 2022-23<br>(Previous Financial Year) | FY 2023-24<br>(Current Financial Year)                                                                                                            | FY 2022-23<br>(Previous Financial Year) |
| Employees | 0                                       | Nil                                     | 0                                                                                                                                                 | Nil                                     |
| Workers   | 0                                       | 2                                       | 0                                                                                                                                                 | 2                                       |



**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

Yes, CTIL extends comprehensive transition assistance programmes to facilitate the continued employability of its workforce, especially for mid- to senior-level employees and executives post-retirement. While the Company does not have a formal programme, it aligns with Aditya Birla Group (ABG) policies by offering a weeklong training programme covering areas like savings, spirituality, socialisation, health, and exercise for retired professionals and their spouses.

The Human Resources team conducts personalised assessments, provides guidance, and offers support throughout the transition, demonstrating CTIL's commitment to ensuring the long-term prosperity and employability of its personnel.

**5. Details on assessment of value chain partners:**

|                              | % of value chain partners<br>(by value of business done with such partners) that were assessed |                |          |
|------------------------------|------------------------------------------------------------------------------------------------|----------------|----------|
|                              | Real estate                                                                                    | Pulp and paper | Textiles |
| Health and safety conditions | 8.83                                                                                           | 0              | 2.80     |
| Working conditions           | 8.83                                                                                           | 0              | 2.80     |

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

In the current financial year, the Company has not identified any significant risks necessitating immediate action through its rigorous assessment process. CTIL employs a detailed checklist to evaluate its value chain partners, encompassing critical factors such as creditworthiness, market presence, feedback

from peers, financial capacity, client preferences, net worth, and experience. For vendors deemed material to the Company, CTIL conducts half-yearly assessments focussing on quality, supply reliability, and service delivery, assigning ratings from 1 to 5. This structured evaluation process enables the Company to take appropriate actions, which may include vendor removal, warnings, developmental guidance, updates, or retention, fostering accountability and continuous enhancement within its partnerships.





# Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders.

According to the principle, the Company must acknowledge that it functions within an ecosystem that includes several stakeholders. Additionally, it mandates that the Company accept responsibility for maximising the benefits and minimising and mitigating the negative effects of its operations on the stakeholders.

CTIL recognises the critical role stakeholders play in its business operations and remains indomitable in creating an environment that addresses their needs. In the current financial year, the Company conducted a materiality assessment to thoroughly understand

and incorporate stakeholder perspectives and requirements. This assessment goes beyond a mere snapshot; CTIL maintains continuous communication with stakeholders to swiftly and adeptly address their concerns.

Aligned with Principle 4 of the NGRBC Policy, the Company's commitment extends to promoting sustainable cities and communities, advocating for peace, justice, and strong institutions, and championing gender equality and poverty reduction among its stakeholders.





## Essential Indicators

### 1. Describe the processes for identifying key stakeholder groups of the entity

CTIL recognises stakeholders as it encompasses all individuals, groups, or entities impacted by its activities, products, or services, as well as those who can influence or have an interest in its operations. The process of identifying and prioritising stakeholders starts with a thorough mapping and assessment of each stakeholder's relevance based on their impact, influence, and significance to the Company. To ensure comprehensive engagement, the Company collects

data through surveys and feedback mechanisms. The finalisation of key stakeholders is achieved through consultation and discussion among Board members, managers, and relevant staff.

Stakeholders are categorised into internal and external groups. External stakeholders include investors, lenders, customers, regulatory bodies, suppliers, other supply chain partners, local communities, non-government organisations, joint venture partners and the media. Internal stakeholders comprise employees, permanent workers and contractual support workers.

### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder group          | Whether identified as vulnerable & marginalised group (Yes/No) | Channels of communication (E-mail, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other                                                                                                                               | Frequency of engagement (Annually/half yearly/quarterly/others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                |
|----------------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investors and shareholders | No                                                             | <ul style="list-style-type: none"> <li>Quarterly investor conferences</li> <li>One-on-one engagements</li> <li>Annual general meetings (AGMs)</li> <li>Annual/Integrated Reports</li> </ul>                                                                  | Quarterly                                                                        | <ul style="list-style-type: none"> <li>Continuous operational performance</li> <li>Timely disclosures and compliance</li> <li>Updated corporate governance framework</li> <li>Consistent return on investment and profitable growth</li> </ul> |
| Regulatory bodies          | No                                                             | <ul style="list-style-type: none"> <li>Annual/Integrated reports</li> <li>Regular meetings</li> <li>Industry forums</li> <li>E-mails and letters</li> <li>Policy updates and ministry directives</li> <li>Conferences</li> <li>Regulatory filings</li> </ul> | Periodic/annual                                                                  | <ul style="list-style-type: none"> <li>Compliance to regulations</li> <li>Pollution prevention</li> <li>Tax and royalties</li> </ul>                                                                                                           |
| Customers/consumers        | No                                                             | <ul style="list-style-type: none"> <li>Virtual sessions</li> <li>Grievance redressal mechanism</li> <li>Exhibitions and trade fairs</li> <li>Advertising campaigns</li> <li>Regular business interactions</li> <li>Customer satisfaction surveys</li> </ul>  | Quarterly                                                                        | <ul style="list-style-type: none"> <li>Product quality and fair pricing</li> <li>Post-sales support</li> <li>Product safety</li> <li>Sustainable product offerings and solutions</li> </ul>                                                    |

| Stakeholder group          | Whether identified as vulnerable & marginalised group (Yes/No) | Channels of communication (E-mail, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other                                                                        | Frequency of engagement (Annually/half yearly/quarterly/others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                |
|----------------------------|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Supply chain partners      | Yes<br>(small and local suppliers)                             | <ul style="list-style-type: none"> <li>- Supplier grievance mechanism</li> <li>- Emails and meetings</li> <li>- Supplier assessments and review</li> <li>- Training workshops and seminars</li> </ul> | Continuous                                                                       | <ul style="list-style-type: none"> <li>- Good deals/pricing</li> <li>- Value creation</li> <li>- Continuity of orders</li> <li>- Timely payment</li> <li>- Long-term commitments with business partners</li> </ul>                                                                                                             |
| Community/ local community | No                                                             | <ul style="list-style-type: none"> <li>- Training and workshops</li> <li>- Engagement and assessment surveys</li> <li>- CSR reports</li> <li>- Emails and telephonic conversations</li> </ul>         | Continuous                                                                       | <ul style="list-style-type: none"> <li>- Water and sanitation facilities</li> <li>- Infrastructure development</li> <li>- Training and inclusive growth</li> <li>- Environmentally friendly operations</li> <li>- Improvement in overall living standards</li> <li>- Livelihood creation and adequate opportunities</li> </ul> |
| Employees                  | No                                                             | <ul style="list-style-type: none"> <li>- Grievance redressal mechanism</li> <li>- Employee engagement programmes</li> <li>- Emails and meetings</li> <li>- Performance reviews</li> </ul>             | Continuous                                                                       | <ul style="list-style-type: none"> <li>- Physical and mental well-being</li> <li>- Occupational health and safety</li> <li>- Rewards and recognition</li> <li>- Work-life balance</li> <li>- Fair wages and equal opportunities</li> <li>- Training and upskilling</li> <li>- Career growth</li> </ul>                         |
| Media                      | No                                                             | <ul style="list-style-type: none"> <li>- Press conferences</li> <li>- Press releases</li> <li>- Discussions and interviews with leadership</li> <li>- Industry events</li> </ul>                      | Need-basis                                                                       | <ul style="list-style-type: none"> <li>- Transparent communication</li> </ul>                                                                                                                                                                                                                                                  |
| Joint venture partners     | No                                                             | <ul style="list-style-type: none"> <li>- E-mails and meetings</li> <li>- Personal interactions</li> <li>- Workshops and seminars</li> </ul>                                                           | Continuous                                                                       | <ul style="list-style-type: none"> <li>- Value creation</li> <li>- Long-term commitments</li> <li>- Timely disclosures and compliance</li> </ul>                                                                                                                                                                               |



## Leadership Indicators

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

CTIL conducts an extensive stakeholder engagement process to gather diverse perspectives and insights on key economic, environmental, and social issues affecting the Company's business. Identified gaps and insights from this process undergo thorough review by the Board, with findings promptly communicated to senior management. This ensures the swift implementation of corrective actions where necessary. Furthermore, the Company maintains transparent communication with the Board, providing updates on the progress of initiatives undertaken to address these identified gaps and observations.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, stakeholder consultations are integral to the process of identifying and managing environmental and social issues. CTIL actively solicits feedback from relevant parties and seamlessly integrates their insights into the operational practices and strategic procedures. This methodical approach ensures that it remains focussed on the substantive topics identified during these dialogues. By aligning the initiatives with stakeholder expectations, CTIL enhances the sustainability of its operations and underscores the significance of its contributions to the Company's strategic objectives.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.**

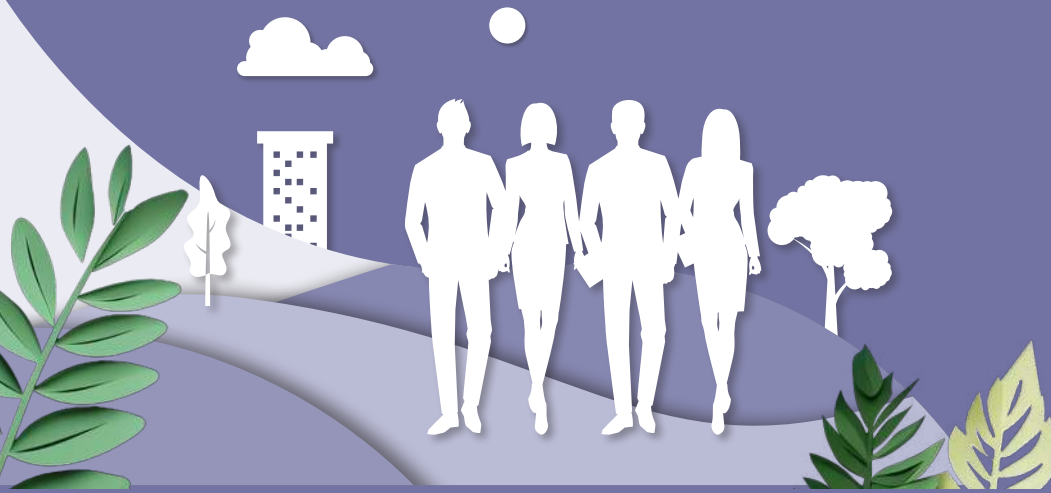
CTIL is committed to engaging with and addressing the concerns of vulnerable and marginalised stakeholder groups across its business segments. The Company's initiatives aim to empower these communities and provide them with access to opportunities and essential services.

A key aspect of CTIL's efforts involve collaborating with local stakeholders and authorities to prevent environmental hazards and promote sustainability. For instance, in partnership with the Forest Department of Nainital, the Pulp and Paper segment has initiated a project to collect and utilise dried leaves from forests. This initiative not only reduces the risk of forest fires during the summer but also contributes to environmental protection and minimises dependency on non-renewable energy sources.

Additionally, CTIL's CSR projects are strategically designed to cater to the specific needs of marginalised communities. The Company conducts healthcare initiatives such as medical camps, addressing the healthcare needs of individuals and benefiting hundreds in the process. Emphasising sanitation and hygiene, CTIL implements cleanliness projects that significantly contribute to disease prevention and overall public health improvement.

Furthermore, the Company's infrastructure development projects, such as the construction of toilets, play a crucial role in enhancing living standards and promoting dignity for the local population. The Company also extends support to vulnerable families through initiatives like distributing blankets during the winter season. Additionally, CTIL focusses on women's development by offering skill development and vocational education, empowering women with suitable livelihood opportunities. The Company is also dedicated to promoting education for vulnerable and marginalised groups, helping uplift their status and providing a brighter future. Environmental sustainability is another key aspect of CTIL's CSR activities, ensuring the environment around their operations remains healthy and sustainable. Through these comprehensive efforts, CTIL has positively impacted 1,18,208 individuals, providing various forms of aid and support to foster a better quality of life.





# Principle 5

Businesses should respect and promote human rights.

This principle states that businesses have an obligation to protect human rights by not inadvertently generating or negatively contributing to human rights and by addressing such impacts when they do arise.

The employees and workers of the Company form the backbone of the Company. CTIL upholds robust human rights policies that extend across its entire value chain, aligned with the guidelines of the International Labour Organisation (ILO) and United Nations Guiding Principles (UNGP). The Company is committed to respecting the human rights of its workforce, communities and all those impacted by its operations, including contractors and suppliers. This commitment is in accordance with

internationally recognised frameworks, including the Social Accountability 8000 International Standard and its associated international instruments. CTIL proactively addresses and mitigates potential human rights issues, ensuring that risks are managed before they can lead to significant consequences. By adhering to these high standards, the Company fosters a respectful and ethical work environment that benefits everyone involved in its operations.

As Principle 5 is in line with human rights, it accomplishes different areas covered under SDGs like gender quality, decent work, and economic growth, reduces inequalities, ensures quality education, and reaches a stage of no poverty.





## Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category               | FY 2023-24 (Current Financial Year) |                                             |           | FY 2022-23 (Previous Financial Year) |                                             |           |
|------------------------|-------------------------------------|---------------------------------------------|-----------|--------------------------------------|---------------------------------------------|-----------|
|                        | Total (A)                           | No. of employees/<br>workers covered<br>(B) | % (B/A)   | Total (C)                            | No. of employees/<br>workers covered<br>(D) | % (D/C)   |
| <b>Employees</b>       |                                     |                                             |           |                                      |                                             |           |
| Permanent              | 1,078                               | 675                                         | 63        | 1,227                                | 1,197                                       | 98        |
| Other than permanent   | 101                                 | 36                                          | 36        | 78                                   | 0                                           | 0         |
| <b>Total employees</b> | <b>1,179</b>                        | <b>711</b>                                  | <b>60</b> | <b>1,305</b>                         | <b>1,197</b>                                | <b>92</b> |
| <b>Workers</b>         |                                     |                                             |           |                                      |                                             |           |
| Permanent              | 1,562                               | 154                                         | 10        | 3,083                                | 1,517                                       | 49        |
| Other than permanent   | 4,967                               | 1,091                                       | 22        | 5,915                                | 1,864                                       | 32        |
| <b>Total workers</b>   | <b>6,529</b>                        | <b>1,245</b>                                | <b>19</b> | <b>8,998</b>                         | <b>3,381</b>                                | <b>38</b> |

2. Details of minimum wages paid to employees and workers, in the following format

| Category             | FY 2023-24 (Current Financial Year) |                       |         |                        |         | FY 2022-23 (Previous Financial Year) |                       |         |                        |         |
|----------------------|-------------------------------------|-----------------------|---------|------------------------|---------|--------------------------------------|-----------------------|---------|------------------------|---------|
|                      | Total<br>(A)                        | Equal to minimum wage |         | More than minimum wage |         | Total<br>(D)                         | Equal to minimum wage |         | More than minimum wage |         |
|                      |                                     | No. (B)               | % (B/A) | No. (C)                | % (C/A) |                                      | No. (E)               | % (E/D) | No. (F)                | % (F/D) |
|                      |                                     |                       |         |                        |         |                                      |                       |         |                        |         |
| Employees            |                                     |                       |         |                        |         |                                      |                       |         |                        |         |
| Permanent            |                                     |                       |         |                        |         |                                      |                       |         |                        |         |
| Male                 | 979                                 | 0                     | 0       | 979                    | 100     | 1,149                                | 0                     | 0       | 1,149                  | 100     |
| Female               | 99                                  | 0                     | 0       | 99                     | 100     | 78                                   | 0                     | 0       | 78                     | 100     |
| Other than permanent |                                     |                       |         |                        |         |                                      |                       |         |                        |         |
| Male                 | 86                                  | 0                     | 0       | 86                     | 100     | 60                                   | 0                     | 0       | 60                     | 100     |
| Female               | 15                                  | 0                     | 0       | 15                     | 100     | 18                                   | 0                     | 0       | 18                     | 100     |
| Workers              |                                     |                       |         |                        |         |                                      |                       |         |                        |         |
| Permanent            |                                     |                       |         |                        |         |                                      |                       |         |                        |         |
| Male                 | 1,562                               | 154                   | 10      | 1,408                  | 90      | 3,028                                | 274                   | 9       | 2,754                  | 91      |
| Female               | 0                                   | 0                     | 0       | 0                      | NA      | 55                                   | 14                    | 22      | 43                     | 78      |
| Other than permanent |                                     |                       |         |                        |         |                                      |                       |         |                        |         |
| Male                 | 4,773                               | 789                   | 17      | 3,984                  | 83      | 5,587                                | 806                   | 14      | 4,781                  | 86      |
| Female               | 194                                 | 192                   | 99      | 2                      | 1       | 328                                  | 307                   | 94      | 21                     | 6       |

**3. Details of remuneration/salary/wages, in the following format**

|                                  | Male   |                                                             | Female |                                                             |
|----------------------------------|--------|-------------------------------------------------------------|--------|-------------------------------------------------------------|
|                                  | Number | Median remuneration/salary/wages of the respective category | Number | Median remuneration/salary/wages of the respective category |
| Board of Directors (BoD)         | 5      | 39,98,333                                                   | 2      | 37,58,334                                                   |
| Key Managerial Personnel         | 3      | 2,03,60,658                                                 | 0      | NA                                                          |
| Employees other than BoD and KMP | 979    | 10,88,640                                                   | 99     | 16,27,433                                                   |
| Workers                          | 1,562  | 5,04,813                                                    | 0      | NA                                                          |

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

|                                                 | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|-------------------------------------------------|----------------------------------------|-----------------------------------------|
| Gross wages paid to females as % of total wages | 10                                     | -                                       |

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, CTIL is firm in protecting workforce rights and ensuring well-being at work, spearheaded by its dedicated Ethics and Vigilance Officer. The Company's robust human rights policies extend to its employees, suppliers, and service providers, emphasising strict adherence to applicable laws and the spirit of human rights. In alignment with the Prevention of Sexual Harassment (POSH) of Women at Workplace Act, 2013 the Company has established Internal Complaints Committees at each of its offices and units. These committees are tasked with receiving and addressing complaints related to sexual harassment, ensuring a supportive and respectful workplace for women.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

CTIL is indomitable in its commitment to upholding human rights across all its operations. The Company has established robust internal mechanisms to address grievances related to human rights issues, underscored by a comprehensive Human Rights Policy. This policy outlines the Company's dedication to respecting human rights in every facet of its operations and serves as a guiding framework to ensure adherence to human rights standards across the organisation. Employees are encouraged to report any human rights concerns to the Company's Ethics and Vigilance Officer.

Upon receiving a complaint, a preliminary inquiry is promptly conducted to ascertain the nature and severity of the issue. The findings of this investigation are then presented to the Audit Committee, which plays a crucial role in examining and resolving human rights matters. Based on the Audit Committee's recommendations, appropriate steps are taken to ensure the grievance is appropriately addressed.

**6. Number of complaints on the following made by employees and workers:**

|                                   | FY 2023-24 (Current Financial Year) |                                           |         | FY 2022-23 (Previous Financial Year) |                                           |           |
|-----------------------------------|-------------------------------------|-------------------------------------------|---------|--------------------------------------|-------------------------------------------|-----------|
|                                   | Filed during the year               | Pending resolution at the end of the year | Remarks | Filed during the year                | Pending resolution at the end of the year | Remarks   |
| Sexual harassment                 | 0                                   | 0                                         | -       | 2                                    | 2                                         | Redressed |
| Discrimination at workplace       | 0                                   | 0                                         | -       | 0                                    | 0                                         |           |
| Child labour                      | 0                                   | 0                                         | -       | 0                                    | 0                                         |           |
| Forced labour/Involuntary labour  | 0                                   | 0                                         | -       | 0                                    | 0                                         |           |
| Wages                             | 0                                   | 0                                         | -       | 0                                    | 0                                         |           |
| Other human rights related issues | 0                                   | 0                                         | -       | 0                                    | 0                                         |           |

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

|                                                                                                                                     | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 0                                      | 2                                       |
| Complaints on POSH as a % of female employees/workers                                                                               | 0                                      | 0.41                                    |
| Complaints on POSH upheld                                                                                                           | 0                                      | 0                                       |

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

CTIL has implemented robust procedures to safeguard complainants against discrimination and harassment. The Company maintains a well-defined grievance redressal mechanism designed to address violations of the Code of Conduct, instances of discrimination, harassment, and complaints related to POSH guidelines. All cases are handled confidentially by designated committee members who are trained and appointed specifically to manage complaints in strict adherence to Company policies and the established

grievance redressal mechanism. CTIL also places emphasis on frequent awareness, education, and sensitisation initiatives to ensure the effectiveness and strengthening of these processes.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, across all business segments, CTIL mandates adherence to human rights requirements in all business agreements and contracts. The Company's human rights policy, based on Social Accountability 8000 (SA8000), ensures the protection of human rights for contractors and suppliers alike.

**10. Assessments of the year**

|                             | % of your plants and offices that were assessed<br>(By entity or statutory authorities or third parties) |
|-----------------------------|----------------------------------------------------------------------------------------------------------|
| Child labour                | 100                                                                                                      |
| Forced/involuntary labour   | 100                                                                                                      |
| Sexual harassment           | 100                                                                                                      |
| Discrimination at workplace | 100                                                                                                      |
| Wages                       | 100                                                                                                      |
| Others – please specify     | -                                                                                                        |

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**

In this year's assessment, CTIL has not identified any significant risks or concerns warranting immediate attention.

## Leadership Indicators

**1. Details of a business process being modified/ introduced because of addressing human rights grievances/complaints.**

This financial year, no modification was required as CTIL did not counter any complaints regarding human rights.

**2. Details of the scope and coverage of any human rights due diligence conducted**

CTIL acknowledges the importance of human rights due diligence as a systematic approach to identify and mitigate risks over time. While no formal human rights due diligence has been conducted yet, the Company is actively progressing towards implementing comprehensive measures. These steps aim to conduct detailed assessments across all business segments, considering evolving circumstances and ensuring adherence to ethical standards and legal requirements.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, CTIL is committed to upholding the Rights of Persons with Disabilities Act, 2016 and has taken proactive measures to ensure inclusivity and accessibility across its establishments. Most of the Company's facilities are designed to cater to the needs of differently abled individuals, including visitors, with features such as wheelchair accessibility, Persons with Disabilities (PWD) friendly entrances, braille systems, and tactile pavers, among others.

It is important to note that the Real Estate business does not have any specific plants or factories. However, within the office space and project sites, accessibility measures are implemented to ensure inclusivity for all individuals. Even the residential projects implemented have put into place measures to ensure accessibility of people with disability.

**4. Details on assessment of value chain partners:**

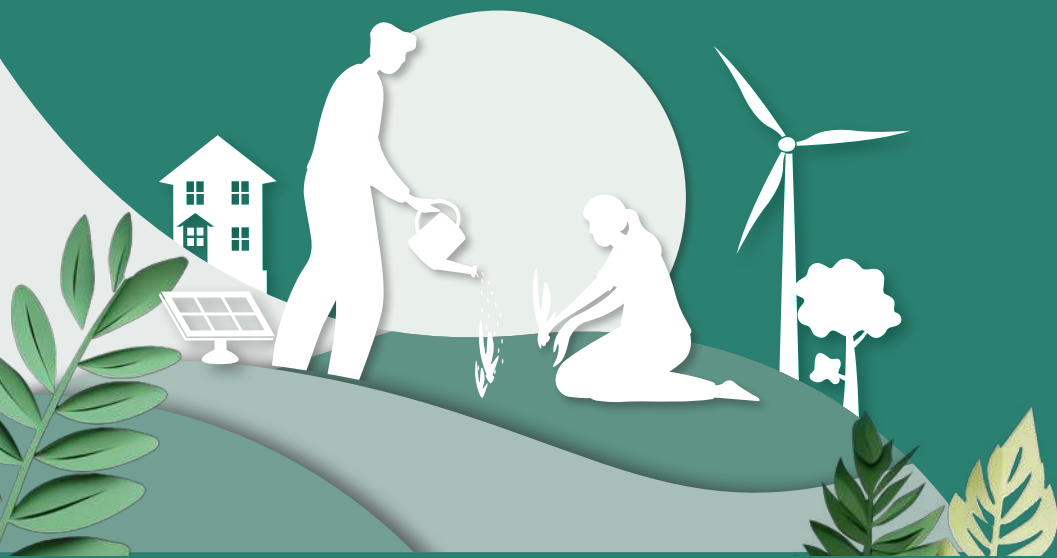
|                             | % of value chain partners<br>(By value of business done with such partners) that were assessed |                |          |
|-----------------------------|------------------------------------------------------------------------------------------------|----------------|----------|
|                             | Real Estate                                                                                    | Pulp and Paper | Textiles |
| Sexual harassment           | 8.83                                                                                           | 0              | 2.8      |
| Discrimination at workplace | 8.83                                                                                           | 0              | 2.8      |
| Child labour                | 8.83                                                                                           | 0              | 2.8      |
| Forced/involuntary labour   | 8.83                                                                                           | 0              | 2.8      |
| Wages                       | 0                                                                                              | 0              | 2.8      |
| Others – please specify     | 0                                                                                              | 0              | 2.8      |

**5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.**

In this financial year no significant risk has been identified during the assessment of the value chain partners.







# Principle 6

Businesses should respect and make efforts to protect and restore the environment.

According to this principle, businesses must acknowledge that social responsibility and sustainable economic growth are contingent on environmental stewardship. The idea pushes companies to implement environmental policies and procedures that reduce or eliminate the negative effects of their operations and supply chains.

CTIL deeply understands the intricate connection between its business operations and the environment. Embracing its role as a steward of the planet, the Company is committed to respecting,

protecting, and restoring the natural world that underpins its success and prosperity. This commitment is reflected in its proactive approach to environmental initiatives, emphasising sustainable business practices and dedicated environmental stewardship. As a responsible corporate entity, the Company prioritises sustainable practices across all facets of its operations. The Company is dedicated to implementing effective and efficient resource management strategies and ensuring responsible consumption and production patterns.





## Essential Indicators

### 1. a. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter                                                                                                                                                  | Unit                       | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------|-----------------------------------------|
| <b>From Renewable Sources</b>                                                                                                                              |                            |                                        |                                         |
| Total electricity consumption (A)                                                                                                                          | TJ                         | 37.04                                  | 33.05                                   |
| Total fuel consumption (B)                                                                                                                                 | TJ                         | 5,038.46                               | 6,425.22                                |
| Energy consumption through other sources (C)                                                                                                               | TJ                         | 0                                      | 0                                       |
| <b>Total energy consumed from renewable sources (A + B + C)</b>                                                                                            | TJ                         | 5,075.50                               | 6,458.27                                |
| <b>From non-renewable sources</b>                                                                                                                          |                            |                                        |                                         |
| Total electricity consumption (D)                                                                                                                          | TJ                         | 235.77                                 | 477.51                                  |
| Total fuel consumption (E)                                                                                                                                 | TJ                         | 10,539.32                              | 9,064.59                                |
| Energy consumption through other sources (F)                                                                                                               | TJ                         | 0                                      | 0                                       |
| <b>Total energy consumed from non-renewable sources (D + E + F)</b>                                                                                        | TJ                         | 10,775.08                              | 9,542.10                                |
| <b>Total energy consumed (A + B + C + D + E + F)</b>                                                                                                       | TJ                         | 15,850.58                              | 16,000.37                               |
| <b>Energy intensity per rupee of turnover</b> (Total energy consumed/ Revenue from operations)                                                             | TJ/Lakh ₹                  | 0.030                                  | 0.034                                   |
| <b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed/Revenue from operations adjusted for PPP)* | TJ/Lakh ₹ adjusted for PPP | 0.68                                   | 0.78                                    |
| <b>Energy intensity in terms of physical output</b>                                                                                                        | TJ/Sq. Meter (Real Estate) | 0.00013                                | 0.00025                                 |
|                                                                                                                                                            | TJ/MT (Pulp and Paper)     | 0.032                                  | 0.033                                   |
|                                                                                                                                                            | TJ/MT (Textile)            | 0.12                                   | 0.14                                    |

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by the World Bank for India, which is 22.88 (Source: <https://data.worldbank.org/indicator/PA.NUS.PPP>).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, limited assurance has been carried out by TUV India Private Limited.

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Yes, the site operated by CTIL under the Pulp and Paper segment have been recognised as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme initiated by the Government of India.

During PAT cycle-1 and cycle-2 targets were overachieved by 17.26% and 12.38%, respectively, while PAT cycle-3 is currently under progress.

**3. Provide details of the following disclosures related to water, in the following format:**

| Parameter                                                                                                                                                                                   | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                                                                                                                           |                                        |                                         |
| (i) Surface water                                                                                                                                                                           | -                                      | 672,886.80                              |
| (ii) Groundwater                                                                                                                                                                            | 12,029,001.00                          | 13,206,081.05                           |
| (iii) Third party water (Municipal water supplies)                                                                                                                                          | 685,749.00                             | 71,938.00                               |
| (iv) Seawater/desalinated water                                                                                                                                                             | -                                      |                                         |
| (v) Others (Recycled)                                                                                                                                                                       | 4,283.20                               |                                         |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>                                                                                                             | 1,27,19,033.20                         | 1,39,50,905.85                          |
| <b>Total volume of water consumption (in kilolitres)</b>                                                                                                                                    | 1,27,19,033.20                         | 1,92,61,415.85                          |
| <b>Water intensity per rupee of turnover</b> (Total water consumption/<br>revenue from operations) (KL/Lakh ₹)                                                                              | 23.90                                  | 40.81                                   |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*</b> (Total water consumption/revenue from<br>operations adjusted for PPP) (KL/Lakh ₹ adjusted for PPP) | 546.91                                 | 933.82                                  |
| Water intensity in terms of physical output (Real Estate)<br>(KL/Sq. Meter)                                                                                                                 | 0.63                                   | 0.92                                    |
| Water intensity in terms of physical output (Pulp and Paper)<br>(KL/MT)                                                                                                                     | 25.82                                  | 28.93                                   |
| Water intensity in terms of physical output (Textile) (KL/MT)                                                                                                                               | 75.87                                  | 78.40                                   |

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by the World Bank for India, which is 22.88 (Source: <https://data.worldbank.org/indicator/PA.NUS.PPP>).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, limited assurance has been carried out by TUV India Private Limited.

**4. Provide the following details related to water discharged:**

| Parameter                                                                    | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |                                        |                                         |
| <b>(i) To surface water</b>                                                  |                                        |                                         |
| - No treatment                                                               | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                         | 78,47,476.00                           | 82,99,391.00                            |
| <b>(ii) To groundwater</b>                                                   |                                        |                                         |
| - No treatment                                                               | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                         | 0                                      | 0                                       |
| <b>(iii) To seawater</b>                                                     |                                        |                                         |
| - No treatment                                                               | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                         | 0                                      | 0                                       |
| <b>(iv) Sent to third parties</b>                                            |                                        |                                         |
| - No treatment                                                               | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                         | 0                                      | 0                                       |
| <b>(v) Others</b>                                                            |                                        |                                         |
| - No treatment                                                               | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                         | 0                                      | 0                                       |
| <b>Total water discharged (in kilolitres)</b>                                | <b>78,47,476.00</b>                    | <b>82,99,391.00</b>                     |

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, limited assurance has been carried out by TUV India Private Limited.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, CTIL has implemented a Zero Liquid Discharge (ZLD) mechanism in one of the commercial buildings in the Real Estate segment, namely Birla Centurion.

Birla Centurion commercial premise is equipped with a water treatment plant with a capacity of 150 Kilolitre/day. The discharged water from the washroom and kitchen is collected and treated. Then the treated water is directed to the tank, where it is used for flushing and gardening.

Thus, Birla Centurion Building does not have any wastewater discharged from its premises.

**6. Please provide details of air emissions (Other than GHG emissions) by the entity, in the following format:**

| Parameter                           | Please specify unit | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|-------------------------------------|---------------------|----------------------------------------|-----------------------------------------|
| NOx                                 | MT                  | 581.42                                 | 866.16                                  |
| SOx                                 | MT                  | 234.79                                 | 365.85                                  |
| Particulate matter (PM)             | MT                  | 740.77                                 | 730.33                                  |
| Persistent organic pollutants (POP) | MT                  | -                                      | -                                       |
| Volatile organic compounds (VOC)    | MT                  | -                                      | -                                       |
| Hazardous air pollutants (HAP)      | MT                  | -                                      | -                                       |
| Others - please specify             | MT                  | -                                      | -                                       |

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, limited assurance has been carried out by TUV India Private Limited.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

| Parameter                                                                                                                                                                             | Unit                                           | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|----------------------------------------|-----------------------------------------|
| <b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)          | Metric tonnes of CO <sub>2</sub> equivalent    | 9,86,562.33                            | 8,03,839.79                             |
| <b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)          | Metric tonnes of CO <sub>2</sub> equivalent    | 39,422.34                              | 1,04,456.16                             |
| <b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions/revenue from operations)                                                    | MTCO <sub>2</sub> e/Lakh ₹                     | 1.93                                   | 1.92                                    |
| <b>Total Scope 1 and Scope 2 emission intensity adjusted for Purchasing Power Parity (PPP)*</b><br>(Total Scope 1 and Scope 2 GHG emissions/revenue from operations adjusted for PPP) | MTCO <sub>2</sub> e/Lakh ₹<br>adjusted for PPP | 44.12                                  | 44.04                                   |
| <b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>                                                                                                       | MT CO <sub>2</sub> e/Sq. Meter (Real Estate)   | 0.02                                   | 0.04                                    |
|                                                                                                                                                                                       | MT CO <sub>2</sub> e/MT (Pulp and Paper)       | 2.02                                   | 1.69                                    |
|                                                                                                                                                                                       | MT CO <sub>2</sub> e/MT (Textile)              | 11.35                                  | 16.74                                   |

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by the World Bank for India, which is 22.88 (Source: <https://data.worldbank.org/indicator/PA.NUS.PPP>).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, limited assurance has been carried out by TUV India Private Limited.



**8. Does the entity have any project related to reducing Greenhouse Gas emissions? If yes, then provide details.**

This financial year, CTIL has executed various initiatives aimed at minimising energy consumption to reduce Greenhouse Gas (GHG) emissions. Furthermore, the Company's Real Estate segment has successfully integrated 2244.41 MT of Ground GGBS into construction projects, a deliberate move that markedly curbed the Company's GHG emissions.

**Real Estate**

The Real Estate segment has implemented innovative solutions to reduce the carbon footprint of the projects by using locally sourced materials and managing construction waste responsibly. The energy efficient buildings maximise natural light and ventilation, reducing the need for artificial lighting and air conditioning. Additionally, the installation of solar for hot water and lighting shared areas and streets has led to a reduction in grid electricity.

All the commercial buildings in the Real Estate segment are majorly powered by renewable energy.

**Pulp and Paper**

**Renewable Energy:** The Pulp and Paper segment contributes to cleaner and more sustainable energy by utilising energy sources such as black liquor, bark, pith, and bioenergy (CMG) by replacing conventional fuels like coal, diesel, and LPG, among others. Particularly, the utilisation of Compressed Methane Gas (CMG) generated from the Bio-Methanation plant has contributed significantly to overall emissions reduction. In the Pulp and Paper segment, a 2.6 MWp solar plant was installed in the last FY, which has enhanced the energy use from the renewable section. As a result, the energy from grid sources has decreased, thus reducing carbon emissions (Scope 2 emissions).

**Energy Efficiency:** By strategically installing air agitators across various processes, introducing new evaporators and implementing other innovative energy saving initiatives, this segment has achieved a substantial reduction in its annual energy consumption requirements.

**Farm Forestry Programme:** Through large-scale farm forestry programmes and advocacy for sustainable forest management, the Company ensures a secure supply of pulpwood essential for uninterrupted business operations. Additionally, CTIL robust Social Forestry programme not only aids in carbon sequestration but also enhances stakeholder benefits.

**9. Provide details related to waste management by the entity, in the following format:**

| Parameter                                                                                                                                    | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| <b>Total waste generated (in metric tonnes)</b>                                                                                              |                                        |                                         |
| Plastic waste <b>(A)</b>                                                                                                                     | 30.03                                  | 23.92                                   |
| E-waste <b>(B)</b>                                                                                                                           | 7.56                                   | 2.00                                    |
| Bio-medical waste <b>(C)</b>                                                                                                                 | 0.02                                   | 0                                       |
| Construction and demolition waste <b>(D)</b>                                                                                                 | 5,120.81                               | 2,177.89                                |
| Battery waste <b>(E)</b>                                                                                                                     | 1.66                                   | 2.14                                    |
| Radioactive waste <b>(F)</b>                                                                                                                 | 0                                      | 0                                       |
| Other hazardous waste. Please specify, if any. <b>(G)</b>                                                                                    | 40,504.20                              | 1,237.24                                |
| Other non-hazardous waste generated <b>(H)</b> . Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) | 3,47,868.03                            | 2,90,895.49                             |
| <b>Total (A + B + C + D + E + F + G + H)</b>                                                                                                 | <b>3,93,532.31</b>                     | <b>2,94,338.68</b>                      |

| Parameter                                                                                                                                                                              | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| <b>Waste intensity per rupee of turnover</b> (Total waste generated/Revenue from operations) (MT/Lakh ₹)                                                                               | 0.78                                   | 0.62                                    |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*</b> (Total waste generated/Revenue from operations adjusted for PPP) (MT/Lakh ₹ adjusted for PPP) | 17.83                                  | 14.27                                   |
| <b>Waste intensity in terms of physical output (Real Estate)</b> (MT/Sq. Meter)                                                                                                        | 0.02                                   | 0.02                                    |
| <b>Waste intensity in terms of physical output (Pulp and Paper)</b> (MT/MT of production)                                                                                              | 0.82                                   | 0.61                                    |
| <b>Waste intensity in terms of physical output (Textiles)</b> (MT/MT of production)                                                                                                    | 1.39                                   | 1.75                                    |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>                                         |                                        |                                         |
| <b>Category of waste</b>                                                                                                                                                               |                                        |                                         |
| (i) Recycled                                                                                                                                                                           | 8,199.87                               | 2,109.92                                |
| (ii) Re-used                                                                                                                                                                           | 3,79,894.40                            | 2,87,696.21                             |
| (iii) Other recovery operations                                                                                                                                                        | 125.92                                 | 1,176.51                                |
| <b>Total</b>                                                                                                                                                                           | <b>3,88,220.19</b>                     | <b>2,90,982.64</b>                      |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>                                                                      |                                        |                                         |
| <b>Category of waste</b>                                                                                                                                                               |                                        |                                         |
| (i) Incineration                                                                                                                                                                       | 0.06                                   | 0                                       |
| (ii) Landfilling                                                                                                                                                                       | 5,311.45                               | 1,178.14                                |
| (iii) Other disposal operations                                                                                                                                                        | 0.02                                   | 2,177.89                                |
| <b>Total</b>                                                                                                                                                                           | <b>5,311.53</b>                        | <b>3,356.03</b>                         |

\*The revenue from operations has been adjusted using the latest PPP conversion factor of 22.88 for India in 2022, sourced directly from the World Bank. (Source: <https://data.worldbank.org/indicator/PA.NUS.PPP>).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, TUV India Private Limited has conducted a limited assurance assessment.





**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

CTIL has implemented the principle of circular economy across its entire value chain to mitigate environmental impact. Embracing the '3R' strategy—Reduce, Reuse and Recycle—the Company ensures robust waste management. It carefully adheres to legal frameworks, employing environmentally sound disposal techniques for both hazardous and non-hazardous waste. Across all business segments, the Company maintains a strong waste management infrastructure, highlighting its commitment to sustainability and ecological stewardship. Key practices include:

**Real Estate**

The Real Estate segment employs innovative techniques to significantly minimise waste throughout all project stages: design, construction, and occupancy. Through meticulous value engineering, design interventions, and practices like reusing, recycling, and safe disposal at designated sites, the segment minimises waste generation.

At residential and commercial sites, the Company has installed organic waste converters to efficiently manage organic waste. These converters break down on-site organic waste, which is then utilised as fertiliser for plantations. Additionally, the project integrates recycled materials like glass and fly ash to reduce reliance on virgin materials, thus easing the burden on natural resources and reducing landfill waste. For instance, at Birla Niyaara GGBS, a by-product of iron manufacturing is used as a replacement for cement. This adoption not only results in stronger, more durable, workable concrete but also diverts waste from landfills.

**Pulp and Paper**

The Pulp and Paper segment has identified innovative ways to reuse various non-hazardous wastes by maximising the reuse of dry pith, wet pith and bark.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:**

| Location of operations/offices                                                                                                 | Type of operations | Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|--------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| CTIL operates exclusively outside ecologically sensitive areas, ensuring environmental preservation and sustainable practices. |                    |                                                                                                                                                           |



**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project                                                                            | EIA notification no. | Date       | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant web link                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------------------------------------------------------------------|----------------------|------------|-----------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| M/s. Birla Arnaa LLP*, Residential Project in Devanahalli, Bengaluru townships and area development projects | EC23B039KA188881     | 11/05/2023 | Yes                                                       | Yes                                            | <a href="https://parivesh.nic.in/newupgrade/#/trackYourProposal/proposal-details?proposalId=SIA%2FKA%2FINFRA2%2F416222%2F2023&amp;proposal=2766108">https://parivesh.nic.in/newupgrade/#/trackYourProposal/proposal-details?proposalId=SIA%2FKA%2FINFRA2%2F416222%2F2023&amp;proposal=2766108</a> |

**13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

| S. no. | Specify the law/regulation/guidelines which was not complied with                                                                                                                                                                                                                                                           | Provide details of the non-compliance | Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken if any |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------|--------------------------------|
|        | CTIL adheres to and upholds all pertinent environmental laws, regulations, and guidelines in India, including the Water (Prevention and Control of Pollution) Act of 1974, the Air (Prevention and Control of Pollution) Act of 1981, the Environment (Protection) Act of 1986, and their associated rules and regulations. |                                       |                                                                                                       |                                |

## Leadership Indicators

**1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**

For each facility/plant located in areas of water stress, provide the following information:

(i) **Name of the area:**  
Bengaluru and NCR

(ii) **Nature of operations:**  
Building constructions



## (iii) Water withdrawal, consumption, and discharge in the following format:

| Parameter                                                                                                  | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                                          |                                        |                                         |
| (i) Surface water                                                                                          | 0                                      | 0                                       |
| (ii) Groundwater                                                                                           | 0                                      | 20,009.09                               |
| (iii) Third party water                                                                                    | 33,820.00                              | 12,340.00                               |
| (iv) Seawater/desalinated water                                                                            | -                                      |                                         |
| (v) Others (Recycled) Recovered water from treated effluent                                                | 4,283.20                               |                                         |
| <b>Total volume of water withdrawal (in kilolitres)</b>                                                    | <b>38,103.20</b>                       | <b>32,349.09</b>                        |
| <b>Total volume of water consumption (in kilolitres)</b>                                                   | <b>38,103.20</b>                       | <b>32,349.09</b>                        |
| <b>Water intensity per rupee of turnover (Total water consumption/revenue from operations) (KL/Lakh ₹)</b> | <b>0.07</b>                            | <b>0.07</b>                             |
| <b>Water intensity</b> (optional) – the relevant metric may be selected by the entity                      | -                                      | -                                       |
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>                               |                                        |                                         |
| <b>(i) Into surface water</b>                                                                              |                                        |                                         |
| - No treatment                                                                                             | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                                       | 0                                      | 0                                       |
| <b>(ii) Into groundwater</b>                                                                               |                                        |                                         |
| - No treatment                                                                                             | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                                       | 0                                      | 0                                       |
| <b>(iii) Into seawater</b>                                                                                 |                                        |                                         |
| - No treatment                                                                                             | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                                       | 0                                      | 0                                       |
| <b>(iv) Sent to third parties</b>                                                                          |                                        |                                         |
| - No treatment                                                                                             | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                                       | 0                                      | 0                                       |
| <b>(v) Others</b>                                                                                          |                                        |                                         |
| - No treatment                                                                                             | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                                       | 0                                      | 0                                       |
| <b>Total water discharged (in kilolitres)</b>                                                              | <b>0</b>                               | <b>0</b>                                |

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

| Parameter                                                                                                                                                                    | Unit                                        | FY 2023-24<br>(Current Financial Year)                                                                         | FY 2022-23<br>(Previous Financial Year) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|----------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | Currently there are plans to incorporate systems which will account for the Scope 3 emission produced by CTIL. | -                                       |
| <b>Total Scope 3 emissions per rupee of turnover</b>                                                                                                                         | Metric tonnes of CO <sub>2</sub> equivalent |                                                                                                                | -                                       |
| <b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity                                                                       | Metric tonnes of CO <sub>2</sub> equivalent |                                                                                                                | -                                       |

**3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

CTIL operates responsibly without any manufacturing, construction sites, or office locations situated in ecologically sensitive areas.

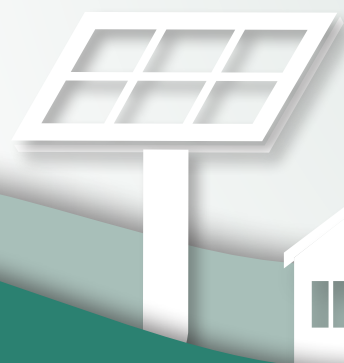
**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

| Sr. no | Initiative undertaken              | Details of the initiative (Web-link, if any, may be provided along-with summary)                                                                                                                                                       | Outcome of the initiative                                                                                                                                                                                                                                                                                                                                                                                                |
|--------|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Energy and water saving Initiative | 1. New evaporator is installed in the Pulp and Paper segment. The process started in the last quarter of the previous year and is in operation in this financial year. It has increased both energy efficiency and water conservation. | 1. Total water evaporation capacity increased by 190 TPH.                                                                                                                                                                                                                                                                                                                                                                |
| 2      | Emission saving initiative         | 1. Increase in the renewable energy portion in the Real Estate segment.                                                                                                                                                                | 1. The Real Estate segment of CTIL commercial buildings. In FY 2023-24, Birla Aurora has shifted to 100% renewable energy, while Birla Centurion has met 38% of its energy needs from renewable energy. Thus decreasing the dependency on non-renewable energy and reducing emissions at the same time. At Birla Tisya, an average of 900 kwh is generated each month at the labour colony with the use of solar energy. |



| Sr. no | Initiative undertaken          | Details of the initiative (Web-link, if any, may be provided along-with summary)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Outcome of the initiative                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3      | Emission avoided initiatives   | <p>1. In-house production of Precipitated Calcium Carbonate (PCC). The carbon dioxide that is produced during the operation is used for the generation of PCC. This PCC is required or used up again in the production process of the Pulp and Paper segment. Thus, raw materials are generated from waste materials.</p> <p>2. Ground granulated blast furnace slag (GGBS) used in Birla Niyaara is a by-product of iron manufacturing that can reduce carbon dioxide emissions and improve construction sustainability. GGBS helps in reduction in the heat of hydration. The reaction between Ordinary Portland Cement (OPC) and water produces heat, which can cause thermal cracking and reduce the durability of the concrete. GGBS, on the other hand, has a lower heat of hydration, which helps to mitigate these issues.</p> | <p>1. Below are the outcomes of the production of Precipitated Calcium Carbonate (PCC): -</p> <ul style="list-style-type: none"> <li>- Precipitated Calcium Carbonate (PCC) plant plays a crucial role in environmental sustainability by consuming CO<sub>2</sub> generated from the lime kiln, thereby minimising overall CO<sub>2</sub> emissions. Roughly 440 kg of CO<sub>2</sub> is adsorbed to produce one tonne of PCC.</li> <li>- PCC improves the quality of the paper (and mill competitiveness) and reduces the amount of wood pulp and energy required by the mill. This reduced pulp use can result in lower emissions.</li> <li>- PCC reduces the amount of filler that must be produced at other locations and transported to the paper mill. This reduces costs for the mill as well as the environmental impact of hauling other dry materials to the mill.</li> </ul> <p>2. Total CO<sub>2</sub> emissions avoided by the use of GGBS are 1,805 tCO<sub>2</sub> per year. GGBS is used as a partial replacement for cement, which can:</p> <ul style="list-style-type: none"> <li>- Reduce carbon dioxide emissions</li> <li>- Improve the long-term strength, durability, and workability of concrete</li> <li>- Reduce the use of primary energy consumption</li> <li>- Save million of tonnes of quarrying</li> <li>- Save a potential landfill</li> </ul> |
| 4      | Water conservation initiatives | <p>1. 49 water conservation schemes are in place in the Pulp and Paper segment</p> <p>2. Wastewater reuse initiative in the Real Estate segment</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>1. These conservation schemes are saving a substantial amount of water. As an outcome, the amount of water conserved and the amount of water utilised back in the process from these initiatives is 51,348 m<sup>3</sup>/day.</p> <p>2. The STP water that is produced in the labour colony of Birla Tisya is used for the construction work at the site.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

| Sr. no | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Outcome of the initiative                                                                                                                                                                                                                                                                                                                              |
|--------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5      | Waste management      | 1. The waste produced in Pulp and Paper production is reused in the production process and contributes to the circular economy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 1. 99% of the waste is diverted from landfills. The by-products that are produced, like pith, and sawdust, among others, are used for the process of energy generation. Additionally, black liquor, CMG and biomass are used as fuel in the boiler. As a circular economy initiative, the fly ash that is produced is sold off to the cement industry. |
| 6      | Waste to energy       | 1. Compressed Methane Gas (CMG) is generated within the Pulp and Paper sector. A pioneering green technology has been developed for treating high-chemical oxygen demand (COD) wastewater. This technology facilitates the transformation of wastewater into biogas via the Upflow Anaerobic Sludge Blanket (UASB) process. The resulting biogas comprises approximately 65-70% methane, along with CO <sub>2</sub> , moisture, and H <sub>2</sub> S, among other constituents. Subsequently, this gas undergoes further processing through caustic and water scrubbing to achieve a composition of 95% methane, resulting in Compressed Methane Gas (CMG). This CMG is subsequently utilised as a substitute for LPG in the tissue plant. | 1. This process has resulted in the conversion of waste into energy. This waste-to-energy initiative in turn reduced the dependency on non-renewable fuels like LPG. In this FY, about 23.43 TJ of energy had been produced from CMG.                                                                                                                  |





**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

CTIL recognises the pivotal role of business continuity and disaster management in safeguarding the resilience of its operations. The Company understands the imperative of robust planning to navigate unforeseen disruptions and protect its stakeholders. Committed to leveraging its diverse industry strengths and reducing sector-specific dependencies, CTIL prioritises the security and well-being of all stakeholders amidst an ever-evolving business landscape.

At the core of its strategy, CTIL has developed a comprehensive Business Continuity Plan (BCP) tailored to mitigate potential risks impacting its operations. Through rigorous Business Impact Assessments (BIA), the Company identifies and prioritises risks to critical assets, stakeholders, and processes based on their severity and likelihood. A dedicated Business Continuity Management (BCM) team, led by senior management, oversees the planning and implementation of these strategies, ensuring integration within the Company's governance framework.

To enhance preparedness, CTIL conducts training courses and awareness programs throughout the year, educating employees on their roles in business continuity and crisis management. Drills and

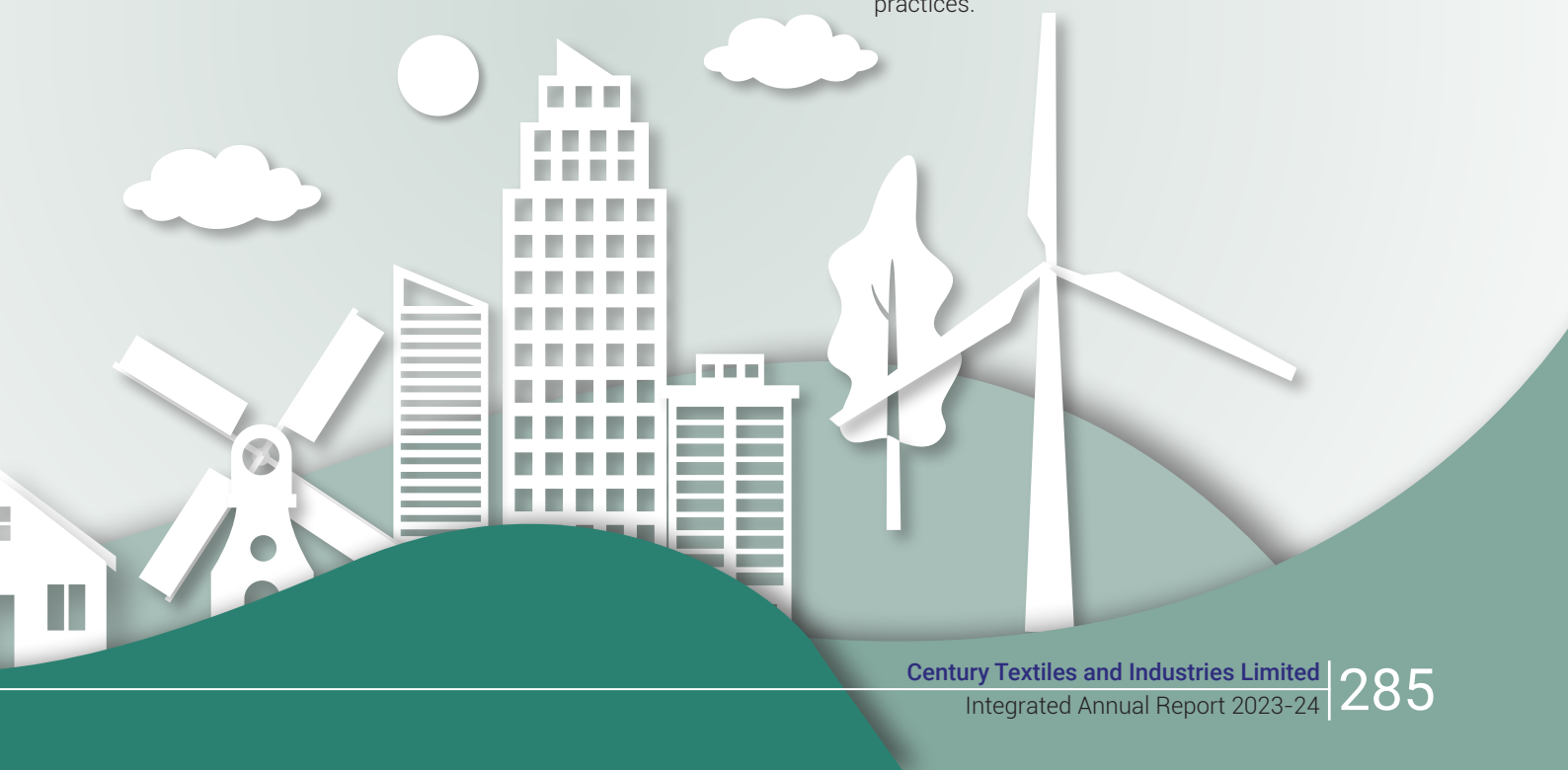
exercises across the organisation evaluate response capabilities and readiness levels, fostering a culture of proactive resilience. The Company also emphasises proactive communication with internal stakeholders, including employees, and external stakeholders such as investors, customers, and government agencies, ensuring a cohesive and effective BCP implementation.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

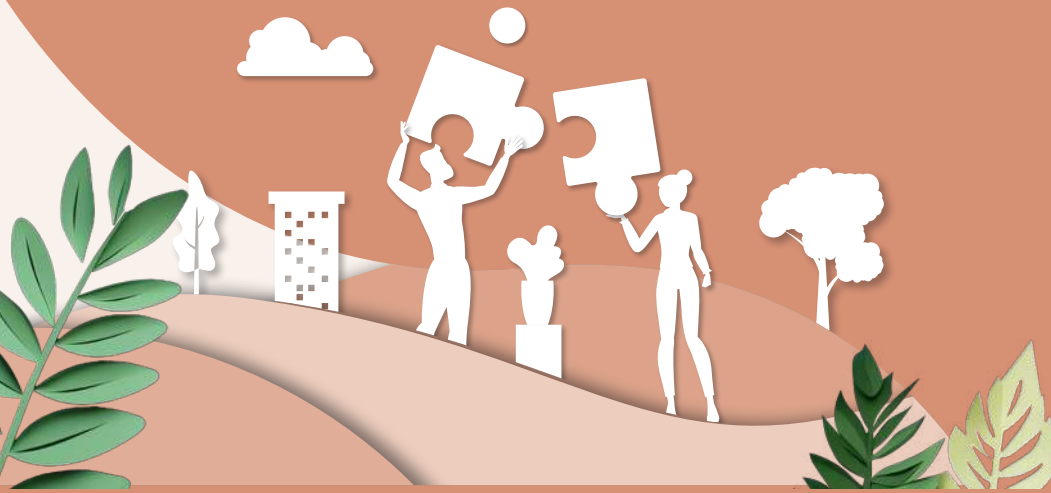
CTIL is dedicated to ensuring that its value chain has no negative environmental impacts. To achieve this, the Company regularly engages with its suppliers, conducting thorough evaluations to assess and mitigate their environmental effects. Through these proactive interactions and assessments, CTIL has not observed any adverse environmental impacts from its suppliers, reinforcing its commitment to sustainability and responsible sourcing.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

No value chain partners were accessed on environmental impacts in the reporting period. However, the Company plans to initiate assessments of its critical suppliers, focussing on key aspects of environmental compliance and management practices.







# Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

The guiding concept of this principle acknowledges that CTIL operates within established national and international legal and policy frameworks. It acknowledges the legitimacy of the Company interacting with governments to influence policies that promote public welfare.

CTIL, a member of multiple trade organisations, actively participates in various forums to voice concerns and share initiatives that safeguard stakeholders' interests. The Company is committed

to ethical business practices, sustainability, social stability, and human rights. By collaborating with trade associations, governmental bodies, and similar platforms, CTIL advocates for these principles and supports relevant programmes.

Principle 7 of the NGRBC aligns the SGDs with the partnership for the goals. It also covers large areas like the reduction of inequality, sustainable cities and communities, and climate action.





## Essential Indicators

### 1. a. Number of affiliations with trade and industry chambers/associations.

CTIL is affiliated with 12 trade and industry chambers.

### 1. b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

| S. no. | Name of the trade and industry chambers/associations  | Reach of trade and industry chambers/associations (State/National) |
|--------|-------------------------------------------------------|--------------------------------------------------------------------|
| 1      | CREDAI-MCHI (Maharashtra Chamber of Housing Industry) | State                                                              |
| 2      | NAREDCO West Foundation                               | National                                                           |
| 3      | Employers Association of Northern India, Kanpur       | State                                                              |
| 4      | Federation of Indian Exports Organisation             | National                                                           |
| 5      | Indian Paper Manufacturers Association                | National                                                           |
| 6      | Confederation of Indian Industry                      | National                                                           |
| 7      | Indian Pulp & Paper Technical Association             | State                                                              |
| 8      | National Safety Council                               | National                                                           |
| 9      | Jhagadia Association                                  | State                                                              |

### 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority                                                                                                 | Brief of the case | Corrective action taken |
|-------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|
| During this financial year, the Company did not encounter any adverse orders related to anti-competitive conduct. |                   |                         |

## Leadership Indicators

### 1. Details of public policy positions advocated by the entity:

| S. no. | Public policy advocated                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Method resorted for such advocacy | Whether information available in the public domain? (Yes/No) | Frequency of Review by Board (Annually/half yearly/quarterly/others – please specify) | Web link, if available |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------|
| 1.     | In FY 2023-24, CTIL did not engage in advocating any public policy. As a responsible company, the Company recognises its responsibility to support laws that promote social welfare. CTIL is dedicated to building and sustaining mutually beneficial relationships with government bodies, regulators, trade unions, investors, suppliers, and communities. This commitment guarantees social and environmental conditions, reflecting the Company's focus on creating societal impact. |                                   |                                                              |                                                                                       |                        |



# Principle 8

**Businesses should promote inclusive growth and equitable development.**

The principle encourages the Company to innovate and contribute to the nation's growth, with a particular focus on vulnerable groups, while also acknowledging their entrepreneurial abilities. Reiterating the interdependence of corporate success, equitable development, and inclusive growth is the ideology of this principle.

CTIL operates with a strong commitment to benefitting local society. In the Pulp and Paper segment, particularly in Uttarakhand, Company sources raw materials locally, using abundant

resources like bagasse and pine leaves sold by local women. The Company prefers sourcing from local farmers, especially wood from cloned Eucalyptus plants, reinforcing its dedication to sustainable and community-centric practices.

Principle 8 of the NGRBC speaks of the growth and development of the communities thriving on the nearby premises of the organisation. This aligns with the SGDs like zero hunger, good health and well-being, quality education, decent work, economic development and a few more.





## Essential Indicators

### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. -

| Name and brief details of project                   | SIA notification no. | Date of notification | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant web link |
|-----------------------------------------------------|----------------------|----------------------|-----------------------------------------------------------|------------------------------------------------|-------------------|
| SIA was not applicable during the reporting period. |                      |                      |                                                           |                                                |                   |

### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S. no.                                                                                | Name of project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % Of PAFs covered by R&R | Amounts paid to PAFs in the 2022-23 (In ₹) |
|---------------------------------------------------------------------------------------|------------------------------------------|-------|----------|-----------------------------------------|--------------------------|--------------------------------------------|
| Rehabilitation and Resettlement (R&R) was not applicable during the reporting period. |                                          |       |          |                                         |                          |                                            |

### 3. Describe the mechanisms to receive and redress grievances of the community.

CTIL has established robust procedures to guarantee that grievances and feedback from all stakeholders, including communities, are promptly acknowledged, and addressed.

Recognising the importance of resolving community complaints, the Company has implemented effective mechanisms to facilitate communication and resolution, thereby fostering strong ties with the community. The Company promotes open communication and active engagement with local communities. To ensure this, it provides forums and regular meetings where community members can directly discuss their grievances and concerns. Additionally, complaint drop boxes are installed at

the entrances to make it easier for individuals to raise complaints. CTIL maintains a grievance register to guarantee monitoring and record-keeping, which tracks all community complaints and monitors the resolution process.

Each business segment within the Company has dedicated personnel assigned to handle and resolve community grievances. The grievance redressal method at CTIL extends beyond internal procedures, actively involving relevant stakeholders like local authorities and community leaders, among others, to jointly identify and address community needs. This approach ensures that problems are resolved effectively and maintains open, positive communication within the community, consistently seeking win-win solutions.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

|                |                                             | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|----------------|---------------------------------------------|----------------------------------------|-----------------------------------------|
| Real Estate    | Directly sourced from MSMEs/small producers | 2.30                                   | 4.82                                    |
|                | Directly from within India                  | 100                                    | 100                                     |
| Pulp and Paper | Directly sourced from MSMEs/small producers | 2.51                                   | 2.5                                     |
|                | Directly from within India                  | 67.58                                  | 71.42                                   |
| Textiles       | Directly sourced from MSMEs/small producers | 9.29                                   | 5.86                                    |
|                | Directly from within India                  | 100                                    | 98.85                                   |

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost:**

| Location     | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|--------------|----------------------------------------|-----------------------------------------|
| Rural        | 1                                      | 1                                       |
| Semi-urban   | 70                                     | 73                                      |
| Urban        | 0                                      | 1                                       |
| Metropolitan | 29                                     | 26                                      |



## Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified                         | Corrective action taken |
|----------------------------------------------------------------------|-------------------------|
| Not applicable, as no SIA was conducted during the reporting period. |                         |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| S. no | State         | Aspirational district | Amount spent (in ₹) |
|-------|---------------|-----------------------|---------------------|
| 1     | Uttarakhand   | Udham Singh Nagar     | 5,59,867            |
| 2     | Bihar         | Aurangabad            | 11,760              |
| 3     | Bihar         | Gaya                  | 60,000              |
| 4     | Bihar         | Katihar               | 60,000              |
| 5     | Chhattisgarh  | Bastar                | 60,000              |
| 6     | Jharkhand     | Bokaro                | 2,40,000            |
| 7     | Jharkhand     | Chatra                | 66,454              |
| 8     | Jharkhand     | Giridih               | 60,000              |
| 9     | Jharkhand     | Hazaribag             | 60,000              |
| 10    | Jharkhand     | Lohardaga             | 60,000              |
| 11    | Jharkhand     | Ranchi                | 60,000              |
| 12    | Karnataka     | Raichur               | 2,00,000            |
| 13    | Uttar Pradesh | Chandauli             | 60,000              |

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

Yes, CTIL has a preferential procurement policy for its Pulp and Paper business segment. The Company is committed to breaking down socio-cultural, structural, and economic obstacles to create opportunities for everyone. By expanding its spending with diverse suppliers, the Company aims to integrate historically underrepresented groups into its supply chain, fostering collaboration to scale up and accelerate business. This approach not only helps uncover potential but also drives creativity, agility, and resilience within the Company and its partners.

**(b) From which marginalised/vulnerable groups do you procure?**

CTIL actively sources raw materials from a diverse range of suppliers, including small and local suppliers, intermediaries, and Micro, Small, and Medium Enterprises (MSMEs).

**(c) What percentage of total procurement (by value) does it constitute?**

NA

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

| S. no. | Intellectual property based on traditional knowledge                                                                                        | Owned/Acquired (Yes/No) | Benefit shared (Yes/No) | Basis of calculating benefit share |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|------------------------------------|
|        | This is not applicable, as the Company has not acquired any intellectual property based on traditional knowledge for any of its businesses. |                         |                         |                                    |

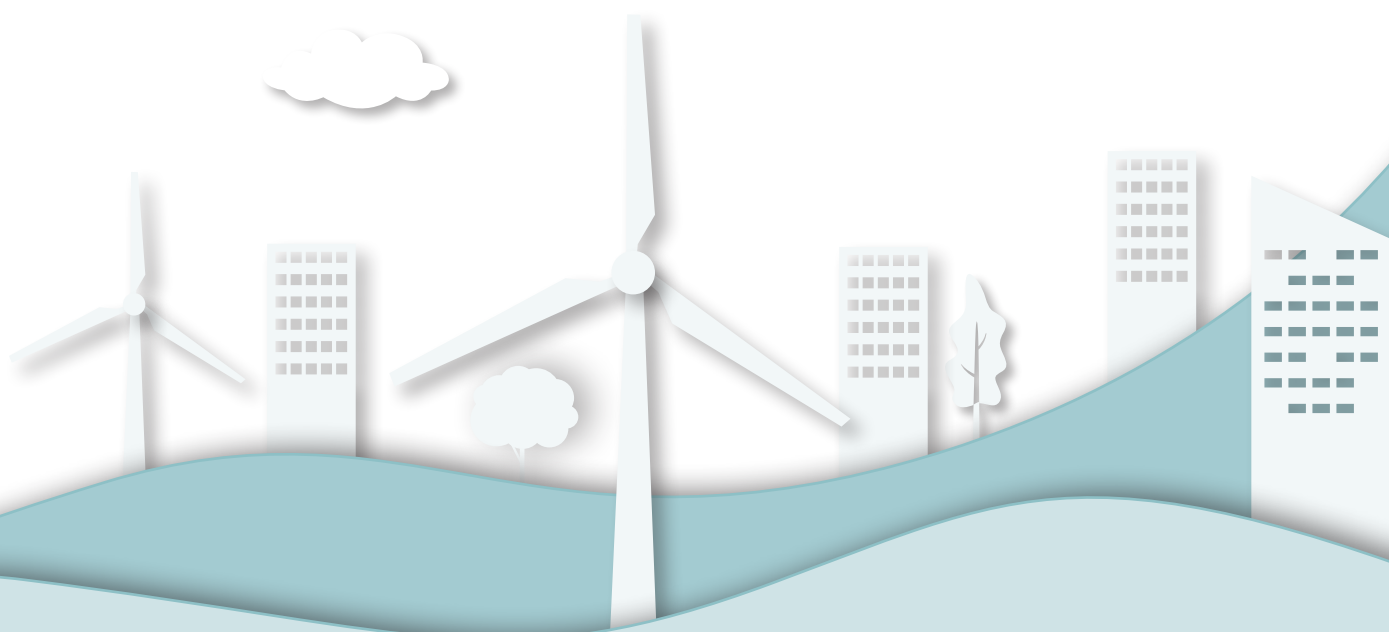
**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

| Name of authority                                                                                                                    | Brief of the case | Corrective action taken |
|--------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|
| This is not applicable, as CTIL has not acquired any intellectual property based on traditional knowledge for any of its businesses. |                   |                         |



**7. Details of beneficiaries of CSR projects:**

| S. no | CSR project                                                                                            | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalised groups                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------|--------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | Preventive and curative health services in communities                                                 | 30,600                                     | Most of the CSR activities and projects undertaken by the Company are strategically focussed on uplifting vulnerable and marginalised groups within society. While quantifying the exact percentage of beneficiaries from these groups is challenging at present, the Company's indomitable commitment to supporting and empowering these communities is evident. Through its targeted CSR initiatives, CTIL continues to strive for meaningful impact and positive change in the lives of those who need it most. |
| 2     | Sanitation provisions                                                                                  | 41,700                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 3     | Promoting education                                                                                    | 10,408                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 4     | Rural infrastructure development projects                                                              | 17,499                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 5     | Environmental sustainability                                                                           | 5,000                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 6     | Promotion of sports                                                                                    | 1                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 7     | Community development                                                                                  | 10,000                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 8     | Skill development and vocational education to enhance employability and livelihood & women empowerment | 3,000                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |





# Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner.

This Principle is founded on the idea that a company’s primary goal is to give its customers safe, easy-to-use products and services that can be disposed safely and in a way that benefits both parties.

CTIL serves both Business-to-Business (B2B) and Business-to-Customer (B2C) markets, with customers playing a vital role as stakeholders. The Company places significant emphasis on

understanding customer requirements and enhancing product development through various feedback mechanisms and Net Promoter Scores (NPS). This proactive approach has enabled the Company to innovate and introduce new products that resonate strongly with a broader market base.

Principle 9 of the NGRBC covers different SDGs like responsible consumption, peace, justice, and strong institutions.





## Essential Indicators

### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

At CTIL, there is a robust mechanism to receive, and address consumer complaints and feedback, ensuring customised support, and a seamless customer experience.

**Real Estate:** The Company's dedicated Customer Relationship Management (CRM) team interacts with customers from post-sale to handover stages. Utilising platforms like the customer-facing app, SAP-Cloud for Customer, and instant messaging chatbots, among others, CTIL facilitates effective communication and resolution of any issues. Relationship managers are assigned to promptly address and resolve customer concerns.

**Pulp and Paper:** In the Pulp and Paper division, specialised personnel carefully investigate customer

feedback. Upon receiving negative feedback, the team categorises it as technical, marketing, or quality-related. Internal discussions ensue to determine appropriate actions, which may include compensation, or product replacement, offering customer satisfaction.

**Textiles:** CTIL's textiles business has implemented a streamlined Complaint File Identification and Resolution (CFIR) system. Each customer's feedback or complaint triggers a CFIR number, enabling detailed analysis to identify root causes and propose effective solutions. This proactive approach not only resolves issues promptly but also drives continuous improvement based on customer insights.

CTIL is dedicated to delivering exceptional service and consistently enhancing operations to meet customer expectations.

### 2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

| As a percentage to total turnover                           |     |
|-------------------------------------------------------------|-----|
| Environmental and social parameters relevant to the product | 100 |
| Safe and responsible usage                                  | 100 |
| Recycling and/or safe disposal                              | 100 |



**3. Number of consumer complaints in respect of the following:**

|                                | FY 2023-24 (Current Financial Year) |                                           |         | FY 2022-23 (Previous Financial Year) |                                           |         |
|--------------------------------|-------------------------------------|-------------------------------------------|---------|--------------------------------------|-------------------------------------------|---------|
|                                | Received during the year            | Pending resolution at the end of the year | Remarks | Received during the year             | Pending resolution at the end of the year | Remarks |
| Data privacy                   | 0                                   | 0                                         | NA      | 0                                    | 0                                         | NA      |
| Advertising                    | 0                                   | 0                                         | NA      | 0                                    | 0                                         | NA      |
| Cyber-security                 | 0                                   | 0                                         | NA      | 0                                    | 0                                         | NA      |
| Delivery of essential services | 0                                   | 0                                         | NA      | 0                                    | 0                                         | NA      |
| Restrictive trade practices    | 0                                   | 0                                         | NA      | 0                                    | 0                                         | NA      |
| Unfair trade practices         | 0                                   | 0                                         | NA      | 0                                    | 0                                         | NA      |
| Other                          | 10                                  | 10                                        | -       | 0                                    | 0                                         | NA      |

**4. Details of instances of product recalls on account of safety issues:**

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | NA     | NA                 |
| Forced recalls    | NA     | NA                 |

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, CTIL maintains a robust framework dedicated to addressing cybersecurity concerns with the utmost vigilance. This framework monitors new practices and technologies, offering expert guidance to improve the security of the Company's IT systems and infrastructure. The Chief Information Officer bears the responsibility of guaranteeing the continued effectiveness and advancement of cybersecurity systems.

For more details, access the 'Security Policy' at the link provided below : <https://sustainability.adityabirla.com/images/Security%20Policy.pdf>

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of consumers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

Not applicable. No such instance occurred during FY 2023-24.

**7. Provide the following information relating to data breaches:****a. Number of instances of data breaches along-with impact.**

Nil

**b. Percentage of data breaches involving personally identifiable information of consumers**

Not Applicable

**c. Impact if any of the breaches**

Not applicable



## Leadership Indicators

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Each business segment of CTIL Textiles has a dedicated section on its website, offering detailed information about its wide range of products and services. The websites are listed below:

Real Estate: <https://www.birlaestates.com/projects>

Pulp and Paper: <https://www.centurypaperindia.com/product-b2b>

Textiles: [https://www.birlacentury.com/product\\_index.html](https://www.birlacentury.com/product_index.html)

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Real Estate: In FY 2023-24, the handover of commercial projects has begun, accompanied by the collection of customer feedback. Customers are also informed about the environment and safety-related measures that are incorporated into the projects. The Company provides detailed information on waste disposal practices, energy-saving measures, and fire safety guidelines for commercial projects. This proactive communication ensures that consumers are aware of the responsible usage of the security measures provided by the Company.

Pulp and Paper: To guarantee the safe and responsible usage of products, the Pulp and Paper business employs a multifaceted approach to consumer education. Additionally, customer meetings are

conducted to educate them about the safe handling and use of the Company's products. The Company provides a product booklet with the product.

Textiles: In the Textiles business, safety warnings are prominently displayed on polybags used for packaging. These warnings play a critical role in educating consumers on the safe usage and proper handling of textile products.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not applicable, as CTIL's products do not qualify as essential services.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

No

**Did your entity carry out any survey about consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

In the Real Estate segment of CTIL, a customer satisfaction survey (CSAT) was conducted at the outset of FY 2023-24. This Financial Year marked the commencement of project handovers, prompting the Company to actively seek feedback on product quality, design, and service. By carefully documenting this feedback, CTIL aims to enhance and elevate their offerings, guaranteeing they seamlessly align with customer expectations and requirements.

# Conclusion

This Business Responsibility and Sustainability Report by CTIL offers stakeholders a comprehensive overview of the Company's non-financial performance. With this report, the Company ensures the highest possible accuracy in disclosing essential details regarding ethical practices, sustainable raw materials, and innovative, efficient operations.

CTIL is poised for significant advancements with planned innovations designed to enhance operations. Strategic partnerships with start-ups are underway, aimed at developing new technologies that will reduce production time and boost efficiency. These initiatives will not only

strengthen the Company's performance but also meet stakeholders' expectations. As an integral part of the Aditya Birla Group, CTIL is committed to continuous development and improving disclosure practices each year.

In conclusion, CTIL remains firm in its dedication to sustainability, guided by the core principles of environmental stewardship, social responsibility, and economic viability. Through transparent reporting, ongoing improvements, and active stakeholder engagement, the Company strives to garner comprehensive support. CTIL is dedicated to ensuring a resilient future for both the Company and its stakeholders.





# INDEPENDENT AUDITOR'S REPORT

To the Members of Century Textiles and Industries Limited

## Report on the Audit of the Standalone Financial Statements

### OPINION

We have audited the accompanying standalone financial statements of Century Textiles and Industries Limited ("the Company") which includes financial statements of CTIL Employee Welfare Trust (the "Trust"), and comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report.

We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

| Key audit matters                                                                                                                                                                                                                           | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recognition and Measurement of Deferred tax (as described in Note 16 of the standalone financial statements)                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| The Company has recognized Minimum Alternate Tax (MAT) credit receivable of ₹ 363.93 crores as at March 31, 2024. The Company also has recognized deferred tax assets of ₹ 84.23 crores as at March 31, 2024 on indexation benefit on land. | <ul style="list-style-type: none"><li>Our procedures included, amongst others, the following:</li><li>Considered Company's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes".</li><li>Performed an understanding of the process and tested the internal controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls.</li></ul> |



## INDEPENDENT AUDITOR'S REPORT (Contd.)

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Company has measured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime. The recognition and measurement of MAT credit receivable and deferred tax balances is a key audit matter as the recoverability of such credits within the allowed time frame in the manner prescribed under tax regulations and estimation of year of transition to the new tax regime involves significant estimate of the financial projections, availability of sufficient taxable income in the future and admissibility of tax positions adopted by the Company.                                                                                                                                                         | <ul style="list-style-type: none"> <li>Performed the tests of details including the following key procedures: <ul style="list-style-type: none"> <li>Involved tax specialists to evaluate the Company's tax positions basis the tax law and also by comparing it with past precedents.</li> <li>Discussed the future business plans and financial projections as approved by the management.</li> <li>Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it with the past trends, approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment, where applicable.</li> <li>Assessed the deferred tax on temporary differences which are expected to reverse after the likely date of transition to the new tax regime and considered the impact thereof</li> </ul> </li> <li>Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes".</li> </ul>        |
| Assessing the carrying value of Real estate inventories (as described in Note 9 of the standalone financial statement)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| As at March 31, 2024, the carrying value of the inventory of ongoing real estate projects is ₹ 1,618.62 Crore. The inventories are held at the lower of the cost and net realisable value. The cost of the inventory is calculated using actual land acquisition costs, construction costs, development related costs and interest capitalised for eligible projects. We identified the assessment of whether carrying value of inventory were stated at the lower of cost and net realisable value ("NRV") as a key audit matter due to the significance of the balance to the standalone financial statements as a whole and the involvement of estimations in the assessment. The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price, cost to complete projects and selling costs. | <p>Our audit procedures included considering the Company's accounting policies with respect to valuation of inventories in accordance with Ind AS 2 "Inventories". We assessed the Company's methodology based on current economic and market conditions, applied in assessing the carrying value of Inventory balance. We performed test of controls over process of valuation of inventory and authorization for inventory write down. We performed the following test of details:</p> <ul style="list-style-type: none"> <li>Assessed the methods used by the management, in determining the NRV of ongoing real estate projects.</li> <li>Obtained, read and assessed the management's process in estimating the future costs to completion for inventory of ongoing projects.</li> <li>Discussed with management the life cycle of the project, key project risks, changes to project strategy, current and future estimated sales prices, construction progress and impairment.</li> <li>Compared the NRV to recent sales in the project</li> </ul> |

## OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



## INDEPENDENT AUDITOR'S REPORT (Contd.)

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

## INDEPENDENT AUDITOR'S REPORT (Contd.)

that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).
  - (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;



## INDEPENDENT AUDITOR'S REPORT (Contd.)

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38 to the standalone financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 43 to the standalone financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.  
As stated in note 13 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
  - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 49 to the financial statements. Further,

## INDEPENDENT AUDITOR'S REPORT (Contd.)

during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of this accounting software.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Place of Signature: Mumbai Membership Number: 049365

Date: 07 May, 2024 UDIN: 24049365BKGVIQ4648

**ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE OF CENTURY TEXTILES AND INDUSTRIES LIMITED**

In terms of the information and explanations sought by us and given by the Company and the books of account and

records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company, except the immovable properties as indicated in the table below:

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

- (d) The Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate and no discrepancies of 10% or more in aggregate for each class of inventory were noticed. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.
- (b) The Company has been sanctioned working capital limits in excess of INR five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns / statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- iii. (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, limited liability partnerships or any other parties as follows:



## INDEPENDENT AUDITOR'S REPORT (Contd.)

(figures in ₹ crore)

| Particulars                                                            | Guarantees | Loans    |
|------------------------------------------------------------------------|------------|----------|
| Aggregate amount granted / provided during the year                    |            |          |
| - Subsidiaries                                                         | -          | 1,358.46 |
| Balance outstanding as at balance sheet date in respect of above cases |            |          |
| - Subsidiaries                                                         | 900.00     | 743.84   |

- (b) During the year, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, limited liability partnerships or any other parties are not prejudicial to the Company's interest.
- (c) The Company has granted loans during the year to a company where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of the Company's products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:



## INDEPENDENT AUDITOR'S REPORT (Contd.)

| Name of statute                                   | Nature of dues          | Amount* (₹ crore) | Period to which the amount relates | Forum where the dispute is pending          |
|---------------------------------------------------|-------------------------|-------------------|------------------------------------|---------------------------------------------|
| Customs Act, 1962                                 | Custom duty             | 0.22              | 2000-2001                          | High Court                                  |
|                                                   |                         | 5.09              | 2004-2017                          | CESTAT                                      |
|                                                   |                         | 2.03              | 1987-2017                          | Departmental Authorities                    |
| Finance Act, 1994                                 | Service tax             | 0.95              | 2005-2010                          | High Court                                  |
|                                                   |                         | 0.04              | 2006-2016                          | CESTAT                                      |
|                                                   |                         | 1.32              | 1994-2018                          | Departmental Authorities                    |
| The Central Excise Act, 1944                      | Excise duty             | 25.97             | 1994-2018                          | High Court                                  |
|                                                   |                         | 0.23              | 1994-2018                          | CESTAT                                      |
|                                                   |                         | 8.24              | 1994-2018                          | Departmental Authorities                    |
| MVAT Act, 2002                                    | VAT                     | 5.16              | 2017-2018                          | Appellate Authorities                       |
| CST Act, 1995                                     | CST                     | 0.64              | 2017-2018                          | Appellate Authorities                       |
| Sales tax and Entry tax                           | Sales tax and Entry tax | 0.33              | 1999-2018                          | High Court                                  |
|                                                   |                         | 4.67              | 1987-2017                          | Departmental Authorities                    |
| Goods and Service Tax                             | GST                     | 4.12              | 2017-2022                          | Departmental Authorities                    |
| Zilla Parishad and Panchayat Samities Act 1961    | Water charges cess      | 95.32             | 1991 onwards                       | Departmental Authorities                    |
| Bombay Provincial Municipal Corporation Act 1949  | Octroi duty             | 38.54             | 1992-1993                          | High Court                                  |
|                                                   |                         | 0.04              | 1996 to 2007                       | Departmental Authorities                    |
| Bombay Provincial Municipal Corporation Act, 1949 | Property tax            | 0.75              | 1994 onwards                       | Bombay High Court and Civil Court of Kalyan |
| Maharashtra Land Revenue Code, 1966               | Others                  | 3.02              | 2001-2020                          | Departmental Authorities                    |

\* Net of deposits

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.



**INDEPENDENT AUDITOR'S REPORT (Contd.)**

- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the cost auditor or secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Group has one Core Investment Company as part of the Group.
- xvii. The Company has not incurred cash losses in the current as well as the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 47 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements, our knowledge of the Board of Directors

## INDEPENDENT AUDITOR'S REPORT (Contd.)

and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 29 to the standalone financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 29 to the financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Mumbai

07 May, 2024

Membership Number: 049365

UDIN: 24049365BKGVIQ4648

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CENTURY TEXTILES AND INDUSTRIES LIMITED

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

We have audited the internal financial controls with reference to standalone financial statements of Century Textiles and Industries Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit.



## INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

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

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are

recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Mumbai  
07 May, 2024

Membership Number: 049365  
UDIN: 24049365BKGVIQ4648

**STANDALONE BALANCE SHEET**

AS AT 31 MARCH 2024

(₹ in Crores)

| Particulars                                       | Note No. | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------|----------|------------------------|------------------------|
| <b>I ASSETS</b>                                   |          |                        |                        |
| <b>NON-CURRENT ASSETS</b>                         |          |                        |                        |
| (a) Property, plant and equipments                | 3        | 2,895.66               | 3,095.47               |
| (b) Capital work-in-progress                      | 3A       | 55.07                  | 187.07                 |
| (c) Investment property                           | 4        | 764.86                 | 796.61                 |
| (d) Investment property under development         | 4A       | 37.93                  | 36.41                  |
| (e) Intangible assets                             | 5        | 6.26                   | 6.26                   |
| (f) Financial assets                              |          |                        |                        |
| (i) Investments                                   | 6        | 644.39                 | 427.11                 |
| (ii) Loans                                        | 6A       | 743.84                 | 566.12                 |
| (iii) Other financial assets                      | 7        | 68.01                  | 19.78                  |
| (g) Advance tax (net of provisions)               |          | 53.28                  | 54.74                  |
| (h) Other non-current assets                      | 8        | 35.31                  | 21.31                  |
| <b>SUB-TOTAL</b>                                  |          | <b>5,304.61</b>        | <b>5,210.88</b>        |
| <b>CURRENT ASSETS</b>                             |          |                        |                        |
| (a) Inventories                                   | 9        | 2,216.64               | 1,786.63               |
| (b) Financial assets                              |          |                        |                        |
| (i) Investments                                   | 6        | 282.66                 | 3.00                   |
| (ii) Trade receivables                            | 10       | 142.43                 | 159.06                 |
| (iii) Cash and cash equivalents                   | 11       | 190.72                 | 23.38                  |
| (iv) Other bank balances (other than (iii) above) | 11       | 22.06                  | 61.30                  |
| (v) Other financial assets                        | 7        | 53.75                  | 20.25                  |
| (c) Other current assets                          | 8        | 232.02                 | 204.55                 |
| <b>SUB-TOTAL</b>                                  |          | <b>3,140.28</b>        | <b>2,258.17</b>        |
| Assets classified as held for sale                | 35       | 50.60                  | -                      |
| <b>TOTAL</b>                                      |          | <b>8,495.49</b>        | <b>7,469.05</b>        |

**STANDALONE BALANCE SHEET (Contd.)**

AS AT 31 MARCH 2024

(₹ in Crores)

| Particulars                                                                                    | Note No. | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------------------------------------------------------------------------|----------|---------------------|---------------------|
| <b>II EQUITY AND LIABILITIES</b>                                                               |          |                     |                     |
| <b>EQUITY</b>                                                                                  |          |                     |                     |
| (a) Equity share capital                                                                       | 12       | 111.69              | 111.69              |
| (b) Other equity                                                                               | 13       | 4,266.18            | 4,072.85            |
| <b>TOTAL EQUITY</b>                                                                            |          | <b>4,377.87</b>     | <b>4,184.54</b>     |
| <b>LIABILITIES</b>                                                                             |          |                     |                     |
| <b>NON-CURRENT LIABILITIES</b>                                                                 |          |                     |                     |
| (a) Financial liabilities                                                                      |          |                     |                     |
| (i) Borrowings                                                                                 | 14       | 1,278.27            | 399.09              |
| (ia) Lease liabilities                                                                         | 14A      | 17.85               | 19.34               |
| (ii) Other financial liabilities                                                               | 15       | 128.12              | 117.82              |
| (b) Deferred tax liabilities (net)                                                             | 16       | 70.29               | 63.65               |
| (c) Other non-current liabilities                                                              | 17       | 445.30              | 525.24              |
| <b>SUB-TOTAL</b>                                                                               |          | <b>1,939.83</b>     | <b>1,125.14</b>     |
| <b>CURRENT LIABILITIES</b>                                                                     |          |                     |                     |
| (a) Financial liabilities                                                                      |          |                     |                     |
| (i) Borrowings                                                                                 | 18       | 65.85               | 504.78              |
| (ia) Lease liabilities                                                                         | 14A      | 2.30                | 2.26                |
| (ii) Trade payables                                                                            | 19       |                     |                     |
| 1) total outstanding dues of micro enterprises and small enterprises                           |          | 4.19                | 17.04               |
| 2) total outstanding dues of trade payables other than micro enterprises and small enterprises |          | 679.68              | 688.74              |
| (iii) Other financial liabilities                                                              | 15       | 201.81              | 171.84              |
| (b) Provisions                                                                                 | 20       | 176.70              | 177.27              |
| (c) Other current liabilities                                                                  | 17       | 1,047.26            | 597.44              |
| <b>SUB-TOTAL</b>                                                                               |          | <b>2,177.79</b>     | <b>2,159.37</b>     |
| <b>TOTAL</b>                                                                                   |          | <b>8,495.49</b>     | <b>7,469.05</b>     |

Material accounting policies

2A

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Ravi Bansal**

Partner

Membership No: 049365

**Atul K.Kedia**Sr. Vice President (Legal) &  
Company Secretary**Snehal Shah**

Chief Financial Officer

Mumbai : 07 May 2024

**R.K.Dalmia**Managing Director  
DIN No: 00040951**For and on behalf of Board of Directors of  
Century Textiles and Industries Limited***Directors***Kumar Mangalam Birla**-DIN No: 00012813**Rajashree Birla**-DIN No: 00022995**Yazdi P. Dandiwal**-DIN No: 01055000**Rajan A. Dalal**-DIN No: 00546264**Sohanlal K. Jain**-DIN No: 02843676**Preeti Vyas**-DIN No: 02352395

**STANDALONE STATEMENT OF PROFIT AND LOSS**

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

| Particulars                                                                     | Note No. | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------------------------------------------|----------|-----------------------------|-----------------------------|
| <b>CONTINUING OPERATIONS</b>                                                    |          |                             |                             |
| <b>I</b> Revenue from operations                                                | 21       | 3,879.38                    | 3,831.42                    |
| <b>II</b> Other income                                                          | 22       | 131.36                      | 59.09                       |
| <b>III Total Income (I + II)</b>                                                |          | <b>4,010.74</b>             | <b>3,890.51</b>             |
| <b>IV Expenses</b>                                                              |          |                             |                             |
| (a) Cost of materials consumed                                                  | 23       | 2,121.04                    | 2,145.02                    |
| (b) Purchases of traded goods                                                   | 24       | 7.49                        | 2.99                        |
| (c) Changes in inventories of finished goods, work-in-progress and traded goods | 25       | (1.74)                      | (95.79)                     |
| (d) Employee benefits expense                                                   | 26       | 202.48                      | 191.22                      |
| (e) Finance costs                                                               | 27       | 96.42                       | 69.52                       |
| (f) Depreciation and amortisation expense                                       | 28       | 201.34                      | 191.65                      |
| (g) Other expenses                                                              | 29       | 798.76                      | 901.78                      |
| <b>Total Expenses</b>                                                           |          | <b>3,425.79</b>             | <b>3,406.39</b>             |
| <b>V Profit before exceptional items and tax (III - IV)</b>                     |          | <b>584.95</b>               | <b>484.12</b>               |
| <b>VI</b> Exceptional Items                                                     | 35A      | -                           | 134.21                      |
| <b>VII Profit before tax from continuing operations (V + VI)</b>                |          | <b>584.95</b>               | <b>618.33</b>               |
| <b>VIII Tax expense of continuing operations</b>                                | 16       |                             |                             |
| (a) Current tax                                                                 |          | 72.29                       | 92.84                       |
| (b) Deferred tax                                                                |          | 115.11                      | 98.99                       |
| (c) Deferred tax relating to earlier period                                     |          | 0.19                        | 0.55                        |
| <b>Total tax expense</b>                                                        |          | <b>187.59</b>               | <b>192.38</b>               |
| <b>IX Profit after tax from continuing operations (VII - VIII)</b>              |          | <b>397.36</b>               | <b>425.95</b>               |
| <b>X Discontinued Operations</b>                                                | 35       |                             |                             |
| (a) Loss before tax from discontinued operations                                |          | (164.71)                    | (88.67)                     |
| (b) Loss on measurement to net realisable value                                 |          | (214.00)                    | -                           |
| (c) Tax Expense Income of discontinued operations                               |          | 132.51                      | 31.03                       |
| <b>Loss after tax from discontinued operations</b>                              |          | <b>(246.20)</b>             | <b>(57.64)</b>              |
| <b>XI Profit for the year (IX + X)</b>                                          |          | <b>151.16</b>               | <b>368.31</b>               |

**STANDALONE STATEMENT OF PROFIT AND LOSS (Contd.)**

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

| Particulars                                                                                       | Note No. | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------------------------------------------------------------|----------|-----------------------------|-----------------------------|
| <b>XII Other comprehensive income</b>                                                             |          |                             |                             |
| (i) Items that will not be re-classified to profit or loss - continuing operations                |          |                             |                             |
| (a) Re-measurement gain / (loss) on defined benefit plans                                         |          | (0.28)                      | 1.35                        |
| (b) Income Tax relating to items that will not be reclassified to Profit or Loss                  |          | 0.10                        | (0.47)                      |
| (C) Net gain / (loss) on Fair value through Other Comprehensive Income (OCI) - Equity Instruments |          | 206.62                      | (59.37)                     |
| (d) Income Tax relating to items that will be reclassified to Profit or Loss                      |          | (24.39)                     | -                           |
| (ii) Items that will not be re-classified to profit or loss - discontinued operations             |          |                             |                             |
| (a) Re-measurement gain / (loss) on defined benefit plans                                         |          | (1.26)                      | 0.48                        |
| (b) Income tax on (a)                                                                             |          | 0.44                        | (0.17)                      |
| <b>Total other comprehensive income / (loss) for the year (net of tax)</b>                        |          | <b>181.23</b>               | <b>(58.18)</b>              |
| <b>XIII Total comprehensive income for the year (XI + XII)</b>                                    |          | <b>332.39</b>               | <b>310.13</b>               |
| <b>XIV Earnings per equity share [face value ₹ 10 per share (31 March 2023 ₹ 10 per share)] :</b> | 31       |                             |                             |
| (a) Basic earnings per share - Continuing operations                                              |          | 35.94                       | 38.14                       |
| (b) Diluted earnings per share - Continuing operations                                            |          | 35.83                       | 38.14                       |
| (c) Basic earnings per share - Discontinued operations                                            |          | (22.27)                     | (5.16)                      |
| (d) Diluted earnings per share - Discontinued operations                                          |          | (22.20)                     | (5.16)                      |
| (e) Basic earnings per share - Continuing and discontinued operations                             |          | 13.67                       | 32.98                       |
| (f) Diluted earnings per share - Continuing and discontinued operations                           |          | 13.63                       | 32.98                       |

Material accounting policies

2A

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Ravi Bansal**  
Partner  
Membership No: 049365

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

**Snehal Shah**  
Chief Financial Officer

Mumbai : 07 May 2024

**R.K.Dalmia**  
Managing Director  
DIN No: 00040951

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

Directors

**Kumar Mangalam Birla**-DIN No: 00012813  
**Rajashree Birla**-DIN No: 00022995  
**Yazdi P. Dandiwal**-DIN No: 01055000  
**Rajan A. Dalal**-DIN No: 00546264  
**Sohanlal K. Jain**-DIN No: 02843676  
**Preeti Vyas**-DIN No: 02352395



# STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

|                                                     | Equity Share Capital |        | Reserves and Surplus                |                                    |                                                |                 |                                | Other comprehensive income |                                                                         | Total Other Equity |
|-----------------------------------------------------|----------------------|--------|-------------------------------------|------------------------------------|------------------------------------------------|-----------------|--------------------------------|----------------------------|-------------------------------------------------------------------------|--------------------|
|                                                     | No in Crores         | Amount | Securities Premium (See Note 13(a)) | General Reserves (See Note 13 (d)) | Capital Redemption Reserve (See Note 13(b)(i)) | Treasury Shares | Employee Stock Options Reserve | Retained earnings          | Equity Instruments through Other Comprehensive Income (See Note 13e(i)) |                    |
| <b>As at 1 April 2023</b>                           | 11.17                | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,958.65                   | 97.44                                                                   | 4,072.85           |
| Changes in accounting policy or prior period errors | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | -                          | -                                                                       | -                  |
| <b>As at 1 April 2023</b>                           | 11.17                | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,958.65                   | 97.44                                                                   | 4,072.85           |
| Profit for the year                                 | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | 151.16                     | -                                                                       | 151.16             |
| Other comprehensive income / (loss)                 | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | (1.00)                     | 182.23                                                                  | 181.23             |
| Total comprehensive income for the year             | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | 150.16                     | 182.23                                                                  | 332.39             |
| Purchase of Treasury Shares (Refer Note 46)         | -                    | -      | -                                   | -                                  | -                                              | (94.99)         | -                              | -                          | -                                                                       | (94.99)            |
| Employee Stock Options Granted (Refer Note 46)      | -                    | -      | -                                   | -                                  | -                                              | -               | 11.16                          | -                          | -                                                                       | 11.16              |
| Dividend paid on equity shares (See Note 13 (c))    | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | (55.23)                    | -                                                                       | (55.23)            |
| <b>As at 31 March 2024</b>                          | 11.17                | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | (94.99)         | 11.16                          | 2,053.58                   | 279.67                                                                  | 4,266.18           |
| <b>As at 1 April 2022</b>                           | 11.17                | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,633.83                   | 156.81                                                                  | 3,807.40           |
| Changes in accounting policy or prior period errors | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | -                          | -                                                                       | -                  |
| <b>Balance as at 1 April 2022</b>                   | 11.17                | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,633.83                   | 156.81                                                                  | 3,807.40           |
| Profit for the year                                 | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | 368.31                     | -                                                                       | 368.31             |
| Other comprehensive income / (loss)                 | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | 1.19                       | (59.37)                                                                 | (58.18)            |
| Total comprehensive income / (loss) for the year    | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | 369.50                     | (59.37)                                                                 | 310.13             |
| Dividend paid on equity shares (See Note 13 (c))    | -                    | -      | -                                   | -                                  | -                                              | -               | -                              | (44.68)                    | -                                                                       | (44.68)            |
| <b>As at 31 March 2023</b>                          | 11.17                | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,958.65                   | 97.44                                                                   | 4,072.85           |

As per our report of even date

For S R B C &amp; COLLP

Chartered Accountants

Firm Registration Number 324982E / E3000003

per Ravi Bansal

Partner

Membership No: 049365

Atul K. Keddia

Sr. Vice President (Legal) &amp;

Company Secretary

Snehal Shah

Chief Financial Officer

Mumbai : 07 May 2024

R.K.Dalmia

Managing Director

DIN No: 00040951

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

Directors

Kumar Mangalam Birla-DIN No: 00012813

Rajashree Birla-DIN No: 00022995

Yazdi P. Dandiwalal-DIN No: 01055000

Rajan A. Dalal-DIN No: 00546264

Sohanlal K. Jain-DIN No: 02843676

Preeti Vyas-DIN No: 02352395



# STANDALONE CASH FLOWS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

| Particulars                                                                                                                     | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                                                  |                             |                             |
| NET PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS                                                                       | 584.95                      | 618.33                      |
| NET PROFIT / (LOSS) BEFORE TAX FROM DISCONTINUED OPERATIONS                                                                     | (378.71)                    | (88.67)                     |
| Add / (Less) :                                                                                                                  |                             |                             |
| Depreciation on property plant and equipments                                                                                   | 198.42                      | 188.27                      |
| Depreciation on investment property                                                                                             | 32.36                       | 32.49                       |
| Amortisation on intangible assets                                                                                               | 2.24                        | 2.04                        |
| Impairment Provision on property plant and equipments                                                                           | 200.00                      | -                           |
| Loss/(gain) on sale of property plant and equipments and investment properties                                                  | (0.14)                      | (0.81)                      |
| Allowance for credit loss                                                                                                       | 6.98                        | 17.64                       |
| Unrealized exchange (gain) / loss                                                                                               | 0.80                        | (0.85)                      |
| Interest income on deposit and government bonds                                                                                 | (11.25)                     | (40.12)                     |
| Profit on transfer of leasehold land                                                                                            | -                           | (134.21)                    |
| Impairment Provision on Inventory                                                                                               | 6.45                        | -                           |
| Interest expense                                                                                                                | 119.06                      | 89.19                       |
| Liabilities written back                                                                                                        | (9.01)                      | (8.21)                      |
| Dividend on investments and mutual funds                                                                                        | (10.69)                     | (4.69)                      |
|                                                                                                                                 | <b>535.22</b>               | <b>140.74</b>               |
| <b>Working capital adjustments</b>                                                                                              |                             |                             |
| Decrease / (increase) in inventory                                                                                              | (408.48)                    | (379.42)                    |
| Decrease / (increase) in trade receivables                                                                                      | 9.86                        | 44.67                       |
| Decrease / (increase) in other financial assets                                                                                 | (37.81)                     | 35.76                       |
| Decrease / (increase) in other assets                                                                                           | (25.00)                     | (32.48)                     |
| (Decrease) / increase in other financial liabilities                                                                            | 21.63                       | 26.99                       |
| (Decrease) / increase in trade payables                                                                                         | (13.91)                     | (102.20)                    |
| (Decrease) / increase in provisions                                                                                             | (1.83)                      | 0.55                        |
| (Decrease) / increase in other liabilities                                                                                      | 369.87                      | 333.15                      |
| Decrease / (increase) in other bank balance                                                                                     | 4.24                        | (41.91)                     |
|                                                                                                                                 | <b>(81.43)</b>              | <b>(114.89)</b>             |
| Cash flows generated from operations                                                                                            | 660.03                      | 555.51                      |
| Add / (Less) :                                                                                                                  |                             |                             |
| Direct tax paid (previous year : excluding tax on transfer of leasehold land amounting to ₹ 25.64 Crores)                       | (70.83)                     | (71.71)                     |
| <b>NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES</b>                                                                       | <b>589.20</b>               | <b>483.80</b>               |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                                                  |                             |                             |
| Purchase of property plant and equipments, investment properties and intangible assets                                          | (159.63)                    | (105.30)                    |
| Proceeds from sale of property plant and equipments and investment properties                                                   | 6.00                        | 3.25                        |
| Interest received (finance income)                                                                                              | 11.65                       | 37.43                       |
| (Purchase) / sale of investments (net)                                                                                          | (288.76)                    | 130.21                      |
| Investment in joint venture                                                                                                     | -                           | (10.00)                     |
| Proceeds from transfer of leasehold land (Previous year : net of expenses towards transfer and tax amounting to ₹ 25.64 Crores) | -                           | 131.05                      |
| Dividend on investments                                                                                                         | 10.69                       | 4.69                        |
| Loans given to subsidiary (net)                                                                                                 | (177.72)                    | (224.00)                    |
| <b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>                                                                              | <b>(597.77)</b>             | <b>(32.67)</b>              |

**STANDALONE CASH FLOWS STATEMENT (Contd.)**

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

| Particulars                                                    | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                  |                             |                             |
| Proceeds from non current borrowings                           | 900.00                      | 400.00                      |
| Repayment of non current borrowings                            | (295.00)                    | (575.31)                    |
| Net proceeds / (repayment) of short term borrowings            | (31.50)                     | (248.27)                    |
| Treasury Shares acquired by ESOP trust                         | (95.00)                     | -                           |
| Dividend paid                                                  | (55.41)                     | (44.84)                     |
| Lease liability paid                                           | (3.21)                      | (4.06)                      |
| Interest paid                                                  | (110.72)                    | (106.34)                    |
| <b>NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>    | <b>309.16</b>               | <b>(578.82)</b>             |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>  | <b>300.59</b>               | <b>(127.69)</b>             |
| Cash and cash equivalents at the beginning of the year         | (110.31)                    | 17.38                       |
| Cash and cash equivalents at the year end - (Refer note below) | 190.28                      | (110.31)                    |

| Particulars                                                                       | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-----------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Reconciliation of cash and cash equivalents as per the cash flow statement</b> |                        |                        |
| Cash and cash equivalents as per the above comprise of the following              |                        |                        |
| Cash and cash equivalents - (Refer note 11)                                       | 190.72                 | 23.38                  |
| Cash credit and overdraft facilities from banks - (Refer note 18)                 | (0.44)                 | (133.69)               |
| <b>Balance as per cash flows statement</b>                                        | <b>190.28</b>          | <b>(110.31)</b>        |

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Ravi Bansal**  
Partner  
Membership No: 049365

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

**Snehal Shah**  
Chief Financial Officer

Mumbai : 07 May 2024

**R.K.Dalmia**  
Managing Director  
DIN No: 00040951

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

*Directors*

**Kumar Mangalam Birla**-DIN No: 00012813  
**Rajashree Birla**-DIN No: 00022995  
**Yazdi P. Dandiwala**-DIN No: 01055000  
**Rajan A. Dalal**-DIN No: 00546264  
**Sohanlal K. Jain**-DIN No: 02843676  
**Preeti Vyas**-DIN No: 02352395



# NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

## 1. CORPORATE INFORMATION

Century Textiles & Industries Limited ("the company") (CIN. L17120MH1897PLC000163) is a limited company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The principal place of business of the company is located at Century Bhawan, Dr. A. B. Road, Worli, Mumbai. The Company is a public limited Company, and its shares are listed on the BSE Limited, India, and the National Stock Exchange of India Limited, India.

The Company is principally engaged in manufacturing of Textiles, Cement, Pulp and Paper and Real estate. The financial statement includes the financials statement of CTIL Employee Welfare Trust as the Company treats the same as its extension.

The financial statements were approved for issue in accordance with a resolution of the board of directors on 07 May 2024.

## 2A. MATERIAL ACCOUNTING POLICIES

### 2.1 Basis of preparation

The standalone financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The separate financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Non-cash distribution liability

The financial statements are presented in INR and all values are rounded to the nearest crores (INR 00,00,000), except when otherwise indicated.

### 2.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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

### 2.3 Fair value measurement

The company measures financial instruments, such as derivatives, investments etc, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## 2.4 Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

### Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated in determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, and consideration payable to the customer (if any).

### Sale of real estate units

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



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential unit.

### Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale provide customers with discounts. The discounts give rise to variable consideration.

### Discounts

Discounts includes target and growth rebates, price reductions, incentives to customers or retailers. To estimate the amount of discount, the company applies accumulated experience using the most likely method. The Company determines that the estimates of discounts are not constrained based on its historical experience, business forecast and the current economic conditions. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected discount. No element of financing is deemed present as the sales are made with credit terms largely ranging between 7 days to 120 days.

### **Contract balances**

#### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract

asset is recognised for the earned consideration that is conditional.

#### **Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

#### **Refund liabilities**

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

### **2.5 Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Government grants such as sales tax incentive, export benefit schemes are recognized in the Statement of Profit and Loss as a part of other operating revenues whereas grants related to royalty, power incentives and interest subsidies are netted off from the related expense.

## 2.6 Taxes

### Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (i.e. in other comprehensive income). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction in OCI.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year.

The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit





## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

and loss as credit in current tax expense and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period

#### **GST paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

## **2.7 Property, plant and equipments**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is recognised so as to depreciate the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with

the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Asset class            | Useful life         |
|------------------------|---------------------|
| Buildings              | 30 years – 60 years |
| Plant and equipments   | 3 years – 25 years  |
| Electric installations | 3 years – 10 years  |
| Furniture & fixtures   | 3- 10 years         |
| Office equipments      | 3-10 years          |
| Vehicles               | 5 -10 years         |

The management has estimated the above useful life and the same is supported by technical expert. Which are different from useful life prescribed in Companies Act, 2013.

Refer Note 2.11 on Accounting of leases as per Ind As 116 applied from April 1, 2019 for right of use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

## **2.8 Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Cost of software capitalised is amortised over its useful life which is estimated to be a period of five years.

## **2.9 Investment properties**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost,

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The company, based on technical assessment made by management, depreciates the building over estimated useful lives of 40 years. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes. Fair value are determined based on an annual evaluation performed by an accredited external independent valuer.

## 2.10 Non-current assets held for sale / distribution to owners and discontinued operations

The Company classifies non-current assets and disposal company as held for sale/distribution if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale/distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/distribution classification is regarded met only when the assets or disposal company is available for immediate sale/distribution in its present condition, subject only to terms that are usual and customary for sales/distribution of such assets (or disposal company), its sale/distribution

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

- The appropriate level of management is committed to a plan to sell the asset (or disposal company),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/ for distribution to owners and disposal company are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/distribution are not depreciated or amortised.

A disposal company qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in Note 35. All other notes to the financial statements mainly include



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

amounts for continuing operations, unless otherwise mentioned.

### 2.11 Leases

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

#### As a lessee

##### i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company presents right-to-use assets within the same line item as that within which the corresponding underlying assets would be presented if they were owned by the Company.

##### ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities under financial liabilities in the Balance Sheet.

##### iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**2.12 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**2.13 Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average cost basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**2.14 Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are

largely independent of those from other assets or company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment loss of continuing operations, including impairment on inventories is recognised in the statement of profit and loss.

**2.15 Provisions**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

### 2.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### 2.17 Employee Benefits

#### Defined Contribution plans

For certain employees of the Company, employee benefit in the form of Provident fund, Employees State Insurance Contribution and Labour Welfare fund are defined contribution plans. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

#### Defined benefit plans

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. Periodic contributions to the Fund are charged to the Statement of profit and loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of profit and loss. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

### Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the

unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### 2.18 Research and Development

Research expenditure, including overheads, on research and development, is charged as an expense in the year in which incurred.

### 2.19 Employee Share-Based Payments

**Equity-settled Transactions** Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model and Binomial Model. The fair value, determined at the grant date of the equity settled share-based payments, is charged to Standalone Statement of Profit and Loss or recognised as investments in subsidiary, if ESOP granted to employees of subsidiary Company on a systematic basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in other equity

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In a situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within other equity. **Cash-settled Transactions** The cost of cash-settled transactions is measured initially at fair value at the grant date using a Black-Scholes Merton Formula. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

### 2.20 Treasury Shares

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The EBT purchase shares of





## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

the Company from the market, for giving shares to employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. No gain or loss is recognised in the Standalone statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Share options whenever exercised, would be settled from such treasury shares.

### 2.21 Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at INR spot rate at the date, the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

#### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

- b) Financial assets that are equity instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 116
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed

to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Derivative financial instruments:**

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps to manage its foreign currency risks and interest rate risks respectively.

These derivative instruments are designated as cash flow, fair value or net investment hedges and are entered into for period consistent with currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in the Statement of profit and loss except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast

transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

**Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 2.21 Investment in Subsidiary

The Company's investment in its subsidiaries are carried at cost.

### 2.22 Earnings Per Share:

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### 2.23 Cash dividend and non-cash distribution to equity holders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

### 2.24 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does

not recognize a contingent liability but discloses its existence in the financial statements.

## 2B. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

### Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### a) Employee benefit plans

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 36.

**b) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 43 and 44 for further disclosures.

**c) Useful Lives of Property, Plant & Equipment:**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets

in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

**(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

**(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

## 2C. NEW AND AMENDED STANDARDS

**(i) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates, changes





## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 3****A. PROPERTY, PLANT AND EQUIPMENTS**

|                                                                 | Land - Freehold | Buildings     | Plant and equipments | Office equipments | Furniture and fixtures | Vehicles    | Electric installations | Total           |
|-----------------------------------------------------------------|-----------------|---------------|----------------------|-------------------|------------------------|-------------|------------------------|-----------------|
| <b>I. GROSS BLOCK</b>                                           |                 |               |                      |                   |                        |             |                        |                 |
| Balance as at 1 April 2022                                      | 336.77          | 641.44        | 5,491.05             | 11.89             | 38.55                  | 7.70        | 129.08                 | 6,656.48        |
| Additions                                                       | -               | 1.89          | 93.13                | 0.95              | 1.41                   | 1.94        | 8.65                   | 107.97          |
| Disposals                                                       | (0.02)          | (0.14)        | (31.10)              | (1.11)            | (1.08)                 | (1.28)      | (0.83)                 | (35.56)         |
| <b>Balance as at 31 March 2023</b>                              | <b>336.75</b>   | <b>643.19</b> | <b>5,553.08</b>      | <b>11.73</b>      | <b>38.88</b>           | <b>8.36</b> | <b>136.90</b>          | <b>6,728.89</b> |
| Additions                                                       | -               | 16.34         | 162.71               | 4.07              | 19.55                  | 2.42        | 1.78                   | 206.87          |
| Additions - Discontinued Operations (Refer Note No 35)          | -               | -             | 43.48                | -                 | -                      | 0.20        | 0.97                   | 44.65           |
| Disposals                                                       | (0.04)          | (3.33)        | (12.61)              | -                 | (5.43)                 | (1.16)      | (0.62)                 | (23.19)         |
| Disposals - Discontinued Operations (Refer Note No 35)          | -               | -             | (3.93)               | (0.09)            | -                      | (0.20)      | (0.04)                 | (4.26)          |
| Transfer to Assets Classified Held for Sale                     | -               | -             | (267.11)             | -                 | -                      | -           | -                      | (267.11)        |
| <b>Balance as at 31 March 2024</b>                              | <b>336.71</b>   | <b>656.20</b> | <b>5,475.62</b>      | <b>15.71</b>      | <b>53.00</b>           | <b>9.62</b> | <b>138.99</b>          | <b>6,685.85</b> |
| <b>II. ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>              |                 |               |                      |                   |                        |             |                        |                 |
| Balance as at 1 April 2022                                      | 0.80            | 301.38        | 3,042.39             | 10.25             | 31.07                  | 5.86        | 117.99                 | 3,509.74        |
| Depreciation expense for the year                               | -               | 17.31         | 163.10               | 0.42              | 1.35                   | 0.57        | 1.95                   | 184.70          |
| Disposal of assets                                              | -               | (0.13)        | (21.98)              | (0.91)            | (0.97)                 | (0.96)      | (0.49)                 | (25.44)         |
| <b>Balance as at 31 March 2023</b>                              | <b>0.80</b>     | <b>318.56</b> | <b>3,183.51</b>      | <b>9.76</b>       | <b>31.45</b>           | <b>5.47</b> | <b>119.45</b>          | <b>3,669.00</b> |
| Depreciation expense for the year                               | -               | 13.26         | 146.52               | 0.60              | 0.94                   | 0.70        | 2.44                   | 164.46          |
| Depreciation - Discontinued Operations (Refer Note No 35)       | -               | 4.23          | 26.49                | 0.12              | 0.21                   | 0.12        | 0.22                   | 31.39           |
| Impairment (Refer Note No 35)                                   | -               | 82.29         | 111.18               | 0.33              | 0.68                   | -           | 3.11                   | 197.59          |
| Transfer to Assets Classified Held for Sale                     | -               | -             | (216.51)             | -                 | -                      | -           | -                      | (216.51)        |
| Disposal of assets                                              | -               | (2.53)        | (9.96)               | -                 | (4.92)                 | (0.88)      | (0.57)                 | (18.86)         |
| Disposal of assets - Discontinued Operations (Refer Note No 35) | -               | -             | (3.74)               | (0.08)            | -                      | (0.01)      | (0.04)                 | (3.87)          |
| <b>Balance as at 31 March 2024</b>                              | <b>0.80</b>     | <b>415.81</b> | <b>3,237.49</b>      | <b>10.73</b>      | <b>28.36</b>           | <b>5.40</b> | <b>124.61</b>          | <b>3,823.20</b> |
| <b>NET BLOCK</b>                                                |                 |               |                      |                   |                        |             |                        |                 |
| Balance as at 31 March 2023                                     | 335.95          | 324.63        | 2,369.57             | 1.97              | 7.43                   | 2.89        | 17.45                  | 3,059.89        |
| <b>Balance as at 31 March 2024</b>                              | <b>335.91</b>   | <b>240.39</b> | <b>2,238.13</b>      | <b>4.98</b>       | <b>24.64</b>           | <b>4.22</b> | <b>14.38</b>           | <b>2,862.65</b> |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 3** (Continued)**B. Right of use assets**

(₹ in Crores)

| Description                                               | Land         | Building     | Total        |
|-----------------------------------------------------------|--------------|--------------|--------------|
| <b>COST</b>                                               |              |              |              |
| Balance as on 1 April 2022                                | 58.08        | 17.75        | 75.83        |
| Additions                                                 | -            | 3.02         | 3.02         |
| Disposals                                                 | (25.66)      | (4.98)       | (30.64)      |
| <b>Balance as at 31 March 2023</b>                        | <b>32.42</b> | <b>15.79</b> | <b>48.21</b> |
| Additions                                                 | -            | -            | -            |
| Disposals                                                 | -            | (1.68)       | (1.68)       |
| <b>Balance as at 31 March 2024</b>                        | <b>32.42</b> | <b>14.11</b> | <b>46.53</b> |
| <b>ACCUMULATED DEPRECIATION</b>                           |              |              |              |
| Balance as on 1 April 2022                                | 10.49        | 6.72         | 17.21        |
| Depreciation expense for the year                         | 1.16         | 2.41         | 3.57         |
| Disposal of assets                                        | (3.18)       | (4.98)       | (8.16)       |
| <b>Balance as at 31 March 2023</b>                        | <b>8.47</b>  | <b>4.15</b>  | <b>12.62</b> |
| Depreciation expense for the year                         | 0.80         | 1.68         | 2.48         |
| Depreciation - Discontinued Operations (Refer Note No 35) | 0.09         | -            | 0.09         |
| Disposal of assets                                        | -            | (1.67)       | (1.67)       |
| <b>Balance as at 31 March 2024</b>                        | <b>9.36</b>  | <b>4.16</b>  | <b>13.52</b> |
| <b>NET BLOCK</b>                                          |              |              |              |
| Balance as at 31 March 2023                               | 23.95        | 11.64        | 35.58        |
| <b>Balance as at 31 March 2024</b>                        | <b>23.06</b> | <b>9.95</b>  | <b>33.01</b> |

**C. Net book value**

(₹ in Crores)

| Particulars         | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------|------------------------|------------------------|
| Owned assets        | 2,862.65               | 3,059.89               |
| Right-of-use assets | 33.01                  | 35.58                  |
| <b>Total</b>        | <b>2,895.66</b>        | <b>3,095.47</b>        |

**Notes:**

- (i) During the year ended 31 March 2024 and 31 March 2023, no impairment indicators existed for any of its Cash Generating Unit (CGU) relating to continuing operations and accordingly no provision for impairment has been recognised for continuing operations. The recoverable amount based on value in use was determined at each CGU level for continuing operations. However the Company has recognised the impairment provision on property, plant and equipments of discontinued operations (Refer Note No 35).
- (ii) Capitalised borrowing cost : No borrowing costs are capitalised on property, plant and equipments under construction (31 March, 2023- Nil).
- (iii) Title deeds
  - (a) All title deeds of immovable properties included in property, plant and equipments are held in the name of the Company as at 31<sup>st</sup> March 2024.
  - (b) Refer note 14 and note 18 for details of pledge and securities.





## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 3A CAPITAL WORK IN PROGRESS (CWIP)**

(₹ in Crores)

| Particulars                                      | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--------------------------------------------------|------------------------|------------------------|
| Opening balances                                 | 187.07                 | 173.75                 |
| Add: Additions during the year                   | 117.38                 | 118.69                 |
| Less: capitalisation / deduction during the year | (249.38)               | (105.37)               |
| Closing balances                                 | 55.07                  | 187.07                 |

**(i) Ageing schedule**

(₹ in Crores)

| Particulars                    | Amount in CWIP for a period of |              |              |                      | Total         |
|--------------------------------|--------------------------------|--------------|--------------|----------------------|---------------|
|                                | Less than 1<br>year            | 1-2 years    | 2-3 years    | More than 3<br>years |               |
| <b>As at 31 March 2024</b>     |                                |              |              |                      |               |
| Projects in progress           | 39.18                          | 14.43        | 0.97         | 0.49                 | 55.07         |
| Projects temporarily suspended | -                              | -            | -            | -                    | -             |
| <b>Total</b>                   | <b>39.18</b>                   | <b>14.43</b> | <b>0.97</b>  | <b>0.49</b>          | <b>55.07</b>  |
| <b>As at 31 March 2023</b>     |                                |              |              |                      |               |
| Projects in progress           | 95.47                          | 75.99        | 12.86        | 2.75                 | 187.07        |
| Projects temporarily suspended | -                              | -            | -            | -                    | -             |
| <b>Total</b>                   | <b>95.47</b>                   | <b>75.99</b> | <b>12.86</b> | <b>2.75</b>          | <b>187.07</b> |

**(ii) CWIP completion schedule for projects overdue**

| Project                    | To be completed in  |           |           |                      |
|----------------------------|---------------------|-----------|-----------|----------------------|
|                            | Less than 1<br>year | 1-2 years | 2-3 years | More than<br>3 years |
| <b>As at 31 March 2024</b> | -                   | -         | -         | -                    |
| <b>As at 31 March 2023</b> |                     |           |           |                      |
| Paper Machine 3 & 4        | 3.81                | -         | -         | -                    |
| 275 TPH Evaporator Plant   | 114.22              | -         | -         | -                    |

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 4 INVESTMENT PROPERTIES**

(₹ in Crores)

| Particulars                         | Land (Including TDRs) | Buildings       | Total           |
|-------------------------------------|-----------------------|-----------------|-----------------|
| <b>I. GROSS BLOCK</b>               |                       |                 |                 |
| Balance as at 1 April 2022          | 18.90                 | 1,042.29        | 1,061.19        |
| Additions                           | -                     | 0.16            | 0.16            |
| Disposals                           | -                     | (11.52)         | (11.52)         |
| <b>Balance as at 31 March 2023</b>  | <b>18.90</b>          | <b>1,030.93</b> | <b>1,049.83</b> |
| Additions                           | -                     | 0.61            | 0.61            |
| Disposals                           | -                     | -               | -               |
| <b>Balance as at 31 March 2024</b>  | <b>18.90</b>          | <b>1,031.54</b> | <b>1,050.44</b> |
| <b>II. ACCUMULATED DEPRECIATION</b> |                       |                 |                 |
| Balance as at 1 April 2022          | -                     | 222.46          | 222.46          |
| Depreciation expense for the year   | -                     | 32.49           | 32.49           |
| Disposal of assets                  | -                     | (1.73)          | (1.73)          |
| <b>Balance as at 31 March 2023</b>  | <b>-</b>              | <b>253.22</b>   | <b>253.22</b>   |
| Depreciation expense for the year   | -                     | 32.36           | 32.36           |
| Disposal of assets                  | -                     | -               | -               |
| <b>Balance as at 31 March 2024</b>  | <b>-</b>              | <b>285.58</b>   | <b>285.58</b>   |
| <b>NET BLOCK</b>                    |                       |                 |                 |
| Balance as at 31 March 2023         | 18.90                 | 777.71          | 796.61          |
| <b>Balance as at 31 March 2024</b>  | <b>18.90</b>          | <b>745.96</b>   | <b>764.86</b>   |

**Notes :****(i) Information regarding Income and expenditure of Investment properties**

(₹ in Crores)

| Particulars                                                                            | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Rental income derived from Investment properties (See Note 21)                         | 145.70                      | 124.73                      |
| Direct operating expenses (including repairs and maintenance) generating rental income | (26.30)                     | (26.19)                     |
| Profit arising from investment properties before depreciation and indirect expenses    | 119.40                      | 98.54                       |
| Less: Depreciation                                                                     | 32.36                       | 32.49                       |
| Profit arising from investment properties before indirect expenses                     | 87.04                       | 66.05                       |

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



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 4 INVESTMENT PROPERTIES** (Continued)

- (iii) Out of the total land under Investment Properties, 6.31 acres of land amounting to ₹ 0.01 crores, which was allotted to the Company on lease under the Poorer Class Accommodation Scheme 1898 as amended by 1913 Act and 1925 Act, which stated that in the event of no default being made in complying with the conditions of the lease, then on expiry of the lease all the right, title and interest shall vest with the Company. The lease expired in the year 1955 and the Company has filed a petition for execution of formal deed of conveyance, refer details below

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

- (iv) Refer note 14 and note 18 for details of pledge and securities.
- (v) Capitalised borrowing cost :  
No borrowing costs is capitalised during the year (31 March 2023 - ₹ Nil) in Investment property under development.
- (vi) Leasing arrangements  
Certain investment properties are leased to tenants under long term operating leases with rentals payable monthly. (Refer note 45)
- (vii) Fair value

**Description of valuation techniques used and key inputs to valuation on investment properties:**

(₹ in Crores)

| Particulars                                                          | Valuation technique (See Note below) | Fair value hierarchy (See Note below) | Fair Value    |               |
|----------------------------------------------------------------------|--------------------------------------|---------------------------------------|---------------|---------------|
|                                                                      |                                      |                                       | 31 March 2024 | 31 March 2023 |
| Land (Worli land excluding land classified as Real estate inventory) | Stamp duty reckoner rate             | Level 2                               | 660.67        | 660.67        |
| Commercial Property*                                                 | Stamp duty reckoner rate             | Level 2                               | 2,198.95      | 2,328.84      |

\* Includes Investment property under development

**Note:**

The above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The Independent Valuer has referred to the publications and Government website for Ready Reckoner rates. Suitable adjustments if required have been made to account for availability of FSI in land parcels in Mumbai in accordance with the guidelines prescribed by the Department of Registrations and Stamps. The adjustments related to floors, lifts and other factors are not considered for valuation of commercial property. Since the valuation is based on the published Ready Reckoner rates, the Company has classified the same under Level 2.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 4A INVESTMENT PROPERTY UNDER DEVELOPMENT (IPUD)**

(₹ in Crores)

| Particulars                                      | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--------------------------------------------------|------------------------|------------------------|
| Opening balances                                 | 36.41                  | 36.22                  |
| Add: Additions during the year                   | 1.84                   | 0.29                   |
| Less: capitalisation / deduction during the year | (0.32)                 | (0.10)                 |
| Closing balances                                 | 37.93                  | 36.41                  |

**(i) Ageing schedule**

(₹ in Crores)

| Particulars                    | Amount in IPUD for a period of |             |             |                      | Total        |
|--------------------------------|--------------------------------|-------------|-------------|----------------------|--------------|
|                                | Less than<br>1 year            | 1-2 years   | 2-3 years   | More than<br>3 years |              |
| <b>As at 31 March 2024</b>     |                                |             |             |                      |              |
| Projects in progress           | 1.84                           | 0.31        | 0.11        | 35.67                | 37.93        |
| Projects temporarily suspended | -                              | -           | -           | -                    | -            |
| <b>Total</b>                   | <b>1.84</b>                    | <b>0.31</b> | <b>0.11</b> | <b>35.67</b>         | <b>37.93</b> |
| <b>As at 31 March 2023</b>     |                                |             |             |                      |              |
| Projects in progress           | 0.62                           | 0.11        | 0.15        | 35.53                | 36.41        |
| Projects temporarily suspended | -                              | -           | -           | -                    | -            |
| <b>Total</b>                   | <b>0.62</b>                    | <b>0.11</b> | <b>0.15</b> | <b>35.53</b>         | <b>36.41</b> |

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24 and 2022-23

**NOTE 5 INTANGIBLE ASSETS**

(₹ in Crores)

| Particulars                                         | Computer softwares |
|-----------------------------------------------------|--------------------|
| <b>I. GROSS BLOCK</b>                               |                    |
| Balance as at 1 April 2022                          | 24.25              |
| Additions                                           | 2.54               |
| Disposals                                           | -                  |
| <b>Balance as at 31 March 2023</b>                  | <b>26.79</b>       |
| Additions                                           | 3.70               |
| Additions - Discontinued Operations (Refer note 35) | 0.95               |
| Disposals                                           | -                  |
| Disposals - Discontinued Operations (Refer note 35) | (4.73)             |
| <b>Balance as at 31 March 2024</b>                  | <b>26.71</b>       |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 5 INTANGIBLE ASSETS** (Continued)

(₹ in Crores)

| Particulars                                                | Computer softwares |
|------------------------------------------------------------|--------------------|
| <b>II. ACCUMULATED AMORTISATION AND IMPAIRMENT</b>         |                    |
| Balance as at 1 April 2022                                 | 18.49              |
| Amortisation expense for the year                          | 2.04               |
| Disposal of assets                                         | -                  |
| <b>Balance as at 31 March 2023</b>                         | <b>20.53</b>       |
| Amortisation expense for the year                          | 2.04               |
| Amortisation Discontinued Operations (Refer note 35)       | 0.20               |
| Disposal of assets                                         | -                  |
| Disposal of assets Discontinued Operations (Refer note 35) | (4.73)             |
| Impairment (Refer note 35)                                 | 2.41               |
| <b>Balance as at 31 March 2024</b>                         | <b>20.45</b>       |
| <b>NET BLOCK</b>                                           |                    |
| Balance as at 31 March 2023                                | 6.26               |
| <b>Balance as at 31 March 2024</b>                         | <b>6.26</b>        |

**NOTE 6 FINANCIAL ASSETS - NON-CURRENT INVESTMENTS****I. NON CURRENT INVESTMENTS****A. Investment in Subsidiaries measured at cost less impairments, if any**

(Fully paid up)

|                                                            | Face Value | No. of Shares | As at<br>31 March 2024 | No. of Shares | As at<br>31 March 2023 |
|------------------------------------------------------------|------------|---------------|------------------------|---------------|------------------------|
| Unquoted investments :                                     |            |               |                        |               |                        |
| Birla Estates Private Limited<br>(refer note below)        | 10         | 20,00,00,000  | 211.16                 | 20,00,00,000  | 200.00                 |
| Birla Century Exports Pvt. Ltd.                            | 10         | 5,00,000      | 0.50                   | 5,00,000      | 0.50                   |
| Less: : Provision for Impairment<br>in value of Investment |            |               | (0.50)                 |               | -                      |
| <b>Total</b>                                               |            |               | <b>211.16</b>          |               | <b>200.50</b>          |

**Note :** The Nomination and Remuneration Committee of the Board of Directors of the Company has approved on June 22, 2023 and December 01, 2023 grant of 12,27,535 stock options in aggregate to the eligible employees of Wholly Owned Subsidiary viz. Birla Estates Private Limited under CTIL Employee Stock Option Scheme 2023 ('the Scheme'). This Scheme has been approved by the Board of Directors vide its resolution dated January 16, 2023 and also by Shareholders through postal ballot via remote e-voting on March 09, 2023 in terms of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. Accordingly the Company has considered the related expenses amounting to ₹ 11.16 Crores (31 March 2023 - Nil) incurred till 31 March, 2024 as deemed capital contribution in the subsidiary Company in accordance with Ind AS 102 'Share Based Payments'.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 6 FINANCIAL ASSETS - NON-CURRENT INVESTMENTS** (Continued)**B. Investment in Joint Venture measured at cost less impairments, if any**

|                                      | Face Value | No. of Shares | As at<br>31 March 2024 | No. of Shares | As at<br>31 March 2023 |
|--------------------------------------|------------|---------------|------------------------|---------------|------------------------|
| Unquoted investments :               |            |               |                        |               |                        |
| Birla Advanced Kints Private Limited | 10         | 2,50,00,000   | 25.00                  | 2,50,00,000   | 25.00                  |
| <b>Total</b>                         |            |               | <b>25.00</b>           |               | <b>25.00</b>           |

**C. Investments carried at fair value through OCI****(i) Quoted Investment :****Fully paid :**

|                                                  | Face Value | No. of<br>Shares | As at<br>31 March 2024 | No. of<br>Shares | As at<br>31 March 2023 |
|--------------------------------------------------|------------|------------------|------------------------|------------------|------------------------|
| Tata Motors Ltd.                                 | 2          | 23,938           | 2.38                   | 23,938           | 1.01                   |
| Jayshree Tea and Industries Ltd .                | 5          | 3,00,000         | 2.81                   | 3,00,000         | 2.36                   |
| Mangalam Cement Ltd.                             | 10         | 23,77,711        | 173.81                 | 23,77,711        | 63.10                  |
| Century Enka Ltd.                                | 10         | 12,66,887        | 50.95                  | 12,66,887        | 43.61                  |
| Kesoram Industries Ltd.                          | 10         | 76,00,502        | 130.08                 | 76,00,502        | 44.54                  |
| Birla Tyres Ltd.                                 | 10         | 51,16,800        | -                      | 51,16,800        | 2.71                   |
| <b>Quoted investments (Refer note (i) below)</b> |            |                  | <b>360.03</b>          |                  | <b>157.33</b>          |

**(ii) Unquoted Investments :****Fully paid :**

|                                                    | Face Value | No. of<br>Shares | As at<br>31 March 2024 | No. of<br>Shares | As at<br>31 March 2023 |
|----------------------------------------------------|------------|------------------|------------------------|------------------|------------------------|
| Birla Consultants Ltd.                             | 10         | 12,000           | 5.36                   | 12,000           | 4.17                   |
| Industry House Ltd.                                | 100        | 5,625            | 28.41                  | 5,625            | 26.79                  |
| Indo Phil Textile Mills Inc.,Philippines.          | Peso 10    | 4,22,496         | 3.72                   | 4,22,496         | 2.59                   |
| Birla International Ltd.- British Virgin Islands   | USD 100    | 2,500            | 4.89                   | 2,500            | 4.91                   |
| Maharashtra State Financial Corporation            | 100        | 85               | -                      | 85               | -                      |
| Unquoted investments (Refer note (i) & (ii) below) |            |                  | 42.38                  |                  | 38.46                  |
| <b>Total (Quoted &amp; unquoted investments)</b>   |            |                  | <b>402.41</b>          |                  | <b>195.79</b>          |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 6 FINANCIAL ASSETS - NON-CURRENT INVESTMENTS** (Continued)**D. Investments carried at amortised Cost**

| Quoted :                                                | No. of Securities | As at 31 March 2024 | No. of Securities | As at 31 March 2023 |
|---------------------------------------------------------|-------------------|---------------------|-------------------|---------------------|
| Government and Trust Securities :                       |                   |                     |                   |                     |
| 7.95 % (2032) Government of India Bonds                 | 1,00,000          | 1.21                | 1,00,000          | 1.21                |
| 8.20% Government of India Bonds (Oil Special Bond 2024) | 90,000            | 0.89                | 90,000            | 0.89                |
| 8.26% (2027) Government of India Bonds                  | 3,80,000          | 3.72                | 3,80,000          | 3.72                |
| Quoted Government and trust securities                  |                   | 5.82                |                   | 5.82                |
| <b>Total [A] + [B] + [C] + [D]</b>                      |                   | <b>644.39</b>       |                   | <b>427.11</b>       |

(₹ in Crores)

| Aggregate Book Value of                             | As at 31 March 2024 | As at 31 March 2023 |
|-----------------------------------------------------|---------------------|---------------------|
| Quoted Investments                                  | 365.85              | 163.15              |
| Unquoted Investments                                | 278.54              | 263.96              |
| <b>Total</b>                                        | <b>644.39</b>       | <b>427.11</b>       |
| <b>Aggregate Market Value of Quoted Investments</b> | <b>365.85</b>       | <b>163.15</b>       |

**Note:**

- Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding. Refer Note 44 for determination of their fair values
- Investments in unquoted investments includes investment in Industry House Limited (IHL) amounting to ₹ 28.41 Crore (31 March 2023 ₹ 26.79 Crore). The Company is holding 35.28% of equity shares in IHL. As the Company does not have significant influence over Industry House Limited, the Company has not considered it as an associate as per Ind AS 28 "Investments in Associates and Joint Ventures" and hence not consolidated. The Company's share of profit of Industry House Limited is insignificant.

**II. CURRENT INVESTMENTS**

(₹ in Crores)

| Particulars                                                      | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------------------------------------------|---------------------|---------------------|
| <b>Investments carried at fair value through profit and loss</b> |                     |                     |
| <b>Unquoted :</b>                                                |                     |                     |
| Investment in various mutual funds units                         | 282.66              | 3.00                |
|                                                                  | <b>282.66</b>       | <b>3.00</b>         |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 6A LOANS**

(At amortised cost)

(₹ in Crores)

| Particulars                              | Non-Current            |                        | Current                |                        |
|------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                          | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>At amortised cost</b>                 |                        |                        |                        |                        |
| a) Loan to Subsidiary (Refer note below) | 743.84                 | 566.12                 | -                      | -                      |
| <b>Total</b>                             | <b>743.84</b>          | <b>566.12</b>          | <b>-</b>               | <b>-</b>               |

**Note:**

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

| Name of the Company              | Rate of Interest | Due date | Opening | Loan Given | Loan Repaid | Closing |
|----------------------------------|------------------|----------|---------|------------|-------------|---------|
| Birla Estates Private Ltd        |                  |          |         |            |             |         |
| For the year ended 31 March 2024 | 8.00%            | Mar-2026 | 566.12  | 1,358.46   | 1,180.74    | 743.84  |
| For the year ended 31 March 2023 | 8.00%            | Mar-2025 | 342.12  | 250.07     | 26.07       | 566.12  |

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

- (ii) Disclosure as per regulation 53(f) and 34(3) read together with para A Schedule V of (SEBI (LODR) Regulations, 2015.

| Name of the Company       | Relationship | Amount outstanding at the year end |               | Maximum Principal amount outstanding during the year (excluding interest accrued) |               |
|---------------------------|--------------|------------------------------------|---------------|-----------------------------------------------------------------------------------|---------------|
|                           |              | 31 March 2024                      | 31 March 2023 | 31 March 2024                                                                     | 31 March 2023 |
| Birla Estates Private Ltd | Subsidiary   | 743.84                             | 566.12        | 1,598.32                                                                          | 566.12        |

**NOTE 7 OTHER FINANCIAL ASSETS**

(At amortised cost)

(₹ in Crores)

| Particulars                                                  | Non-Current            |                        | Current                |                        |
|--------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                              | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>(i) Financial assets at amortised cost</b>                |                        |                        |                        |                        |
| (Unsecured, considered good, unless otherwise specified)     |                        |                        |                        |                        |
| a) Interest receivable                                       | -                      | -                      | 10.05                  | 10.45                  |
| b) Security deposits                                         | 9.96                   | 6.52                   | 0.07                   | 1.14                   |
| c) Unbilled lease rental                                     | 1.80                   | 1.87                   | 1.51                   | 1.50                   |
| d) Others                                                    | -                      | -                      | 41.43                  | 7.16                   |
| - Doubtful                                                   | -                      | -                      | 0.14                   | 0.14                   |
| Less: Allowance for credit loss                              | -                      | -                      | (0.14)                 | (0.14)                 |
|                                                              | <b>11.76</b>           | <b>8.39</b>            | <b>53.06</b>           | <b>20.25</b>           |
| e) Finance lease receivables (Refer Note 45)                 | 2.02                   | 1.48                   | 0.69                   | -                      |
| f) Bank Deposits with more than 12 months remaining maturity | 54.23                  | 9.91                   | -                      | -                      |
| <b>Total</b>                                                 | <b>68.01</b>           | <b>19.78</b>           | <b>53.75</b>           | <b>20.25</b>           |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 8 OTHER ASSETS**

(Unsecured, considered good, unless otherwise specified)

(₹ in Crores)

| Particulars                                                              | Non-Current            |                        | Current                |                        |
|--------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                          | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>(a) Capital advances</b>                                              |                        |                        |                        |                        |
| (i) For property, plant and equipments                                   | 24.17                  | 7.70                   | -                      | -                      |
|                                                                          | <b>24.17</b>           | <b>7.70</b>            | -                      | -                      |
| <b>(b) Advances other than capital advances</b>                          |                        |                        |                        |                        |
| (i) Export incentives receivable                                         | 0.53                   | 0.05                   | 7.06                   | 3.76                   |
| (ii) Balances with Government authorities<br>(other than income taxes)   | 3.28                   | 7.01                   | 29.23                  | 30.64                  |
| (iii) Amount paid against disputed demands                               | 5.50                   | 4.55                   | -                      | -                      |
| (iv) Advances to vendors / suppliers                                     | -                      | -                      | 66.45                  | 77.29                  |
| (v) Prepaid expenses                                                     | 0.66                   | 0.83                   | 10.58                  | 31.99                  |
| (vi) Gratuity - plan asset (Refer Note 36)                               | -                      | -                      | 1.64                   | 0.83                   |
| (vii) Contract assets (brokerage on sale of real<br>estates inventories) | -                      | -                      | 111.49                 | 56.12                  |
| (viii) Others                                                            | 1.17                   | 1.17                   | 5.57                   | 3.92                   |
|                                                                          | <b>11.14</b>           | <b>13.61</b>           | <b>232.02</b>          | <b>204.55</b>          |
| <b>Total</b>                                                             | <b>35.31</b>           | <b>21.31</b>           | <b>232.02</b>          | <b>204.55</b>          |

**NOTE 9 INVENTORIES**

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

(₹ in Crores)

| Particulars                                                                       | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-----------------------------------------------------------------------------------|------------------------|------------------------|
| (a) Raw materials                                                                 | 190.75                 | 252.91                 |
| Goods in transit                                                                  | 44.08                  | 50.61                  |
| (b) Work-in-progress                                                              | 132.41                 | 241.62                 |
| (c) Finished and semi-finished goods                                              | 146.78                 | 128.92                 |
| Goods in transit                                                                  | 1.70                   | 17.73                  |
| (d) Stock-in-trade of goods acquired for trading                                  | -                      | 0.68                   |
| (e) Fuels, stores and spares                                                      | 80.42                  | 72.65                  |
| Goods in transit                                                                  | 1.17                   | 0.85                   |
| (f) Other materials                                                               | 0.71                   | 2.66                   |
| (g) Real Estates inventory - Construction Work in Progress [Refer below note (i)] | 1,618.62               | 1,018.00               |
| <b>Total</b>                                                                      | <b>2,216.64</b>        | <b>1,786.63</b>        |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 9 INVENTORIES** (Continued)**Note :**

- (i) Movement in Real Estates Inventory - Construction Work in Progress

(₹ in Crores)

| Particulars                                  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|----------------------------------------------|------------------------|------------------------|
| Opening Construction work in Progress        | 1018.00                | 789.40                 |
| Add: Cost Incurred during the year           |                        |                        |
| Finance Cost                                 | 27.98                  | 29.45                  |
| Other Construction and Development Cost      | 572.64                 | 199.15                 |
| <b>Closing Construction Work in Progress</b> | <b>1618.62</b>         | <b>1018.00</b>         |

- (ii) Cost of inventories recognised as an expense includes ₹ 6.47 Crores (31 March 2023 ₹ 3.13 Crores) in respect of write-downs of inventory to net realisable value.
- (iii) For charge created on inventories refer Note 14 and 18
- (iv) Real estate inventory includes borrowing costs during the year of ₹ 27.98 crores (31 March 2023 ₹ 29.45)

**NOTE 10 TRADE RECEIVABLES**

(At amortised cost)

(₹ in Crores)

| Particulars                           | Current                |                        |
|---------------------------------------|------------------------|------------------------|
|                                       | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Secured, considered good              | 25.83                  | 10.32                  |
| Unsecured, considered good            | 116.60                 | 148.74                 |
| Unsecured, considered doubtful        | 4.90                   | 0.59                   |
| Less: Allowance for credit losses     | (4.90)                 | (0.59)                 |
| Receivables - credit impaired         | 24.85                  | 23.59                  |
| Less: Allowance for credit losses     | (24.85)                | (23.59)                |
| <b>Total</b>                          | <b>142.43</b>          | <b>159.06</b>          |
| Of the above, trade receivables from: |                        |                        |
| - Related Parties (Refer Note 40)     | 22.78                  | 4.60                   |
| - Others                              | 119.65                 | 154.46                 |
| <b>Total</b>                          | <b>142.43</b>          | <b>159.06</b>          |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 10 TRADE RECEIVABLES** (Continued)**Notes :**

- (i) No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner or a director or a member. Trade receivables are non interest bearing and are generally on terms of 7 to 120 days of credit period.
- (ii) Trade receivables ageing schedule

| Particulars                                        | Outstanding for following periods from invoice date |                   |              |              |                   | Total         |
|----------------------------------------------------|-----------------------------------------------------|-------------------|--------------|--------------|-------------------|---------------|
|                                                    | Less than 6 months                                  | 6 months – 1 year | 1-2 years    | 2-3 years    | More than 3 years |               |
| <b>As at 31 March 2024</b>                         |                                                     |                   |              |              |                   |               |
| Undisputed trade receivables – considered good     | 127.86                                              | 0.70              | 8.24         | 4.85         | 0.13              | 141.78        |
| Undisputed trade receivables – credit impaired     | 1.08                                                | 0.41              | 0.12         | 14.71        | 2.84              | 19.16         |
| Disputed trade receivables – considered good       | -                                                   | -                 | -            | -            | 0.65              | 0.65          |
| Undisputed trade receivables – considered doubtful | 1.00                                                | 2.06              | 1.07         | 0.73         | 0.04              | 4.90          |
| Disputed trade receivables – credit impaired       | -                                                   | -                 | -            | -            | 5.69              | 5.69          |
| <b>Total</b>                                       | <b>129.94</b>                                       | <b>3.17</b>       | <b>9.43</b>  | <b>20.29</b> | <b>9.35</b>       | <b>172.18</b> |
| <b>As at 31 March 2023</b>                         |                                                     |                   |              |              |                   |               |
| Undisputed trade receivables – considered good     | 134.40                                              | 19.14             | 5.26         | 0.02         | 0.15              | 158.97        |
| Undisputed trade receivables – credit impaired     | -                                                   | -                 | 14.53        | 0.18         | 2.66              | 17.37         |
| Disputed trade receivables – considered good       | -                                                   | -                 | -            | -            | 0.09              | 0.09          |
| Undisputed trade receivables – considered doubtful | 0.59                                                | -                 | -            | -            | -                 | 0.59          |
| Disputed trade receivables – credit impaired       | -                                                   | -                 | -            | 0.14         | 6.08              | 6.22          |
| <b>Total</b>                                       | <b>134.99</b>                                       | <b>19.14</b>      | <b>19.79</b> | <b>0.34</b>  | <b>8.98</b>       | <b>183.24</b> |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 11 CASH AND BANK BALANCES**

(At amortised cost)

(₹ in Crores)

| Particulars                                                                               | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Cash and cash equivalents</b>                                                          |                        |                        |
| (a) Balances with banks                                                                   |                        |                        |
| - Current accounts [refer below note (ii)]                                                | 55.71                  | 5.40                   |
| - Debit balance in cash credit / overdraft accounts                                       | 20.09                  | 15.54                  |
| (b) Cheques and drafts on hand                                                            | 24.85                  | 2.39                   |
| (c) Cash on hand                                                                          | 0.07                   | 0.05                   |
| (d) Fixed deposits with original maturity less than 3 months (including interest accrued) | 90.00                  | -                      |
| <b>Total</b>                                                                              | <b>190.72</b>          | <b>23.38</b>           |
| <b>Other bank balances</b>                                                                |                        |                        |
| (a) Earmarked balances with banks                                                         |                        |                        |
| - Unclaimed dividend accounts                                                             | 1.47                   | 1.67                   |
| (b) Balances with banks:                                                                  |                        |                        |
| - Fixed deposits with maturity more than 3 months (including interest accrued)            | 7.85                   | 7.41                   |
| - On margin accounts                                                                      | 12.74                  | 52.22                  |
| <b>Total</b>                                                                              | <b>22.06</b>           | <b>61.30</b>           |

**Notes :**

- (i) Short term fixed deposits are varying between three months and twelve months, depending on the immediate cash requirements and earn interest at the respective short term deposit rate. Interest rate is between 3.10% to 8.00% (31 March 2023 - 4.40% to 8.00%)
- (ii) Current accounts includes ₹ 12.30 Crores (31 March 2023 : ₹ 1.07 Crores) held in escrow account for a project under Real Estate (Regulation and Development) Act, 2016 ("RERA"). The money can be utilised for payments of the specified projects only.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 12 EQUITY SHARE CAPITAL**

(₹ in Crores)

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>(a) Authorised :</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |
| 14,80,00,000 (31 March 2023 - 14,80,00,000) Equity Shares of ₹ 10 each.                                                                                                                                                                                                                                                                                                                                                                                                                                             | 148.00                 | 148.00                 |
| 1,00,00,000 (31 March 2023 - 1,00,00,000) Redeemable Cumulative Non-convertible Preference Shares of ₹ 100 each.                                                                                                                                                                                                                                                                                                                                                                                                    | 100.00                 | 100.00                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>248.00</b>          | <b>248.00</b>          |
| <b>(b) Issued :</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                        |                        |
| 11,17,11,090 (31 March 2023 - 11,17,11,090) Equity Shares of ₹ 10 each                                                                                                                                                                                                                                                                                                                                                                                                                                              | 111.71                 | 111.71                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>111.71</b>          | <b>111.71</b>          |
| <b>(c) Subscribed and paid up:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |                        |
| 11,16,95,680 (31 March 2023 - 11,16,95,680) Equity Shares of ₹ 10 each, fully paid up (The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.) | 111.69                 | 111.69                 |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>111.69</b>          | <b>111.69</b>          |

**(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.**

|                                         | Opening Balance | Fresh Issue | Closing Balance |
|-----------------------------------------|-----------------|-------------|-----------------|
| <b>Equity shares with voting rights</b> |                 |             |                 |
| <b>Year ended 31 March 2024</b>         |                 |             |                 |
| No. of shares                           | 11,16,95,680    | -           | 11,16,95,680    |
| Amount (₹ in Crores)                    | 111.69          | -           | 111.69          |
| <b>Year ended 31 March 2023</b>         |                 |             |                 |
| No. of shares                           | 11,16,95,680    | -           | 11,16,95,680    |
| Amount (₹ in Crores)                    | 111.69          | -           | 111.69          |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 12 EQUITY SHARE CAPITAL** (Continued)**(e) Shareholders holding more than 5% shares of the Company**

| Class of shares / Name of shareholders                   | As at 31 March 2024   |            | As at 31 March 2023   |            |
|----------------------------------------------------------|-----------------------|------------|-----------------------|------------|
|                                                          | Number of shares held | Percentage | Number of shares held | Percentage |
| <b>Equity shares with voting rights</b>                  |                       |            |                       |            |
| (a) Pilani Investment and Industries Corporation Limited | 3,69,78,570           | 33.11 %    | 3,69,78,570           | 33.11 %    |
| (b) IGH Holding Private Limited                          | 1,11,50,000           | 9.98 %     | 1,11,50,000           | 9.98 %     |
| (c) Umang Commercial Company Private Limited             | 75,60,900             | 6.77 %     | 75,60,900             | 6.77 %     |

- (f) The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31 March 2024.

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

| Equity share of ₹ 10 each fully paid up              | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % in total shares | % change during the year |
|------------------------------------------------------|--------------------------------------------|------------------------|--------------------------------------|-------------------|--------------------------|
| <b>As at 31 March 2024</b>                           |                                            |                        |                                      |                   |                          |
| Pilani Investment And Industries Corporation Limited | 3,69,78,570                                | -                      | 3,69,78,570                          | 33.11%            | -                        |
| IGH Holdings Private Limited                         | 1,11,50,000                                | -                      | 1,11,50,000                          | 9.98%             | -                        |
| Umang Commercial Company Private Limited             | 75,60,900                                  | -                      | 75,60,900                            | 6.77%             | -                        |
| Estate of deceased Basant Kumar Birla                | 1,99,800                                   | -                      | 1,99,800                             | 0.18%             | -                        |
| Prakash Educational Society                          | 1,28,000                                   | -                      | 1,28,000                             | 0.11%             | -                        |
| Birla Educational Institution                        | 44,000                                     | -                      | 44,000                               | 0.04%             | -                        |
| Padmavati Investment Private Limited                 | 16,700                                     | -                      | 16,700                               | 0.01%             | -                        |
| <b>Total</b>                                         | <b>5,60,77,970</b>                         | <b>-</b>               | <b>5,60,77,970</b>                   | <b>50.21%</b>     | <b>-</b>                 |
| <b>As at 31 March 2023</b>                           |                                            |                        |                                      |                   |                          |
| Pilani Investment And Industries Corporation Limited | 3,69,78,570                                | -                      | 3,69,78,570                          | 33.11%            | -                        |
| IGH Holdings Private Limited                         | 1,11,50,000                                | -                      | 1,11,50,000                          | 9.98%             | -                        |
| Umang Commercial Company Private Limited             | 75,60,900                                  | -                      | 75,60,900                            | 6.77%             | -                        |
| Estate of deceased Basant Kumar Birla                | 1,99,800                                   | -                      | 1,99,800                             | 0.18%             | -                        |
| Prakash Educational Society                          | 1,28,000                                   | -                      | 1,28,000                             | 0.11%             | -                        |
| Birla Educational Institution                        | 44,000                                     | -                      | 44,000                               | 0.04%             | -                        |
| Padmavati Investment Private Limited                 | 16,700                                     | -                      | 16,700                               | 0.01%             | -                        |
| <b>Total</b>                                         | <b>5,60,77,970</b>                         | <b>-</b>               | <b>5,60,77,970</b>                   | <b>50.21%</b>     | <b>-</b>                 |





## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 13 OTHER EQUITY**

(₹ in Crores)

| Particulars                   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-------------------------------|------------------------|------------------------|
| <b>(a) Securities Premium</b> | 643.22                 | 643.22                 |
|                               | <b>643.22</b>          | <b>643.22</b>          |

**Note :**

- (i) Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**(b) Other reserves**

|                                |        |        |
|--------------------------------|--------|--------|
| (i) Capital Redemption Reserve | 100.00 | 100.00 |
|--------------------------------|--------|--------|

**Note :**

Capital redemption reserves was created during the year ended 31 March 2001, on redemption of 10.25% Redeemable Cumulative Non-convertible Preference Shares privately placed with financial institutions and banks. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**(c) Dividend distribution made and proposed**

(₹ in Crores)

| Particulars                                                                                          | As at<br>31 March 2024 | As at<br>31 March 2023 |
|------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Cash dividends on equity shares paid during the year</b>                                          |                        |                        |
| Dividend for the year ended on 31 March 2023: ₹ 5.00 per share (31 March 2022 ₹ 4.00 per share)      | 55.85                  | 44.68                  |
|                                                                                                      | <b>55.85</b>           | <b>44.68</b>           |
| <b>Proposed dividend on equity shares</b>                                                            |                        |                        |
| Proposed dividend for the year ended on 31 March 2024 ₹ 5 per share (31 March 2023 ₹ 5.00 per share) | 55.85                  | 55.85                  |
|                                                                                                      | <b>55.85</b>           | <b>55.85</b>           |

**Notes :**

- (i) Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2024.
- (ii) Dividend disclosed above includes dividend on treasury shares held by CTIL Employee Welfare Trust amounting to ₹ 0.62 Crores (31 March 2023 - Nil)

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 13 OTHER EQUITY** (Continued)**(d) General Reserves**

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

**(e) Other Comprehensive Income****FVOCI equity investments:**

The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**(f) Treasury Shares :**

(₹ in Crores)

| Particulars                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------|------------------------|------------------------|
| Balance at the beginning of the year  | -                      | -                      |
| Add: Purchase of Treasury Shares      | (94.99)                | -                      |
| <b>Balance at the end of the year</b> | <b>(94.99)</b>         | <b>-</b>               |

The said reserve shall be utilised by the Company for issue of equity shares of the Company against rights exercisable by the eligible employees under the CTIL Option Scheme 2023.

**(g) Employee Stock Options Reserve:**

(₹ in Crores)

| Particulars                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------|------------------------|------------------------|
| Balance at the beginning of the year  | -                      | -                      |
| Add: Employee Stock Options Granted   | 11.16                  | -                      |
| <b>Balance at the end of the year</b> | <b>11.16</b>           | <b>-</b>               |

The Company has CTIL Option Scheme 2023 (The Scheme) under which options to subscribe for the Company's shares have been granted to the eligible employees of its wholly owned Subsidiary viz. Birla Estates Private Limited. The Employee stock options reserve is used to recognise the value of equity settled share-based payments provided to its eligible employees. The said reserve shall be utilised by the Company for issue of its equity shares against the right exercisable by the eligible employees under the scheme.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 14 BORROWINGS**

(₹ in Crores)

| Particulars                                                                                                                                                          | Non-Current            |                        | Current Maturities     |                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                                                                                                      | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>Measured at amortised cost</b>                                                                                                                                    |                        |                        |                        |                        |
| <b>(A) Secured non convertible debentures</b>                                                                                                                        |                        |                        |                        |                        |
| 1 120 (31 March 2023 - 2,500) Redeemable Non Convertible debentures (Redeemable in bullet payment on Feb' 2025, Interest rate as at 31 March 2024 - 6.32 % p.a)      | -                      | -                      | 11.91                  | 249.86                 |
| <b>(B) Unsecured non convertible debentures</b>                                                                                                                      |                        |                        |                        |                        |
| 2 40,000 (31 March 2023 - 40,000) Unsecured Non Convertible debentures (Redeemable in bullet payment on Jan' 2026 Interest rate as at 31 March 2024 - 7.97 % p.a)    | 399.41                 | 399.09                 | -                      | -                      |
| 3 40,000 (31 March 2023 - Nil) Unsecured Non Convertible debentures (Redeemable in bullet payment on Apr' 2026 Interest rate as at 31 March 2024 - 8.10 % p.a)       | 399.43                 | -                      | -                      | -                      |
| 4 25,000 (31 March 2023 - Nil) Unsecured Non Convertible debentures (Redeemable in bullet payment on Mar' 2027 Interest rate as at 31 March 2024 - 8.05 % p.a)       | 249.78                 | -                      | -                      | -                      |
| <b>(C) Term Loan from Bank - Secured</b>                                                                                                                             |                        |                        |                        |                        |
| 5 Term loan from Axis Bank (Repayable in 16 instalments, last instalment repaid on Sep' 2023)                                                                        | -                      | -                      | -                      | 56.23                  |
| 6 Term loan from State Bank of India (Repayable in 15 Quarterly Installments, last instalment falling due on Oct' 2027. Interest rate as at 31.03.2024 - 8.50 % p.a) | 129.70                 | -                      | 20.00                  | -                      |
| 7 Term loan from Kotak Bank (Repayable in 12 Quarterly Installments, last instalment falling due on Mar' 2028. Interest rate as at 31.03.2024 - 8.50 % p.a)          | 99.95                  | -                      | -                      | -                      |
| Amount disclosed under the head Borrowings - Current (Refer Note 18)                                                                                                 | -                      | -                      | (31.91)                | (306.09)               |
| <b>Total</b>                                                                                                                                                         | <b>1,278.27</b>        | <b>399.09</b>          | <b>-</b>               | <b>-</b>               |

Effective rate of Interest for term loan from bank is 6.32% to 8.90% (31 March 2023 - 6.32% to 8.95%)

**Note :-****Details of Security:****1. Loans covered in Sr. No. 1, 6 & 7 :**

First pari passu charge on present and future plant and machineries of Birla Century, Pulp and Paper divisions and excluding furniture and fixture and vehicle of the said divisions.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 14** **BORROWINGS** (Continued)**2. Loans covered in Sr. No. 5 :**

First pari passu charge on the present and future movable fixed assets of the Company's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand. Negative lien on the present and future immovable fixed assets of the Company's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand.

**3. Loan covenants**

Bank loan and NCDs contain certain debt covenants relating to total term loan to tangible net worth, fixed asset coverage ratio, net debt to equity ratio, debt service coverage ratio, total debt to EBITDA and interest coverage ratio. The Company is compliant with the said covenants during the year ended 31 March 2024. The Company has also satisfied all other debt covenants prescribed in the terms of bank loan and NCDs.

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

**NOTE 14A** **LEASE LIABILITIES**

(₹ in Crores)

| Particulars                     | Non-Current            |                        | Current                |                        |
|---------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                 | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Lease liability (Refer Note 45) | 17.85                  | 19.34                  | 2.30                   | 2.26                   |
|                                 | <b>17.85</b>           | <b>19.34</b>           | <b>2.30</b>            | <b>2.26</b>            |

**NOTE 15** **OTHER FINANCIAL LIABILITIES**

(₹ in Crores)

| Particulars                                             | Non-Current            |                        | Current                |                        |
|---------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                         | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Other Financial Liabilities measured at amortised cost  |                        |                        |                        |                        |
| (a) Deposits from dealers and agents                    | -                      | -                      | 59.46                  | 73.69                  |
| (b) Deposits against rental arrangements                | 127.63                 | 117.33                 | 81.69                  | 58.90                  |
| (c) Interest accrued on borrowings                      | -                      | -                      | 36.89                  | 9.74                   |
| (d) Unclaimed / Unpaid dividends (Refer Note below (i)) | -                      | -                      | 1.47                   | 1.67                   |
| (e) Creditors for capital supplies / services           | -                      | -                      | 10.29                  | 20.82                  |
| (f) Earnest money on booking of residential inventory   | -                      | -                      | 0.09                   | -                      |
| (g) Other liabilities                                   | 0.49                   | 0.49                   | 11.92                  | 7.02                   |
| <b>Total</b>                                            | <b>128.12</b>          | <b>117.82</b>          | <b>201.81</b>          | <b>171.84</b>          |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 15 OTHER FINANCIAL LIABILITIES** (Continued)**Note :-**

- (i) Unclaimed dividend amounting to ₹ 0.05 crore (31 March 2023 ₹ 0.05 crore) is pending on account of litigation among claimants / notices from the tax recovery officer.
- (ii) Derivative financial instruments:  
The Company entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss.  
Derivative instruments at fair value through profit or loss reflect the negative change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.
- (iii) Changes in liabilities arising from financing activities (excluding lease liabilities)

| Particulars                                                              | As at<br>1 April 2023 | Cash flow     | As at<br>31 March 2024 |
|--------------------------------------------------------------------------|-----------------------|---------------|------------------------|
| <b>Non- current borrowings</b>                                           |                       |               |                        |
| Long term borrowings (including current maturities and interest accrued) | 705.18                | 605.00        | 1,310.18               |
| <b>Current borrowings</b>                                                |                       |               |                        |
| Working capital demand loan                                              | -                     | 8.50          | 8.50                   |
| Line of Credit                                                           | 35.00                 | (10.00)       | 25.00                  |
| Pre-shipment, Post-shipment and Export Bills Discounting facilities      | 30.00                 | (30.00)       | -                      |
| <b>Total</b>                                                             | <b>770.18</b>         | <b>573.50</b> | <b>1,343.68</b>        |

| Particulars                                                              | As at<br>1 April 2022 | Cash flow       | As at<br>31 March 2023 |
|--------------------------------------------------------------------------|-----------------------|-----------------|------------------------|
| <b>Non- current borrowings</b>                                           |                       |                 |                        |
| Long term borrowings (including current maturities and interest accrued) | 880.49                | (175.31)        | 705.18                 |
| <b>Current borrowings</b>                                                |                       |                 |                        |
| Line of Credit                                                           | -                     | 35.00           | 35.00                  |
| Pre-shipment, Post-shipment and Export Bills Discounting facilities      | -                     | 30.00           | 30.00                  |
| Commercial Papers                                                        | 313.27                | (313.27)        | -                      |
| <b>Total</b>                                                             | <b>1,193.76</b>       | <b>(423.58)</b> | <b>770.18</b>          |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 16 INCOME TAX**

(₹ in Crores)

| Particulars                                                                                    | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>(a) Tax expense recognised in the Statement of Profit and Loss on continuing operations</b> |                             |                             |
| Current tax                                                                                    |                             |                             |
| In respect of current year                                                                     | 72.29                       | 92.84                       |
| Adjustment of tax relating to earlier periods                                                  | -                           | -                           |
|                                                                                                | <b>72.29</b>                | <b>92.84</b>                |
| Minimum Alternate Tax (MAT) Credit entitlement                                                 | -                           | -                           |
|                                                                                                | <b>72.29</b>                | <b>92.84</b>                |
| <b>Deferred tax</b>                                                                            |                             |                             |
| In respect of current year                                                                     | 115.11                      | 98.99                       |
| In respect of earlier years                                                                    | 0.19                        | 0.55                        |
|                                                                                                | <b>115.30</b>               | <b>99.54</b>                |
| <b>Total income tax expense on continuing operations</b>                                       | <b>187.59</b>               | <b>192.38</b>               |
| <b>Tax expense recognised in the Statement of Profit and Loss on discontinuing operations</b>  |                             |                             |
| <b>Current tax</b>                                                                             |                             |                             |
| In respect of current year                                                                     | -                           | -                           |
| <b>Deferred tax</b>                                                                            |                             |                             |
| In respect of current year                                                                     | (132.51)                    | (31.03)                     |
| <b>Total income tax expense on discontinuing operations</b>                                    | <b>(132.51)</b>             | <b>(31.03)</b>              |
| <b>Net tax expense recognised in the Statement Profit and Loss</b>                             | <b>55.08</b>                | <b>161.35</b>               |
| <b>(b) Income tax recognised in other comprehensive income</b>                                 |                             |                             |
| Deferred tax related to items recognised in other comprehensive income during the year:        |                             |                             |
| Remeasurement of defined benefit obligations - continuing operations                           | (0.10)                      | 0.47                        |
| Remeasurement of defined benefit obligations - discounting operations                          | (0.44)                      | 0.17                        |
| Fair value through Other Comprehensive Income (OCI) - Equity Instruments                       | 24.39                       | -                           |
|                                                                                                | <b>23.85</b>                | <b>0.64</b>                 |
| Classification of income tax recognised in other comprehensive income                          |                             |                             |
| Income taxes related to items that will not be reclassified to profit or loss                  | 24.39                       | -                           |
| Income taxes related to items that will be reclassified to profit or loss                      | (0.54)                      | 0.64                        |
|                                                                                                | <b>23.85</b>                | <b>0.64</b>                 |
| <b>(c) Amounts Recognised directly in Equity - Nil (31 March 2023 - Nil)</b>                   |                             |                             |
| <b>(d) Reconciliation of effective tax rate:</b>                                               |                             |                             |
| Profit/(loss) before tax from continuing operations                                            | 584.95                      | 618.33                      |
| Income tax expense calculated at 34.944% (31 March 2023 - 34.944%)                             | 204.40                      | 216.06                      |
| Income taxable at different tax rates                                                          | (15.82)                     | (21.99)                     |
| Effect of income that is exempt from taxation                                                  | (0.57)                      | (0.62)                      |
| Effect of expenses that is non-deductible in determining taxable profit                        | 1.70                        | 1.59                        |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 16** INCOME TAX (Continued)

(₹ in Crores)

| Particulars                                                                               | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Others                                                                                    | (2.31)                      | (3.21)                      |
|                                                                                           | <b>187.40</b>               | <b>191.83</b>               |
| Adjustments recognised in the current year in relation to the deferred tax of prior years | 0.19                        | 0.55                        |
| Income tax expense recognised In profit or loss from continuing operations                | <b>187.59</b>               | <b>192.38</b>               |
| Profit/(loss) before tax from discontinuing operations                                    | (378.71)                    | (88.67)                     |
| Income tax expense calculated at 34.944% (31 March 2023 - 34.944%)                        | (132.51)                    | (31.03)                     |
| Income tax expense recognised In profit or loss from discontinuing operations             | <b>(132.51)</b>             | <b>(31.03)</b>              |

**Note :**

(i) The tax rate used for above deferred tax reconciliation for 31 March 2024 and 31 March 2023 is 34.944% respectively.

**(e) The movement in deferred tax assets and liabilities during the year ended 31 March 2024 and 31 March 2023 :**

(₹ in Crores)

| Movement during the year ended<br>31 March 2024                                   | As at<br>31 March 2023 | Recognised in<br>profit and Loss | Recognised in Other<br>comprehensive<br>income | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------|------------------------|----------------------------------|------------------------------------------------|------------------------|
| Tax effect of items constituting deferred tax liabilities                         |                        |                                  |                                                |                        |
| (i) Property, plant and equipments, investment property and real estate Inventory | 598.99                 | (61.51)                          | -                                              | 537.48                 |
| (ii) Fair value of investments                                                    | -                      | -                                | 24.39                                          | 24.39                  |
| (iii) Others                                                                      | 40.95                  | -                                | -                                              | 40.95                  |
|                                                                                   | <b>639.94</b>          | <b>(61.51)</b>                   | <b>24.39</b>                                   | <b>602.82</b>          |
| Tax effect of items constituting deferred tax assets                              |                        |                                  |                                                |                        |
| (i) Employee benefits                                                             | 7.42                   | (0.76)                           | 0.54                                           | 7.20                   |
| (ii) Expenses allowable for tax purpose when paid                                 | 4.54                   | -                                | -                                              | 4.54                   |
| (iii) Interest Income on unwinding of financial assets                            | 23.14                  | -                                | -                                              | 23.14                  |
| (iv) Other temporary differences                                                  | 33.72                  | 4.74                             | -                                              | 38.46                  |
| (v) Upfront royalty                                                               | 110.25                 | (14.99)                          | -                                              | 95.26                  |
|                                                                                   | <b>179.07</b>          | <b>(11.01)</b>                   | <b>0.54</b>                                    | <b>168.60</b>          |
| <b>Deferred Tax liability / (asset)</b>                                           | <b>460.87</b>          | <b>(50.50)</b>                   | <b>23.85</b>                                   | <b>434.22</b>          |
| MAT credit                                                                        | (397.22)               | 33.29                            | -                                              | (363.93)               |
| <b>Net Deferred Tax liability / (asset)</b>                                       | <b>63.65</b>           | <b>(17.21)</b>                   | <b>23.85</b>                                   | <b>70.29</b>           |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 16** INCOME TAX (Continued)

(₹ in Crores)

| Movement during the year ended<br>31 March 2023                                   | As at<br>31 March 2022 | Recognised in<br>profit and Loss | Recognised in Other<br>comprehensive<br>income | As at<br>31 March 2023 |
|-----------------------------------------------------------------------------------|------------------------|----------------------------------|------------------------------------------------|------------------------|
| Tax effect of items constituting deferred tax liabilities                         |                        |                                  |                                                |                        |
| (i) Property, plant and equipments, investment property and real estate Inventory | 603.91                 | (4.92)                           | -                                              | 598.99                 |
| (ii) Others                                                                       | 40.95                  | -                                | -                                              | 40.95                  |
|                                                                                   | <b>644.86</b>          | <b>(4.92)</b>                    | <b>-</b>                                       | <b>639.94</b>          |
| Tax effect of items constituting deferred tax assets                              |                        |                                  |                                                |                        |
| (i) Employee benefits                                                             | 8.32                   | (0.26)                           | (0.64)                                         | 7.42                   |
| (ii) Expenses allowable for tax purpose when paid                                 | 4.54                   | -                                | -                                              | 4.54                   |
| (iii) Tax losses                                                                  | 49.46                  | (49.46)                          | -                                              | -                      |
| (iv) Interest Income on unwinding of financial assets                             | 23.14                  | -                                | -                                              | 23.14                  |
| (v) Other temporary differences                                                   | 23.25                  | 10.47                            | -                                              | 33.72                  |
| (vi) Upfront royalty                                                              | 125.11                 | (14.86)                          | -                                              | 110.25                 |
|                                                                                   | <b>233.82</b>          | <b>(54.11)</b>                   | <b>(0.64)</b>                                  | <b>179.07</b>          |
| <b>Deferred Tax liability / (asset)</b>                                           | <b>411.04</b>          | <b>49.19</b>                     | <b>0.64</b>                                    | <b>460.87</b>          |
| MAT credit                                                                        | (416.54)               | 19.32                            | -                                              | (397.22)               |
| <b>Net Deferred Tax liability / (asset)</b>                                       | <b>(5.50)</b>          | <b>68.51</b>                     | <b>0.64</b>                                    | <b>63.65</b>           |

**NOTE 17** OTHER LIABILITIES

(₹ in Crores)

| Particulars                                                                                      | Non-Current            |                        | Current                |                        |
|--------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                                  | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| (a) Advances received from customers (includes amount received on sale of Real Estates Projects) | -                      | -                      | 965.51                 | 497.51                 |
| (b) Deferred revenue - Government grant (Refer Note below)                                       | 0.48                   | 11.63                  | -                      | -                      |
| (c) Deferred revenue (Refer Note 33)                                                             | 444.82                 | 513.61                 | 51.90                  | 52.78                  |
| (d) Statutory dues                                                                               |                        |                        |                        |                        |
| - Taxes Payable (other than income taxes)                                                        | -                      | -                      | 27.45                  | 44.82                  |
| - Employee recoveries and employer contributions                                                 | -                      | -                      | 2.20                   | 2.08                   |
| (e) Other liabilities                                                                            | -                      | -                      | 0.20                   | 0.25                   |
| <b>Total</b>                                                                                     | <b>445.30</b>          | <b>525.24</b>          | <b>1,047.26</b>        | <b>597.44</b>          |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 17 OTHER LIABILITIES** (Continued)**Note : Government grants**

(₹ in Crores)

| Particulars                                  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|----------------------------------------------|------------------------|------------------------|
| Opening                                      | 11.63                  | 27.63                  |
| Received during the year                     | 0.48                   | -                      |
| Released to the statement of profit and loss | (11.63)                | (16.00)                |
| <b>Closing</b>                               | <b>0.48</b>            | <b>11.63</b>           |

Under the Export Promotion Capital Goods (EPCG) Scheme, the Company received Government grant for the purchase of certain items of property, plant and equipments. As per the EPCG scheme the Company has an obligation to export up to 6 times of grant amount. As and when the Company fulfils the export obligation, proportionate grant is released to the Statement of profit and loss (Refer Note 39).

**NOTE 18 BORROWINGS - CURRENT**

(₹ in Crores)

| Particulars                                                         | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------------------------|------------------------|------------------------|
| <b>Secured borrowings measured at amortised cost</b>                |                        |                        |
| <b>(a) Loans repayable on demand from banks</b>                     |                        |                        |
| Cash credit / Overdraft facility form Banks                         | 0.44                   | 133.69                 |
| Working capital demand loan                                         | 8.50                   | -                      |
| Pre-shipment, post-shipment and export bills discounting facilities | -                      | 30.00                  |
| Line of Credit                                                      | 25.00                  | 35.00                  |
| <b>Unsecured borrowings measured at amortised cost.</b>             |                        |                        |
| <b>(b) Current maturity of long-term loans:</b>                     |                        |                        |
| Current maturity of long-term loans (refer note 14)                 | 31.91                  | 306.09                 |
| <b>Total</b>                                                        | <b>65.85</b>           | <b>504.78</b>          |

**Note:****Nature of security**

- Cash credit / Overdraft facility form Banks of ₹ 8.50 Crores (31 March 2023 ₹ 19.82 crores) are secured against a first and pari passu charge over the current assets (including documents of title to goods/related receivables) and collateral security on a pari-passu basis over the present and future property plant and equipments (plant and machinery) of Birla Century (Gujarat), Century Pulp and paper.
- Cash credit / Overdraft facility of ₹ 0.44 crores (31 March 2023 ₹ 113.87 crores) & Line of credit from banks are secured against a first and pari passu charge with other facility by way of registered mortgage on the property, project, future scheduled receivable of the project and all insurance proceed, both present and future, on security of all rights, title, interest, claims, benefits, demands under the project documents of both present and future, on the escrow and DSR account of the project including all monies credited / deposited therein and all investment in respect thereof. All such sold units of secured project, booking of which are subsequently cancelled by customer shall continue to stand mortgaged to the lender.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 19 TRADE PAYABLES**

(₹ in Crores)

| Particulars                                                                                 | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------------------------------------------------|------------------------|------------------------|
| Total outstanding dues of micro enterprises and small enterprises (Refer Note 34)           | 4.19                   | 17.04                  |
| Total outstanding dues of trade payables other than micro enterprises and small enterprises | 679.68                 | 688.74                 |
| <b>Total</b>                                                                                | <b>683.87</b>          | <b>705.78</b>          |

**Note :**

- (a) The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.
- (b) Trade payables are non interest bearing and are normally settled on 60-90 days terms. Acceptances are interest bearing and have an average term of six months. There are no other amounts paid / payable towards interest / principal under the MSMED.
- (c) Trade payables Ageing Schedule

| Particulars                                                                                       | Outstanding for following periods from invoice date |              |              |                      |               |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------|--------------|----------------------|---------------|
|                                                                                                   | Less than<br>1 year                                 | 1-2 years    | 2-3 years    | More than<br>3 years | Total         |
| <b>As at 31 March 2024</b>                                                                        |                                                     |              |              |                      |               |
| Undisputed total outstanding dues of micro enterprises and small enterprises                      | 4.19                                                | -            | -            | -                    | 4.19          |
| Undisputed total outstanding dues of creditors other than micro enterprises and small enterprises | 628.83                                              | 5.99         | 32.53        | 12.33                | 679.68        |
| Disputed dues of creditors other than micro enterprises and small enterprises                     | -                                                   | -            | -            | -                    | -             |
| <b>Total</b>                                                                                      | <b>633.02</b>                                       | <b>5.99</b>  | <b>32.53</b> | <b>12.33</b>         | <b>683.87</b> |
| <b>As at 31 March 2023</b>                                                                        |                                                     |              |              |                      |               |
| Undisputed total outstanding dues of micro enterprises and small enterprises                      | 17.04                                               | -            | -            | -                    | 17.04         |
| Undisputed total outstanding dues of creditors other than micro enterprises and small enterprises | 636.25                                              | 37.40        | 3.60         | 11.49                | 688.74        |
| Disputed dues of creditors other than micro enterprises and small enterprises                     | -                                                   | -            | -            | -                    | -             |
| <b>Total</b>                                                                                      | <b>653.29</b>                                       | <b>37.40</b> | <b>3.60</b>  | <b>11.49</b>         | <b>705.78</b> |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 20 PROVISIONS**

(₹ in Crores)

| Particulars                                | Current                |                        |
|--------------------------------------------|------------------------|------------------------|
|                                            | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>(a) Provision for employee benefits</b> |                        |                        |
| (i) Leave entitlement                      | 20.70                  | 22.05                  |
|                                            | <b>20.70</b>           | <b>22.05</b>           |
| <b>(b) Other Provisions</b>                |                        |                        |
| (i) Disputed matters (Refer Note 37)       | 155.75                 | 155.22                 |
| (ii) Other Provisions                      | 0.25                   | -                      |
|                                            | <b>156.00</b>          | <b>155.22</b>          |
| <b>Total</b>                               | <b>176.70</b>          | <b>177.27</b>          |

**NOTE 21 REVENUE FROM OPERATIONS**

(₹ in Crores)

| Particulars  |                                                                       |          | Year Ended 31<br>March 2024 | Year Ended 31<br>March 2023 |
|--------------|-----------------------------------------------------------------------|----------|-----------------------------|-----------------------------|
| (a)          | Sale of products                                                      | 3,382.40 |                             | 3,581.11                    |
| (b)          | Revenue share from Joint development agreement of real estate project | 46.20    |                             | -                           |
| (c)          | Rent from leased properties:                                          |          |                             |                             |
|              | Rent from Investment properties (Refer Note 4)                        | 145.70   |                             | 124.73                      |
|              | Rent from other assets (Refer Note 33)                                | 49.98    |                             | 49.98                       |
|              |                                                                       | 195.68   |                             |                             |
| (d)          | Service income                                                        | 14.50    |                             | 12.73                       |
|              |                                                                       |          | 3,638.78                    | 3,768.55                    |
| (e)          | Other operating revenues :                                            |          |                             |                             |
|              | Export benefits                                                       | 3.40     |                             | 4.71                        |
|              | Sale of scrap                                                         | 11.87    |                             | 11.87                       |
|              | Insurance and other claims                                            | 0.45     |                             | 0.05                        |
|              | Liabilities no longer required written back                           | 0.70     |                             | 7.21                        |
|              | Government grants                                                     | 11.63    |                             | 16.00                       |
|              | Gain on sale of Transferable Development Right (TDR)                  | 201.68   |                             | -                           |
|              | Others                                                                | 10.87    |                             | 23.03                       |
|              |                                                                       |          | 240.60                      | 62.87                       |
| <b>Total</b> |                                                                       |          | <b>3,879.38</b>             | <b>3,831.42</b>             |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 21A DISAGGREGATED REVENUE INFORMATION:**

(₹ in Crores)

| Particulars                                        | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------|-----------------------------|-----------------------------|
| <b>Segment</b>                                     |                             |                             |
| Paper and Pulp products                            | 3,375.32                    | 3,571.71                    |
| Real Estates (including sale of TDR)               | 262.38                      | 12.74                       |
| Others (Salt and Chemicals)                        | 7.08                        | 9.39                        |
| <b>Total revenue from contracts with customers</b> | <b>3,644.78</b>             | <b>3,593.84</b>             |
| India                                              | 3,375.84                    | 3,287.22                    |
| Outside India                                      | 268.94                      | 306.62                      |
| <b>Total revenue from contracts with customers</b> | <b>3,644.78</b>             | <b>3,593.84</b>             |
| <b>Timing of revenue recognition</b>               |                             |                             |
| Goods transferred at a point in time               | 3,630.28                    | 3,581.11                    |
| Services transferred over time                     | 14.50                       | 12.73                       |
| Total revenue from contracts with customers        | 3,644.78                    | 3,593.84                    |

**NOTE 21B**

| Reconciliation with segment revenue                | Textile  | Pulp and Paper  | Real Estates  | Others      | Total           |
|----------------------------------------------------|----------|-----------------|---------------|-------------|-----------------|
| <b>Year ended 31 March 2024</b>                    |          |                 |               |             |                 |
| Revenue as per segment                             | 49.98    | 3,375.32        | 206.40        | 7.08        | 3,638.78        |
| Add : Gain on sale of TDR                          | -        | -               | 201.68        | -           | 201.68          |
| Less:                                              |          |                 |               |             |                 |
| Rent from Investment properties                    | -        | -               | (145.70)      | -           | (145.70)        |
| Rent from other assets                             | (49.98)  | -               | -             | -           | (49.98)         |
| <b>Total revenue from contracts with customers</b> | <b>-</b> | <b>3,375.32</b> | <b>262.38</b> | <b>7.08</b> | <b>3,644.78</b> |
| <b>Year ended 31 March 2023</b>                    |          |                 |               |             |                 |
| Revenue as per segment                             | 49.98    | 3,571.71        | 137.47        | 9.39        | 3,768.55        |
| Less:                                              |          |                 |               |             |                 |
| Rent from Investment properties                    | -        | -               | (124.73)      | -           | (124.73)        |
| Rent from other assets                             | (49.98)  | -               | -             | -           | (49.98)         |
| <b>Total revenue from contracts with customers</b> | <b>-</b> | <b>3,571.71</b> | <b>12.74</b>  | <b>9.39</b> | <b>3,593.84</b> |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 21C CONTRACT BALANCES**

(₹ in Crores)

| Particulars                                                                    | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--------------------------------------------------------------------------------|------------------------|------------------------|
| Trade receivables                                                              | 142.43                 | 159.06                 |
| Contract liabilities (advance received from residential real estate customers) | 948.68                 | 461.08                 |
| Contract assets (brokerage on sale of real estates inventories)                | 111.49                 | 56.12                  |

Significant changes in the contract assets and the contract liabilities during the year are as follows

(₹ in Crores)

| Particulars                                                    | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Contract assets</b>                                         |                             |                             |
| Opening balance                                                | 56.12                       | 17.77                       |
| Brokerage paid during the year and not recognized as expenses  | 55.37                       | 38.35                       |
| <b>Closing balance</b>                                         | <b>111.49</b>               | <b>56.12</b>                |
| <b>Contract liabilities</b>                                    |                             |                             |
| Opening balance                                                | 461.08                      | 110.05                      |
| Advance received during the year and not recognized as revenue | 487.60                      | 351.03                      |
| <b>Closing balance</b>                                         | <b>948.68</b>               | <b>461.08</b>               |

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

|                                      |          |          |
|--------------------------------------|----------|----------|
| Revenue as per contract price        | 3,770.01 | 3,736.08 |
| <b>Adjustments</b>                   |          |          |
| Discount                             | (125.23) | (142.24) |
| Revenue from contract with customers | 3,644.78 | 3,593.84 |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 21E REMAINING PERFORMANCE OBLIGATION**

In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential units. Since the said performance obligation is not satisfied as at March 31, 2024, no revenue has been recognised by the Company on sale of residential units. The Company expects to recognise revenue on sale of residential units in the following time band:

(₹ in Crores)

| Time band         | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------|-----------------------------|-----------------------------|
| More than 3 years | 5,299.98                    | 2,359.56                    |
| Less than 3 years | -                           | -                           |

**NOTE 22 OTHER INCOME**

(₹ in Crores)

| Particulars                                                  |       | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|--------------------------------------------------------------|-------|-----------------------------|-----------------------------|
| Dividend on FVTPL Investments                                | 8.94  |                             | 2.93                        |
| Dividend on FVTOCI Investments                               | 1.75  |                             | 1.76                        |
|                                                              |       | 10.69                       | 4.69                        |
| Interest Income :                                            |       |                             |                             |
| Non current investments at amortised cost                    | 0.47  |                             | 0.57                        |
| On Income tax refund                                         | 16.02 |                             | -                           |
| Other interest income                                        | 89.55 |                             | 39.55                       |
|                                                              |       | 106.04                      | 40.12                       |
| Gain on foreign currency fluctuations and translations (net) |       | 3.62                        | -                           |
| Surplus on sale of property plant and equipments (net)       |       | 0.41                        | 0.77                        |
| Management consultancy fees                                  |       | 6.95                        | 5.13                        |
| Miscellaneous Income                                         |       | 3.65                        | 8.38                        |
| <b>Total</b>                                                 |       | <b>131.36</b>               | <b>59.09</b>                |

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





## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 23 COST OF MATERIALS CONSUMED**

(₹ in Crores)

| Particulars                                 |          | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------|----------|-----------------------------|-----------------------------|
| <b>Raw material consumed</b>                |          |                             |                             |
| Opening stock                               | 252.91   |                             | 160.36                      |
| Add: Purchases                              | 2,133.22 |                             | 2,377.32                    |
|                                             | 2,386.13 |                             | 2,537.68                    |
| Less: Closing stock                         | (190.75) |                             | (252.91)                    |
|                                             |          | 2,195.38                    | 2,284.77                    |
| Less: Discontinued operations (See Note 35) |          | (431.66)                    | (530.92)                    |
|                                             |          | <b>1,763.72</b>             | <b>1,753.85</b>             |
| <b>Dyes, colour and chemicals consumed</b>  |          |                             |                             |
| Opening stock                               | 9.10     |                             | 17.43                       |
| Add: Purchases                              | 299.46   |                             | 330.83                      |
|                                             | 308.56   |                             | 348.26                      |
| Less: Closing stock                         | (6.76)   |                             | (9.10)                      |
|                                             |          | 301.80                      | 339.16                      |
| Less: Discontinued operations (See Note 35) |          | (28.15)                     | (40.92)                     |
|                                             |          | <b>273.65</b>               | <b>298.24</b>               |
| <b>Packing materials consumed</b>           |          |                             |                             |
| Opening stock                               | 4.22     |                             | 8.79                        |
| Add: Purchases                              | 95.76    |                             | 102.87                      |
|                                             | 99.98    |                             | 111.66                      |
| Less: Closing stock                         | (3.65)   |                             | (4.22)                      |
|                                             |          | 96.33                       | 107.44                      |
| Less: Discontinued operations (See Note 35) |          | (12.66)                     | (14.51)                     |
|                                             |          | <b>83.67</b>                | <b>92.93</b>                |
| <b>Total</b>                                |          | <b>2,121.04</b>             | <b>2,145.02</b>             |

**NOTE 24 PURCHASE OF TRADED GOODS**

(₹ in Crores)

| Particulars              |  | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|--------------------------|--|-----------------------------|-----------------------------|
| Purchase of traded goods |  | 7.49                        | 2.99                        |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

|                                                                                |        | (₹ in Crores)               |                             |
|--------------------------------------------------------------------------------|--------|-----------------------------|-----------------------------|
| Particulars                                                                    |        | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| Opening stock :-                                                               |        |                             |                             |
| Finished goods                                                                 | 146.65 |                             | 91.88                       |
| Work-in-progress                                                               | 241.62 |                             | 235.40                      |
| Stock-in-trade                                                                 | 0.68   |                             | 0.73                        |
|                                                                                |        | <b>388.95</b>               | <b>328.01</b>               |
| Less: Closing stock :-                                                         |        |                             |                             |
| Finished goods                                                                 | 148.48 |                             | 146.65                      |
| Work-in-progress                                                               | 132.41 |                             | 241.62                      |
| Stock-in-trade                                                                 |        | -                           | 0.68                        |
|                                                                                |        | 280.89                      | 388.95                      |
|                                                                                |        | <b>108.06</b>               | <b>(60.94)</b>              |
| Less: Proportionate cost of Joint development agreement of real estate project |        | (8.40)                      | -                           |
| Less: Discontinued operations (See note 35)                                    |        | (118.20)                    | (34.85)                     |
| <b>Total</b>                                                                   |        | <b>(1.74)</b>               | <b>(95.79)</b>              |

**NOTE 26 EMPLOYEE BENEFITS EXPENSE**

|                                                            |  | (₹ in Crores)               |                             |
|------------------------------------------------------------|--|-----------------------------|-----------------------------|
| Particulars                                                |  | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| Salaries, wages, bonus, etc.                               |  | 179.42                      | 168.84                      |
| Contributions to provident and other funds (Refer Note 36) |  | 9.66                        | 9.45                        |
| Gratuity expenses (Refer Note 36)                          |  | 2.64                        | 2.82                        |
| Staff welfare expenses                                     |  | 10.76                       | 10.11                       |
| <b>Total</b>                                               |  | <b>202.48</b>               | <b>191.22</b>               |

**NOTE 27 FINANCE COST**

|                                                                           |  | (₹ in Crores)               |                             |
|---------------------------------------------------------------------------|--|-----------------------------|-----------------------------|
| Particulars                                                               |  | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| Interest on debts and borrowings                                          |  | 112.72                      | 87.39                       |
| Unwinding of discount and effect of change in discount rate on provisions |  | 9.92                        | 9.70                        |
| Interest on lease liabilities (Refer Note 45)                             |  | 1.76                        | 1.88                        |
|                                                                           |  | <b>124.40</b>               | <b>98.97</b>                |
| Less: Borrowing costs inventorized (Refer Note below)                     |  | (27.98)                     | (29.45)                     |
| <b>Total</b>                                                              |  | <b>96.42</b>                | <b>69.52</b>                |

**Note :**

The interest rate used to determine the amount of borrowing cost capitalised and inventorized is the weighted average interest rate applicable to the entity's general borrowings during the year i.e. 8.00% (31 March 2023 8.00%)



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 28 DEPRECIATION AND AMORTIZATION EXPENSE**

(₹ in Crores)

| Particulars                                                  | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|--------------------------------------------------------------|-----------------------------|-----------------------------|
| Depreciation of property plant and equipments (Refer Note 3) | 164.46                      | 153.70                      |
| Depreciation on Investment properties (Refer Note 4)         | 32.36                       | 32.49                       |
| Amortization of Intangible assets (Refer Note 5)             | 2.04                        | 1.98                        |
| Depreciation on Right-of-Use Assets (Note note 3B)           | 2.48                        | 3.48                        |
| <b>Total</b>                                                 | <b>201.34</b>               | <b>191.65</b>               |

**NOTE 29 OTHER EXPENSES**

(₹ in Crores)

| Particulars                                     | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------|-----------------------------|-----------------------------|
| Consumption of stores and spares                | 57.34                       | 63.69                       |
| Job work charges                                | 18.22                       | 10.50                       |
| Power, fuel and water                           | 446.42                      | 560.46                      |
| Repairs to buildings                            | 37.61                       | 29.46                       |
| Repairs to Machinery                            | 18.28                       | 24.99                       |
| Repairs to Other Assets                         | 9.86                        | 4.08                        |
| Rent                                            | 1.67                        | 1.91                        |
| Rates and taxes                                 | 13.76                       | 14.27                       |
| Insurance                                       | 19.35                       | 18.13                       |
| Freight, forwarding, octroi, etc.               | 73.07                       | 84.19                       |
| Material Handling Charges                       | 10.61                       | 10.65                       |
| Advertisement and publicity                     | 16.21                       | 10.60                       |
| Commission                                      | 2.28                        | 3.09                        |
| Brokerage, discounts, incentives etc.           | 1.94                        | 0.51                        |
| Commission to non executive directors           | 2.00                        | 2.00                        |
| Director's fees and travelling expenses         | 0.28                        | 0.20                        |
| Miscellaneous expenses (Refer Note A & B below) | 69.86                       | 63.05                       |
| <b>Total</b>                                    | <b>798.76</b>               | <b>901.78</b>               |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 29 OTHER EXPENSES** (Continued)**NOTE A AUDITORS' REMUNERATION:**

(₹ in Crores)

| Particulars                     | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------|-----------------------------|-----------------------------|
| Statutory Auditors              |                             |                             |
| As auditors:                    |                             |                             |
| Audit fees                      | 1.30                        | 1.20                        |
| Tax audit fees                  | 0.12                        | 0.12                        |
| Limited review                  | 0.18                        | 0.18                        |
| In other capacity:              |                             |                             |
| Certificates and other services | 0.04                        | 0.03                        |
| Reimbursement of expenses       | 0.04                        | 0.04                        |
|                                 | <b>1.68</b>                 | <b>1.57</b>                 |

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

(₹ in Crores)

| Particulars                                                                                                                                                                | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Amount required to be spent by the Company during the year                                                                                                                 | 4.87                        | 4.45                        |
| Less: amount of expenditure incurred                                                                                                                                       | 4.88                        | 5.18                        |
| Shortfall / (excess spend) at the end of the year                                                                                                                          | (0.01)                      | (0.73)                      |
| Total of previous years shortfall                                                                                                                                          | -                           | 0.73                        |
| <b>Cumulative shortfall / (excess) as at year end</b>                                                                                                                      | <b>(0.01)</b>               | <b>-</b>                    |
| Nature of CSR activities - Projects on health, education, livelihood and skill development, sanitation, community & rural infrastructure development & promotion of sports |                             |                             |
| The movement in the provision during the year is as under:                                                                                                                 |                             |                             |
| Opening liability                                                                                                                                                          | -                           | 0.73                        |
| Provision recognised for the year                                                                                                                                          | 4.87                        | 4.45                        |
| Amount spent during the year                                                                                                                                               | (4.88)                      | (5.18)                      |
| <b>Closing liability / (Asset)</b>                                                                                                                                         | <b>(0.01)</b>               | <b>-</b>                    |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**30 HEDGING ACTIVITIES AND DERIVATIVES****Derivatives not designated as hedging instruments**

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the marketplace.

**31 EARNINGS PER SHARE (EPS):**

(₹ in Crores)

| Particulars                                                                         | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Profit for the year attributable to equity shareholders continuing operations       | 397.36                      | 425.95                      |
| Profit for the year attributable to equity shareholders discontinued operations     | (246.20)                    | (57.64)                     |
| Profit for the year attributable to equity shareholders                             | 151.16                      | 368.31                      |
| <b>a) Basic EPS</b>                                                                 |                             |                             |
| Weighted average number of equity shares outstanding                                | 11,16,95,680                | 11,16,95,680                |
| Weighted average number of equity shares held by ESOP trust                         | (11,18,245)                 | -                           |
| Weighted average number of equity shares outstanding for calculation of basic EPS   | 11,05,77,435                | 11,16,95,680                |
| Basic EPS - Continuing operations (₹ Per Share)                                     | 35.94                       | 38.14                       |
| Basic EPS - Discontinued operations (₹ Per Share)                                   | (22.27)                     | (5.16)                      |
| Basic EPS - Continuing and discontinued operations (₹ Per Share)                    | 13.67                       | 32.98                       |
| <b>b) Diluted EPS</b>                                                               |                             |                             |
| Weighted average number of equity shares outstanding                                | 11,16,95,680                | 11,16,95,680                |
| Weighted average number of equity shares held by ESOP trust                         | (11,18,245)                 | -                           |
| Weighted average number of potential equity shares on exercise of options           | 3,31,831                    | -                           |
| Weighted average number of equity shares outstanding for calculation of diluted EPS | 11,09,09,266                | 11,16,95,680                |
| Diluted EPS - Continuing operations (₹ Per Share)                                   | 35.83                       | 38.14                       |
| Diluted EPS - Discontinued operations (₹ Per Share)                                 | (22.20)                     | (5.16)                      |
| Diluted EPS - Continuing and discontinued operations (₹ Per Share)                  | 13.63                       | 32.98                       |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**32** Revenue expenditure on research and development activities relating to Government recognised in-house research and development laboratories incurred and charged out during the year through the natural heads of account, aggregate ₹ 2.88 crores (31 March 2023: ₹ 4.35 crores).

**33** During the financial year 2017-18, the Company had entered into an agreement with Grasim Industries Limited ('GIL') granting right to manage and operate the Company's Viscose Filament Yarn ('VFY') business, which is part of Textile segment, for a duration of 15 years commencing from February 1, 2018. As a part of consideration, GIL has paid an upfront Royalty of ₹ 605.00 crores. In addition GIL has also paid the carrying value of net working capital and the interest free security deposit of ₹ 200.00 crores which is repayable after 15 years. With effect from February 1, 2018, GIL have right to use the VFY business assets including its intangible assets for a period of 15 years from the above date. The Company is recognizing royalty income over the period of 15 years.

Pursuant to the agreement, GIL shall incur all capital expenditure and commitments involving capital expenditure as may be necessary for the proper, optimum and profitable operation of the VFY Business. In this regard, Company has agreed that all improvement/ capital expenditure done by GIL during the tenure of agreement will be transferred to the Company, at such fair value as may be agreed between the Company and GIL.

**34 TRADE PAYABLES**

- (i) ₹ 4.19 Crore (31 March 2023 ₹ 17.04 Crore) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). There are no other amounts paid / payable towards interest / principal under the MSMED; and
- (ii) The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.

**35 DISCONTINUED OPERATIONS****Textile Division**

During the quarter ended June 30, 2023, the Company had initiated the process to restructure its operations at its Bharuch Textile Division business ('Division') which includes outsourcing Greige Fabric from the third party instead of manufacturing it in the plant. Subsequently, during the year, Board of Directors have approved the proposal for discontinuation of complete operations of the said Division. Accordingly, results of the said Division is disclosed as discontinued operations in the financial results. Further the Company is evaluating all the available option including the sale of plant and machineries and hence the non current assets of the said division is not classified as asset held for sale. As the operations are discontinued, during the year, the Company has assessed the recoverability of Property, plant and equipment and other assets of the said Division and recognized a provision aggregating to ₹ 214.00 Crores as Loss on measurement to net realizable value.

The Company has obtained the valuation report from registered valuer to assess the net realizable value of assets, Plant and Machinery has been valued at realisable value of existing machinery based on market prices. In case of building the entire remaining written down value is provided for impairment on conservative basis since the building are specifically designed for textile business and may not be of any significant use for the potential purchaser.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**35 DISCONTINUED OPERATIONS** (Continued)

a) The results of Textile Division unit for the year are presented below :

(₹ in Crores)

| Particulars                                                                 | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-----------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Sales                                                                       | 785.80                      | 946.77                      |
| Other operating income                                                      | 21.32                       | 17.02                       |
| Other Income                                                                | 3.59                        | 2.46                        |
| <b>Total Income (A)</b>                                                     | <b>810.71</b>               | <b>966.25</b>               |
| Cost of materials consumed                                                  | 472.49                      | 586.35                      |
| Purchases of traded goods                                                   | 60.93                       | 41.65                       |
| Changes in inventories of finished goods, work-in-progress and traded goods | 123.63                      | 34.85                       |
| Employee benefits expense                                                   | 83.23                       | 75.39                       |
| Finance costs                                                               | 25.72                       | 19.67                       |
| Depreciation and amortisation expense                                       | 31.67                       | 31.15                       |
| Other expenses                                                              | 177.75                      | 265.86                      |
| <b>Total Expenses (B)</b>                                                   | <b>975.42</b>               | <b>1,054.92</b>             |
| Loss on measurement to net realisable value (C)                             | 214.00                      | -                           |
| <b>Profit before Tax (A-B-C)</b>                                            | <b>(378.71)</b>             | <b>(88.67)</b>              |
| Income tax (expense) / credit                                               | 132.51                      | 31.03                       |
| <b>Profit / (Loss) after income tax</b>                                     | <b>(246.20)</b>             | <b>(57.64)</b>              |

b) The major class of assets and liabilities of Textile Division are as follows.

(₹ in Crores)

| Particulars                                     | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                                   |                             |                             |
| <b>Non Current Assets</b>                       |                             |                             |
| Property, plant and equipments (including CWIP) | 118.60                      | 389.84                      |
| Financial Assets                                | 1.27                        | 1.73                        |
| Other Assets                                    | 1.11                        | 1.25                        |
|                                                 | <b>120.98</b>               | <b>392.82</b>               |
| <b>Current Assets</b>                           |                             |                             |
| Inventories                                     | 31.71                       | 182.79                      |
| Financial Assets                                | 55.63                       | 120.85                      |
| Other Assets                                    | 19.88                       | 28.48                       |
|                                                 | <b>107.22</b>               | <b>332.12</b>               |
| Assets classified as held for sale              | 50.60                       | -                           |
| <b>Total Assets</b>                             | <b>278.80</b>               | <b>724.94</b>               |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**35 DISCONTINUED OPERATIONS** (Continued)

(₹ in Crores)

| Particulars                                                                | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Liabilities</b>                                                         |                             |                             |
| <b>Non Current Liabilities</b>                                             |                             |                             |
| Financial Liabilities                                                      | 16.80                       | -                           |
|                                                                            | <b>16.80</b>                | <b>-</b>                    |
| <b>Current Liabilities</b>                                                 |                             |                             |
| Financial Liabilities                                                      | 151.27                      | 319.09                      |
| Provisions                                                                 | 1.03                        | 2.72                        |
| Other current liabilities                                                  | 4.58                        | 3.58                        |
| <b>Total Liabilities</b>                                                   | <b>156.88</b>               | <b>325.39</b>               |
| <b>Total Liabilities</b>                                                   | <b>173.68</b>               | <b>325.39</b>               |
| <b>Net Asset / (liabilities) directly associated with Textile Division</b> | <b>105.12</b>               | <b>399.55</b>               |

## c) The net cash flows of Textile Division are as follows.

(₹ in Crores)

| Particulars                                           | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------------|-----------------------------|-----------------------------|
| Net Cash flow from Operating activities               | 68.69                       | 27.97                       |
| Net Cash flow from Investing activities               | (14.12)                     | (41.71)                     |
| Net Cash flow from Financing activities               | (52.67)                     | 13.97                       |
| <b>Net Cash generated from discontinued operation</b> | <b>1.90</b>                 | <b>0.23</b>                 |

**35A EXCEPTIONAL ITEMS**

During the previous year ended 31 March 2023, the Company had transferred its leasehold land in Gujarat to Grasim Industries Limited for a consideration of ₹ 215.85 Crores resulting in a net gain of ₹ 134.21 Crores as an exceptional item after adjusting non-usage charges amounting to ₹ 21.64 Crores and transfer fees amounting to ₹ 37.52 Crores paid to Gujarat Industrial Development Corporation. Further, tax on such gain amounting to ₹ 25.64 Crores was included in the current tax for the previous year.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**36 DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS"****(a) Defined Contribution Plans:**

The Company's contribution to Provident Fund and Superannuation Fund aggregating ₹ 4.26 Crores (31 March 2023: ₹ 5.92 Crores) has been recognised in the Statement of Profit and Loss under the head Employee benefits expense.

**(b) Defined Benefit Plans:****(i) Gratuity**

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments, property and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

| Particulars                      | Valuation as at |               |
|----------------------------------|-----------------|---------------|
|                                  | 31 March 2024   | 31 March 2023 |
| Employee Attrition rate          | 2% to 3%        | 2% to 3%      |
| Discount rate                    | 7.10%           | 7.40%         |
| Expected rate of salary increase | 3% to 6%        | 3% to 6%      |

**Defined benefit plans – as on 31<sup>st</sup> March, 2024**

(₹ in Crores)

| Particulars                                                        | Funded Plan                 |                             |
|--------------------------------------------------------------------|-----------------------------|-----------------------------|
|                                                                    | Gratuity                    |                             |
|                                                                    | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| <b>I. 1 Expense recognised in the Statement of profit and loss</b> |                             |                             |
| Service cost                                                       |                             |                             |
| Current service cost                                               | 3.00                        | 4.08                        |
| Net interest expense                                               | (0.16)                      | (0.07)                      |
| Current service cost of discontinued operation                     | (0.20)                      | (1.19)                      |
| Components of defined benefit costs recognised in profit or loss   | <b>2.64</b>                 | <b>2.82</b>                 |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

(₹ in Crores)

| Particulars                                                                 | Funded Plan                 |                             |
|-----------------------------------------------------------------------------|-----------------------------|-----------------------------|
|                                                                             | Gratuity                    |                             |
|                                                                             | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| <b>2 Included in Other Comprehensive Income</b>                             |                             |                             |
| Remeasurement (gain) / Loss                                                 | 2.70                        | (1.23)                      |
| Return on plan assets                                                       | (1.16)                      | (0.60)                      |
| Remeasurement (gain)/loss of Discontinued operation                         | (1.26)                      | 0.48                        |
| Remeasurement (gain) / Loss                                                 | <b>0.28</b>                 | <b>(1.35)</b>               |
| <b>II. Net asset / (liability) recognised in the Balance Sheet</b>          |                             |                             |
| 1. Present value of defined benefit obligation                              | 46.15                       | 52.21                       |
| 2. Fair value of plan assets                                                | 47.79                       | 53.03                       |
| Net asset / (liability)                                                     | 1.64                        | 0.82                        |
| <b>III. Change in the obligation during the year</b>                        |                             |                             |
| 1. Present value of defined benefit obligation at the beginning of the year | 52.21                       | 54.04                       |
| 2. Expenses recognised in profit and loss account:                          |                             |                             |
| - Current service cost                                                      | 3.00                        | 4.08                        |
| - Interest expense / (income)                                               | 3.31                        | 3.40                        |
| 3. Recognised in Other Comprehensive Income                                 |                             |                             |
| Remeasurement gains / (losses):                                             |                             |                             |
| i. Financial assumptions                                                    | 0.64                        | (1.77)                      |
| ii. Experience adjustments                                                  | 2.06                        | 0.53                        |
| 4. Benefit payments                                                         | (15.07)                     | (8.07)                      |
| 5. Transfer in / (out)                                                      | -                           | -                           |
| Less : Transferred to Discontinued Operations                               | -                           | -                           |
| <b>Present value of defined benefit obligation at the end of the year</b>   | <b>46.15</b>                | <b>52.21</b>                |
| <b>IV. Change in fair value of assets during the year</b>                   |                             |                             |
| 1. Fair value of plan assets at the beginning of the year                   | 53.03                       | 53.64                       |
| 2. Expenses recognised in profit and loss account                           |                             |                             |
| - Expected return on plan assets                                            | 4.29                        | 3.47                        |
| 3. Recognised in Other Comprehensive Income                                 |                             |                             |
| Remeasurement gains / (losses)                                              | -                           | -                           |
| - Actual return on plan assets in excess of the expected return             | 1.16                        | 0.60                        |
| 4. Contributions by employer (including benefit payments recoverable)       | 4.38                        | 3.39                        |
| 5. Benefit payments                                                         | (15.07)                     | (8.07)                      |
| Less : Transferred to Discontinued Operations                               | -                           | -                           |
| <b>Fair value of plan assets at the end of the year</b>                     | <b>47.79</b>                | <b>53.03</b>                |

Expected contribution during next annual reporting period ₹ 3.08 crores (31 March 2023 ₹ 3.28 Crores)



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

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

(₹ In Crores)

| Principal assumption |           | Changes in assumption | Impact on defined benefit obligation |                        |
|----------------------|-----------|-----------------------|--------------------------------------|------------------------|
|                      |           |                       | Increase in assumption               | Decrease in assumption |
| Discount rate        | 31-Mar-24 | 1%                    | (2.07)                               | 2.30                   |
|                      | 31-Mar-23 | 1%                    | (2.68)                               | 3.03                   |
| Salary growth rate   | 31-Mar-24 | 1%                    | 2.29                                 | (2.10)                 |
|                      | 31-Mar-23 | 1%                    | 3.01                                 | (2.70)                 |
| Withdrawal rate      | 31-Mar-24 | 1%                    | 0.27                                 | (0.31)                 |
|                      | 31-Mar-23 | 1%                    | 0.43                                 | (0.49)                 |

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

(₹ in Crores)

| Particulars   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------|------------------------|------------------------|
| Within 1 year | 7.22                   | 8.36                   |
| 1 - 2 year    | 7.13                   | 5.85                   |
| 2 - 3 year    | 6.01                   | 6.84                   |
| 3 - 4 year    | 5.91                   | 5.70                   |
| 4 - 5 year    | 5.19                   | 5.96                   |
| 6 - 10 year   | 19.22                  | 21.73                  |
| <b>Total</b>  | <b>50.68</b>           | <b>54.44</b>           |

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

(₹ in Crores)

| Asset category                    | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-----------------------------------|------------------------|------------------------|
| Cash and cash equivalents         | 0.10                   | 0.10                   |
| Debt instruments (quoted)         | 46.41                  | 51.32                  |
| Equity instruments (quoted)       | 0.22                   | 0.22                   |
| Deposits with Insurance companies | 1.06                   | 1.39                   |
| <b>Total</b>                      | <b>47.79</b>           | <b>53.03</b>           |

The weighted average duration of the defined benefit obligation as at 31 March 2024 is 5.56 years (31 March 2023 8.30 years)

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**36 DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS" (Continued)****(ii) Provident Fund**

In case of certain employees, the Provident fund contribution is made to trusts administered by the Company. In terms of guidance note issued by the Institute of Actuaries of India, the Actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined that there is no shortfall as at 31 March 2024.

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

(₹ in Crores)

| Particulars                                                            | As at<br>31 March 2024 | As at<br>31 March 2023 |
|------------------------------------------------------------------------|------------------------|------------------------|
| Guaranteed interest rate                                               | 8.25%                  | 8.15%                  |
| Discount rate for the remaining term to maturity of interest portfolio | 8.15%                  | 8.50%                  |
| Contribution during the year                                           | 7.15                   | 7.12                   |

**37 PROVISION FOR DISPUTED MATTERS**

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

The movements in the above account are summarized below:-

(₹ in Crores)

| S No. | Nature of liability | As at<br>31 March 2023 | Amounts provided<br>for during the year | Amounts utilised /<br>written back during<br>the year | As at<br>31 March 2024 |
|-------|---------------------|------------------------|-----------------------------------------|-------------------------------------------------------|------------------------|
| 1     | Water Charges       | 95.33                  | 1.78                                    | (1.78)                                                | 95.33                  |
| 2     | Octroi Duty         | 38.54                  | -                                       | -                                                     | 38.54                  |
| 3     | Others              | 21.35                  | 0.55                                    | (0.02)                                                | 21.88                  |
|       | <b>Total</b>        | <b>155.22</b>          | <b>2.33</b>                             | <b>(1.80)</b>                                         | <b>155.75</b>          |

(₹ in Crores)

| S No. | Nature of liability | 1 April 2022  | Amounts provided<br>for during the year | Amounts utilised /<br>written back during<br>the year | As at<br>31 March 2023 |
|-------|---------------------|---------------|-----------------------------------------|-------------------------------------------------------|------------------------|
| 1     | Water Charges       | 95.32         | 1.80                                    | (1.79)                                                | 95.33                  |
| 2     | Octroi Duty         | 38.54         | -                                       | -                                                     | 38.54                  |
| 3     | Others              | 20.88         | 0.55                                    | (0.08)                                                | 21.35                  |
|       | <b>Total</b>        | <b>154.74</b> | <b>2.35</b>                             | <b>(1.87)</b>                                         | <b>155.22</b>          |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**38 CONTINGENT LIABILITIES****(i) Contingent liabilities (to the extent not provided for)**

(₹ in Crores)

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | As at<br>31 March 2024  | As at<br>31 March 2023  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Contingent liabilities - Continuing Operations</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                         |                         |
| (a) (i) Claims against the Company not acknowledged as debts in respect of :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                         |                         |
| - Custom Duty, Goods & Service Tax and Excise Duty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 11.77                   | 11.22                   |
| - Sales Tax and Entry Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 16.17                   | 11.00                   |
| - Others                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 5.93                    | 6.29                    |
| (ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Company had an interest (proportionate)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 27.34                   | 26.51                   |
| (b) Disputed income tax matters under appeal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 133.34                  | 133.34                  |
| (c) Indirect exposure upon the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                         |                         |
| - Guarantee given to Subsidiary Company (Refer Note 40)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 900.00                  | 200.00                  |
| (d) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant. | Amount not determinable | Amount not determinable |

The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties are dependent on the outcome of the different legal processes. The timing of future cash flows will be determinable only on receipt of judgments / decisions pending with various forums/authorities. The Company does not expect any reimbursements against the above.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**39 COMMITMENTS**

| (₹ in Crores)                                                                                                                                                                                                         |                        |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Particulars                                                                                                                                                                                                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>Capital commitments</b>                                                                                                                                                                                            |                        |                        |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)                                                                                                      | 176.35                 | 50.56                  |
| <b>(a) Other commitments</b>                                                                                                                                                                                          |                        |                        |
| The Company has imported capital goods under the Export promotion capital goods scheme, of the Government of India, at concessional rates of duty on an undertaking to fulfill quantified exports in the future years | 2.83                   | 74.70                  |

**40 RELATED PARTY DISCLOSURE****Relationships :****(a) Where significant influence exists :**

- (i) M/s Pilani Investment and Industries Corporation Limited (As a Shareholder of the Company directly & indirectly)

**(b) Where control / joint control exists :**

- (i) Birla Estates Private Limited
- (ii) Avarna Projects LLP
- (iii) Birla Tisya LLP
- (iv) Birla Arnaa LLP
- (v) Birla Century Exports Private Limited
- (vi) Birla Century International LLC
- (vii) Birla Advanced Knits Private Limited
- (viii) CTIL Community Welfare Foundation

**(c) Key Management Personnel / Directors :****Executive Directors :**

Shri Rajendra Kumar Dalmia - (w.e.f 12.08.2022)

Shri J. C. Laddha (upto 11.08.2022)

**Non Executive Directors**

Shri Kumar Mangalam Birla

Smt. Rajashree Birla

Shri Rajan A Dalal

Shri Yazdi P Dandiwal

Shri Sohanlal Kundanmal Jain





## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**40 RELATED PARTY DISCLOSURE** (Continued)

Smt. Preeti Vyas

Shri J. C. Laddha (from 11.08.2022 to 28.09.2022)

**Others**

Shri. Snehal Shah (Chief Financial Officer)

Shri. Atul Kedia (Company Secretary)

**(d) Other Related Parties****(i) Pension & Provident Fund of Century Textiles & Industries Limited**

- Pension And Provident Fund Of Century Textiles And Industries Limited

**(ii) Gratuity Fund of Century Textiles & Industries Limited**

- Century Textiles And Industries Limited Employees Gratuity Fund

**(iii) Superannuation Fund of Century Textiles & Industries Limited**

- Century Textiles And Industries Limited (Textiles Division) Superannuation Scheme

**(iv) Industry House Ltd.**

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

| (₹ in Crores)                      |                             |                             |
|------------------------------------|-----------------------------|-----------------------------|
| Nature of Transaction              | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| <b>Loan Given</b>                  |                             |                             |
| Birla Estates Private Limited      | 1,358.46                    | 250.07                      |
| Birla Arnaa LLP                    | 20.12                       | -                           |
| Birla Tisya LLP                    | 0.02                        | -                           |
| Avarna Projects LLP                | 0.01                        | -                           |
| <b>Receipt against Loan given</b>  |                             |                             |
| Birla Estates Private Limited      | 1,180.73                    | 26.07                       |
| Birla Arnaa LLP                    | 33.22                       | -                           |
| Birla Tisya LLP                    | 0.03                        | -                           |
| Avarna Projects LLP                | 0.02                        | -                           |
| <b>Development Management Fees</b> |                             |                             |
| Birla Estates Private Limited      | 111.02                      | 37.79                       |
| Avarna Projects LLP                | 27.91                       | -                           |
| Birla Tisya LLP                    | 12.80                       | -                           |
| Birla Arnaa LLP                    | 8.23                        | -                           |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**40 RELATED PARTY DISCLOSURE** (Continued)

(₹ in Crores)

| Nature of Transaction                                          | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Interest on (Loan Given)</b>                                |                             |                             |
| Birla Estates Private Limited                                  | 75.83                       | 34.93                       |
| Avarna Projects LLP                                            | 30.84                       | -                           |
| Birla Arnaa LLP                                                | 9.62                        | -                           |
| Birla Tisya LLP                                                | 5.53                        | -                           |
| <b>Receipt against Interest on Loan Given</b>                  |                             |                             |
| Avarna Projects LLP                                            | 44.00                       | -                           |
| Birla Tisya LLP                                                | 19.24                       | -                           |
| Birla Arnaa LLP                                                | 9.11                        | -                           |
| <b>Revenue share Received</b>                                  |                             |                             |
| Birla Estates Private Limited                                  | 28.36                       | 30.28                       |
| <b>Sales</b>                                                   |                             |                             |
| Birla Advanced Knits Private Limited                           | 21.15                       | 1.02                        |
| <b>Dividend Paid</b>                                           |                             |                             |
| M/s Pilani Investment and Industries Corporation Limited       | 18.49                       | 14.79                       |
| <b>Security Deposit</b>                                        |                             |                             |
| Birla Advanced Knits Private Limited                           | 13.00                       | 10.00                       |
| <b>Provident Fund Contribution</b>                             |                             |                             |
| Pension & Provident fund of Century Textiles & Industries Ltd. | 7.15                        | 7.12                        |
| <b>Rental Income</b>                                           |                             |                             |
| Birla Estates Private Limited                                  | 5.98                        | -                           |
| Birla Advanced Knits Private Limited                           | 0.52                        | -                           |
| <b>Gratuity Fund Contribution</b>                              |                             |                             |
| Century Textiles & Industries Ltd. Employee Gratuity Fund      | 6.35                        | 3.40                        |
| <b>Utility Services - Income</b>                               |                             |                             |
| Birla Advanced Knits Private Limited                           | 6.06                        | -                           |
| <b>Remuneration</b>                                            |                             |                             |
| Shri R. K. Dalmia (Managing Director )                         | 5.73                        | 5.32                        |
| Shri J. C. Laddha                                              | 0.26                        | 1.66                        |
| Shri. Snehal Shah (Chief Financial Officer)                    | 2.04                        | 1.73                        |
| Shri. Atul Kedia (Company Secretary)                           | 0.94                        | 0.90                        |
| <b>Facility Management Fees</b>                                |                             |                             |
| Birla Estates Private Limited                                  | 4.16                        | 3.85                        |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**40 RELATED PARTY DISCLOSURE** (Continued)

(₹ in Crores)

| Nature of Transaction                                    | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Amount Written off</b>                                |                             |                             |
| Birla Century Export Private Limited                     | 2.80                        | -                           |
| <b>Amount Written back</b>                               |                             |                             |
| Birla Century International LLC                          | 2.40                        | -                           |
| <b>Job Work Charges</b>                                  |                             |                             |
| Birla Advanced Knits Private Limited                     | 2.38                        | 0.36                        |
| <b>Overhead recovery fees</b>                            |                             |                             |
| Birla Tisya LLP                                          | 1.28                        | -                           |
| Birla Arnaa LLP                                          | 0.96                        | -                           |
| <b>Interest on Security Deposit</b>                      |                             |                             |
| Birla Advanced Knits Private Limited                     | 2.14                        | 0.23                        |
| <b>Commission to Non Executive Directors</b>             |                             |                             |
| Shri Yazdi P Dandiwal                                    | 0.33                        | 0.33                        |
| Smt. Rajashree Birla                                     | 0.33                        | 0.33                        |
| Smt. Preeti Vyas                                         | 0.33                        | 0.33                        |
| Shri Kumar Mangalam Birla                                | 0.33                        | 0.33                        |
| Shri Rajan A Dalal                                       | 0.33                        | 0.33                        |
| Shri Sohanlal Kundanmal Jain                             | 0.33                        | 0.33                        |
| Shri J. C. Laddha                                        | 0.04                        | -                           |
| <b>Loan repaid</b>                                       |                             |                             |
| Birla Tisya LLP                                          | 1.60                        | -                           |
| <b>Management Fees</b>                                   |                             |                             |
| Birla Advanced Knits Private Limited                     | 1.59                        | 1.69                        |
| <b>Commission on Guarantee</b>                           |                             |                             |
| Birla Estates Private Limited                            | 0.61                        | -                           |
| <b>Superannuation Contribution</b>                       |                             |                             |
| Century Textiles & Industries Ltd. Superannuation Scheme | 0.51                        | 0.37                        |
| <b>Rental Expenses</b>                                   |                             |                             |
| M/s Industry House Limited                               | 0.29                        | 0.29                        |
| <b>Director Sitting Fees</b>                             |                             |                             |
| Shri Yazdi P Dandiwal                                    | 0.07                        | 0.05                        |
| Shri Rajan A Dalal                                       | 0.07                        | 0.05                        |
| Shri Sohanlal Kundanmal Jain                             | 0.05                        | 0.04                        |
| Smt. Preeti Vyas                                         | 0.05                        | 0.03                        |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**40 RELATED PARTY DISCLOSURE** (Continued)

(₹ in Crores)

| Nature of Transaction                                        | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|--------------------------------------------------------------|-----------------------------|-----------------------------|
| Smt. Rajashree Birla                                         | 0.04                        | 0.02                        |
| Shri Kumar Mangalam Birla                                    | 0.01                        | 0.01                        |
| <b>Utility Charges</b>                                       |                             |                             |
| M/s Industry House Limited                                   | 0.13                        | 0.13                        |
| <b>Misc. Expenses</b>                                        |                             |                             |
| Vyas Giannetti Creative                                      | 0.04                        | -                           |
| M/s Industry House Limited                                   | 0.00                        | 0.00                        |
| <b>Municipal Tax</b>                                         |                             |                             |
| M/s Industry House Limited                                   | 0.02                        | -                           |
| <b>Investment in Equity</b>                                  |                             |                             |
| CTIL Community Welfare Foundation                            | 0.01                        | -                           |
| <b>Donation</b>                                              |                             |                             |
| CTIL Community Welfare Foundation                            | 0.01                        | -                           |
| <b>Corpus Fund Contribution</b>                              |                             |                             |
| CTIL Employee Welfare Trust                                  | -                           | -                           |
| <b>Security Deposit Refund</b>                               |                             |                             |
| Birla Advanced Knits Private Limited                         | 5.60                        | -                           |
| <b>Deemed Capital contribution in the subsidiary company</b> |                             |                             |
| (ESOP granted to employees of subsidiary company)            |                             |                             |
| Birla Estates Private Limited                                | 11.16                       | -                           |

(₹ in Crores)

| Outstanding Balances          | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-------------------------------|------------------------|------------------------|
| <b>Guarantees outstanding</b> |                        |                        |
| Birla Estates Private Limited | 900.00                 | 200.00                 |
| <b>Interest on Loan Given</b> |                        |                        |
| Avarna Projects LLP           | 62.38                  | -                      |
| Birla Arnaa LLP               | 8.37                   | -                      |
| Birla Tisya LLP               | 2.10                   | -                      |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**40 RELATED PARTY DISCLOSURE** (Continued)

(₹ in Crores)

| Outstanding Balances                                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
|----------------------------------------------------------------|------------------------|------------------------|
| <b>Loan Given</b>                                              |                        |                        |
| Birla Estates Private Limited                                  | 743.84                 | 566.12                 |
| Avarna Projects LLP                                            | 189.02                 | -                      |
| CTIL Employee Welfare Trust                                    | 94.50                  | 0.00                   |
| Birla Arnaa LLP                                                | 65.00                  | -                      |
| Birla Tisya LLP                                                | 50.00                  | -                      |
| <b>Investment</b>                                              |                        |                        |
| Birla Estates Private Limited (Refer Note 6A)                  | 211.16                 | 200.00                 |
| M/s Industry House Limited                                     | 28.41                  | 26.79                  |
| Birla Advanced Knits Private Limited                           | 25.00                  | 25.00                  |
| Birla Century Export Private Limited                           | 0.50                   | 0.50                   |
| CTIL Community Welfare Foundation                              | 0.01                   | -                      |
| CTIL Employee Welfare Trust                                    | -                      | -                      |
| <b>Payables</b>                                                |                        |                        |
| M/s Industry House Limited                                     | 0.05                   | -                      |
| Pension & Provident fund of Century Textiles & Industries Ltd. | 0.62                   | 0.57                   |
| Birla Advanced Knits Private Limited                           | 20.40                  | 15.23                  |
| <b>Receivables</b>                                             |                        |                        |
| Birla Estates Private Limited                                  | 34.80                  | 4.93                   |
| Birla Advanced Knits Private Limited                           | 29.77                  | 2.59                   |
| Avarna Projects LLP                                            | 18.07                  | -                      |
| Birla Tisya LLP                                                | 0.66                   | -                      |
| Birla Arnaa LLP                                                | 0.48                   | -                      |
| Vyas Giannetti Creative                                        | 0.03                   | -                      |

\* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 41 SEGMENT INFORMATION

## A. Information about Business Segment - Primary

| S. No. | Particulars                                                                                  | Textiles |         | Pulp and Paper |          | Real Estate |          | Others  |         | Total    |          |
|--------|----------------------------------------------------------------------------------------------|----------|---------|----------------|----------|-------------|----------|---------|---------|----------|----------|
|        |                                                                                              | 2023-24  | 2022-23 | 2023-24        | 2022-23  | 2023-24     | 2022-23  | 2023-24 | 2022-23 | 2023-24  | 2022-23  |
| 1      | Segment Revenue                                                                              |          |         |                |          |             |          |         |         |          |          |
|        | Sales of products                                                                            | 49.98    | 49.98   | 3,375.32       | 3,571.71 | 207.02      | 138.07   | 7.08    | 9.39    | 3,639.40 | 3,769.15 |
|        | Less: Inter Segment Revenue                                                                  | -        | -       | -              | -        | 0.62        | 0.60     | -       | -       | 0.62     | 0.60     |
|        | Net Sales from Continuing Operations                                                         | 49.98    | 49.98   | 3,375.32       | 3,571.71 | 206.40      | 137.47   | 7.08    | 9.39    | 3,638.78 | 3,768.55 |
|        | Sales from Discontinued Operations:                                                          |          |         |                |          |             |          |         |         |          |          |
|        | Textiles                                                                                     | 785.80   | 946.77  | -              | -        | -           | -        | -       | -       | 785.80   | 946.77   |
|        |                                                                                              |          |         |                |          |             |          |         |         | 4,424.58 | 4,715.32 |
| 2      | Result                                                                                       |          |         |                |          |             |          |         |         |          |          |
|        | Segment Result of Continuing Operations                                                      | 34.50    | 34.67   | 279.77         | 464.25   | 295.06      | 48.87    | 1.24    | 1.89    | 610.57   | 549.68   |
|        | Profit/(Loss) from Discontinued Operations:                                                  |          |         |                |          |             |          |         |         |          |          |
|        | Textiles                                                                                     | (378.71) | (88.67) | -              | -        | -           | -        | -       | -       | (378.71) | (88.67)  |
|        |                                                                                              |          |         |                |          |             |          |         |         | 231.86   | 461.01   |
| 3      | Other Information                                                                            |          |         |                |          |             |          |         |         |          |          |
|        | Segment Assets                                                                               | 198.83   | 212.91  | 2,995.90       | 3,040.05 | 2,951.92    | 2,270.74 | 25.61   | 23.61   | 6,172.26 | 5,547.31 |
|        | Segment Assets Discontinued Operations:                                                      |          |         |                |          |             |          |         |         |          |          |
|        | Textiles                                                                                     | 275.03   | 722.75  | -              | -        | -           | -        | -       | -       | 275.03   | 722.75   |
|        | Add: Unallocated common Assets                                                               |          |         |                |          |             |          |         |         | 2,048.20 | 1,198.99 |
|        | Total Assets                                                                                 | -        |         |                |          |             |          |         |         | 8,495.49 | 7,469.05 |
|        | Segment Liabilities                                                                          | 689.14   | 729.73  | 469.73         | 525.46   | 1,250.63    | 827.06   | 12.92   | 12.13   | 2,422.42 | 2,094.38 |
|        | Segment Liabilities Discontinued Operations:                                                 |          |         |                |          |             |          |         |         |          |          |
|        | Textiles                                                                                     | 172.51   | 323.27  | -              | -        | -           | -        | -       | -       | 172.51   | 323.27   |
|        | Add: Unallocated Common Liabilities                                                          |          |         |                |          |             |          |         |         | 1,522.69 | 866.86   |
|        | Total Liabilities                                                                            |          |         |                |          |             |          |         |         | 4,117.62 | 3,284.51 |
| 4      | Capital Expenditure during the year (excluding advances) (including Discontinued Operations) |          |         |                |          |             |          |         |         |          |          |
|        | Add: Unallocated Capital Expenditure                                                         | 11.54    | 45.48   | 81.53          | 78.00    | 26.29       | 1.63     | -       | -       | 119.36   | 125.11   |
|        |                                                                                              |          |         |                |          |             |          |         |         |          |          |
|        |                                                                                              |          |         |                |          |             |          |         |         | -        | -        |
|        |                                                                                              |          |         |                |          |             |          |         |         | 119.36   | 125.11   |
| 5      | Depreciation and amortisation                                                                | 15.45    | 15.30   | 150.86         | 140.98   | 33.51       | 34.33    | 0.17    | 0.15    | 199.99   | 190.76   |
|        | Add: Unallocated Depreciation                                                                |          |         |                |          |             |          |         |         | 1.35     | 0.89     |
|        |                                                                                              |          |         |                |          |             |          |         |         | 201.34   | 191.65   |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**41 SEGMENT INFORMATION** (Continued)**Adjustments & Eliminations:**

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

**B. Reconciliation of profit**

(₹ in Crores)

| Particulars                                                 | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Segment profit [A]</b>                                   | 610.57                      | 549.68                      |
| <b>Unallocable income / (expense) [B]:</b>                  |                             |                             |
| Employee benefits expense                                   | (20.10)                     | (18.04)                     |
| Depreciation & amortisation expense                         | (1.37)                      | (0.89)                      |
| Other expense                                               | (34.77)                     | (32.19)                     |
| Other income                                                | 127.04                      | 189.29                      |
| <b>Total</b>                                                | <b>70.80</b>                | <b>138.17</b>               |
| <b>Finance cost [C]</b>                                     | (96.42)                     | (69.52)                     |
| <b>Profit before tax from continuing operations [A+B+C]</b> | <b>584.95</b>               | <b>618.33</b>               |
| <b>Add/(Less): Taxes</b>                                    |                             |                             |
| Income Tax (charge) / credit                                | (187.59)                    | (192.38)                    |
| <b>Profit after tax from continuing operations</b>          | <b>397.36</b>               | <b>425.95</b>               |
| Profit / (Loss) from Discontinued Operations                | (378.71)                    | (88.67)                     |
| <b>Add/(Less): Taxes</b>                                    |                             |                             |
| Income Tax (charge) / credit                                | 132.51                      | 31.03                       |
| <b>Profit after tax from discontinuing operations</b>       | <b>(246.20)</b>             | <b>(57.64)</b>              |
| Profit for the year                                         | 151.16                      | 368.31                      |

**C. Reconciliation of assets & liabilities**

(₹ in Crores)

| Particulars                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------|------------------------|------------------------|
| <b>I (A) Segment operating assets</b> | 6,447.29               | 6,270.06               |
| <b>Unallocated assets</b>             |                        |                        |
| <b>(B) Non-current assets</b>         |                        |                        |
| Property, plant and equipments        | 39.00                  | 38.25                  |
| Financial assets                      |                        |                        |
| Non-current investments               | 644.39                 | 427.11                 |
| Loans                                 | 743.84                 | 566.12                 |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**41 SEGMENT INFORMATION** (Continued)

| (₹ in Crores)                                          |                        |                        |
|--------------------------------------------------------|------------------------|------------------------|
| Particulars                                            | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Other financial assets                                 | 0.34                   | 8.08                   |
| Non current tax                                        | 53.09                  | 54.74                  |
| Other non current assets                               | 0.98                   | 1.03                   |
| <b>Total non-current assets (B)</b>                    | <b>1,481.64</b>        | <b>1,095.33</b>        |
| <b>(C) Current assets</b>                              |                        |                        |
| Financial assets                                       |                        |                        |
| Cash and cash equivalents                              | 190.72                 | 23.38                  |
| Bank balances other than above cash & cash equivalents | 74.34                  | 61.30                  |
| Investments                                            | 282.66                 | 3.00                   |
| Others                                                 | 10.42                  | 10.12                  |
| Other current assets                                   | 8.42                   | 5.86                   |
| <b>Total current assets (C)</b>                        | <b>566.56</b>          | <b>103.66</b>          |
| <b>Total unallocated assets (B+C)</b>                  | <b>2,048.20</b>        | <b>1,198.99</b>        |
| <b>TOTAL ASSETS (A + B + C)</b>                        | <b>8,495.49</b>        | <b>7,469.05</b>        |
| <b>II (A) Segment Operating Liabilities</b>            | <b>2,594.93</b>        | <b>2,417.65</b>        |
| <b>Unallocated liabilities</b>                         |                        |                        |
| <b>(B) Non-current liabilities</b>                     |                        |                        |
| Financial liabilities                                  |                        |                        |
| Borrowings                                             | 1,278.18               | 399.09                 |
| Lease liabilities                                      | 17.85                  | 19.34                  |
|                                                        | <b>1,296.03</b>        | <b>418.43</b>          |
| Deferred tax liability (Net)                           | 70.29                  | 63.65                  |
| Total non-current liabilities (B)                      | 1,366.32               | 482.08                 |
| <b>(C) Current liabilities</b>                         |                        |                        |
| Financial liabilities                                  |                        |                        |
| Current borrowings                                     | 65.94                  | 325.83                 |
| Lease liabilities                                      | 2.30                   | 2.26                   |
|                                                        | 68.24                  | 328.09                 |
| Trade payables                                         | 36.07                  | 36.76                  |
| Other financial liabilities                            | 35.62                  | 8.81                   |
| Other current liabilities                              | 14.32                  | 8.79                   |
| Provisions                                             | 2.12                   | 2.33                   |
| <b>Total current liabilities (C)</b>                   | <b>156.37</b>          | <b>384.78</b>          |
| <b>Total unallocated liabilities (B+C)</b>             | <b>1,522.69</b>        | <b>866.86</b>          |
| <b>Total LIABILITIES (A+B+C)</b>                       | <b>4,117.62</b>        | <b>3,284.51</b>        |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**41 SEGMENT INFORMATION** (Continued)**D. Secondary segment****I Geographic information**

(₹ in Crores)

| Particulars                                     | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------|-----------------------------|-----------------------------|
| Revenue from external customers                 |                             |                             |
| India                                           | 3,369.84                    | 3,461.93                    |
| Outside India                                   | 268.94                      | 306.62                      |
| <b>Total revenue from continuing operations</b> | <b>3,638.78</b>             | <b>3,768.55</b>             |

**II Non-current operating assets:**

(₹ in Crores)

| Particulars   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------|------------------------|------------------------|
| India         | 3,759.78               | 4,121.82               |
| Outside India | -                      | -                      |
| <b>Total</b>  | <b>3,759.78</b>        | <b>4,121.82</b>        |

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

**E. Revenue from major products and services**

The following is an analysis of the Company revenue from continuing operations from its major products and services:

(₹ in Crores)

| Sale of Products                                        | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------------------|-----------------------------|-----------------------------|
| Pulp & Paper (including paper board / straw board)      | 3,375.32                    | 3,571.71                    |
| Others                                                  | 7.08                        | 9.39                        |
| Rental income including common area maintenance charges | 256.38                      | 187.45                      |
| <b>Total</b>                                            | <b>3,638.78</b>             | <b>3,768.55</b>             |

**Composition of the business segment**

| Name of the Segment | Types of products / services Comprises of :                                                             |
|---------------------|---------------------------------------------------------------------------------------------------------|
| a. Textiles         | Textiles" include Yarn & Fabric (Discontinued operations) and Viscose Filament Yarn & Tyre Yarn (Rayon) |
| b. Pulp and Paper   | Pulp, writing & printing paper , tissue paper and multilayer packaging board                            |
| c. Real Estate      | Leased Properties & real estate development                                                             |
| d. Others           | Salt works and Chemicals                                                                                |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**41 SEGMENT INFORMATION** (Continued)

- F.** The Board of Directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.
- G.** No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2024 and 31 March 2023
- H.** The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2A.

Segment profit represents the profit before finance cost and tax earned by each segment without allocation of central administration costs and directors' salaries, investment income and finance costs. This is the measure reported to the chief operating decision maker for the purposes of allocation and assessment of segment performance.

**42 CAPITAL MANAGEMENT**

For the purpose of the Company's capital management, equity includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Company is monitoring capital using debt equity ratio as its base which is debt to equity. The Company's policy is to keep debt equity ratio below two and infuse capital if and when required through issue of new shares and/or better operational results and efficient working capital management.

**Debt-to-equity ratio are as follows:**

| (₹ in Crores)                        |               |               |
|--------------------------------------|---------------|---------------|
| Particulars                          | 31 March 2024 | 31 March 2023 |
| Debt (including lease liability) (A) | 1,364.27      | 925.47        |
| Equity (B)                           | 4,377.87      | 4,184.54      |
| Debt to Equity Ratio (A / B)         | 0.31          | 0.22          |

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees these risks management. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**A. Credit Risk**

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly from trade receivables and other financial assets. The Company only deals with parties which has good credit ratings / worthiness based on company's internal assessment.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)**

The Company has divided parties in two grades based on their performance.

Good: parties with a positive external rating (if available) and stable financial position with no past default is considered in this category.

Doubtful: parties where the company doesn't have information on their financial position or has past trend of default are considered under this category.

The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

**(i) Trade receivables**

Customer credit is managed by each business division subject to the Company's established policy procedures and control related to customer credit risk management.

Export customers are mainly against Letter of Credit and/or insurance cover on export outstanding is also taken. Generally deposits are taken from domestic debtors. Apart from deposit there is a commission agent area wise. In case any customer defaults the amount is first recovered from deposits, then from the agent's commission. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification. The carrying amount and fair value of security deposit amounts to ₹ 59.46 crores (31 March 2023: ₹ 73.69 crores) as it is payable on demand.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Company has recognised loss allowance provision on trade receivables amounting to ₹ 9.27 Crs during the year (31 March 2023 ₹ 14.49 Crs) as there was no reasonable expectations of recovery and were outstanding for more than 360 days from becoming due.

(₹ in Crores)

| <b>As at 31 March 2024</b>      | <b>Less Than<br/>180 Days</b> | <b>More Than<br/>180 Days</b> |
|---------------------------------|-------------------------------|-------------------------------|
| Expected loss rate              | 1.60%                         | 65.51%                        |
| Gross carrying amount           | 129.94                        | 42.24                         |
| <b>Loss allowance provision</b> | <b>2.08</b>                   | <b>27.67</b>                  |

(₹ in Crores)

| <b>As at 31 March 2023</b>      | <b>Less Than<br/>180 Days</b> | <b>More Than<br/>180 Days</b> |
|---------------------------------|-------------------------------|-------------------------------|
| Expected loss rate              | 0.00%                         | 49.51%                        |
| Gross carrying amount           | 134.40                        | 48.84                         |
| <b>Loss allowance provision</b> | <b>-</b>                      | <b>24.18</b>                  |

Reconciliation of loss allowance provision for trade receivables

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)**

|                                                    | (₹ in Crores) |               |
|----------------------------------------------------|---------------|---------------|
| Particulars                                        | 31 March 2024 | 31 March 2023 |
| Balance as at beginning of the year                | 24.18         | 13.31         |
| On receivables originated in the year              | 9.27          | 14.49         |
| Amounts recovered / written back during the year   | (3.70)        | (3.62)        |
| Balance at end of the year (continuing operations) | 29.75         | 24.18         |

**(ii) Other Financial Assets**

Credit risk from balances with banks is managed by Company's treasury department in accordance with the Company policy. Investment of surplus funds are made only in approved Mutual Funds and that too in liquid funds. As soon as the fund reaches to a reasonable level the Company repays its working capital borrowing by redeeming the liquid fund. The other financial assets are from various forum of Government authorities and are released by Government authorities on completion of relevant terms and conditions for the release of outstanding.

**B. MARKET RISK**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, FVTOCI Investments, derivatives and other financials assets.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The sensitivity analyses in the following sections relates to the outstanding balance as at 31 March 2024 and 31 March 2023

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2024.

The sensitivity of the relevant profit or loss before tax item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2024 and 31 March 2023

**(i) Currency Risk**

This is the risk that the Company may suffer losses as a result of adverse exchange rate movement during the relevant period. As a policy, Company is covering all foreign exchange risk on account of import and loans so that Company may not be put to any loss situation due to adverse fluctuations in currency rates. There is periodical review of foreign exchange transactions and hedging by the Company's executives.

**Foreign Currency Sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company evaluates exchange rate exposure arising from foreign currency transactions. The company follows established risk management policies and standard operating procedures. The company's exposure to foreign



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK** (Continued)

currency changes for all other currencies is not material.

(₹ In crores)

|               | Currency | Change in rate | Effect on profit before tax |
|---------------|----------|----------------|-----------------------------|
| 31 March 2024 | USD      | +5%            | 3.33                        |
|               | USD      | -5%            | (3.33)                      |
|               | EUR      | +5%            | (0.06)                      |
|               | EUR      | -5%            | 0.06                        |
|               | GBP      | +5%            | 0.01                        |
|               | GBP      | -5%            | (0.01)                      |
| 31 March 2023 | USD      | +5%            | 2.63                        |
|               | USD      | -5%            | (2.63)                      |
|               | EUR      | +5%            | (0.03)                      |
|               | EUR      | -5%            | 0.03                        |

| Outstanding foreign currency exposures | As at 31 March 2024            |            | As at 31 March 2023            |            |
|----------------------------------------|--------------------------------|------------|--------------------------------|------------|
|                                        | Foreign Currency (in millions) | ₹ in crore | Foreign Currency (in millions) | ₹ in crore |
| <b>Trade Receivables</b>               |                                |            |                                |            |
| USD                                    | 3.57                           | 29.73      | 2.30                           | 18.87      |
| GBP                                    | 0.02                           | 0.19       | -                              | -          |
| <b>Trade Payables</b>                  |                                |            |                                |            |
| USD                                    | 6.54                           | 54.76      | 7.16                           | 58.83      |
| Euro                                   | 0.12                           | 1.11       | 0.07                           | 0.61       |
| Others                                 | 0.02                           | 0.23       | 0.03                           | 0.23       |

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

| Forward Contracts | Buy / Sell | 31 March 2024                  |                             |                          |
|-------------------|------------|--------------------------------|-----------------------------|--------------------------|
|                   |            | Foreign Currency (in millions) | Nominal value (₹ in Crores) | Fair value (₹ in Crores) |
| In USD            | Buy        | 11.02                          | 91.65                       | 0.37                     |
| Forward Contracts | Buy / Sell | 31 March 2023                  |                             |                          |
|                   |            | Foreign Currency (in millions) | Nominal value (₹ in Crores) | Fair value (₹ in Crores) |
| In USD            | Buy        | 11.22                          | 92.53                       | 0.31                     |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)****(ii) Interest rate risk**

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Company has issued fixed rate bonds and loans taken from banks are linked to MCLR rate of the bank, which are variable.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Crores)

|               | Currency | Increase / decrease in basis points | Effect on profit before tax |
|---------------|----------|-------------------------------------|-----------------------------|
| 31 March 2024 | INR      | +50                                 | (1.42)                      |
|               | INR      | -50                                 | 1.42                        |
| 31 March 2023 | INR      | +50                                 | (1.27)                      |
|               | INR      | -50                                 | 1.27                        |

(₹ in Crores)

| Particulars         | Total Borrowings | Floating rate Borrowings | Fixed rate Borrowings |
|---------------------|------------------|--------------------------|-----------------------|
| As at 31 March 2024 | 1,344.12         | 283.50                   | 1,060.62              |
| As at 31 March 2023 | 903.87           | 254.92                   | 648.95                |

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

**(iii). Equity Price Risk**

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

**C. LIQUIDITY RISK****(i) Liquidity risk management**

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management

**(ii) Maturities of financial liabilities**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the





## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK** (Continued)

undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in Crores)

| As at 31 March 2024                                                   | On Demand    | Less than 1 Year | 1-3 Years       | 3 Years to 5 Years | 5 years and above | Total           |
|-----------------------------------------------------------------------|--------------|------------------|-----------------|--------------------|-------------------|-----------------|
| <b>(a) Non Derivative financial instruments</b>                       |              |                  |                 |                    |                   |                 |
| Long term borrowings (including current maturities of long-term debt) | -            | 137.63           | 1,333.72        | 76.01              | -                 | 1,547.36        |
| Short term borrowings                                                 |              |                  |                 |                    |                   |                 |
| Cash credit facilities/ working capital demand loan                   | 8.94         | -                | -               | -                  | -                 | 8.94            |
| Line of Credit                                                        | -            | 25.00            | -               | -                  | -                 | 25.00           |
| Trade payables                                                        |              |                  |                 |                    |                   |                 |
| Trade payables - micro and small enterprises                          | -            | 4.19             | -               | -                  | -                 | 4.19            |
| Trade payables - other than micro and small enterprises               | -            | 679.68           | -               | -                  | -                 | 679.68          |
| Other financial liabilities                                           |              |                  |                 |                    |                   |                 |
| Deposits from dealers and agents                                      | 59.46        | -                | -               | -                  | -                 | 59.46           |
| Deposits against rental arrangements                                  | -            | 82.04            | 26.74           | 8.28               | 94.76             | 211.82          |
| Other Interest accrued                                                | -            | 36.89            | -               | -                  | -                 | 36.89           |
| Unclaimed / unpaid dividends                                          | -            | 1.47             | -               | -                  | -                 | 1.47            |
| Creditors for capital supplies / services                             | -            | 10.29            | -               | -                  | -                 | 10.29           |
| Other current liabilities                                             | -            | 12.01            | 0.49            | -                  | -                 | 12.50           |
| <b>Total</b>                                                          | <b>68.40</b> | <b>989.20</b>    | <b>1,360.95</b> | <b>84.29</b>       | <b>94.76</b>      | <b>2,597.60</b> |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK** (Continued)

(₹ in Crores)

| As at 31 March 2023                                                   | On Demand     | Less than 1 Year | 1-3 Years     | 3 Years to 5 Years | 5 years and above | Total           |
|-----------------------------------------------------------------------|---------------|------------------|---------------|--------------------|-------------------|-----------------|
| <b>(a) Non Derivative financial instruments</b>                       |               |                  |               |                    |                   |                 |
| Long term borrowings (including current maturities of long-term debt) | -             | 319.25           | 486.56        | -                  | -                 | 805.81          |
| Short term borrowings                                                 |               |                  |               |                    |                   |                 |
| Cash credit facilities/ working capital loan                          | 133.69        | -                | -             | -                  | -                 | 133.69          |
| Pre-shipment, Post-shipment facilities                                | -             | 30.00            | -             | -                  | -                 | 30.00           |
| Commercial paper                                                      | -             | 35.00            | -             | -                  | -                 | 35.00           |
| Trade payables                                                        |               |                  |               |                    |                   |                 |
| Trade payables - micro and small enterprises                          | -             | 17.04            | -             | -                  | -                 | 17.04           |
| Trade payables - other than micro and small enterprises               | -             | 688.74           | -             | -                  | -                 | 688.74          |
| Other financial liabilities                                           |               |                  |               |                    |                   |                 |
| Deposits from dealers and agents                                      | 73.69         | -                | -             | -                  | -                 | 73.69           |
| Deposits against rental arrangements                                  | -             | 66.83            | 23.99         | 2.65               | 200.00            | 293.47          |
| Other Interest accrued                                                | -             | 9.74             | -             | -                  | -                 | 9.74            |
| Unclaimed / unpaid dividends                                          | -             | 1.67             | -             | -                  | -                 | 1.67            |
| Creditors for capital supplies / services                             | -             | 20.82            | -             | -                  | -                 | 20.82           |
| Other current liabilities                                             | -             | 7.02             | 0.49          | -                  | -                 | 7.51            |
| <b>Total</b>                                                          | <b>207.38</b> | <b>1,196.11</b>  | <b>511.04</b> | <b>2.65</b>        | <b>200.00</b>     | <b>2,117.18</b> |

**(iii) Maturities of financial assets**

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK** (Continued)

(₹ in Crores)

| As at 31 March 2024                             | On Demand   | Less than 1 Year | 1-3 Years     | 3 Years to 5 Years | 5 years and above | Total           |
|-------------------------------------------------|-------------|------------------|---------------|--------------------|-------------------|-----------------|
| <b>(a) Non derivative financial instruments</b> |             |                  |               |                    |                   |                 |
| Trade receivables                               | -           | 142.43           | -             | -                  | -                 | 142.43          |
| Other bank balances                             | 1.47        | 20.59            | -             | -                  | -                 | 22.06           |
| Loans                                           | -           | 59.51            | 803.35        | -                  | -                 | 862.86          |
| Other financial assets                          |             |                  |               |                    |                   |                 |
| Security deposits                               | 0.07        | -                | -             | 9.96               | -                 | 10.03           |
| Interest subsidy                                | -           | 10.05            | -             | -                  | -                 | 10.05           |
| Unbilled revenue                                | -           | 1.51             | 1.80          | -                  | -                 | 3.31            |
| Bank deposits more than 12 months               | -           | -                | 54.23         | -                  | -                 | 54.23           |
| Others                                          | -           | 41.43            | -             | -                  | -                 | 41.43           |
| Finance lease receivables                       | -           | 0.69             | 2.02          | -                  | -                 | 2.71            |
| <b>Total</b>                                    | <b>1.54</b> | <b>276.21</b>    | <b>861.40</b> | <b>9.96</b>        | <b>-</b>          | <b>1,149.11</b> |

(₹ in Crores)

| As at 31 March 2023                             | On Demand   | Less than 1 Year | 1-3 Years     | 3 Years to 5 Years | 5 years and above | Total         |
|-------------------------------------------------|-------------|------------------|---------------|--------------------|-------------------|---------------|
| <b>(a) Non derivative financial instruments</b> |             |                  |               |                    |                   |               |
| Trade receivables                               | -           | 159.06           | -             | -                  | -                 | 159.06        |
| Other bank balances                             | 1.67        | 59.63            | -             | -                  | -                 | 61.30         |
| Loans                                           | -           | 45.29            | 611.41        | -                  | -                 | 656.70        |
| Other financial assets                          |             |                  |               |                    |                   |               |
| Security deposits                               | 1.14        | -                | -             | 6.52               | -                 | 7.66          |
| Interest subsidy                                | -           | 10.45            | -             | -                  | -                 | 10.45         |
| Unbilled revenue                                | -           | 1.50             | 1.87          | -                  | -                 | 3.37          |
| Bank deposits more than 12 months               | -           | -                | 9.91          | -                  | -                 | 9.91          |
| Others                                          | -           | 7.16             | -             | -                  | -                 | 7.16          |
| Finance lease receivables                       | -           | -                | 1.48          | -                  | -                 | 1.48          |
| <b>Total</b>                                    | <b>2.81</b> | <b>283.09</b>    | <b>624.67</b> | <b>6.52</b>        | <b>-</b>          | <b>917.09</b> |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT****Fair value of financial assets and financial liabilities**

(₹ in Crores)

| Particulars                                                                  | 31 March 2024   |                 | 31 March 2023   |                 |
|------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                                                              | Carrying value  | Fair value      | Carrying value  | Fair value      |
| <b>Financial assets</b>                                                      |                 |                 |                 |                 |
| <u>Financial assets measured at fair value through OCI:</u>                  |                 |                 |                 |                 |
| <b>Investments</b>                                                           |                 |                 |                 |                 |
| Quoted equity shares                                                         | 360.03          | 360.03          | 157.33          | 157.33          |
| Unquoted equity shares                                                       | 42.38           | 42.38           | 38.46           | 38.46           |
| <u>Financial assets measured at Fair value through profit and loss:</u>      |                 |                 |                 |                 |
| Investment in mutual funds                                                   | 282.66          | 282.66          | 3.00            | 3.00            |
| <u>Financial assets at amortised cost for which fair value are disclosed</u> |                 |                 |                 |                 |
| Government and trust securities                                              | 5.82            | 5.82            | 5.82            | 5.82            |
| Loans                                                                        | 743.84          | 743.84          | 566.12          | 566.12          |
| Other financial assets                                                       |                 |                 |                 |                 |
| Security deposit                                                             | 10.03           | 10.03           | 7.66            | 7.66            |
| Interest subsidy and Interest receivable                                     | 10.05           | 10.05           | 10.45           | 10.45           |
| Unbilled revenue                                                             | 3.31            | 3.31            | 3.37            | 3.37            |
| Finance lease                                                                | 2.71            | 2.71            | 1.48            | 1.48            |
| Bank deposits more than 12 months                                            | 54.23           | 54.23           | 9.91            | 9.91            |
| Others                                                                       | 41.43           | 41.43           | 7.16            | 7.16            |
| Trade receivables                                                            | 142.43          | 142.43          | 159.06          | 159.06          |
| Cash and cash equivalents                                                    | 190.72          | 190.72          | 23.38           | 23.38           |
| Other bank balances                                                          | 22.06           | 22.06           | 61.30           | 61.30           |
| <b>Total</b>                                                                 | <b>1,911.70</b> | <b>1,911.70</b> | <b>1,054.50</b> | <b>1,054.50</b> |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)

(₹ in Crores)

| Particulars                                                                  | 31 March 2024   |                 | 31 March 2023   |                 |
|------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                                                              | Carrying value  | Fair value      | Carrying value  | Fair value      |
| <b>Financial liabilities</b>                                                 |                 |                 |                 |                 |
| Financial liabilities at amortised cost for which fair value are disclosed   |                 |                 |                 |                 |
| Floating rate borrowings (including current maturities and Interest accrued) | 284.82          | 284.82          | 254.92          | 254.92          |
| Fixed rate borrowings (including current maturities and Interest accrued)    | 1,093.61        | 1,093.49        | 655.91          | 633.32          |
| Lease liabilities (current and non current)                                  | 20.15           | 20.15           | 21.60           | 21.60           |
| Trade payables                                                               | 683.87          | 683.87          | 705.78          | 705.78          |
| Other financial liabilities                                                  |                 |                 |                 |                 |
| Deposits from dealers and agents                                             | 59.46           | 59.46           | 73.69           | 73.69           |
| Deposits against rental arrangements                                         | 209.32          | 209.45          | 176.23          | 168.58          |
| Other interest accrued                                                       | 2.58            | 2.58            | 2.78            | 2.78            |
| Unclaimed / unpaid dividends                                                 | 1.47            | 1.47            | 1.67            | 1.67            |
| Creditors for capital supplies/services                                      | 10.29           | 10.29           | 20.82           | 20.82           |
| Other liabilities                                                            | 12.50           | 12.50           | 7.51            | 7.51            |
| <b>Total</b>                                                                 | <b>2,378.07</b> | <b>2,378.08</b> | <b>1,920.91</b> | <b>1,890.67</b> |

The management assessed that cash and cash equivalents, trade receivables, trade payables, cash credit and all other current financial assets and liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Receivables are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair value of loans from banks and other financial liabilities, security deposit, as well as other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The fair values of the unquoted equity instruments have been estimated using a net adjusted fair value method. The valuation requires management to make certain assumptions about the assets, liabilities, investments of Investee Company. The probabilities of the various assumptions can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments based on the best information available to the Company.
- The fair values of quoted equity instruments are derived from quoted market prices in active markets.
- The Company enters into foreign exchange forward contracts which are valued using valuation techniques, which employs the use of market observable inputs.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)

- (vi) The fair value of floating rate borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. As the Company's interest rates changes with the change in market interest rate, there is no material difference in carrying value and fair value. The own non performance risk as at 31 March 2024 was assessed to be insignificant.

**Fair value measurement hierarchy of financial assets and financial liabilities**

(₹ in Crores)

| Particulars                                                           | Fair value hierarchy as at 31 March 2024 |                 |              |                 |
|-----------------------------------------------------------------------|------------------------------------------|-----------------|--------------|-----------------|
|                                                                       | Level 1                                  | Level 2         | Level 3      | Total           |
| <b>Financial assets</b>                                               |                                          |                 |              |                 |
| Financial assets measured at fair value through OCI:                  |                                          |                 |              |                 |
| <b>Investments</b>                                                    |                                          |                 |              |                 |
| Quoted equity shares                                                  | 360.03                                   | -               | -            | 360.03          |
| Unquoted equity shares                                                | -                                        | -               | 42.38        | 42.38           |
| Financial assets measured at Fair value through profit and loss:      |                                          |                 |              |                 |
| Investment in mutual funds                                            | 282.66                                   | -               | -            | 282.66          |
| Financial assets at amortised cost for which fair value are disclosed |                                          |                 |              |                 |
| Government and trust securities                                       | -                                        | 5.82            | -            | 5.82            |
| Loans                                                                 | -                                        | 743.84          | -            | 743.84          |
| Other financial assets                                                |                                          |                 |              |                 |
| Security deposit                                                      | -                                        | 10.03           | -            | 10.03           |
| Interest subsidy and Interest receivable                              | -                                        | 10.05           | -            | 10.05           |
| Unbilled revenue                                                      | -                                        | 3.31            | -            | 3.31            |
| Finance lease                                                         | -                                        | 2.71            | -            | 2.71            |
| Bank Deposits with more than 12 months maturity                       | -                                        | 54.23           | -            | 54.23           |
| Others                                                                | -                                        | 41.43           | -            | 41.43           |
| Trade receivables                                                     | -                                        | 142.43          | -            | 142.43          |
| Cash and cash equivalents                                             | -                                        | 190.72          | -            | 190.72          |
| Other bank balances                                                   | -                                        | 22.06           | -            | 22.06           |
| <b>Total</b>                                                          | <b>642.69</b>                            | <b>1,226.63</b> | <b>42.38</b> | <b>1,911.70</b> |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)

(₹ in Crores)

| Particulars                                                                       | Fair value hierarchy as at 31 March 2024 |                 |          |                 |
|-----------------------------------------------------------------------------------|------------------------------------------|-----------------|----------|-----------------|
|                                                                                   | Level 1                                  | Level 2         | Level 3  | Total           |
| <b>Financial liabilities</b>                                                      |                                          |                 |          |                 |
| <u>Financial liabilities at amortised cost for which Fair value are disclosed</u> |                                          |                 |          |                 |
| Floating rate borrowings (including current maturities and Interest accrued)      | -                                        | 284.82          | -        | 284.82          |
| Fixed rate borrowings (including current maturities and Interest accrued)         | -                                        | 1,093.49        | -        | 1,093.49        |
| Lease liabilities (current and non current)                                       | -                                        | 20.15           | -        | 20.15           |
| Trade payables                                                                    | -                                        | 683.87          | -        | 683.87          |
| Other financial liabilities                                                       |                                          |                 |          |                 |
| Deposits from dealers and agents                                                  | -                                        | 59.46           | -        | 59.46           |
| Deposits against rental arrangements                                              | -                                        | 209.45          | -        | 209.45          |
| Other interest accrued                                                            | -                                        | 2.58            | -        | 2.58            |
| Unclaimed / unpaid dividends                                                      | -                                        | 1.47            | -        | 1.47            |
| Creditors for capital supplies/services                                           | -                                        | 10.29           | -        | 10.29           |
| Other liabilities                                                                 | -                                        | 12.50           | -        | 12.50           |
| <b>Total</b>                                                                      | <b>-</b>                                 | <b>2,378.08</b> | <b>-</b> | <b>2,378.08</b> |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)**Fair value measurement hierarchy of financial assets and financial liabilities**

(₹ in Crores)

| Particulars                                                                  | Fair value hierarchy as at 31 March 2023 |               |              |                 |
|------------------------------------------------------------------------------|------------------------------------------|---------------|--------------|-----------------|
|                                                                              | Level 1                                  | Level 2       | Level 3      | Total           |
| <b>Financial assets</b>                                                      |                                          |               |              |                 |
| <u>Financial assets measured at fair value through OCI:</u>                  |                                          |               |              |                 |
| <b>Investments</b>                                                           |                                          |               |              |                 |
| Quoted equity shares                                                         | 157.33                                   | -             | -            | 157.33          |
| Unquoted equity shares                                                       | -                                        | -             | 38.46        | 38.46           |
| <u>Financial assets measured at Fair value through profit and loss:</u>      |                                          |               |              |                 |
| Investment in mutual funds                                                   | 3.00                                     | -             | -            | 3.00            |
| <u>Financial assets at amortised cost for which fair value are disclosed</u> |                                          |               |              |                 |
| Government and trust securities                                              | -                                        | 5.82          | -            | 5.82            |
| Loans                                                                        | -                                        | 566.12        | -            | 566.12          |
| Other financial assets                                                       |                                          |               |              |                 |
| Security deposit                                                             | -                                        | 7.66          | -            | 7.66            |
| Interest subsidy and Interest receivable                                     | -                                        | 10.45         | -            | 10.45           |
| Unbilled revenue                                                             | -                                        | 3.37          | -            | 3.37            |
| Finance lease                                                                | -                                        | 1.48          | -            | 1.48            |
| Bank Deposits with more than 12 months maturity                              | -                                        | 9.91          | -            | 9.91            |
| Others                                                                       | -                                        | 7.16          | -            | 7.16            |
| Trade receivables                                                            | -                                        | 159.06        | -            | 159.06          |
| Cash and cash equivalents                                                    | -                                        | 23.38         | -            | 23.38           |
| Other bank balances                                                          | -                                        | 61.30         | -            | 61.30           |
| <b>Total</b>                                                                 | <b>160.33</b>                            | <b>855.71</b> | <b>38.46</b> | <b>1,054.50</b> |



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)

(₹ in Crores)

| Particulars                                                                  | Fair value hierarchy as at 31 March 2023 |                 |         |                 |
|------------------------------------------------------------------------------|------------------------------------------|-----------------|---------|-----------------|
|                                                                              | Level 1                                  | Level 2         | Level 3 | Total           |
| <b>Financial liabilities</b>                                                 |                                          |                 |         |                 |
| Financial liabilities at amortised cost for which fair value are disclosed   |                                          |                 |         |                 |
| Floating rate borrowings (including current maturities and Interest accrued) | -                                        | 254.92          | -       | 254.92          |
| Fixed rate borrowings (including current maturities and Interest accrued)    | -                                        | 633.32          | -       | 633.32          |
| Lease liabilities (current and non current)                                  | -                                        | 21.60           | -       | 21.60           |
| Trade payables                                                               | -                                        | 705.78          | -       | 705.78          |
| Other financial liabilities                                                  |                                          |                 |         |                 |
| Deposits from dealers and agents                                             | -                                        | 73.69           | -       | 73.69           |
| Deposits against rental arrangements                                         | -                                        | 168.58          | -       | 168.58          |
| Other interest accrued                                                       | -                                        | 2.78            | -       | 2.78            |
| Unclaimed / unpaid dividends                                                 | -                                        | 1.67            | -       | 1.67            |
| Creditors for capital supplies/services                                      | -                                        | 20.82           | -       | 20.82           |
| Other liabilities                                                            | -                                        | 7.51            | -       | 7.51            |
| <b>Total</b>                                                                 | -                                        | <b>1,890.67</b> | -       | <b>1,890.67</b> |

**Fair Valuation Techniques and Inputs used - recurring Items**

(₹ in Crores)

| Financial assets/<br>financial liabilities<br>measured at Fair<br>value | Fair value as at |                  | Fair value<br>hierarchy | Valuation<br>technique(s)<br>and key<br>input(s) | Significant<br>unobservable<br>input(s)                 | Relationship of unobservable<br>inputs to fair value and<br>sensitivity                                                                                                                                                            |
|-------------------------------------------------------------------------|------------------|------------------|-------------------------|--------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                         | 31 March<br>2024 | 31 March<br>2023 |                         |                                                  |                                                         |                                                                                                                                                                                                                                    |
| <b>Financial assets</b>                                                 |                  |                  |                         |                                                  |                                                         |                                                                                                                                                                                                                                    |
| Investments                                                             |                  |                  |                         |                                                  |                                                         |                                                                                                                                                                                                                                    |
| Unquoted equity<br>investments                                          | 42.38            | 38.46            | Level 3                 | Replacement<br>Cost Method                       | Investment<br>property held<br>by investee<br>companies | 5% (31 March 2023: 5%) increase<br>(decrease) in the fair value of<br>investment property would<br>result in increase (decrease) in<br>fair value of unquoted equity<br>investment by ₹ 1.42 Crore (31<br>March 2023 ₹ 1.34 Crore) |
| <b>Total financial<br/>assets</b>                                       | <b>42.38</b>     | <b>38.46</b>     |                         |                                                  |                                                         |                                                                                                                                                                                                                                    |

There were no transfers between level 1 and level 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements, refer example below.

There were no significant inter-relationships between unobservable inputs that materially affects fair values.

**Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:**

(₹ in Crores)

| Particulars                      | 31 March 2024 | 31 March 2023 |
|----------------------------------|---------------|---------------|
| Opening                          | 38.46         | 38.50         |
| Re-measurement recognised in OCI | 3.92          | (0.04)        |
| <b>Closing</b>                   | <b>42.38</b>  | <b>38.46</b>  |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**45 DISCLOSURE UNDER IND AS 116 " LEASES ":****Lessee:**

The Company has lease contracts for lands & buildings used in its operations. Leases of land and building generally have lease terms between 3 and 99 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

(₹ in Crores)

| Amount recognized in statement of profit or loss                               | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Depreciation of right-of-use assets                                            | 2.57                                | 3.57                                |
| Interest on lease liabilities (including interest on reclassified prepayments) | 1.76                                | 1.88                                |
| Expenses related to short term leases                                          | 1.79                                | 2.03                                |
| <b>Total</b>                                                                   | <b>6.12</b>                         | <b>7.48</b>                         |

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

(₹ in Crores)

| Particulars                 | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Less than 1 year            | 3.10          | 3.22          |
| 1-3 years                   | 4.06          | 4.01          |
| 3-5 years                   | 3.75          | 3.79          |
| 5 years and above           | 48.99         | 52.10         |
| <b>Total as at 31 March</b> | <b>59.90</b>  | <b>63.12</b>  |

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

(₹ in Crores)

| Particulars           | 31 March 2024 | 31 March 2023 |
|-----------------------|---------------|---------------|
| As at 1 April         | 21.60         | 20.76         |
| Additions             | -             | 2.99          |
| Accretion of interest | 1.76          | 1.88          |
| Payments              | (3.21)        | (4.03)        |
| <b>As at 31 March</b> | <b>20.15</b>  | <b>21.60</b>  |
| Current               | 2.30          | 2.26          |
| Non-current           | 17.85         | 19.34         |

(₹ in Crores)

| Amount recognized in statement of cash flows | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|----------------------------------------------|-------------------------------------|-------------------------------------|
| Total cash outflow of leases                 | 3.21                                | 4.06                                |

**Lessor - Operating Lease:**

The Company has significant leasing arrangements in respect of operating leases for premises. These are non cancellable leases with a lock in period of minimum three years. Most of the leases are renewable for a further period on mutually agreeable



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

terms and also include escalation clauses on renewal. The Company has entered into operating leases for its Investment property. These typically have lease terms of between 1 to 4 years. The Company has recognized an amount of ₹ 145.7 Crore (31 March 2023 ₹ 124.73 Crore) as rental income for operating lease during the year ended March 31, 2024.

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

| (₹ in Crores)            |               |               |
|--------------------------|---------------|---------------|
| Particulars              | 31 March 2024 | 31 March 2023 |
| Less than a year         | 18.17         | 39.88         |
| One to two years         | 12.41         | 11.92         |
| Two to three years       | 4.20          | 6.16          |
| Three to four years      | 2.37          | 3.69          |
| Four to five years       | 0.52          | 2.37          |
| <b>Total (A)</b>         | <b>37.67</b>  | <b>64.02</b>  |
| More than five years (B) | 3.89          | 4.41          |
| <b>Total (A +B)</b>      | <b>41.56</b>  | <b>68.43</b>  |

**Lessor - Finance Lease:**

The Company has entered into Finance leases arrangement for leasehold improvement in investment property. These leases have terms of between three and five years

Amount receivable under Finance Lease:

| (₹ in Crores)                                            |               |               |
|----------------------------------------------------------|---------------|---------------|
| Particulars                                              | 31 March 2024 | 31 March 2023 |
| Less than a year                                         | 0.69          | -             |
| One to two years                                         | 1.02          | 0.55          |
| Two to three years                                       | 0.96          | 1.36          |
| Three to four years                                      | 0.28          | -             |
| Four to five years                                       | 0.04          | -             |
| More than five years                                     | 0.27          | -             |
| <b>Total</b>                                             | <b>3.26</b>   | <b>1.91</b>   |
| Unearned Finance Income                                  | (0.55)        | (0.43)        |
| <b>Present value of minimum lease payment receivable</b> | <b>2.71</b>   | <b>1.48</b>   |

**46 SHARE BASED PAYMENTS (ESOP)**

During the year, the Nomination and Remuneration Committee ("Committee") of the Board of Directors of the Company has approved on 22<sup>nd</sup> June, 2023, and 01<sup>st</sup> December 2023, grant of 12,27,535 Stock Options in aggregate to the eligible employee(s) of Wholly Owned Subsidiary of the Company viz. Birla Estates Private Limited under the CTIL Employee Stock Option Scheme 2023 ('the Scheme').

The Scheme is implemented through the CTIL Employee Welfare Trust. The Trust has purchased 12,52,480 equity shares of the Company from market as per the Scheme. The Company considered Trust as its extension and shares held by the said Trust are treated as treasury shares which has been adjusted with the other equity. The details of the Scheme are given hereunder:

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**46 SHARE BASED PAYMENTS (ESOP) (Continued)**

| Particulars                                             | Option 1                       | Option 2                                         |
|---------------------------------------------------------|--------------------------------|--------------------------------------------------|
| No. of Options Granted                                  | 2,82,839                       | 9,44,696                                         |
| Grant Date                                              | 22-06-2023 &<br>01-12-2023     | 22-06-2023 &<br>01-12-2023                       |
| Exercise Price (Rupee Per Share)                        | 758.55                         | 758.55                                           |
| Market Price on the Date of Grant (₹)                   | 827.45                         | 827.45                                           |
| Fair Value on the Date of Grant of Option (₹ Per Share) | 400.25                         | 178.8                                            |
| Method of Settlement                                    | Equity                         | Equity                                           |
| Method of Accounting                                    | Fair Value                     | Fair Value                                       |
| Graded Vesting Plan                                     | 1/3 each, over 3 years         | Achievement of performance milestone and 2 Years |
| Normal Exercise Period                                  | 5 years from the date of grant | 6 years from the date of grant                   |

**Movement of Options Granted along with Weighted-Average Exercise Price (WAEP)**

| Particulars                              | Current Year |           |
|------------------------------------------|--------------|-----------|
|                                          | Nos          | WAEP (Rs) |
| Outstanding at the beginning of the year | -            | -         |
| Granted during the year                  | 12,27,535    | 758.55    |
| Exercised during the year                | -            | -         |
| Lapsed/Cancelled during the year         | -            | -         |
| Outstanding at the end of the year       | 12,27,535    | 758.55    |
| Options: Unvested at the end of the year | -            | -         |
| Exercisable at the end of the year       | -            | -         |

**Fair Valuation**

The fair value of options used to compute proforma net income and earnings per equity share has been done by an independent Valuer on the date of grant using Black-Scholes Model and Monte Carlo simulation approach.

The Key Assumptions in Black-Scholes Model and Monte Carlo simulation approach for calculating fair value as on the date of grant are:

| ESOS-2023           | Options Tranche I      | Options Tranche II                               |
|---------------------|------------------------|--------------------------------------------------|
| Method Used         | Black-Scholes Model    | Monte Carlo simulation approach                  |
| Risk-Free Rate      | 6.92%                  | 6.92%                                            |
| Option Life (Years) | 1/3 each, over 3 years | Achievement of performance milestone and 2 Years |
| Expected Volatility | 46.27%                 | 32.06%                                           |
| Dividend Yield      | 0.75%                  | 0.75%                                            |

Employee Stock Options expenses of ₹ 11.16 Crores (31 March 2023 - Nil) has been recognised as deemed capital contribution in the Subsidiary Company (Refer Note 6A).



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**47 RATIO ANALYSIS AND ITS ELEMENTS**

| Ratio                                     | Numerator                                                                        | Denominator                                                                           | 31-Mar-24 | 31-Mar-23 | % change | Reason for variance                                                                                                              |
|-------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-----------|-----------|----------|----------------------------------------------------------------------------------------------------------------------------------|
| Current ratio                             | Current Assets                                                                   | Current Liabilities                                                                   | 1.44      | 1.05      | 37.14%   | Due to increase in real estates inventory on account of Real Estates project development and increase in liquid fund investments |
| Debt- Equity Ratio                        | Total Debt                                                                       | Shareholder's Equity                                                                  | 0.31      | 0.22      | 40.91%   | Due to increase in debt on account of issue of Non Convertible debentures and term loan for Real Estates projects                |
| Debt Service Coverage ratio               | Earnings for debt service = Net profit after taxes + Non-cash operating expenses | Debt service = Interest & Lease Payments + Principal Repayments                       | 1.58      | 0.96      | 64.58%   | Due to decrease in scheduled repayment of long term debt as compare to previous year                                             |
| Return on Equity ratio                    | Net Profits after taxes                                                          | Average Shareholder's Equity                                                          | 0.04      | 0.09      | -60.77%  | Refer Note (a)                                                                                                                   |
| Inventory Turnover ratio                  | Cost of goods sold                                                               | Average Inventory                                                                     | 4.07      | 4.00      | 1.75%    |                                                                                                                                  |
| Trade Receivable Turnover Ratio           | Net sales = Gross sales - sales return                                           | Average Trade Receivable                                                              | 29.35     | 24.80     | 18.35%   |                                                                                                                                  |
| Trade Payable Turnover Ratio              | Net purchases = Gross purchases + other expenses - purchase return               | Average Trade Payables                                                                | 5.77      | 5.66      | 1.94%    |                                                                                                                                  |
| Net Capital Turnover Ratio                | Net sales = Total sales - sales return                                           | Working capital = Current assets – Current liabilities (Excluding current borrowings) | 4.45      | 11.65     | -61.79%  | Due to increase in real estates inventory on account of Real Estates projects developments                                       |
| Net Profit ratio                          | Net Profit                                                                       | Net sales = Total sales - sales return                                                | 3.23%     | 7.68%     | -57.94%  | Refer Note (a)                                                                                                                   |
| Net Profit ratio before exceptional items | Net Profit before exceptional items (net of tax expense)                         | Net sales = Total sales - sales return                                                | 6.20%     | 5.42%     | 14.46%   | Refer Note (a)                                                                                                                   |
| Return on Capital Employed                | Earnings before interest and taxes                                               | Capital employed = Net worth + Total Debt - Deferred tax asset                        | 0.10      | 0.10      | -3.41%   |                                                                                                                                  |
| Return on Investment                      | Interest (Finance Income)                                                        | Investment                                                                            | 7.55%     | 4.60%     | 64.15%   | Due to increase in Investment in liquid fund investments and Loan given to Subsidiaries                                          |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**47 RATIO ANALYSIS AND ITS ELEMENTS** (Continued)**NOTES :**

- (a) Due to discontinuation of textile business during the year, the Company has assessed the recoverability of Property, plant and equipment and other assets of the said Division and recognized a provision aggregating to ₹ 214.00 Crores as Loss on measurement to net realizable value and in previous year, the Company has recorded exceptional gain on account of transfer of leasehold land of ₹134.21 crores. Accordingly, all ratios related to cash flows, revenue and profitability of the Company has been impacted as compared to previous year.

**48 OTHER STATUTORY INFORMATION**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**49.** The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to data for users with certain privileged access rights to the SAP HANA application and/or the underlying HANA database. Further no instance of audit trail feature being tampered with was noted in respect of the software.

**50.** Figures less than ₹ 50,000 have been shown at actuals in brackets, since the figures are rounded off to the nearest lakh.

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Ravi Bansal**

Partner

Membership No: 049365

**Atul K.Kedia**

Sr. Vice President (Legal) &  
Company Secretary

**Snehal Shah**

Chief Financial Officer

**R.K.Dalmia**

Managing Director

DIN No: 00040951

Mumbai : 07 May 2024

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

*Directors*

**Kumar Mangalam Birla**-DIN No: 00012813

**Rajashree Birla**-DIN No: 00022995

**Yazdi P. Dandiwal**-DIN No: 01055000

**Rajan A. Dalal**-DIN No: 00546264

**Sohanlal K. Jain**-DIN No: 02843676

**Preeti Vyas**-DIN No: 02352395





# INDEPENDENT AUDITOR'S REPORT

To the Members of Century Textiles and Industries Limited

## Report on the Audit of the Consolidated Financial Statements

### OPINION

We have audited the accompanying consolidated financial statements of Century Textiles and Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries and CTIL Employees Welfare Trust (the "Trust") (the Holding Company, its subsidiaries and the Trust together referred to as "the Group") and its joint venture comprising of the consolidated Balance sheet as at March 31, 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements and on the other financial information of the subsidiary, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing

(SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recognition and Measurement of Deferred Tax (as described in Note 16 of the consolidated financial statements)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>The Group has recognized Minimum Alternate Tax (MAT) credit receivable of ₹ 363.93 crore as at March 31, 2024. The Group also has recognized deferred tax assets of ₹ 124.52 crore on unabsorbed loss and indexation benefit on land as at March 31, 2024.</p> <p>Further, pursuant to the Taxation Laws (Amendment) Act, 2019 (new tax regime), the Holding Company has measured its deferred tax balances expected to reverse after the likely transition to new tax regime, at the rate specified in the new tax regime. The recognition and measurement of MAT credit receivable and deferred tax balances is a key audit matter as the recoverability of such credits within the allowed time frame in the manner prescribed under tax regulations and estimation of year of transition to the new tax regime involves significant estimate of the financial projections, availability of sufficient taxable income in the future and admissibility of tax positions adopted by the Group.</p> | <p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Considered Group's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 "Income Taxes".</li> <li>• Performed and understanding of the process and tested the internal controls over recognition and measurement of tax balances through inspection of evidence of performance of these controls.</li> <li>• Performed the tests of details including the following key procedures:</li> <li>• Involved tax specialists to evaluate the Group's tax positions basis the tax law and also by comparing it with prior years and past precedents.</li> <li>• Discussed the future business plans and financial projections as approved by the management.</li> <li>• Assessed the management's long-term financial projections and the key assumptions used in the projections by comparing it with the past trends, approved business plan, projections used for estimation of likely year of transition to the new tax regime and projections used for impairment assessment, where applicable.</li> <li>• Assessed the deferred tax on temporary differences which are expected to reverse after the likely date of transition to the new tax regime and considered the impact thereof. Assessed the disclosures in accordance with the requirements of Ind AS 12 "Income Taxes"</li> </ul> |
| Assessing the carrying value of Real estate inventories (as described in Note 9 of the consolidated financial statement)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>As at March 31, 2024, the carrying value of the inventory of ongoing real estate projects is ₹ 4,127.75 Crore. The inventories are held at the lower of the cost and net realisable value. The cost of the inventory is calculated using actual land acquisition costs, construction costs, development related costs and interest capitalised for eligible projects. We identified the assessment of whether carrying value of inventory were stated at the lower of cost and net realisable value ("NRV") as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole and the involvement of estimations in the assessment. The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price, cost to complete projects and selling costs.</p>                                                                                                               | <p>Our audit procedures included considering the Company's accounting policies with respect to valuation of inventories in accordance with Ind AS 2 "Inventories". We assessed the Company's methodology based on current economic and market conditions, applied in assessing the carrying value of Inventory balance. We performed test of controls over process of valuation of inventory and authorization for inventory write down.</p> <p>We performed the following test of details:</p> <ul style="list-style-type: none"> <li>• Assessed the methods used by the management, in determining the NRV of ongoing real estate projects.</li> <li>• Obtained, read and assessed the management's process in estimating the future costs to completion for inventory of ongoing projects.</li> <li>• Discussed with management the life cycle of the project, key project risks, changes to project strategy, current and future estimated sales prices, construction progress and impairment.</li> </ul> <p>Compared the NRV to recent sales in the project.</p>                                                                                                                                                                                                                                                                                                                                                                                      |



## INDEPENDENT AUDITOR'S REPORT (Contd.)

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Recognition of Revenue from Sale of Real Estate Inventory</b> <i>(as described in Note 21 of the consolidated financial statements)</i>                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| The Group applies Ind AS 115 "Revenue from contracts with customers" for recognition of revenue from real estate projects, which is being recognised at a point in time upon the Group satisfying its performance obligation and the customer obtaining control of the underlying asset. Considering application of Ind AS 115 involves significant judgement in identifying performance obligations and determining when 'control' of the asset underlying the performance obligation is transferred to the customer, the same has been considered as key audit matter. | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Read the Company's revenue recognition accounting policies and assessed compliance of the policies with Ind AS 115;</li> <li>• Obtained and understood revenue recognition process including identification of performance obligations and determination of transfer of control of the asset underlying the performance obligation to the customer;</li> <li>• Obtained management assessment to determine the point in time at which the control is transferred in accordance with the underlying agreements;</li> <li>• Tested, revenue related transactions with the underlying customer contracts, sale deed and other possession related documents, evidencing the transfer of control of the asset to the customer based on which revenue is recognized;</li> </ul> <p>Assessed the revenue related disclosures included in Note 21 to the consolidated financial statements in accordance with the requirements of Ind AS 115.</p> |

**OTHER INFORMATION**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated 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 and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding Company's Board of Directors is responsible

for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective company(ies) and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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 and of its joint venture are responsible for assessing the ability of their respective company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of their respective company.

#### 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 judgment 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 joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated 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 joint venture of which we are the independent auditors and whose financial information we have audited, 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 entities 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 been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of

**INDEPENDENT AUDITOR'S REPORT (Contd.)**

the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated 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 for the financial year ended March 31, 2024 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 MATTER**

- (a) We did not audit the financial statements and other financial information, in respect of one subsidiary,

whose financial statements include total assets of ₹ 0.01 crore as at March 31, 2024, and total revenues of ₹ 0.01 crore and net cash inflows of ₹ 0.01 crore for the year ended on that date. These financial statement and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

- (b) Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor and the financial statements.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. With respect to the matters specified in paragraphs 3(xi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, its subsidiaries and joint venture included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report as under: Qualifications or adverse remarks by us in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

| Sr No | Name                                    | CIN                   | Holding company / subsidiary / joint venture | Clause number of the CARO report which is qualified or is adverse |
|-------|-----------------------------------------|-----------------------|----------------------------------------------|-------------------------------------------------------------------|
| 1     | Century Textiles and Industries Limited | L17120MH1897PLC000163 | Holding Company                              | 3(i)(c)                                                           |
| 2     | Birla Estates Private Limited           | U70100MH2017PTC303291 | Subsidiary                                   | 3(xvii)                                                           |
| 3     | Birla Century Exports Private Limited   | U51909MH2018PTC317024 | Subsidiary                                   | 3(xvii)                                                           |
| 4     | Birla Advanced Knits Private Limited    | U17299GJ2021PTC124095 | Joint Venture                                | 3(xvii)                                                           |

## INDEPENDENT AUDITOR'S REPORT (Contd.)

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiaries and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and its joint venture, none of the directors of the Group's companies and its joint venture, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).
  - (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and joint venture, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
  - (h) In our opinion and based on the consideration of reports of other statutory auditor of the joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries, and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (i) 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 based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the joint venture, as noted in the 'Other matter' paragraph:
    - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and joint venture in its consolidated financial statements – Refer Note 38 to the consolidated financial statements;
    - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 43 to the consolidated financial statements in respect of such items as it relates to the Group and joint venture and



**INDEPENDENT AUDITOR'S REPORT (Contd.)**

- (b) the Group's share of net loss in respect of its joint venture;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint venture, incorporated in India during the year ended March 31, 2024.
- iv. a) The respective managements of the Holding Company and its subsidiaries, and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such joint venture respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such joint venture respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint venture shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. There was no dividend declared by its subsidiaries or joint venture incorporated in India. As stated in note 13 to the consolidated financial statements, the respective Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend
- vi) Based on our examination which included test checks the Holding Company, its subsidiaries and joint venture, which are companies incorporated in India whose financial statements have been audited under the Act, have used accounting software for maintaining its books of account



## INDEPENDENT AUDITOR'S REPORT (Contd.)

which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data when using certain access rights as described in note 49 to the consolidated financial statements. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered in respect of the accounting software.

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

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Place of Signature: Mumbai Membership Number: 049365  
Date: 07 May 2024 UDIN: 24049365BKGVIS2545

#### **ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CENTURY TEXTILES AND INDUSTRIES LIMITED**

##### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Century Textiles and Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture, which are companies incorporated in India, as of that date.

##### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the companies included in the Group and joint venture, which are companies incorporated in India, are responsible for establishing and

maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

##### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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, is sufficient and



## INDEPENDENT AUDITOR'S REPORT (Contd.)

appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial

controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

In our opinion, the Group and joint venture, which is a company incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI

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

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Mumbai

May 07 2024

Membership Number: 049365

UDIN: 24049365BKGVIS2545

**CONSOLIDATED BALANCE SHEET**

AS AT 31 MARCH 2024

(₹ in Crores)

| Particulars                                       | Note No. | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------|----------|------------------------|------------------------|
| <b>I ASSETS</b>                                   |          |                        |                        |
| <b>NON-CURRENT ASSETS</b>                         |          |                        |                        |
| (a) Property, plant and equipments                | 3        | 2,921.53               | 3,111.65               |
| (b) Capital work-in-progress                      | 3A       | 57.22                  | 189.63                 |
| (c) Investment property                           | 4        | 764.86                 | 796.61                 |
| (d) Investment property under development         | 4A       | 37.93                  | 36.41                  |
| (e) Intangible assets                             | 5        | 9.53                   | 7.66                   |
| (f) Intangible assets under development           | 5A       | 0.88                   | 0.06                   |
| (g) Investment accounted for using equity method  | 6        | 0.76                   | 23.16                  |
| (h) Financial assets                              |          |                        |                        |
| (i) Investments                                   | 6        | 408.23                 | 201.61                 |
| (ii) Other financial assets                       | 7        | 70.35                  | 19.97                  |
| (i) Deferred tax assets (net)                     | 16       | 94.96                  | 48.08                  |
| (j) Advance tax (net of provisions)               |          | 87.45                  | 68.74                  |
| (k) Other non-current assets                      | 8        | 35.60                  | 21.58                  |
| <b>SUB-TOTAL</b>                                  |          | <b>4,489.30</b>        | <b>4,525.16</b>        |
| <b>CURRENT ASSETS</b>                             |          |                        |                        |
| (a) Inventories                                   | 9        | 4,725.77               | 3,256.10               |
| (b) Financial assets                              |          |                        |                        |
| (i) Investments                                   | 6        | 282.66                 | 3.00                   |
| (ii) Trade receivables                            | 10       | 165.63                 | 156.44                 |
| (iii) Cash and cash equivalents                   | 11       | 372.72                 | 48.51                  |
| (iv) Other bank balances (other than (iii) above) | 11       | 28.78                  | 102.62                 |
| (v) Other financial assets                        | 7        | 23.53                  | 16.09                  |
| (c) Other current assets                          | 8        | 371.17                 | 343.72                 |
| <b>SUB-TOTAL</b>                                  |          | <b>5,970.26</b>        | <b>3,926.48</b>        |
| Assets classified as held for sale                | 35       | 50.60                  | -                      |
| <b>TOTAL</b>                                      |          | <b>10,510.16</b>       | <b>8,451.64</b>        |

**CONSOLIDATED BALANCE SHEET (Contd.)**

AS AT 31 MARCH 2024

(₹ in Crores)

| Particulars                                                                                    | Note No. | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------------------------------------------------------------------------|----------|---------------------|---------------------|
| <b>II EQUITY AND LIABILITIES</b>                                                               |          |                     |                     |
| <b>EQUITY</b>                                                                                  |          |                     |                     |
| (a) Equity share capital                                                                       | 12       | 111.69              | 111.69              |
| (b) Other equity                                                                               | 13       | 3,867.44            | 3,775.14            |
| Equity attributable to equity holders of the parent                                            |          | <b>3,979.13</b>     | <b>3,886.83</b>     |
| (c) Non controlling interest                                                                   |          | 115.57              | 152.12              |
| <b>TOTAL EQUITY</b>                                                                            |          | <b>4,094.70</b>     | <b>4,038.95</b>     |
| <b>LIABILITIES</b>                                                                             |          |                     |                     |
| <b>NON-CURRENT LIABILITIES</b>                                                                 |          |                     |                     |
| (a) Financial liabilities                                                                      |          |                     |                     |
| (i) Borrowings                                                                                 | 14       | 2,355.74            | 399.09              |
| (ia) Lease liabilities                                                                         | 14A      | 17.85               | 19.34               |
| (ii) Other financial liabilities                                                               | 15       | 128.12              | 117.82              |
| (b) Provisions                                                                                 | 20       | 7.95                | 2.48                |
| (c) Deferred tax liabilities (net)                                                             | 16       | 11.64               | 40.64               |
| (d) Other non-current liabilities                                                              | 17       | 392.41              | 454.50              |
| <b>SUB-TOTAL</b>                                                                               |          | <b>2,913.71</b>     | <b>1,033.87</b>     |
| <b>CURRENT LIABILITIES</b>                                                                     |          |                     |                     |
| (a) Financial liabilities                                                                      |          |                     |                     |
| (i) Borrowings                                                                                 | 18       | 125.80              | 638.62              |
| (ia) Lease liabilities                                                                         | 14A      | 2.30                | 2.26                |
| (ii) Trade payables                                                                            | 19       |                     |                     |
| 1) total outstanding dues of micro enterprises and small enterprises                           |          | 8.56                | 19.11               |
| 2) total outstanding dues of trade payables other than micro enterprises and small enterprises |          | 739.71              | 766.40              |
| (iii) Other financial liabilities                                                              | 15       | 209.91              | 175.31              |
| (b) Provisions                                                                                 | 20       | 179.94              | 182.46              |
| (c) Other current liabilities                                                                  | 17       | 2,235.53            | 1,594.66            |
| <b>SUB-TOTAL</b>                                                                               |          | <b>3,501.75</b>     | <b>3,378.82</b>     |
| <b>TOTAL</b>                                                                                   |          | <b>10,510.16</b>    | <b>8,451.64</b>     |

Material accounting policies

2A

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Ravi Bansal**

Partner

Membership No: 049365

**Atul K.Kedia**Sr. Vice President (Legal) &  
Company Secretary**Snehal Shah**

Chief Financial Officer

Mumbai : 07 May 2024

**R.K.Dalmia**Managing Director  
DIN No: 00040951**For and on behalf of Board of Directors of  
Century Textiles and Industries Limited***Directors***Kumar Mangalam Birla**-DIN No: 00012813**Rajashree Birla**-DIN No: 00022995**Yazdi P. Dandiwal**-DIN No: 01055000**Rajan A. Dalal**-DIN No: 00546264**Sohanlal K. Jain**-DIN No: 02843676**Preeti Vyas**-DIN No: 02352395

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

| Particulars                                                                                   | Note No. | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-----------------------------------------------------------------------------------------------|----------|-----------------------------|-----------------------------|
| <b>CONTINUING OPERATIONS</b>                                                                  |          |                             |                             |
| <b>I</b> Revenue from operations                                                              | 21       | 4,513.54                    | 3,831.82                    |
| <b>II</b> Other income                                                                        | 22       | 56.47                       | 24.58                       |
| <b>III Total Income (I + II)</b>                                                              |          | <b>4,570.01</b>             | <b>3,856.40</b>             |
| <b>IV Expenses</b>                                                                            |          |                             |                             |
| (a) Cost of materials consumed                                                                | 23       | 2,121.04                    | 2,145.02                    |
| (b) Cost of land, construction and other related real estate development cost                 | 23A      | 508.91                      | -                           |
| (c) Purchases of traded goods                                                                 | 24       | 7.49                        | 2.99                        |
| (d) Changes in inventories of finished goods, work-in-progress and traded goods               | 25       | (10.14)                     | (95.80)                     |
| (e) Employee benefits expense                                                                 | 26       | 320.80                      | 269.43                      |
| (f) Finance costs                                                                             | 27       | 35.51                       | 34.22                       |
| (g) Depreciation and amortisation expense                                                     | 28       | 209.87                      | 195.93                      |
| (h) Other expenses                                                                            | 29       | 904.24                      | 941.46                      |
| <b>Total Expenses</b>                                                                         |          | <b>4,097.72</b>             | <b>3,493.25</b>             |
| <b>V Profit before exceptional items, tax and share of profit of joint venture (III - IV)</b> |          | 472.29                      | 363.15                      |
| <b>VI</b> Share of profit / (loss) of Joint Venture                                           |          | (22.40)                     | (1.84)                      |
| <b>VII Profit before exceptional items and tax (V- VI)</b>                                    |          | <b>449.89</b>               | <b>361.31</b>               |
| <b>VIII</b> Exceptional Items                                                                 | 35A      | -                           | 134.21                      |
| <b>IX Profit before tax from continuing operations (VII + VIII)</b>                           |          | <b>449.89</b>               | <b>495.52</b>               |
| <b>X Tax expense of continuing operations</b>                                                 | 16       |                             |                             |
| (a) Current tax                                                                               |          | 117.45                      | 92.84                       |
| (b) Deferred tax                                                                              |          | 27.39                       | 79.54                       |
| (c) Deferred tax relating to earlier period                                                   |          | 0.19                        | 0.55                        |
| <b>Total tax expense</b>                                                                      |          | <b>145.03</b>               | <b>172.93</b>               |
| <b>XI Profit after tax from continuing operations (IX - X)</b>                                |          | <b>304.86</b>               | <b>322.59</b>               |
| <b>XII Discontinued Operations</b>                                                            | 35       |                             |                             |
| (a) Loss before tax from discontinued operations                                              |          | (162.07)                    | (89.27)                     |
| (b) Loss on measurement to net realisable value                                               |          | (214.00)                    | -                           |
| (c) Tax (Expense) / Income of discontinued operations                                         |          | 131.59                      | 31.23                       |
| <b>Profit after tax from discontinued operations</b>                                          |          | <b>(244.48)</b>             | <b>(58.04)</b>              |
| <b>XIII Profit for the year (XI + XII)</b>                                                    |          | <b>60.38</b>                | <b>264.55</b>               |
| <b>XIV Other comprehensive income</b>                                                         |          |                             |                             |
| (i) Items that will not be re-classified to profit or loss - continuing operations            |          |                             |                             |
| (a) Re-measurement gain on defined benefit plans                                              |          | (0.68)                      | 0.34                        |

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS (Contd.)**

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

| Particulars                                                                                       | Note No. | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------------------------------------------------------------|----------|-----------------------------|-----------------------------|
| (b) Income Tax relating to items that will not be reclassified to Profit or Loss                  |          | 0.10                        | (0.47)                      |
| (c) Net gain / (loss) on Fair value through Other Comprehensive Income (OCI) - Equity Instruments |          | 206.62                      | (59.37)                     |
| (d) Income Tax relating to items that will be reclassified to Profit or Loss                      |          | (24.39)                     | -                           |
| (ii) Items that will not be re-classified to profit or loss - discontinued operations             |          |                             |                             |
| (a) Re-measurement gain on defined benefit plans                                                  |          | (1.26)                      | 0.48                        |
| (b) Income tax on (a)                                                                             |          | 0.44                        | (0.17)                      |
| <b>Total other comprehensive income / (loss) for the year (net of tax)</b>                        |          | <b>180.83</b>               | <b>(59.19)</b>              |
| <b>XV Total comprehensive income for the year (XIII + XIV)</b>                                    |          | <b>241.21</b>               | <b>205.36</b>               |
| <b>Profit / (Loss) for the year attributable to:</b>                                              |          |                             |                             |
| Owners of the Company                                                                             |          | 50.53                       | 271.88                      |
| Non-controlling Interest                                                                          |          | 9.85                        | (7.33)                      |
| <b>Other comprehensive income / (loss) attributable to:</b>                                       |          |                             |                             |
| Owners of the Company                                                                             |          | 180.83                      | (59.19)                     |
| Non-controlling Interest                                                                          |          | -                           | -                           |
| <b>Total comprehensive income / (loss) attributable to:</b>                                       |          |                             |                             |
| Owners of the Company                                                                             |          | 231.36                      | 212.69                      |
| Non-controlling Interest                                                                          |          | 9.85                        | (7.33)                      |
| <b>XVI Earnings per equity share [face value ₹ 10 per share (31 March 2023 ₹ 10 per share)] :</b> | 31       |                             |                             |
| (a) Basic earnings per share - Continuing operations                                              |          | 26.68                       | 29.54                       |
| (b) Diluted earnings per share - Continuing operations                                            |          | 26.60                       | 29.54                       |
| (c) Basic earnings per share - Discontinued operations                                            |          | (22.11)                     | (5.20)                      |
| (d) Diluted earnings per share - Discontinued operations                                          |          | (22.04)                     | (5.20)                      |
| (e) Basic earnings per share - Continuing and discontinued operations                             |          | 4.57                        | 24.34                       |
| (f) Diluted earnings per share - Continuing and discontinued operations                           |          | 4.56                        | 24.34                       |

Material accounting policies

2A

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Ravi Bansal**

Partner

Membership No: 049365

**Atul K. Kedia**Sr. Vice President (Legal) &  
Company Secretary**Snehal Shah**

Chief Financial Officer

Mumbai : 07 May 2024

**R.K.Dalmia**Managing Director  
DIN No: 00040951**For and on behalf of Board of Directors of  
Century Textiles and Industries Limited***Directors***Kumar Mangalam Birla**-DIN No: 00012813**Rajashree Birla**-DIN No: 00022995**Yazdi P. Dandiwal**-DIN No: 01055000**Rajan A. Dalal**-DIN No: 00546264**Sohanlal K. Jain**-DIN No: 02843676**Preeti Vyas**-DIN No: 02352395

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

|                                                     | Attributable to the equity holders of the parent |        |                                     |                                    |                                                |                 |                                |                            |                                                                         |          | (₹ in Crores) |                    |                                            |              |
|-----------------------------------------------------|--------------------------------------------------|--------|-------------------------------------|------------------------------------|------------------------------------------------|-----------------|--------------------------------|----------------------------|-------------------------------------------------------------------------|----------|---------------|--------------------|--------------------------------------------|--------------|
|                                                     | Equity Share Capital                             |        | Reserves and Surplus                |                                    |                                                |                 |                                | Other comprehensive income |                                                                         |          |               | Total Other Equity | Attributable to Non - Controlling Interest | Total Equity |
|                                                     | No in Crores                                     | Amount | Securities Premium (See Note 13(a)) | General Reserves (See Note 13 (d)) | Capital Redemption Reserve (See Note 13(b)(i)) | Treasury Shares | Employee Stock Options Reserve | Retained earnings          | Equity Instruments through Other Comprehensive Income (See Note 13e(i)) |          |               |                    |                                            |              |
| As at 1 April 2023                                  | 11.17                                            | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,660.95                   | 97.44                                                                   | 3,775.14 | 152.12        | 4,038.95           |                                            |              |
| Changes in accounting policy or prior period errors | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | -                          | -                                                                       | -        | -             | -                  |                                            |              |
| As at 1 April 2023                                  | 11.17                                            | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,660.95                   | 97.44                                                                   | 3,775.14 | 152.12        | 4,038.95           |                                            |              |
| Profit / (Loss) for the year                        | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | -                          | -                                                                       | -        | 9.85          | 60.38              |                                            |              |
| Other comprehensive income / (loss)                 | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | (1.40)                     | 182.23                                                                  | 180.83   | -             | 180.83             |                                            |              |
| Total comprehensive income for the year             | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | -                          | 182.23                                                                  | 231.36   | 9.85          | 241.21             |                                            |              |
| Purchase of Treasury Shares (Refer Note 46)         | -                                                | -      | -                                   | -                                  | -                                              | (94.99)         | -                              | -                          | -                                                                       | (94.99)  | -             | (94.99)            |                                            |              |
| Employee Stock Options Granted (Refer Note 46)      | -                                                | -      | -                                   | -                                  | -                                              | -               | 11.16                          | -                          | -                                                                       | 11.16    | -             | 11.16              |                                            |              |
| Dividend paid on equity shares (See Note 13 (c))    | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | (55.23)                    | -                                                                       | (55.23)  | -             | (55.23)            |                                            |              |
| Distribution to minorities                          | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | -                          | -                                                                       | -        | (46.40)       | (46.40)            |                                            |              |
| As at 31 March 2024                                 | 11.17                                            | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | (94.99)         | 11.16                          | 1,654.85                   | 279.67                                                                  | 3,867.44 | 115.57        | 4,094.70           |                                            |              |
| As at 1 April 2022                                  | 11.17                                            | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,433.57                   | 156.81                                                                  | 3,607.14 | 158.03        | 3,876.86           |                                            |              |
| Changes in accounting policy or prior period errors | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | -                          | -                                                                       | -        | -             | -                  |                                            |              |
| Balance as at 1 April 2022                          | 11.17                                            | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,433.57                   | 156.81                                                                  | 3,607.14 | 158.03        | 3,876.86           |                                            |              |
| Profit / (Loss) for the year                        | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | 271.88                     | -                                                                       | 271.88   | (7.33)        | 264.55             |                                            |              |
| Other comprehensive income / (loss)                 | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | 0.18                       | (59.37)                                                                 | (59.19)  | -             | (59.19)            |                                            |              |
| Total comprehensive income / (loss) for the year    | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | 272.06                     | (59.37)                                                                 | 212.69   | (7.33)        | 205.36             |                                            |              |
| Dividend paid on equity shares (See Note 13 (c))    | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | (44.68)                    | -                                                                       | (44.68)  | -             | (44.68)            |                                            |              |
| Contribution from Minorities                        | -                                                | -      | -                                   | -                                  | -                                              | -               | -                              | -                          | -                                                                       | -        | 1.42          | 1.42               |                                            |              |
| As at 31 March 2023                                 | 11.17                                            | 111.69 | 643.22                              | 1,273.54                           | 100.00                                         | -               | -                              | 1,660.95                   | 97.44                                                                   | 3,775.14 | 152.12        | 4,038.95           |                                            |              |

As per our report of even date  
**For S R B C & CO LLP**  
Chartered Accountants

Firm Registration Number 324982E / E3000003

per **Ravi Bansal**  
Partner  
Membership No: 049365

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

**Snehal Shah**  
Chief Financial Officer

**R.K. Dalmia**  
Managing Director  
DIN No: 00040951

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

**Directors**  
**Kumar Mangalam Birla**-DIN No: 00012813  
**Rajashree Birla**-DIN No: 00022995  
**Yazdi P. Dandiwal**-DIN No: 01055000  
**Rajan A. Dalal**-DIN No: 00546264  
**Sohanlal K. Jain**-DIN No: 02843676  
**Preeti Vyas**-DIN No: 02352395

Mumbai : 07 May 2024





# CONSOLIDATED CASH FLOWS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

| Particulars                                                                                                                     | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                                                  |                             |                             |
| NET PROFIT BEFORE TAX FROM CONTINUING OPERATIONS                                                                                | 449.89                      | 495.52                      |
| NET PROFIT BEFORE TAX FROM DISCONTINUED OPERATIONS                                                                              | (376.07)                    | (89.27)                     |
| Add / (Less) :                                                                                                                  |                             |                             |
| Depreciation on property plant and equipments                                                                                   | 206.47                      | 192.19                      |
| Depreciation on investment property                                                                                             | 32.56                       | 32.49                       |
| Amortisation on intangible assets                                                                                               | 2.53                        | 2.40                        |
| Loss/(gain) on sale of property plant and equipments and investment properties                                                  | 0.75                        | (0.14)                      |
| Employee stock option expenses                                                                                                  | 11.16                       | -                           |
| Allowance for credit loss                                                                                                       | 6.98                        | 17.64                       |
| Unrealized exchange (gain) / loss                                                                                               | (1.22)                      | (0.85)                      |
| Interest income on deposits and government bonds                                                                                | (14.09)                     | (5.67)                      |
| Impairment Provision on property plant and equipments                                                                           | 200.00                      | -                           |
| Impairment Provision for Inventory                                                                                              | 6.45                        | -                           |
| Share of loss of Joint Venture                                                                                                  | 22.40                       | 1.84                        |
| Profit on transfer of leasehold land                                                                                            | -                           | (134.21)                    |
| Interest expense                                                                                                                | 58.15                       | 53.89                       |
| Liabilities written back                                                                                                        | (9.01)                      | (8.21)                      |
| Dividend on investments and mutual funds                                                                                        | (10.69)                     | (4.69)                      |
|                                                                                                                                 | <b>512.44</b>               | <b>146.68</b>               |
| <b>Working capital adjustments</b>                                                                                              |                             |                             |
| Decrease / (increase) in inventory                                                                                              | (1,316.91)                  | (895.79)                    |
| Decrease / (increase) in trade receivables                                                                                      | (15.96)                     | 42.87                       |
| Decrease / (increase) in other financial assets                                                                                 | (11.74)                     | 40.31                       |
| Decrease / (increase) in other assets                                                                                           | (25.00)                     | (103.09)                    |
| (Decrease) / increase in other financial liabilities                                                                            | 20.15                       | 29.15                       |
| (Decrease) / increase in trade payables                                                                                         | (27.22)                     | (63.55)                     |
| (Decrease) / increase in provisions                                                                                             | 4.89                        | 2.39                        |
| (Decrease) / increase in other liabilities                                                                                      | 578.98                      | 812.09                      |
| Decrease / (increase) in other bank balance                                                                                     | 27.36                       | (71.63)                     |
|                                                                                                                                 | <b>(765.45)</b>             | <b>(207.25)</b>             |
| Cash flows generated from operations                                                                                            | (179.19)                    | 345.68                      |
| Add / (Less) :                                                                                                                  |                             |                             |
| Direct tax paid (previous year : excluding tax on transfer of leasehold land amounting to ₹ 25.64 Crores)                       | (136.14)                    | (74.72)                     |
| <b>NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES</b>                                                                       | <b>(315.33)</b>             | <b>270.96</b>               |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                                                  |                             |                             |
| Purchase of property plant and equipments, Investment properties and intangible assets                                          | (180.89)                    | (121.28)                    |
| Proceeds from sale of property plant and equipments and investment properties                                                   | 6.25                        | 3.31                        |
| Interest received (finance income)                                                                                              | 14.49                       | 0.64                        |
| (Purchase) / sale of investments (net)                                                                                          | (279.66)                    | 131.05                      |
| Treasury Shares acquired by ESOP trust                                                                                          | (95.00)                     | -                           |
| Investment in joint venture                                                                                                     | -                           | (10.00)                     |
| Proceeds from transfer of leasehold land (Previous year : net of expenses towards transfer and tax amounting to ₹ 25.64 Crores) | -                           | 130.08                      |
| Dividend on investments                                                                                                         | 10.69                       | 4.69                        |
| <b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>                                                                              | <b>(524.12)</b>             | <b>138.49</b>               |

**CONSOLIDATED CASH FLOWS STATEMENT (Contd.)**

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

| Particulars                                                      | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>                   |                             |                             |
| Contribution / (distribution) from / to Non-Controlling Interest | (46.40)                     | 1.41                        |
| Proceeds from non current borrowings                             | 1,980.00                    | 493.78                      |
| Repayment of borrowings                                          | (431.18)                    | (586.09)                    |
| Net proceeds / (repayment) of short term borrowings              | 3.50                        | (343.27)                    |
| Dividend paid                                                    | (55.41)                     | (44.68)                     |
| Lease liability paid                                             | (3.21)                      | (4.05)                      |
| Interest paid                                                    | (175.14)                    | (70.58)                     |
| <b>NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>      | <b>1,272.16</b>             | <b>(553.48)</b>             |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>    | <b>432.71</b>               | <b>(144.03)</b>             |
| Cash and cash equivalents at the beginning of the year           | (120.37)                    | 23.66                       |
| Cash and cash equivalents at the year end - (Refer note below)   | 312.33                      | (120.37)                    |

| Particulars                                                                       | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-----------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Reconciliation of cash and cash equivalents as per the cash flow statement</b> |                        |                        |
| Cash and cash equivalents as per the above comprise of the following              |                        |                        |
| Cash and cash equivalents - (Refer note 11)                                       | 372.72                 | 48.51                  |
| Cash credit and overdraft facilities from banks - (Refer note 18)                 | (60.39)                | (168.88)               |
| <b>Balance as per cash flows statement</b>                                        | <b>312.33</b>          | <b>(120.37)</b>        |

As per our report of even date

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

Chartered Accountants

Firm Registration Number 324982E / E300003

per **Ravi Bansal**

Partner

Membership No: 049365

**Atul K.Kedia**Sr. Vice President (Legal) &  
Company Secretary**Snehal Shah**

Chief Financial Officer

**R.K.Dalmia**Managing Director  
DIN No: 00040951

Mumbai : 07 May 2024

**For and on behalf of Board of Directors of  
Century Textiles and Industries Limited***Directors***Kumar Mangalam Birla**-DIN No: 00012813**Rajashree Birla**-DIN No: 00022995**Yazdi P. Dandiwala**-DIN No: 01055000**Rajan A. Dalal**-DIN No: 00546264**Sohanlal K. Jain**-DIN No: 02843676**Preeti Vyas**-DIN No: 02352395



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

## 1. CORPORATE INFORMATION

Century Textiles & Industries Limited ('Company' or 'Parent Company') (CIN. L17120MH1897PLC000163) is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The principal place of business of the Company is located at Century Bhawan, Dr. A. B. Road, Worli, Mumbai. The Company is a public limited Company, and its shares are listed on the BSE Limited, India, and the National Stock Exchange of India Limited, India.

The Company and its subsidiaries ('Group') is principally engaged in the business of Textiles, Pulp and Paper and Real estate. The financial statement includes the financials statement of CTIL Employee Welfare Trust as the Group treats the same as its extension.

The financial statements were approved for issue in accordance with a resolution of the board of directors on 07 May 2024.

## 2A. MATERIAL ACCOUNTING POLICIES

### 2.1 Basis of preparation

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

The Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

- Non-cash distribution liability

The financial statements are presented in INR and all values are rounded to the nearest crores (INR 00,00,000), except when otherwise indicated.

### Basis of consolidation

The Group consolidates all entities which are controlled by it. The consolidated Ind AS financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

### Consolidation procedure:

The consolidated Ind AS financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated Ind AS financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**Group Information:**

The consolidated financial statements of the Group include subsidiaries listed in the table below:

| Name                              | Principal activities    | Country of incorporation | % equity interest |           |
|-----------------------------------|-------------------------|--------------------------|-------------------|-----------|
|                                   |                         |                          | 31-Mar-24         | 31-Mar-23 |
| Birla Estates Pvt. Ltd.           | Real Estate             | India                    | 100               | 100       |
| Avarna Projects LLP               | Real Estate             | India                    | 50                | 50        |
| Birla Tisya LLP                   | Real Estate             | India                    | 40                | 40        |
| Birla Arnaa LLP                   | Real Estate             | India                    | 47                | 47        |
| Birla Century Exports Pvt. Ltd.   | Trading in textiles     | India                    | 100               | 100       |
| Birla Century LLC                 | Trading in textiles     | United States            | 100               | 100       |
| CTIL Community Welfare Foundation | Non-Profit Organisation | India                    | 100               | NA        |

**Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control):**

The Group controls the decision related to the all relevant activities in respect of the operation of the entity and hence has consolidated the LLP's as subsidiaries as per Ind AS-110 even though group holds 50% or less voting rights in the LLPs.

**2.2 Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the

settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Except for the under construction real estate business, the Group has identified twelve months as its operating cycle.

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

**2.3 Fair value measurement**

The Group measures financial instruments, such as derivatives, investments etc, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

### 2.4 Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Goods and Service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

#### Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated in determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, and consideration payable to the customer (if any).

#### Sale of real estate units

Revenue is recognized upon transfer of control of residential units or service to customers, in an amount that reflects the consideration the Company expects to receive in exchange for those residential units. The Company determines the performance obligations associated with the contract with customers at contract inception and also determine whether they

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

satisfy the performance obligation over time or at a point in time. In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon completion, receipt of occupancy certificate and transfer of control to the customers as per the agreement.

To estimate the transaction price in a contract, the Group adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Group when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential unit.

#### Sale of services

The Group recognises revenue from facility management services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group.

#### Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale provide customers with discounts. The discounts give rise to variable consideration.

#### Discounts

Discounts includes target and growth rebates, price reductions, incentives to customers or retailers. To estimate the amount of discount, the Group applies accumulated experience using the most likely method. The Group determines that the estimates of discounts are not constrained based on its historical experience, business forecast and the current economic conditions. The Group then applies the requirements

on constraining estimates of variable consideration and recognises a refund liability for the expected discount. No element of financing is deemed present as the sales are made with credit terms largely ranging between 7 days to 120 days.

#### Contract balances

##### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

##### Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

##### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract

##### Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

## 2.5 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

Government grants such as sales tax incentive, export benefit schemes are recognized in the Statement of Profit and Loss as a part of other operating revenues whereas grants related to royalty, power incentives and interest subsidies are netted of from the related expenses.

### 2.6 Taxes

#### Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted substantially enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the

financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences..

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction in OCI or equity.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**Minimum Alternate Tax (MAT)**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year.

The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss as credit in current tax expense and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period

**GST paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**2.7 Property, plant and equipments**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their

specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is recognised so as to depreciate the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Asset Class            | Useful life         |
|------------------------|---------------------|
| Buildings              | 30 years – 60 years |
| Plant & equipments     | 3 years – 25 years  |
| Electric installations | 3 years – 10 years  |
| Furniture & fixtures   | 3- 10 years         |
| Office equipments      | 3-10 years          |
| Vehicles               | 5 -10 years         |

The management has estimated the above useful life and the same is supported by technical experts, Which are different from useful life prescribed in Companies Act, 2013.

Refer Note 2.11 on Accounting of leases as per Ind As 116 applied from April 1, 2019 for right of use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**2.8 Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Cost of software capitalised is amortised over its useful life which is estimated to be a period of five years. Mining rights are amortised over the period of the respective mining agreement.

### 2.9 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group, based on technical assessment made by management, depreciates the building over estimated useful lives of 40 years. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Group measures investment property using cost based measurement, the fair value of investment properties are disclosed in notes. Fair value are determined based on an annual evaluation performed by an accredited external independent valuer.

### 2.10 Non-current assets held for sale / distribution to owners and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale / distribution if their carrying

amounts will be recovered principally through a sale / distribution rather than through continuing use. Actions required to complete the sale / distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale/distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale / distribution classification is regarded met only when the assets or disposal group is available for immediate sale / distribution in its present condition, subject only to terms that are usual and customary for sales / distribution of such assets (or disposal groups), its sale / distribution is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale/distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale / for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell / distribute. Assets and liabilities classified as held for sale / distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale / distribution are not depreciated or amortised.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in Note 35. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

## 2.11 Leases

At inception of contract, the Group assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of their relative standalone price.

### As a lessee

#### i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Group presents right-to-use assets within the same line item as that within which the corresponding underlying assets would be presented if they were owned by the Group.

#### ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Group presents lease liabilities under financial liabilities in the Balance Sheet.

#### iii) Short term leases and leases of low value of assets

The Group applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

### As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### 2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 2.13 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 2.14 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products,

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment loss of continuing operations, including impairment on inventories is recognised in the statement of profit and loss.

**2.15 Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**Onerous contracts**

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

**2.16 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**2.17 Employee Benefits****Defined Contribution plans**

For certain employees of the Group, employee benefit in the form of Provident fund, Employees State Insurance Contribution and Labour Welfare fund are defined contribution plans. The Group has no obligation, other than the contribution payable to the respective fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Defined benefit plans**

The Group provides for retirement benefit in the form of gratuity. The Group's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

In respect of certain employees, provident fund contributions are made to a trust administered by the Group. Periodic contributions to the Fund are charged to the Statement of profit and loss. The Group has an obligation to make good the shortfall, if any, between



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognized in the Statement of profit and loss. The Group's liability is determined on the basis of an actuarial valuation using the projected unit credit method.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

### Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this

is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### 2.18 Research and Development

Research expenditure, including overheads, on research and development, is charged as an expense in the year in which incurred.

### 2.19 Employee Share-Based Payments

Equity-settled Transactions Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model and Binomial Model. The fair value, determined at the grant date of the equitysettled share-based payments, is charged to Standalone Statement of Profit and Loss on a systematic basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in other equity

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In a situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within other equity. Cash-settled Transactions The cost of cash-settled transactions is measured initially at fair value at the grant date using a Black-Scholes Merton Formula. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**2.20 Treasury Shares**

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The EBT purchase shares of the Company from the market, for giving shares to employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. No gain or loss is recognised in the Standalone statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Share options whenever exercised, would be settled from such treasury shares.

**2.21 Foreign currencies**

The Group's financial statements are presented in INR, which is also the Group's functional currency.

Transactions in foreign currencies are initially recorded by the Group at INR spot rate at the date, the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**2.22 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets****Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets including derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

**Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. All fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. The Group has made such election on an instrument-by-





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

instrument basis. The classification is made on initial recognition and is irrevocable.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt

securities, deposits, trade receivables and bank balance

- b) Financial assets that are equity instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on

the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

#### Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### Derivative financial instruments:

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps to manage its foreign currency risks and interest rate risks respectively.

These derivative instruments are designated as cash flow, fair value or net investment hedges and are entered into for period consistent with currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in the Statement of profit and loss except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

### Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**2.23 Earnings Per Share:**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**2.24 Cash dividend and non-cash distribution to equity holders**

The Group recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

**2.25 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize

a contingent liability but discloses its existence in the financial statements.

**2B. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the Grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

**Estimates and assumptions:**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**a) Employee benefit plans**

The Group's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 36.

**b) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 43 and 44 for further disclosures.

**c) Useful Lives of Property, Plant & Equipment:**

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset / component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

**(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

**(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

## 2C. NEW AND AMENDED STANDARDS

**(i) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 3****A. PROPERTY, PLANT AND EQUIPMENT**

|                                                                 | Land - Freehold | Buildings     | Plant and Equipments | Office Equipments | Furniture and Fixtures | Vehicles     | Electric Installations | Total           |
|-----------------------------------------------------------------|-----------------|---------------|----------------------|-------------------|------------------------|--------------|------------------------|-----------------|
| <b>I. GROSS BLOCK</b>                                           |                 |               |                      |                   |                        |              |                        |                 |
| Balance as at 1 April 2022                                      | 336.77          | 647.35        | 5,492.32             | 12.93             | 40.28                  | 10.10        | 129.17                 | 6,668.92        |
| Additions                                                       | -               | 11.50         | 93.11                | 2.87              | 2.34                   | 2.95         | 9.08                   | 121.85          |
| Disposals                                                       | (0.02)          | (2.27)        | (31.10)              | (1.13)            | (1.32)                 | (1.77)       | (0.88)                 | (38.49)         |
| Transfer to investment properties                               | -               | (0.09)        | -                    | -                 | -                      | -            | 0.09                   | -               |
| <b>Balance as at 31 March 2023</b>                              | <b>336.75</b>   | <b>656.49</b> | <b>5,554.33</b>      | <b>14.67</b>      | <b>41.30</b>           | <b>11.28</b> | <b>137.46</b>          | <b>6,752.28</b> |
| Additions                                                       | -               | 27.55         | 162.86               | 5.83              | 21.34                  | 5.66         | 2.50                   | 225.74          |
| Additions - Discontinued Operations (Refer Note No 35)          | -               | -             | 43.48                | -                 | -                      | 0.20         | 0.97                   | 44.65           |
| Disposals                                                       | (0.04)          | (6.77)        | (12.62)              | (0.02)            | (5.73)                 | (1.91)       | (0.65)                 | (27.74)         |
| Disposals - Discontinued Operations (Refer Note No 35)          | -               | -             | (3.93)               | (0.09)            | -                      | (0.20)       | (0.04)                 | (4.26)          |
| Transfer to Assets Classified Held for Sale                     | -               | -             | (267.11)             | -                 | -                      | -            | -                      | (267.11)        |
| <b>Balance as at 31 March 2024</b>                              | <b>336.71</b>   | <b>677.27</b> | <b>5,477.01</b>      | <b>20.39</b>      | <b>56.91</b>           | <b>15.03</b> | <b>140.24</b>          | <b>6,723.56</b> |
| <b>II. ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>              |                 |               |                      |                   |                        |              |                        |                 |
| Balance as at 1 April 2022                                      | 0.80            | 304.55        | 3,043.03             | 10.53             | 31.51                  | 6.33         | 118.03                 | 3,514.78        |
| Depreciation expense for the year                               | -               | 19.51         | 163.17               | 1.21              | 1.60                   | 1.12         | 2.00                   | 188.61          |
| Disposal of assets                                              | -               | (1.54)        | (21.98)              | (0.92)            | (1.12)                 | (1.10)       | (0.51)                 | (27.17)         |
| Transfer                                                        | -               | (0.02)        | -                    | -                 | -                      | -            | 0.02                   | -               |
| <b>Balance as at 31 March 2023</b>                              | <b>0.80</b>     | <b>322.50</b> | <b>3,184.22</b>      | <b>10.82</b>      | <b>31.99</b>           | <b>6.35</b>  | <b>119.54</b>          | <b>3,676.22</b> |
| Depreciation expense for the year                               | -               | 18.77         | 146.62               | 1.73              | 1.26                   | 1.51         | 2.62                   | 172.51          |
| Depreciation - Discontinued Operations (Refer Note No 35)       | -               | 4.23          | 26.49                | 0.12              | 0.21                   | 0.12         | 0.22                   | 31.39           |
| Impairment (Refer Note No 35)                                   | -               | 82.29         | 111.18               | 0.33              | 0.68                   | -            | 3.11                   | 197.59          |
| Transfer to Assets Classified Held for Sale                     | -               | -             | (216.51)             | -                 | -                      | -            | -                      | (216.51)        |
| Disposal of assets                                              | -               | (5.61)        | (9.97)               | (0.01)            | (4.98)                 | (1.11)       | (0.60)                 | (22.28)         |
| Disposal of assets - Discontinued Operations (Refer Note No 35) | -               | -             | (3.74)               | (0.08)            | -                      | (0.01)       | (0.04)                 | (3.87)          |
| <b>Balance as at 31 March 2024</b>                              | <b>0.80</b>     | <b>422.18</b> | <b>3,238.29</b>      | <b>12.91</b>      | <b>29.16</b>           | <b>6.86</b>  | <b>124.85</b>          | <b>3,835.05</b> |
| <b>NET BLOCK</b>                                                |                 |               |                      |                   |                        |              |                        |                 |
| Balance as at 31 March 2023                                     | 335.95          | 333.99        | 2,370.11             | 3.85              | 9.31                   | 4.93         | 17.92                  | 3,076.06        |
| <b>Balance as at 31 March 2024</b>                              | <b>335.91</b>   | <b>255.09</b> | <b>2,238.72</b>      | <b>7.48</b>       | <b>27.75</b>           | <b>8.17</b>  | <b>15.39</b>           | <b>2,888.51</b> |





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 3** (Continued)**B. Right of use assets**

(₹ in Crores)

| Description                                             | Land         | Building     | Total        |
|---------------------------------------------------------|--------------|--------------|--------------|
| <b>COST</b>                                             |              |              |              |
| Balance as on 1 April 2022                              | 58.08        | 17.75        | 75.83        |
| Additions                                               | -            | 3.02         | 3.02         |
| Disposals                                               | (25.66)      | (4.98)       | (30.64)      |
| <b>Balance as at 31 March 2023</b>                      | <b>32.42</b> | <b>15.79</b> | <b>48.21</b> |
| Additions                                               | -            | -            | -            |
| Disposals                                               | -            | (1.68)       | (1.68)       |
| <b>Balance as at 31 March 2024</b>                      | <b>32.42</b> | <b>14.11</b> | <b>46.53</b> |
| <b>ACCUMULATED DEPRECIATION</b>                         |              |              |              |
| Balance as on 1 April 2022                              | 10.49        | 6.72         | 17.21        |
| Depreciation expense for the year                       | 1.16         | 2.41         | 3.57         |
| Disposal of assets                                      | (3.18)       | (4.98)       | (8.16)       |
| <b>Balance as at 31 March 2023</b>                      | <b>8.47</b>  | <b>4.15</b>  | <b>12.62</b> |
| Depreciation expense for the year                       | 0.80         | 1.68         | 2.48         |
| Depreciation Discontinued Operations (Refer Note No 35) | 0.09         |              | 0.09         |
| Disposal of assets                                      | -            | (1.68)       | (1.68)       |
| <b>Balance as at 31 March 2024</b>                      | <b>9.36</b>  | <b>4.15</b>  | <b>13.51</b> |
| <b>NET BLOCK</b>                                        |              |              |              |
| Balance as at 31 March 2023                             | 23.95        | 11.64        | 35.59        |
| <b>Balance as at 31 March 2024</b>                      | <b>23.06</b> | <b>9.96</b>  | <b>33.02</b> |

**C: Net book value**

(₹ in Crores)

| Particulars         | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------|------------------------|------------------------|
| Owned assets        | 2,888.51               | 3,076.06               |
| Right-of-use assets | 33.02                  | 35.59                  |
| <b>Total</b>        | <b>2,921.53</b>        | <b>3,111.65</b>        |

**Notes:**

- During the year ended 31 March 2024 and 31 March 2023, no impairment indicators existed for any of its Cash Generating Unit (CGU) relating to continuing operations and accordingly no provision for impairment has been recognised for continuing operations. The recoverable amount based on value in use was determined at each CGU level for continuing operations. However the Company has recognised the impairment provision on property, plant and equipments of discontinued operations (Refer Note No 35).
- Capitalised borrowing cost : No borrowing costs are capitalised on property, plant and equipment under construction (31 March 2023 - Nil)
- Title deeds
  - All title deeds of immovable properties included in property, plant and equipments are held in the name of the Company as at 31<sup>st</sup> March 2024.
  - Refer note 14 and note 18 for details of pledge and securities.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 3A CAPITAL WORK IN PROGRESS (CWIP)**

(₹ in Crores)

| Particulars                                      | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--------------------------------------------------|------------------------|------------------------|
| Opening balances                                 | 189.63                 | 173.90                 |
| Add: Additions during the year                   | 128.73                 | 123.04                 |
| Less: capitalisation / deduction during the year | (261.14)               | (107.31)               |
| Closing balances                                 | 57.22                  | 189.63                 |

**(i) Ageing schedule**

(₹ in Crores)

| Particulars                    | Amount in CWIP for a period of |              |              |                      | Total         |
|--------------------------------|--------------------------------|--------------|--------------|----------------------|---------------|
|                                | Less than<br>1 year            | 1-2 years    | 2-3 years    | More than<br>3 years |               |
| <b>As at 31 March 2024</b>     |                                |              |              |                      |               |
| Projects in progress           | 41.33                          | 14.43        | 0.97         | 0.49                 | 57.22         |
| Projects temporarily suspended | -                              | -            | -            | -                    | -             |
| <b>Total</b>                   | <b>41.33</b>                   | <b>14.43</b> | <b>0.97</b>  | <b>0.49</b>          | <b>57.22</b>  |
| <b>As at 31 March 2023</b>     |                                |              |              |                      |               |
| Projects in progress           | 98.03                          | 75.99        | 12.86        | 2.75                 | 189.63        |
| Projects temporarily suspended | -                              | -            | -            | -                    | -             |
| <b>Total</b>                   | <b>98.03</b>                   | <b>75.99</b> | <b>12.86</b> | <b>2.75</b>          | <b>189.63</b> |

**(ii) CWIP completion schedule for projects overdue**

| Project                    | To be completed in  |           |           |                      |
|----------------------------|---------------------|-----------|-----------|----------------------|
|                            | Less than<br>1 year | 1-2 years | 2-3 years | More than<br>3 years |
| <b>As at 31 March 2024</b> |                     |           |           |                      |
| <b>As at 31 March 2023</b> |                     |           |           |                      |
| Paper Machine 3 & 4        | 3.81                | -         | -         | -                    |
| 275 TPH Evaporator Plant   | 114.22              | -         | -         | -                    |

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 4 INVESTMENT PROPERTIES**

(₹ in Crores)

| Particulars                         | Land (Including TDRs) | Buildings       | Total           |
|-------------------------------------|-----------------------|-----------------|-----------------|
| <b>I. GROSS BLOCK</b>               |                       |                 |                 |
| Balance as at 1 April 2022          | 18.90                 | 1,042.29        | 1,061.19        |
| Additions                           | -                     | 0.16            | 0.16            |
| Disposals                           | -                     | (11.52)         | (11.52)         |
| <b>Balance as at 31 March 2023</b>  | <b>18.90</b>          | <b>1,030.93</b> | <b>1,049.83</b> |
| Additions                           | -                     | 0.61            | 0.61            |
| Disposals                           | -                     | -               | -               |
| <b>Balance as at 31 March 2024</b>  | <b>18.90</b>          | <b>1,031.54</b> | <b>1,050.44</b> |
| <b>II. ACCUMULATED DEPRECIATION</b> |                       |                 |                 |
| Balance as at 1 April 2022          | -                     | 222.46          | 222.46          |
| Depreciation expense for the year   | -                     | 32.49           | 32.49           |
| Disposal of assets                  | -                     | (1.73)          | (1.73)          |
| <b>Balance as at 31 March 2023</b>  | <b>-</b>              | <b>253.22</b>   | <b>253.22</b>   |
| Depreciation expense for the year   | -                     | 32.36           | 32.36           |
| Disposal of assets                  | -                     | -               | -               |
| <b>Balance as at 31 March 2024</b>  | <b>-</b>              | <b>285.58</b>   | <b>285.58</b>   |
| <b>NET BLOCK</b>                    |                       |                 |                 |
| Balance as at 31 March 2023         | 18.90                 | 777.71          | 796.61          |
| <b>Balance as at 31 March 2024</b>  | <b>18.90</b>          | <b>745.96</b>   | <b>764.86</b>   |

**Notes :****(i) Information regarding Income and expenditure of Investment properties**

(₹ in Crores)

| Particulars                                                                            | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Rental income derived from Investment properties (See Note 21)                         | 138.96                      | 124.73                      |
| Direct operating expenses (including repairs and maintenance) generating rental income | (26.30)                     | (26.19)                     |
| Profit arising from investment properties before depreciation and indirect expenses    | 112.66                      | 98.54                       |
| Less: Depreciation                                                                     | 32.36                       | 32.49                       |
| Profit arising from investment properties before indirect expenses                     | 80.30                       | 66.05                       |

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 4 INVESTMENT PROPERTIES** (Continued)

- (iii) Out of the total land under Investment Properties, 6.31 acres of land amounting to ₹ 0.01 crores, which was allotted to the Company on lease under the Poorer Class Accommodation Scheme 1898 as amended by 1913 Act and 1925 Act, which stated that in the event of no default being made in complying with the conditions of the lease, then on expiry of the lease all the right, title and interest shall vest with the Company. The lease expired in the year 1955 and the Company has filed a petition for execution of formal deed of conveyance, refer below details.

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

- (iv) Refer note 14 and note 18 for details of pledge and securities.
- (v) Capitalised borrowing cost :  
No borrowing costs is capitalised during the year (31 March 2023 ₹ Nil) in Investment property under development.
- (vi) Leasing arrangements  
Certain investment properties are leased to tenants under long term operating leases with rentals payable monthly. (Refer Note 45)
- (vii) Fair value

**Description of valuation techniques used and key inputs to valuation on investment properties:**

(₹ in Crores)

| Particulars                                                          | Valuation technique (See Note below) | Fair Value Hierarchy (See Note below) | Fair Value    |               |
|----------------------------------------------------------------------|--------------------------------------|---------------------------------------|---------------|---------------|
|                                                                      |                                      |                                       | 31 March 2024 | 31 March 2023 |
| Land (Worli land excluding land classified as Real estate inventory) | Stamp Duty Reckoner rate             | Level 2                               | 660.67        | 660.67        |
| Commercial Property *                                                | Stamp Duty Reckoner rate             | Level 2                               | 2,198.95      | 2,328.84      |

\* Includes Investment property under development

- viii. The above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The Independent Valuer has referred to the publications and Government website for Ready Reckoner rates. Suitable adjustments if required have been made to account for availability of FSI in land parcels in Mumbai in accordance with the guidelines prescribed by the Department of Registrations and Stamps. The adjustments related to floors, lifts and other factors are not considered for valuation of commercial property. Since the valuation is based on the published Ready Reckoner rates, the Company has classified the same under Level 2.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 4A INVESTMENT PROPERTY UNDER DEVELOPMENT (IPUD)**

(₹ in Crores)

| Particulars                                      | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--------------------------------------------------|------------------------|------------------------|
| Opening balances                                 | 36.41                  | 36.22                  |
| Add: Additions during the year                   | 1.84                   | 0.29                   |
| Less: capitalisation / deduction during the year | (0.32)                 | (0.10)                 |
| Closing balances                                 | 37.93                  | 36.41                  |

**(i) Ageing schedule**

(₹ in Crores)

| Particulars                    | Amount in IPUD for a period of |             |             |                      | Total        |
|--------------------------------|--------------------------------|-------------|-------------|----------------------|--------------|
|                                | Less than<br>1 year            | 1-2 years   | 2-3 years   | More than<br>3 years |              |
| <b>As at 31 March 2024</b>     |                                |             |             |                      |              |
| Projects in progress           | 1.84                           | 0.31        | 0.11        | 35.67                | 37.93        |
| Projects temporarily suspended | -                              | -           | -           | -                    | -            |
| <b>Total</b>                   | <b>1.84</b>                    | <b>0.31</b> | <b>0.11</b> | <b>35.67</b>         | <b>37.93</b> |
| <b>As at 31 March 2023</b>     |                                |             |             |                      |              |
| Projects in progress           | 0.62                           | 0.11        | 0.15        | 35.53                | 36.41        |
| Projects temporarily suspended | -                              | -           | -           | -                    | -            |
| <b>Total</b>                   | <b>0.62</b>                    | <b>0.11</b> | <b>0.15</b> | <b>35.53</b>         | <b>36.41</b> |

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24 and 2022-23.

**NOTE 5 INTANGIBLE ASSETS**

(₹ in Crores)

| Particulars                                         | Computer softwares |
|-----------------------------------------------------|--------------------|
| <b>I. GROSS BLOCK</b>                               |                    |
| Balance as at 1 April 2022                          | 26.00              |
| Additions                                           | 2.95               |
| Disposals                                           | -                  |
| <b>Balance as at 31 March 2023</b>                  | <b>28.95</b>       |
| Additions                                           | 6.04               |
| Additions - Discontinued Operations (Refer note 35) | 0.95               |
| Disposals                                           | -                  |
| Disposals - Discontinued Operations (Refer note 35) | (4.73)             |
| <b>Balance as at 31 March 2024</b>                  | <b>31.21</b>       |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 5** INTANGIBLE ASSETS (Continued)

(₹ in Crores)

| Particulars                                                | Computer softwares |
|------------------------------------------------------------|--------------------|
| <b>II. ACCUMULATED AMORTISATION AND IMPAIRMENT</b>         |                    |
| Balance as at 1 April 2022                                 | 18.89              |
| Amortisation expense for the year                          | 2.40               |
| Disposal of assets                                         | -                  |
| <b>Balance as at 31 March 2023</b>                         | <b>21.29</b>       |
| Amortisation expense for the year                          | 2.52               |
| Amortisation Discontinued Operations (Refer note 35)       | 0.20               |
| Disposal of assets                                         | -                  |
| Disposal of assets Discontinued Operations (Refer note 35) | (4.73)             |
| Impairment (Refer note 35)                                 | 2.41               |
| <b>Balance as at 31 March 2024</b>                         | <b>21.69</b>       |
| <b>NET BLOCK</b>                                           |                    |
| Balance as at 31 March 2023                                | 7.66               |
| <b>Balance as at 31 March 2024</b>                         | <b>9.53</b>        |

**NOTE 5A** INTANGIBLE ASSET UNDER DEVELOPMENT (IAUD)

(₹ in Crores)

| Particulars                                      | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--------------------------------------------------|------------------------|------------------------|
| Opening balances                                 | 0.06                   | 0.69                   |
| Add: Additions during the year                   | 0.88                   | -                      |
| Less: capitalisation / deduction during the year | (0.06)                 | (0.63)                 |
| Closing balances                                 | 0.88                   | 0.06                   |

**(i) Ageing schedule**

(₹ in Crores)

| Particulars                    | Amount in IAUD for a period of |           |             |                      | Total       |
|--------------------------------|--------------------------------|-----------|-------------|----------------------|-------------|
|                                | Less than<br>1 year            | 1-2 years | 2-3 years   | More than<br>3 years |             |
| <b>As at 31 March 2024</b>     |                                |           |             |                      |             |
| Projects in progress           | 0.82                           | -         | -           | 0.06                 | 0.88        |
| Projects temporarily suspended | -                              | -         | -           | -                    | -           |
| <b>Total</b>                   | <b>0.82</b>                    | <b>-</b>  | <b>-</b>    | <b>0.06</b>          | <b>0.88</b> |
| <b>As at 31 March 2023</b>     |                                |           |             |                      |             |
| Projects in progress           | -                              | -         | 0.06        | -                    | 0.06        |
| Projects temporarily suspended | -                              | -         | -           | -                    | -           |
| <b>Total</b>                   | <b>-</b>                       | <b>-</b>  | <b>0.06</b> | <b>-</b>             | <b>0.06</b> |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 5A INTANGIBLE ASSET UNDER DEVELOPMENT (IAUD) (Continued)**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24

**Disclosures for projects overdue**

| Particulars                 | Amount in IAUD for a period of |           |           |                   |
|-----------------------------|--------------------------------|-----------|-----------|-------------------|
|                             | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |
| <b>As at March 31, 2024</b> |                                |           |           |                   |
| Software Development        | -                              | -         | -         | -                 |
| <b>As at March 31, 2023</b> |                                |           |           |                   |
| Software Development        | 0.36                           | -         | -         | -                 |

**NOTE 6 FINANCIAL ASSETS - NON-CURRENT INVESTMENTS****I. NON CURRENT INVESTMENTS****A. Investments carried at fair value through OCI****(i) Quoted Investment :****Fully paid :**

|                                   | Face Value | No. of Shares | As at 31 March 2024 | No. of Shares | As at 31 March 2023 |
|-----------------------------------|------------|---------------|---------------------|---------------|---------------------|
| Tata Motors Ltd.                  | 2          | 23,938        | 2.38                | 23,938        | 1.01                |
| Jayshree Tea and Industries Ltd . | 5          | 3,00,000      | 2.81                | 3,00,000      | 2.36                |
| Mangalam Cement Ltd.              | 10         | 23,77,711     | 173.81              | 23,77,711     | 63.10               |
| Century Enka Ltd.                 | 10         | 12,66,887     | 50.95               | 12,66,887     | 43.61               |
| Kesoram Industries Ltd.           | 10         | 76,00,502     | 130.08              | 76,00,502     | 44.54               |
| Birla Tyres Ltd.                  | 10         | 51,16,800     | -                   | 51,16,800     | 2.71                |
|                                   |            |               | <b>360.03</b>       |               | <b>157.33</b>       |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

## (ii) Unquoted Investments :

**Fully paid :**

|                                                    | Face Value | No. of Shares | As at 31 March 2024 | No. of Shares | As at 31 March 2023 |
|----------------------------------------------------|------------|---------------|---------------------|---------------|---------------------|
| Birla Consultants Ltd.                             | 10         | 12,000        | 5.36                | 12,000        | 4.17                |
| Industry House Ltd.                                | 100        | 5,625         | 28.41               | 5,625         | 26.79               |
| Indo Phil Textile Mills Inc., Philippines.         | Peso 10    | 4,22,496      | 3.72                | 4,22,496      | 2.59                |
| Birla International Ltd.- British Virgin Islands   | USD 100    | 2,500         | 4.89                | 2,500         | 4.91                |
| Maharashtra State Financial Corporation            | 100        | 85            | -                   | 85            | -                   |
| Unquoted investments (Refer note (i) & (ii) below) |            |               | 42.38               |               | 38.46               |
| <b>Total (Quoted &amp; unquoted investments)</b>   |            |               | <b>402.41</b>       |               | <b>195.79</b>       |

**B. Investments carried at amortised cost**

| Quoted :                                                | No. of Securities | As at 31 March 2024 | No. of Securities | As at 31 March 2023 |
|---------------------------------------------------------|-------------------|---------------------|-------------------|---------------------|
| Government and Trust Securities :                       |                   |                     |                   |                     |
| 7.95 % (2032) Government of India Bonds                 | 1,00,000          | 1.21                | 1,00,000          | 1.21                |
| 8.20% Government of India Bonds (Oil Special Bond 2024) | 90,000            | 0.89                | 90,000            | 0.89                |
| 8.26% (2027) Government of India Bonds                  | 3,80,000          | 3.72                | 3,80,000          | 3.72                |
| <b>Quoted Government and trust securities</b>           |                   | <b>5.82</b>         |                   | <b>5.82</b>         |
| <b>Total [A] + [B]</b>                                  |                   | <b>408.23</b>       |                   | <b>201.61</b>       |

**C. Investment accounted for using equity method**

## Unquoted investments :

| Investment in joint venture (Refer Note 50) | Face Value | No. of Shares | As at 31 March 2024 | No. of Shares | As at 31 March 2023 |
|---------------------------------------------|------------|---------------|---------------------|---------------|---------------------|
| Birla Advanced Knits Private Limited        | 10         | 2,50,00,000   | 0.76                | 2,50,00,000   | 23.16               |
| <b>Total</b>                                |            |               | <b>0.76</b>         |               | <b>23.16</b>        |
| <b>Total [A] + [B] + [C]</b>                |            |               | <b>408.99</b>       |               | <b>224.77</b>       |





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

## Aggregate Book Value of

(₹ in Crores)

| Particulars                                  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|----------------------------------------------|------------------------|------------------------|
| Quoted Investments                           | 365.85                 | 163.15                 |
| Unquoted Investments                         | 43.14                  | 61.62                  |
|                                              | <b>408.99</b>          | <b>224.77</b>          |
| Aggregate Market Value of Quoted Investments | 365.85                 | 163.15                 |

**Note:**

- (i) Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding. Refer Note 44 for determination of their fair values
- (ii) Investments in unquoted investments includes investment in Industry House Limited (IHL) amounting to ₹ 28.41 Crore (31 March 2023 ₹ 26.79 Crore). The Company is holding 35.28% of equity shares in IHL. As the Company does not have significant influence over Industry House Limited, the Company has not considered it as an associate as per Ind AS 28 "Investments in Associates and Joint Ventures" and hence not consolidated. The Company's share of profit from Industry House Limited is not significant.

**II. CURRENT INVESTMENTS****Investments carried at fair value through profit and loss**

(₹ in Crores)

| Particulars                              | As at<br>31 March 2024 | As at<br>31 March 2023 |
|------------------------------------------|------------------------|------------------------|
| <b>Unquoted :</b>                        |                        |                        |
| Investment in various mutual funds units | 282.66                 | 3.00                   |
|                                          | <b>282.66</b>          | <b>3.00</b>            |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 7 OTHER FINANCIAL ASSETS**

(At amortised cost)

(₹ in Crores)

| Particulars                                                                                               | Non-Current            |                        | Current                |                        |
|-----------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                                           | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>(i) Financial assets at amortised cost</b><br>(Unsecured, considered good, unless otherwise specified) |                        |                        |                        |                        |
| a) Interest receivable                                                                                    | -                      | -                      | 10.05                  | 10.45                  |
| b) Security deposits                                                                                      | 9.96                   | 6.53                   | 2.10                   | 1.55                   |
| c) Unbilled lease rentals                                                                                 | 1.80                   | 1.87                   | 1.51                   | 1.50                   |
| d) Others                                                                                                 | -                      | -                      | 9.18                   | 2.59                   |
| - Doubtful                                                                                                | -                      | -                      | 0.14                   | 0.14                   |
| Less: Allowance for credit loss                                                                           | -                      | -                      | (0.14)                 | (0.14)                 |
|                                                                                                           | <b>11.76</b>           | <b>8.40</b>            | <b>22.84</b>           | <b>16.09</b>           |
| e) Finance lease receivables (Refer Note 45)                                                              | 2.02                   | 1.48                   | 0.69                   | -                      |
| Less: Allowance for credit loss                                                                           | -                      | -                      | -                      | -                      |
|                                                                                                           | <b>2.02</b>            | <b>1.48</b>            | <b>0.69</b>            | <b>-</b>               |
| f) Bank Deposits with more than 12 months remaining maturity                                              | 56.57                  | 10.09                  | -                      | -                      |
| <b>Total</b>                                                                                              | <b>70.35</b>           | <b>19.97</b>           | <b>23.53</b>           | <b>16.09</b>           |

**NOTE 8 OTHER ASSETS**

(Unsecured, considered good, unless otherwise specified)

(₹ in Crores)

| Particulars                                                                                                      | Non-Current            |                        | Current                |                        |
|------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                                                  | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>(a) Capital advances</b>                                                                                      |                        |                        |                        |                        |
| (i) For property, plant and equipment                                                                            | 24.17                  | 7.70                   | -                      | -                      |
|                                                                                                                  | <b>24.17</b>           | <b>7.70</b>            | <b>-</b>               | <b>-</b>               |
| <b>(b) Advances other than capital advances</b>                                                                  |                        |                        |                        |                        |
| (i) Export incentives receivable                                                                                 | 0.53                   | 0.05                   | 7.06                   | 3.95                   |
| (ii) Balances with Government authorities (other than income taxes)                                              | 3.57                   | 7.29                   | 29.84                  | 31.63                  |
| (iii) Amount paid against disputed demands                                                                       | 5.50                   | 4.55                   | -                      | -                      |
| (iv) Advances to vendors / suppliers                                                                             | -                      | -                      | 106.66                 | 135.47                 |
| (v) Prepaid expenses                                                                                             | 0.66                   | 0.83                   | 12.56                  | 32.89                  |
| (vi) Gratuity - plan asset (Refer Note 36)                                                                       | -                      | -                      | 1.64                   | 0.83                   |
| (vii) Contract assets (brokerage on sale of real estates inventories and stamp duty paid on behalf of customers) | -                      | -                      | 207.86                 | 135.02                 |
| (viii) Others                                                                                                    | 1.17                   | 1.16                   | 5.55                   | 3.93                   |
|                                                                                                                  | <b>11.43</b>           | <b>13.88</b>           | <b>371.17</b>          | <b>343.72</b>          |
| <b>Total</b>                                                                                                     | <b>35.60</b>           | <b>21.58</b>           | <b>371.17</b>          | <b>343.72</b>          |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 9 INVENTORIES**

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

(₹ in Crores)

| Particulars                                                         | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------------------------|------------------------|------------------------|
| (a) Raw materials                                                   | 190.75                 | 252.91                 |
| Goods in transit                                                    | 44.08                  | 50.61                  |
| (b) Work-in-progress                                                | 132.41                 | 241.62                 |
| (c) Finished and semi-finished goods                                | 146.78                 | 128.79                 |
| Goods in transit                                                    | 1.70                   | 17.73                  |
| (d) Stock-in-trade of goods acquired for trading                    | -                      | 1.41                   |
| (e) Fuels, stores and spares                                        | 80.42                  | 72.65                  |
| Goods in transit                                                    | 1.17                   | 0.85                   |
| (f) Other materials                                                 | 0.71                   | 2.66                   |
| (g) Real estate inventory                                           |                        |                        |
| Construction Work-in-progress including land [Refer below note (i)] | 3,987.36               | 2,486.87               |
| Completed residential units                                         | 140.39                 | -                      |
| <b>Total</b>                                                        | <b>4,725.77</b>        | <b>3,256.10</b>        |

**Note :****(i) Movement in Inventory Construction Work in Progress**

(₹ in Crores)

| Particulars                                               | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-----------------------------------------------------------|------------------------|------------------------|
| Opening Construction work in Progress                     | 2,486.87               | 1,739.71               |
| Add: Cost Incurred during the year                        |                        |                        |
| Land Cost                                                 | 887.12                 | 145.19                 |
| Finance Cost                                              | 151.62                 | 47.43                  |
| Other Construction and Development Cost                   | 1,111.05               | 554.54                 |
| <b>Total Cost</b>                                         | <b>4,636.66</b>        | <b>2,486.87</b>        |
| Less: Cost Transferred to Finished Goods                  | 140.39                 | -                      |
| Less: Cost related to sales of real estate inventory sold | 508.91                 | -                      |
| <b>Closing Construction Work in Progress</b>              | <b>3,987.36</b>        | <b>2,486.87</b>        |

- (ii) Cost of inventories recognised as an expense includes ₹ 6.47 Crores (31 March 2023 ₹ 3.13 Crores) in respect of write-downs of inventory to net realisable value.
- (iii) For charge created on inventories refer note 14 and 18
- (iv) Real estate inventory includes borrowing costs of ₹ 151.62 crores (31 March 2023 ₹ 47.43 crores)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 10 TRADE RECEIVABLES**

(At amortised cost) Current

(₹ in Crores)

| Particulars                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------|------------------------|------------------------|
| Secured, considered good              | 25.83                  | 10.32                  |
| Unsecured, considered good            | 139.80                 | 146.12                 |
| Unsecured, considered doubtful        | 4.90                   | 0.59                   |
| Less: Allowance for credit losses     | (4.90)                 | (0.59)                 |
| Receivables - credit impaired         | 24.85                  | 23.59                  |
| Less: Allowance for credit losses     | (24.85)                | (23.59)                |
| <b>Total</b>                          | <b>165.63</b>          | <b>156.44</b>          |
| Of the above, trade receivables from: |                        |                        |
| - Related Parties (Refer Note 40)     | 22.78                  | 1.51                   |
| - Others                              | 142.85                 | 154.93                 |
| <b>Total</b>                          | <b>165.63</b>          | <b>156.44</b>          |

**Notes :**

- (i) No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner or a director or a member. Trade receivables are non interest bearing and are generally on terms of 7 to 120 days of credit period.
- (ii) Trade receivables ageing schedule

| Particulars                                        | Outstanding for following periods from invoice date |                      |              |              |                      | Total         |
|----------------------------------------------------|-----------------------------------------------------|----------------------|--------------|--------------|----------------------|---------------|
|                                                    | Less than<br>6 months                               | 6 months<br>– 1 year | 1-2 years    | 2-3 years    | More than<br>3 years |               |
| <b>As at 31 March 2024</b>                         |                                                     |                      |              |              |                      |               |
| Undisputed trade receivables – considered good     | 148.93                                              | 2.83                 | 10.04        | 3.05         | 0.13                 | 164.98        |
| Undisputed trade receivables – credit impaired     | 1.07                                                | 0.41                 | 0.12         | 14.71        | 2.84                 | 19.15         |
| Disputed trade receivables – considered good       | -                                                   | -                    | -            | -            | 0.65                 | 0.65          |
| Undisputed trade receivables – considered doubtful | 1.00                                                | 2.06                 | 1.07         | 0.73         | 0.04                 | 4.90          |
| Disputed trade receivables – credit impaired       | -                                                   | -                    | -            | -            | 5.70                 | 5.70          |
|                                                    | <b>151.01</b>                                       | <b>5.30</b>          | <b>11.23</b> | <b>18.49</b> | <b>9.36</b>          | <b>195.38</b> |
| <b>As at 31 March 2023</b>                         |                                                     |                      |              |              |                      |               |
| Undisputed trade receivables – considered good     | 132.25                                              | 20.85                | 3.08         | 0.02         | 0.15                 | 156.35        |
| Undisputed trade receivables – credit impaired     | -                                                   | -                    | 14.53        | 0.18         | 2.66                 | 17.37         |
| Disputed trade receivables – considered good       | -                                                   | -                    | -            | -            | 0.09                 | 0.09          |
| Undisputed trade receivables – considered doubtful | 0.59                                                | -                    | -            | -            | -                    | 0.59          |
| Disputed trade receivables – credit impaired       | -                                                   | -                    | -            | 0.14         | 6.08                 | 6.22          |
| <b>Total</b>                                       | <b>132.84</b>                                       | <b>20.85</b>         | <b>17.61</b> | <b>0.34</b>  | <b>8.98</b>          | <b>180.62</b> |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 11 CASH AND BANK BALANCES**

(At amortised cost)

(₹ in Crores)

| Particulars                                                                               | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Cash and cash equivalents</b>                                                          |                        |                        |
| (a) Balances with banks                                                                   |                        |                        |
| - Current Accounts [Refer below Note (ii)]                                                | 110.98                 | 20.45                  |
| - Debit balance in cash credit / overdraft accounts                                       | 20.09                  | 15.54                  |
| (b) Cheques and drafts on hand                                                            | 27.41                  | 2.39                   |
| (c) Cash on hand                                                                          | 0.08                   | 0.05                   |
| (d) Fixed deposits with original maturity less than 3 months (including interest accrued) | 214.16                 | 10.08                  |
| <b>Total</b>                                                                              | <b>372.72</b>          | <b>48.51</b>           |
| <b>Other Bank Balances</b>                                                                |                        |                        |
| (a) Earmarked balances with banks                                                         |                        |                        |
| - Unclaimed dividend accounts                                                             | 1.47                   | 1.67                   |
| (b) Balances with banks:                                                                  |                        |                        |
| - Fixed deposits with maturity more than 3 months (including interest accrued)            | 14.57                  | 48.73                  |
| - On margin accounts                                                                      | 12.74                  | 52.22                  |
| <b>Total</b>                                                                              | <b>28.78</b>           | <b>102.62</b>          |

**Notes :**

- (i) Short term fixed deposits are varying between three months and twelve months, depending on the immediate cash requirements and earn interest at the respective short term deposit rate. Interest rate is between 3.10% to 8.00% (31 March 2023 - 4.40% to 8.00%)
- (ii) Current accounts includes ₹ 36.00 Crores (31 March 2023 : ₹ 5.02 Crores) held in escrow account for a project under Real Estate (Regulation and Development) Act, 2016 ("RERA"). The money can be utilised for payments of the specified projects only.

**NOTE 12 EQUITY SHARE CAPITAL**

(₹ in Crores)

| Particulars                                                                                                      | As at<br>31 March 2024 | As at<br>31 March 2023 |
|------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>(a) Authorised :</b>                                                                                          |                        |                        |
| 14,80,00,000 (31 March 2023 - 14,80,00,000) Equity Shares of ₹ 10 each.                                          | 148.00                 | 148.00                 |
| 1,00,00,000 (31 March 2023 - 1,00,00,000) Redeemable Cumulative Non-convertible Preference Shares of ₹ 100 each. | 100.00                 | 100.00                 |
|                                                                                                                  | <b>248.00</b>          | <b>248.00</b>          |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 12 EQUITY SHARE CAPITAL** (Continued)

(₹ in Crores)

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | As at<br>31 March 2024 | As at<br>31 March 2023 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>(b) Issued :</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                        |                        |
| 11,17,11,090 (31 March 2023 - 11,17,11,090) Equity Shares of ₹ 10 each.                                                                                                                                                                                                                                                                                                                                                                                                                                                | 111.71                 | 111.71                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>111.71</b>          | <b>111.71</b>          |
| <b>(c) Subscribed and paid up:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                        |                        |
| 11,16,95,680 (31 March 2023 - 11,16,95,680) Equity Shares of ₹ 10 each, fully paid up<br>(The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.) | 111.69                 | 111.69                 |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>111.69</b>          | <b>111.69</b>          |

**(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.**

|                                         | Opening Balance | Fresh Issue | Closing Balance |
|-----------------------------------------|-----------------|-------------|-----------------|
| <b>Equity shares with voting rights</b> |                 |             |                 |
| <b>Year ended 31 March 2024</b>         |                 |             |                 |
| No. of shares                           | 11,16,95,680    | -           | 11,16,95,680    |
| Amount (₹ in Crores)                    | 111.69          | -           | 111.69          |
| <b>Year ended 31 March 2023</b>         |                 |             |                 |
| No. of shares                           | 11,16,95,680    | -           | 11,16,95,680    |
| <b>Amount (₹ in Crores)</b>             | <b>111.69</b>   | <b>-</b>    | <b>111.69</b>   |

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

| Class of shares / Name of shareholders                   | As at 31 March 2024   |            | As at 31 March 2023   |            |
|----------------------------------------------------------|-----------------------|------------|-----------------------|------------|
|                                                          | Number of shares held | Percentage | Number of shares held | Percentage |
| <b>Equity shares with voting rights</b>                  |                       |            |                       |            |
| (a) Pilani Investment and Industries Corporation Limited | 3,69,78,570           | 33.11%     | 3,69,78,570           | 33.11%     |
| (b) IGH Holding Private Limited                          | 1,11,50,000           | 9.98%      | 1,11,50,000           | 9.98%      |
| (c) Umang Commercial Company Private Limited             | 75,60,900             | 6.77%      | 75,60,900             | 6.77%      |

- (f)** The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31 March 2024.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 12 EQUITY SHARE CAPITAL** (Continued)**(g) Details of shares held by promoters and promoters group**

| Equity share of ₹ 10 each fully paid up              | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % in total shares | % change during the year |
|------------------------------------------------------|--------------------------------------------|------------------------|--------------------------------------|-------------------|--------------------------|
| <b>As at 31 March 2024</b>                           |                                            |                        |                                      |                   |                          |
| Pilani Investment And Industries Corporation Limited | 3,69,78,570                                | -                      | 3,69,78,570                          | 33.11%            | -                        |
| IGH Holdings Private Limited                         | 1,11,50,000                                | -                      | 1,11,50,000                          | 9.98%             | -                        |
| Umang Commercial Company Private Limited             | 75,60,900                                  | -                      | 75,60,900                            | 6.77%             | -                        |
| Estate of deceased Basant Kumar Birla                | 1,99,800                                   | -                      | 1,99,800                             | 0.18%             | -                        |
| Prakash Educational Society                          | 1,28,000                                   | -                      | 1,28,000                             | 0.11%             | -                        |
| Birla Educational Institution                        | 44,000                                     | -                      | 44,000                               | 0.04%             | -                        |
| Padmavati Investment Private Limited                 | 16,700                                     | -                      | 16,700                               | 0.01%             | -                        |
| <b>Total</b>                                         | <b>5,60,77,970</b>                         | <b>-</b>               | <b>5,60,77,970</b>                   | <b>50.21%</b>     | <b>-</b>                 |
| <b>As at 31 March 2023</b>                           |                                            |                        |                                      |                   |                          |
| Pilani Investment And Industries Corporation Limited | 3,69,78,570                                | -                      | 3,69,78,570                          | 33.11%            | -                        |
| IGH Holdings Private Limited                         | 1,11,50,000                                | -                      | 1,11,50,000                          | 9.98%             | -                        |
| Umang Commercial Company Private Limited             | 75,60,900                                  | -                      | 75,60,900                            | 6.77%             | -                        |
| Estate of deceased Basant Kumar Birla                | 1,99,800                                   | -                      | 1,99,800                             | 0.18%             | -                        |
| Prakash Educational Society                          | 1,28,000                                   | -                      | 1,28,000                             | 0.11%             | -                        |
| Birla Educational Institution                        | 44,000                                     | -                      | 44,000                               | 0.04%             | -                        |
| Padmavati Investment Private Limited                 | 16,700                                     | -                      | 16,700                               | 0.01%             | -                        |
| <b>Total</b>                                         | <b>5,60,77,970</b>                         | <b>-</b>               | <b>5,60,77,970</b>                   | <b>50.21%</b>     | <b>-</b>                 |

**NOTE 13 OTHER EQUITY**

(₹ in Crores)

| Particulars                   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-------------------------------|------------------------|------------------------|
| <b>(a) Securities Premium</b> | 643.22                 | 643.22                 |
|                               | <b>643.22</b>          | <b>643.22</b>          |

**Note :**

- (i) Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 13 OTHER EQUITY** (Continued)**(b) Other reserves**

|                                |        |        |
|--------------------------------|--------|--------|
| (i) Capital Redemption Reserve | 100.00 | 100.00 |
|--------------------------------|--------|--------|

**Note :**

Capital redemption reserves was created during the year ended 31 March 2001, on redemption of 10.25% Redeemable Cumulative Non-convertible Preference Shares privately placed with financial institutions and banks. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**(c) Dividend distribution made and proposed**

(₹ in Crores)

| Particulars                                                                                             | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Cash dividends on equity shares paid during the year</b>                                             |                        |                        |
| Dividend for the year ended on 31 March 2023: ₹ 5.00 per share<br>(31 March 2022 ₹ 4.00 per share)      | 55.85                  | 44.68                  |
|                                                                                                         | <b>55.85</b>           | <b>44.68</b>           |
| <b>Proposed dividend on equity shares</b>                                                               |                        |                        |
| Proposed dividend for the year ended on 31 March 2024 ₹ 5 per share<br>(31 March 2023 ₹ 5.00 per share) | 55.85                  | 55.85                  |
|                                                                                                         | <b>55.85</b>           | <b>55.85</b>           |

**Notes :**

- Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2024.
- Dividend disclosed above includes dividend on treasury shares held by CTIL Employee Welfare Trust amounting to ₹ 0.62 Crores (31 March 2023 - Nil)

**(d) General Reserves**

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

**(e) Other Comprehensive Income****FVOCI equity investments:**

The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 13 OTHER EQUITY** (Continued)**(f) Treasury Shares :**

(₹ in Crores)

| Particulars                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------|------------------------|------------------------|
| Balance at the beginning of the year  | -                      | -                      |
| Add: Purchase of Treasury Shares      | (94.99)                | -                      |
| <b>Balance at the end of the year</b> | <b>(94.99)</b>         | <b>-</b>               |

The said reserve shall be utilised by the Company for issue of equity shares of the Company against rights exercisable by the eligible employees under the CTIL Option Scheme 2023.

**(g) Employee Stock Options Reserve:**

(₹ in Crores)

| Particulars                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------|------------------------|------------------------|
| Balance at the beginning of the year  | -                      | -                      |
| Add: Employee Stock Options Granted   | 11.16                  | -                      |
| <b>Balance at the end of the year</b> | <b>11.16</b>           | <b>-</b>               |

The Company has CTIL Option Scheme 2023 (The Scheme) under which options to subscribe for the Company's shares have been granted to the eligible employees of its wholly owned Subsidiary viz. Birla Estates Private Limited. The Employee stock options reserve is used to recognise the value of equity settled share-based payments provided to its eligible employees. The said reserve shall be utilised by the Company for issue of its equity shares against the right exercisable by the eligible employees under the scheme.

**NOTE 14 BORROWINGS**

(₹ in Crores)

| Particulars                                                                                                                                                        | Non-Current            |                        | Current Maturities     |                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                                                                                                    | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>Measured at Amortised Cost</b>                                                                                                                                  |                        |                        |                        |                        |
| <b>(A) Secured Non Convertible Debentures</b>                                                                                                                      |                        |                        |                        |                        |
| 1. 120 (31 March 2023 - 2,500) Redeemable Non Convertible debentures (Redeemable in bullet payment on Feb' 2025, Interest rate as at 31 March 2024 - 6.32 % p.a)   | -                      | -                      | 11.91                  | 249.86                 |
| <b>(B) Unsecured non convertible debentures</b>                                                                                                                    |                        |                        |                        |                        |
| 2. 40,000 (31 March 2023 - 40,000) Unsecured Non Convertible debentures (Redeemable in bullet payment on Jan' 2026 Interest rate as at 31 March 2024 - 7.97 % p.a) | 399.41                 | 399.09                 | -                      | -                      |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 14** **BORROWINGS** (Continued)

(₹ in Crores)

| Particulars                                                                                                                                                                   | Non-Current            |                        | Current Maturities     |                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                                                                                                               | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| 3. 40,000 (31 March 2023 - Nil) Unsecured Non Convertible debentures (Redeemable in bullet payment on Apr' 2026 Interest rate as at 31 March 2024 - 8.10 % p.a)               | 399.43                 | -                      | -                      | -                      |
| 4. 25,000 (31 March 2023 - Nil) Unsecured Non Convertible debentures (Redeemable in bullet payment on Mar' 2027 Interest rate as at 31 March 2024 - 8.05 % p.a)               | 249.78                 | -                      | -                      | -                      |
| <b>(C) Term Loan from Bank - Secured</b>                                                                                                                                      |                        |                        |                        |                        |
| 5. Term loan from Axis Bank (Repayable in 16 instalments, last instalment repaid on Sep' 2023)                                                                                | -                      | -                      | -                      | 56.23                  |
| 6. Term loan from State Bank of India (Repayable in 15 Quarterly Installments, last instalment falling due on Oct' 2027. Interest rate as at 31.03.2024 - 8.50 % p.a)         | 129.70                 | -                      | 20.00                  | -                      |
| 7. Term loan from Kotak Bank (Repayable in 12 Quarterly Installments, last instalment falling due on Mar' 2028. Interest rate as at 31.03.2024 - 8.50 % p.a)                  | 99.95                  | -                      | -                      | -                      |
| 8. Term Loan from HDFC Bank (Repayable in 18 monthly instalments, last instalment falling repaid May' 2023)                                                                   | -                      | -                      | -                      | 133.65                 |
| 9. Term Loan from ICICI Bank (Repayable in 9 monthly instalments, last instalment falling due on Dec' 2025) Interest rate as at 31.03.2024 - 8.75 % p.a                       | 180.00                 | -                      | -                      | -                      |
| <b>(D) Term Loan from financial institution - Secured</b>                                                                                                                     |                        |                        |                        |                        |
| 10. Term Loan from Bajaj Housing Finance (Repayable in monthly instalments from Sep'25, last instalment falling due on Aug' 2038) Interest rate as at 31.03.2024 - 8.55 % p.a | 897.47                 | -                      | -                      | -                      |
| Amount disclosed under the head Borrowings - Current " (Refer Note 18 )                                                                                                       | -                      | -                      | (31.91)                | (439.74)               |
| <b>Total</b>                                                                                                                                                                  | <b>2,355.74</b>        | <b>399.09</b>          | <b>-</b>               | <b>-</b>               |

Effective rate of Interest : All the term loans are carried at the Interest rate from 6.32% to 8.90% (31 March 2023 - 6.32% to 8.95%)



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 14** **BORROWINGS** (Continued)**Note :-****Details of Security:****1. Loans covered in Sr. No. 1, 6 & 7 :**

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

**2. Loans covered in Sr. No. 5 :**

First pari passu charge on the present and future movable fixed assets of the Company's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand. Negative lien on the present and future immovable fixed assets of the Company's Birla Century unit at Bharuch Gujarat and Pulp & Paper unit at Lalkuan, Uttarakhand.

**3. Loan covered in Sr. No. 8 :**

Primary security : First and exclusive charge on land and building and current assets of Birla Vanya Real Estates Project situated at Shahad, Kalyan.

**4. Loan covered in Sr. No. 9 :**

Exclusive charge by way registered mortgage on property, development rights of the property, unsold inventory including any cancellation, present and future receivables and all insurance proceeds, Escrow and DSR account and all investment in respect thereof of the Birla Vanya Real Estates project situated at Shahad, Kalyan.

**5. Loans covered in Sr. No. 10 :**

Primary Security :

- first and exclusive charge by way of registered mortgage of land and commercial tower of Birla Centurion Building Birla Aurora Building situated at worli, Mumbai.
- charge on escrow account of commercial lease rental

**6. Loan covenants**

Bank loan and NCDs contain certain debt covenants relating to total term loan to tangible net worth, fixed asset coverage ratio, net debt to equity ratio, debt service coverage ratio, total debt to EBITDA and interest coverage ratio. The Company is compliant with the said covenants during the year ended 31 March 2024. The Company has also satisfied all other debt covenants prescribed in the terms of bank loan and NCDs.

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

**NOTE 14A** **LEASE LIABILITIES**

(₹ in Crores)

| Particulars                     | Non-Current            |                        | Current                |                        |
|---------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                 | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Lease liability (Refer Note 45) | 17.85                  | 19.34                  | 2.30                   | 2.26                   |
|                                 | <b>17.85</b>           | <b>19.34</b>           | <b>2.30</b>            | <b>2.26</b>            |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 15 OTHER FINANCIAL LIABILITIES**

(₹ in Crores)

| Particulars                                                   | Non-Current            |                        | Current                |                        |
|---------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                               | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>Other Financial Liabilities measured at amortised cost</b> |                        |                        |                        |                        |
| (a) Deposits from dealers and agents                          | -                      | -                      | 59.46                  | 73.69                  |
| (b) Deposits against rental arrangements                      | 127.63                 | 117.33                 | 80.17                  | 58.90                  |
| (c) Interest accrued on borrowings                            | -                      | -                      | 41.36                  | 10.81                  |
| (d) Unclaimed / unpaid dividends (Refer Note below (i))       | -                      | -                      | 1.47                   | 1.67                   |
| (e) Creditors for capital supplies / services                 | -                      | -                      | 10.29                  | 20.82                  |
| (f) Earnest money on booking of residential inventory         | -                      | -                      | 1.61                   | 0.55                   |
| (g) Sinking fund deposit from customer                        | -                      | -                      | 2.61                   | -                      |
| (h) Other liabilities                                         | 0.49                   | 0.49                   | 12.94                  | 8.87                   |
|                                                               | <b>128.12</b>          | <b>117.82</b>          | <b>209.91</b>          | <b>175.31</b>          |
| <b>Total</b>                                                  | <b>128.12</b>          | <b>117.82</b>          | <b>209.91</b>          | <b>175.31</b>          |

**Note :-**

(i) Unclaimed dividend amounting to ₹ 0.05 crore (31 March 2023 ₹ 0.05 crore) is pending on account of litigation among claimants / notices from the tax recovery officer.

(ii) Derivative financial instruments:

The Company entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss.

Derivative instruments at fair value through profit or loss reflect the negative change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

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

| Particulars                                                                        | As at<br>1 April 2023 | Cash flow       | As at<br>31 March 2024 |
|------------------------------------------------------------------------------------|-----------------------|-----------------|------------------------|
| <b>Non- current borrowings</b>                                                     |                       |                 |                        |
| Long term borrowings (including current maturities and excluding interest accrued) | 838.83                | 1,548.82        | 2,387.65               |
| <b>Current borrowings</b>                                                          |                       |                 |                        |
| Working capital demand loan                                                        | -                     | 8.50            | 8.50                   |
| Line of Credit                                                                     | -                     | 25.00           | 25.00                  |
| Pre-shipment, Post-shipment and Export Bills Discounting facilities                | 30.00                 | (30.00)         | -                      |
| <b>Total</b>                                                                       | <b>868.83</b>         | <b>1,552.32</b> | <b>2,421.15</b>        |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 15 OTHER FINANCIAL LIABILITIES** (Continued)

| Particulars                                                                        | As at<br>1 April 2022 | Cash flow       | As at<br>31 March 2023 |
|------------------------------------------------------------------------------------|-----------------------|-----------------|------------------------|
| <b>Non- current borrowings</b>                                                     |                       |                 |                        |
| Long term borrowings (including current maturities and excluding interest accrued) | 931.14                | (92.31)         | 838.83                 |
| <b>Current borrowings</b>                                                          |                       |                 |                        |
| Pre-shipment, Post-shipment and Export Bills Discounting facilities                | 60.00                 | (30.00)         | 30.00                  |
| Commercial Papers                                                                  | 313.27                | (313.27)        | -                      |
| <b>Total</b>                                                                       | <b>1,304.41</b>       | <b>(435.58)</b> | <b>868.83</b>          |

**NOTE 16 INCOME TAX**

(₹ in Crores)

| Particulars                                                                                    | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>(a) Tax expense recognised in the Statement of Profit and Loss on continuing operations</b> |                             |                             |
| <b>Current tax</b>                                                                             |                             |                             |
| In respect of current year                                                                     | 117.45                      | 92.84                       |
|                                                                                                | <b>117.45</b>               | <b>92.84</b>                |
| Minimum Alternate Tax (MAT) Credit entitlement                                                 | -                           | -                           |
|                                                                                                | <b>117.45</b>               | <b>92.84</b>                |
| <b>Deferred tax</b>                                                                            |                             |                             |
| In respect of current year                                                                     | 27.39                       | 79.54                       |
| In respect of earlier years                                                                    | 0.19                        | 0.55                        |
|                                                                                                | <b>27.58</b>                | <b>80.09</b>                |
| <b>Total income tax expense on continuing operations</b>                                       | <b>145.03</b>               | <b>172.93</b>               |
| <b>Tax expense recognised in the Statement of Profit and Loss on discontinuing operations</b>  |                             |                             |
| <b>Current tax</b>                                                                             |                             |                             |
| In respect of current year                                                                     | -                           | -                           |
| <b>Deferred tax</b>                                                                            |                             |                             |
| In respect of current year                                                                     | (131.59)                    | (31.23)                     |
| <b>Total income tax expense on discontinuing operations</b>                                    | <b>(131.59)</b>             | <b>(31.23)</b>              |
| <b>Net tax expense recognised in the Statement Profit and Loss</b>                             | <b>13.44</b>                | <b>141.70</b>               |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 16** INCOME TAX (Continued)

(₹ in Crores)

| Particulars                                                                                                                                                | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>(b) Income tax recognised in other comprehensive income</b>                                                                                             |                             |                             |
| Deferred tax related to items recognised in other comprehensive income during the year:                                                                    |                             |                             |
| Remeasurement of defined benefit obligations - continuing operations                                                                                       | (0.10)                      | 0.47                        |
| Remeasurement of defined benefit obligations - discounting operations                                                                                      | (0.44)                      | 0.17                        |
| Fair value through Other Comprehensive Income (OCI) - Equity Instruments                                                                                   | 24.39                       | -                           |
|                                                                                                                                                            | <b>23.85</b>                | <b>0.64</b>                 |
| Classification of income tax recognised in other comprehensive income                                                                                      |                             |                             |
| Income taxes related to items that will not be reclassified to profit or loss                                                                              | 24.39                       | -                           |
| Income taxes related to items that will be reclassified to profit or loss                                                                                  | (0.54)                      | 0.64                        |
|                                                                                                                                                            | <b>23.85</b>                | <b>0.64</b>                 |
| <b>(c) Amounts Recognised directly in Equity - Nil (31 March 2023 - Nil)</b>                                                                               |                             |                             |
| <b>(d) Reconciliation of effective tax rate:</b>                                                                                                           |                             |                             |
| <b>Profit/(loss) before tax from continuing operations</b>                                                                                                 | <b>449.89</b>               | <b>495.52</b>               |
| Income tax expense calculated at 34.944% (31 March 2023 - 34.944%)                                                                                         | 157.21                      | 173.15                      |
| Income taxable at different tax rates                                                                                                                      | (15.82)                     | (21.99)                     |
| Effect of income that is exempt from taxation                                                                                                              | (0.57)                      | (0.62)                      |
| Effect of expenses that is non-deductible in determining taxable profit                                                                                    | 1.70                        | 1.59                        |
| Profit taxable at different tax rates for subsidiaries and measurement of deferred tax @ 25.17% for deferred tax expected to be reversed in new tax regime | 4.27                        | 4.47                        |
| Others                                                                                                                                                     | (2.31)                      | 15.78                       |
|                                                                                                                                                            | <b>144.48</b>               | <b>172.38</b>               |
| Adjustments recognised in the current year in relation to the deferred tax of prior years (Refer Note ii)                                                  | 0.55                        | 0.55                        |
| Income tax expense recognised in profit or loss from continuing operations                                                                                 | <b>145.03</b>               | <b>172.93</b>               |
| <b>Profit / (loss) before tax from discontinuing operations</b>                                                                                            | <b>(376.07)</b>             | <b>(89.27)</b>              |
| Income tax expense calculated at 34.944% (31 March 2023 - 34.944%)                                                                                         | (131.59)                    | (31.23)                     |
| Income tax expense recognised In profit or loss from discontinuing operations                                                                              | <b>(131.59)</b>             | <b>(31.23)</b>              |

**Note :**

- (i) The tax rate used for above deferred tax reconciliation for 31 March 2024 and 31 March 2023 is 34.944% respectively.





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 16 INCOME TAX** (Continued)**(e) The movement in deferred tax assets and liabilities during the year ended 31 March 2024 and 31 March 2023 :**

(₹ in Crores)

| Deferred Tax                                | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------|------------------------|------------------------|
| Deferred tax assets                         | 94.96                  | 48.08                  |
| Deferred tax liabilities                    | 11.64                  | 40.64                  |
| <b>Net Deferred Tax liability / (asset)</b> | <b>(83.32)</b>         | <b>(7.44)</b>          |

(₹ in Crores)

| Movement during the year ended<br>31 March 2024                                   | As at<br>31 March 2023 | Recognised in<br>profit and Loss | Recognised in Other<br>comprehensive<br>income | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------|------------------------|----------------------------------|------------------------------------------------|------------------------|
| Tax effect of items constituting deferred tax liabilities                         |                        |                                  |                                                |                        |
| (i) Property, plant and equipments, investment property and real estate Inventory | 598.62                 | (61.51)                          | -                                              | 537.11                 |
| (ii) Fair value of investments                                                    | -                      | -                                | 24.39                                          | 24.39                  |
| (iii) Others                                                                      | 40.95                  | -                                | -                                              | 40.95                  |
|                                                                                   | <b>639.57</b>          | <b>(61.51)</b>                   | <b>24.39</b>                                   | <b>602.45</b>          |
| <b>Tax effect of items constituting deferred tax assets</b>                       |                        |                                  |                                                |                        |
| (i) Employee benefits                                                             | 9.28                   | (0.76)                           | 0.54                                           | 9.06                   |
| (ii) Expenses allowable for tax purpose when paid                                 | 4.67                   | -                                | -                                              | 4.67                   |
| (iii) Tax losses                                                                  | 68.72                  | 82.53                            | -                                              | 151.25                 |
| (iv) Interest Income on unwinding of financial assets                             | 23.14                  | -                                | -                                              | 23.14                  |
| (v) Other temporary differences                                                   | 33.72                  | 4.74                             | -                                              | 38.46                  |
| (vi) Upfront royalty                                                              | 110.25                 | (14.99)                          | -                                              | 95.26                  |
|                                                                                   | <b>249.78</b>          | <b>71.52</b>                     | <b>0.54</b>                                    | <b>321.84</b>          |
| <b>Deferred Tax liability / (asset)</b>                                           | 389.79                 | (133.03)                         | 23.85                                          | 280.61                 |
| MAT credit                                                                        | (397.22)               | 33.29                            | -                                              | (363.93)               |
| <b>Net Deferred Tax liability / (asset)</b>                                       | <b>(7.43)</b>          | <b>(99.74)</b>                   | <b>23.85</b>                                   | <b>(83.32)</b>         |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 16 INCOME TAX** (Continued)

(₹ in Crores)

| Movement during the year ended<br>31 March 2023                                   | As at<br>31 March 2022 | Recognised in<br>profit and Loss | Recognised in Other<br>comprehensive<br>income | As at<br>31 March 2023 |
|-----------------------------------------------------------------------------------|------------------------|----------------------------------|------------------------------------------------|------------------------|
| Tax effect of items constituting deferred tax liabilities                         |                        |                                  |                                                |                        |
| (i) Property, plant and equipments, investment property and real estate Inventory | 603.78                 | (5.16)                           | -                                              | 598.62                 |
| (ii) Others                                                                       | 40.95                  | -                                | -                                              | 40.95                  |
|                                                                                   | <b>644.73</b>          | <b>(5.16)</b>                    | <b>-</b>                                       | <b>639.57</b>          |
| Tax effect of items constituting deferred tax assets                              |                        |                                  |                                                |                        |
| (i) Employee benefits                                                             | 9.49                   | 0.43                             | (0.64)                                         | 9.28                   |
| (ii) Expenses allowable for tax purpose when paid                                 | 4.66                   | 0.01                             | -                                              | 4.67                   |
| (iii) Tax losses                                                                  | 99.47                  | (30.75)                          | -                                              | 68.72                  |
| (iv) Interest Income on unwinding of financial assets                             | 23.14                  | -                                | -                                              | 23.14                  |
| (v) Other temporary differences                                                   | 23.25                  | 10.47                            | -                                              | 33.72                  |
| (vi) Upfront royalty                                                              | 125.11                 | (14.86)                          | -                                              | 110.25                 |
|                                                                                   | <b>285.12</b>          | <b>(34.70)</b>                   | <b>(0.64)</b>                                  | <b>249.78</b>          |
| <b>Deferred Tax liability / (asset)</b>                                           | <b>359.60</b>          | <b>29.54</b>                     | <b>0.64</b>                                    | <b>389.78</b>          |
| MAT credit                                                                        | (416.54)               | 19.32                            | -                                              | (397.22)               |
| <b>Net Deferred Tax liability / (asset)</b>                                       | <b>(56.94)</b>         | <b>48.86</b>                     | <b>0.64</b>                                    | <b>(7.44)</b>          |

**NOTE 17 OTHER LIABILITIES**

(₹ in Crores)

| Particulars                                                                                      | Non-Current            |                        | Current                |                        |
|--------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                                  | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| (a) Advances received from customers (includes amount received on sale of Real Estates Projects) | -                      | -                      | 2,117.04               | 1,484.49               |
| (b) Deferred revenue - Government grant (Refer Note below)                                       | 0.48                   | 11.63                  | -                      | -                      |
| (c) Deferred revenue (Refer Note 33)                                                             | 391.93                 | 442.87                 | 51.90                  | 52.78                  |
| (d) Statutory dues                                                                               |                        |                        |                        |                        |
| - Taxes payable (other than income taxes)                                                        | -                      | -                      | 64.18                  | 55.04                  |
| - Employee recoveries and employer contributions                                                 | -                      | -                      | 2.21                   | 2.10                   |
| (e) Other liabilities                                                                            | -                      | -                      | 0.20                   | 0.25                   |
| <b>Total</b>                                                                                     | <b>392.41</b>          | <b>454.50</b>          | <b>2,235.53</b>        | <b>1,594.66</b>        |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 17 OTHER LIABILITIES** (Continued)**Note : Government grants**

(₹ in Crores)

| Particulars                                  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|----------------------------------------------|------------------------|------------------------|
| Opening                                      | 11.63                  | 27.63                  |
| Received during the year                     | 0.48                   | -                      |
| Released to the statement of profit and loss | (11.63)                | (16.00)                |
| <b>Closing</b>                               | <b>0.48</b>            | <b>11.63</b>           |

Under the Export Promotion Capital Goods (EPCG) Scheme, the Company received Government grant for the purchase of certain items of property, plant and equipments. As per the EPCG scheme the Company has an obligation to export up to 6 times of grant amount. As and when the Company fulfils the export obligation, proportionate grant is released to the Statement of profit and loss (Refer Note 39).

**NOTE 18 BORROWINGS - CURRENT**

(₹ in Crores)

| Particulars                                                         | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------------------------|------------------------|------------------------|
| <b>Secured borrowings measured at amortised cost.</b>               |                        |                        |
| <b>(a) Loans repayable on demand from banks</b>                     |                        |                        |
| Cash credit from banks / Overdraft facility form Banks              | 60.39                  | 133.88                 |
| Working capital demand loan                                         | 8.50                   | -                      |
| Pre-shipment, post-shipment and export bills discounting facilities | -                      | 30.00                  |
| Line of Credit                                                      | 25.00                  | 35.00                  |
| <b>Unsecured borrowings measured at amortised cost.</b>             |                        |                        |
| <b>(b) Current maturity of long-term loans:</b>                     |                        |                        |
| Current maturity of long-term loans                                 | 31.91                  | 439.74                 |
| <b>Total</b>                                                        | <b>125.80</b>          | <b>638.62</b>          |

**Note:****Nature of security**

- (i) Cash credit / Overdraft facility form Banks of ₹ 8.50 Crores (31 March 2023 ₹ 19.82 crores) are secured against a first and pari passu charge over the current assets (including documents of title to goods/related receivables) and collateral security on a pari-passu basis over the present and future property plant and equipments (plant and machinery) of Birla Century (Gujarat), Century Pulp and paper.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 18 BORROWINGS - CURRENT** (Continued)

- (ii) Cash credit / Overdraft facility form Banks of ₹ Nil crores (31 March 2023 ₹ 0.19 crores) from banks are secured against first pari passu charge on current assets of the Birla Estates Private Limited, both present and future, exclusive mortgage of land and building situated at Sahad, opposite chemical land, Kalyan and first & exclusive charge on current assets of the company's Birla Vanya project at Kalyan.
- (iii) Cash credit / Overdraft facility of ₹ 0.44 crores (31 March 2023 ₹ 113.87 crores) & Line of credit from banks are secured against a first and pari passu charge with other facility by way of registered mortgage on the property, project, future scheduled receivable of the project and all insurance proceed, both present and future, on security of all rights, title, interest, claims, benefits, demands under the project documents of both present and future, on the escrow and DSR account of the project including all monies credited / deposited therein and all investment in respect thereof.
- All such sold units of secured project, booking of which are subsequently cancelled by customer shall continue to stand mortgaged to the lender.
- (iv) Cash credit / Overdraft facility form Banks of ₹ 59.95 crores (31 March 2023 ₹ Nil crores) from banks are secured against Exclusive charge by way registered mortgage on property, development rights of the property, unsold inventory including any cancellation, present and future receivables and all insurance proceeds, Escrow and DSR account and all investment in respect thereof of the Birla Vanya project situated at Shahad, Kalyan.

**NOTE 19 TRADE PAYABLES**

(₹ in Crores)

| Particulars                                                                                 | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------------------------------------------------|------------------------|------------------------|
| Total outstanding dues of micro enterprises and small enterprises (Refer Note 34)           | 8.56                   | 19.11                  |
| Total outstanding dues of trade payables other than micro enterprises and small enterprises | 739.71                 | 766.40                 |
| <b>Total</b>                                                                                | <b>748.27</b>          | <b>785.51</b>          |

**Note :**

- (a) The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.
- (b) Trade payables are non interest bearing and are normally settled on 60-90 days terms. Acceptances are interest bearing and have an average term of six months. There are no other amounts paid / payable towards interest / principal under the MSMED.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 19 TRADE PAYABLES** (Continued)

(c) Trade payables ageing schedule

| Particulars                                                                                       | Outstanding for following periods from invoice date |              |              |                      |               |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------|--------------|----------------------|---------------|
|                                                                                                   | Less than<br>1 year                                 | 1-2 years    | 2-3 years    | More than<br>3 years | Total         |
| <b>As at 31 March 2024</b>                                                                        |                                                     |              |              |                      |               |
| Undisputed total outstanding dues of micro enterprises and small enterprises                      | 8.56                                                | -            | -            | -                    | 8.56          |
| Undisputed total outstanding dues of creditors other than micro enterprises and small enterprises | 667.07                                              | 24.46        | 34.63        | 13.55                | 739.71        |
| Disputed dues of creditors other than micro enterprises and small enterprises                     | -                                                   | -            | -            | -                    | -             |
| <b>Total</b>                                                                                      | <b>675.63</b>                                       | <b>24.46</b> | <b>34.63</b> | <b>13.55</b>         | <b>748.27</b> |
| <b>As at 31 March 2023</b>                                                                        |                                                     |              |              |                      |               |
| Undisputed total outstanding dues of micro enterprises and small enterprises                      | 19.11                                               | -            | -            | -                    | 19.11         |
| Undisputed total outstanding dues of creditors other than micro enterprises and small enterprises | 702.43                                              | 44.32        | 7.38         | 12.27                | 766.40        |
| Disputed dues of creditors other than micro enterprises and small enterprises                     | -                                                   | -            | -            | -                    | -             |
| <b>Total</b>                                                                                      | <b>721.54</b>                                       | <b>44.32</b> | <b>7.38</b>  | <b>12.27</b>         | <b>785.51</b> |

**NOTE 20 PROVISIONS**

(₹ in Crores)

| Particulars                                | Non-Current            |                        | Current                |                        |
|--------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                            | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>(a) Provision for employee benefits</b> |                        |                        |                        |                        |
| (i) Leave entitlement                      | 3.42                   | 2.41                   | 23.35                  | 23.59                  |
| (ii) Gratuity (Refer Note 36)              | 4.53                   | 0.07                   | 0.59                   | 3.65                   |
|                                            | 7.95                   | 2.48                   | 23.94                  | 27.24                  |
| <b>(b) Other Provisions</b>                |                        |                        |                        |                        |
| (i) Disputed matters (Refer Note 37)       | -                      | -                      | 155.75                 | 155.22                 |
| (ii) Other Provisions                      | -                      | -                      | 0.25                   | -                      |
|                                            | -                      | -                      | 156.00                 | 155.22                 |
| <b>Total</b>                               | <b>7.95</b>            | <b>2.48</b>            | <b>179.94</b>          | <b>182.46</b>          |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 21 REVENUE FROM OPERATIONS**

(₹ in Crores)

| Particulars                                                                        |        |          | Year Ended 31<br>March 2024 | Year Ended 31<br>March 2023 |
|------------------------------------------------------------------------------------|--------|----------|-----------------------------|-----------------------------|
| (a) Sale of products                                                               |        | 3,382.40 |                             | 3,581.10                    |
| (b) Revenue from sale land, construction and other related real estate development |        | 678.12   |                             | -                           |
| (c) Rent from leased properties:                                                   |        |          |                             |                             |
| Rent from Investment properties (Refer Note 4)                                     | 138.96 |          |                             | 124.73                      |
| Rent from other assets (Refer Note 33)                                             | 49.98  |          |                             | 49.98                       |
|                                                                                    |        | 188.94   |                             |                             |
| (d) Service income                                                                 |        | 14.50    |                             | 12.74                       |
|                                                                                    |        |          | 4,263.96                    | 3,768.55                    |
| (e) Other operating revenues :                                                     |        |          |                             |                             |
| Export benefits                                                                    |        | 3.40     |                             | 4.74                        |
| Sale of scrap                                                                      |        | 11.87    |                             | 11.87                       |
| Insurance and other claims                                                         |        | 0.45     |                             | 0.05                        |
| Liabilities no longer required                                                     |        | 0.70     |                             | 7.21                        |
| Government grants                                                                  |        | 11.63    |                             | 16.00                       |
| Gain on sale of Transferable Development Rights (TDR)                              |        | 201.68   |                             | -                           |
| Others                                                                             |        | 19.85    |                             | 23.40                       |
|                                                                                    |        |          | 249.58                      | 63.27                       |
| <b>Total</b>                                                                       |        |          | <b>4,513.54</b>             | <b>3,831.82</b>             |

**NOTE 21A DISAGGREGATED REVENUE INFORMATION:**

(₹ in Crores)

| Particulars                                        |  | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------|--|-----------------------------|-----------------------------|
| <b>Segment</b>                                     |  |                             |                             |
| Paper and Pulp products                            |  | 3,375.32                    | 3,571.71                    |
| Real Estates (including sale of TDR)               |  | 894.31                      | 12.74                       |
| Others (Salt and Chemicals)                        |  | 7.07                        | 9.39                        |
| Total revenue from contracts with customers        |  | 4,276.70                    | 3,593.84                    |
| India                                              |  | 4,007.76                    | 3,287.22                    |
| Outside India                                      |  | 268.94                      | 306.62                      |
| <b>Total revenue from contracts with customers</b> |  | <b>4,276.70</b>             | <b>3,593.84</b>             |
| <b>Timing of revenue recognition</b>               |  |                             |                             |
| Goods transferred at a point in time               |  | 4,262.20                    | 3,581.10                    |
| Services transferred over time                     |  | 14.50                       | 12.74                       |
| Total revenue from contracts with customers        |  | 4,276.70                    | 3,593.84                    |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 21B**

| Reconciliation with segment revenue                | Year ended 31 March 2024 |                 |               |             |                 |
|----------------------------------------------------|--------------------------|-----------------|---------------|-------------|-----------------|
|                                                    | Textile                  | Pulp and Paper  | Real Estates  | Others      | Total           |
| Revenue as per Segment                             | 49.98                    | 3,375.32        | 831.59        | 7.07        | 4,263.96        |
| Add : Gain on sale of TDR                          |                          |                 | 201.68        |             | 201.68          |
| Less:                                              |                          |                 |               |             |                 |
| Rent from Investment properties                    | -                        | -               | (138.96)      | -           | (138.96)        |
| Rent from Other assets                             | (49.98)                  | -               | -             | -           | (49.98)         |
| <b>Total Revenue from contracts with customers</b> | <b>-</b>                 | <b>3,375.32</b> | <b>894.31</b> | <b>7.07</b> | <b>4,276.70</b> |

| Reconciliation with segment revenue                | Year ended 31 March 2023 |                 |              |             |                 |
|----------------------------------------------------|--------------------------|-----------------|--------------|-------------|-----------------|
|                                                    | Textile                  | Pulp and Paper  | Real Estates | Others      | Total           |
| Revenue as per Segment                             | 49.98                    | 3,571.71        | 137.47       | 9.39        | 3,768.55        |
| Less:                                              |                          |                 |              |             |                 |
| Rent from Investment properties                    | -                        | -               | (124.73)     | -           | (124.73)        |
| Rent from Other assets                             | (49.98)                  | -               | -            | -           | (49.98)         |
| <b>Total Revenue from contracts with customers</b> | <b>-</b>                 | <b>3,571.71</b> | <b>12.74</b> | <b>9.39</b> | <b>3,593.84</b> |

**NOTE 21C CONTRACT BALANCES**

(₹ in Crores)

| Particulars                                                     | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-----------------------------------------------------------------|------------------------|------------------------|
| Trade Receivables                                               | 165.63                 | 156.44                 |
| Contract Liabilities (advance received from customers)          | 2,100.23               | 1,448.05               |
| Contract assets (brokerage on sale of real estates inventories) | 207.86                 | 135.02                 |

Significant changes in the contract assets and the contract liabilities during the year are as follows

(₹ in Crores)

| Particulars                                                    | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Contract assets</b>                                         |                             |                             |
| Opening balance                                                | 135.02                      | 72.89                       |
| Brokerage paid during the year and not recognized as expenses  | 94.47                       | 62.13                       |
| Brokerage recognized in expenses during the year               | (21.63)                     | -                           |
| <b>Closing balance</b>                                         | <b>207.86</b>               | <b>135.02</b>               |
| <b>Contract liabilities</b>                                    |                             |                             |
| Opening balance                                                | 1448.05                     | 591.05                      |
| Advance received during the year and not recognized as revenue | 1330.29                     | 857.00                      |
| Revenue recognised during the year                             | (678.12)                    | -                           |
| <b>Closing balance</b>                                         | <b>2,100.23</b>             | <b>1,448.05</b>             |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

|                                      |          |          |
|--------------------------------------|----------|----------|
| Revenue as per contract price        | 4,151.47 | 3,451.60 |
| Adjustments                          |          |          |
| Discount                             | (125.23) | (142.24) |
| Revenue from contract with customers | 4,276.70 | 3,593.84 |

**NOTE 21E REMAINING PERFORMANCE OBLIGATION**

There are no remaining performance obligations outstanding as at 31 March, 2024 and 31 March, 2023 with respect to providing development services to real estate developers. In case of residential units, the Company satisfies the performance obligation and recognise the revenue at a point in time i.e. transfer of control of residential units. For the projects where company has not satisfied the performance obligation as at March 31, 2024, it expects to recognise the revenue in the following time band :

(₹ in Crores)

| Particulars       | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------|-----------------------------|-----------------------------|
| <b>Time band</b>  |                             |                             |
| More than 3 years | 5,299.98                    | 2,359.56                    |
| Less than 3 years | 3,187.53                    | 2,821.13                    |

**NOTE 22 OTHER INCOME**

(₹ in Crores)

| Particulars                                                  | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|--------------------------------------------------------------|-----------------------------|-----------------------------|
| Dividend on FVTPL Investments                                | 8.94                        | 2.93                        |
| Dividend on FVTOCI Investments                               | 1.75                        | 1.76                        |
|                                                              | 10.69                       | 4.69                        |
| Interest Income :                                            |                             |                             |
| Non current investments at amortised cost                    | 0.47                        | 0.57                        |
| On Income tax refund                                         | 16.32                       | 0.33                        |
| Other interest income                                        | 14.25                       | 4.28                        |
|                                                              | 31.04                       | 5.18                        |
| Gain on foreign currency fluctuations and translations (net) | 3.62                        | 0.48                        |
| Surplus on sale of property plant and equipments (net)       | -                           | 0.10                        |
| Management consultancy fees                                  | 6.95                        | 5.13                        |
| Miscellaneous Income                                         | 4.17                        | 9.00                        |
| <b>Total</b>                                                 | <b>56.47</b>                | <b>24.58</b>                |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 23 COST OF MATERIALS CONSUMED**

(₹ in Crores)

| Particulars                                 |          | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------|----------|-----------------------------|-----------------------------|
| <b>Raw material consumed</b>                |          |                             |                             |
| Opening stock                               | 252.91   |                             | 160.36                      |
| Add: Purchases                              | 2,133.22 |                             | 2,377.32                    |
|                                             | 2,386.13 |                             | 2,537.68                    |
| Less: Closing stock                         | (190.75) |                             | (252.91)                    |
|                                             |          | 2,195.38                    | 2,284.77                    |
| Less: Discontinued operations (See Note 35) |          | (431.66)                    | (530.92)                    |
|                                             |          | <b>1,763.72</b>             | <b>1,753.85</b>             |
| <b>Dyes, colour and chemicals consumed</b>  |          |                             |                             |
| Opening stock                               | 9.10     |                             | 17.43                       |
| Add: Purchases                              | 299.46   |                             | 330.83                      |
|                                             | 308.56   |                             | 348.26                      |
| Less: Closing stock                         | (6.76)   |                             | (9.10)                      |
|                                             |          | 301.80                      | 339.16                      |
| Less: Discontinued operations (See Note 35) |          | (28.15)                     | (40.92)                     |
|                                             |          | <b>273.65</b>               | <b>298.24</b>               |
| <b>Packing materials consumed</b>           |          |                             |                             |
| Opening stock                               | 4.22     |                             | 8.79                        |
| Add: Purchases                              | 95.76    |                             | 102.87                      |
|                                             | 99.98    |                             | 111.66                      |
| Less: Closing stock                         | (3.64)   |                             | (4.22)                      |
|                                             |          | 96.34                       | 107.44                      |
| Less: Discontinued operations (See Note 35) |          | (12.67)                     | (14.51)                     |
|                                             |          | <b>83.67</b>                | <b>92.93</b>                |
| <b>Total</b>                                |          | <b>2,121.04</b>             | <b>2,145.02</b>             |

**NOTE 23A COST OF LAND, CONSTRUCTION AND OTHER RELATED REAL ESTATE DEVELOPMENT COST**

(₹ in Crores)

| Particulars                                                               | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Cost of land, construction and other related real estate development cost | 508.91                      | -                           |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 24 PURCHASE OF TRADED GOODS**

(₹ in Crores)

| Particulars              | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|--------------------------|-----------------------------|-----------------------------|
| Purchase of traded goods | 7.49                        | 2.99                        |

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

(₹ in Crores)

| Particulars                                 |        | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------|--------|-----------------------------|-----------------------------|
| <b>Opening stock :-</b>                     |        |                             |                             |
| Finished goods                              | 146.52 |                             | 94.67                       |
| Work-in-progress                            | 241.62 |                             | 235.40                      |
| Stock-in-trade                              | 1.41   |                             | 0.73                        |
|                                             |        | 389.55                      | 330.80                      |
| <b>Less : Closing stock :-</b>              |        |                             |                             |
| Finished goods                              | 148.48 |                             | 146.52                      |
| Work-in-progress                            | 132.41 |                             | 241.62                      |
| Stock-in-trade                              | -      |                             | 1.41                        |
|                                             |        | 280.89                      | 389.55                      |
|                                             |        | 108.66                      | (58.75)                     |
| Less: Discontinued operations (See note 35) |        | (118.80)                    | (37.05)                     |
| <b>Total</b>                                |        | <b>(10.14)</b>              | <b>(95.80)</b>              |

**NOTE 26 EMPLOYEE BENEFITS EXPENSES**

(₹ in Crores)

| Particulars                                                | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|------------------------------------------------------------|-----------------------------|-----------------------------|
| Salaries, wages, bonus, etc.                               | 278.48                      | 242.14                      |
| Contributions to provident and other funds (Refer Note 36) | 13.45                       | 12.23                       |
| Gratuity expenses (Refer Note 36)                          | 4.01                        | 3.70                        |
| Staff welfare expenses                                     | 13.70                       | 11.36                       |
| Expenses on Employee Stock Options Scheme (Refer Note 46)  | 11.16                       | -                           |
| <b>Total</b>                                               | <b>320.80</b>               | <b>269.43</b>               |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 27 FINANCE COST**

(₹ in Crores)

| Particulars                                                               | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Interest on debts and borrowings                                          | 175.45                      | 70.07                       |
| Interest on lease liabilities (Refer Note 45)                             | 1.76                        | 1.88                        |
| Unwinding of discount and effect of change in discount rate on provisions | 9.92                        | 9.70                        |
|                                                                           | <b>187.13</b>               | <b>81.65</b>                |
| Less: Borrowing costs inventorized (Refer Note below)                     | (151.62)                    | (47.43)                     |
| <b>Total</b>                                                              | <b>35.51</b>                | <b>34.22</b>                |

**Note :**

The capitalisation rate used to determine the amount of borrowing cost to be capitalised and inventorized is the weighted average interest rate applicable to the entity's general borrowings during the year i.e. 8.00% (31 March 2023 8.00%)

**NOTE 28 DEPRECIATION AND AMORTIZATION EXPENSES**

(₹ in Crores)

| Particulars                                                  | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|--------------------------------------------------------------|-----------------------------|-----------------------------|
| Depreciation of property plant and equipments (Refer Note 3) | 172.51                      | 157.62                      |
| Depreciation on Investment properties (Refer Note 4)         | 32.36                       | 32.49                       |
| Amortization of Intangible assets (Refer Note 5)             | 2.52                        | 2.34                        |
| Depreciation on Right-of-Use Assets (Refer Note 3b)          | 2.48                        | 3.48                        |
| <b>Total</b>                                                 | <b>209.87</b>               | <b>195.93</b>               |

**NOTE 29 OTHER EXPENSES**

(₹ in Crores)

| Particulars                      | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------|-----------------------------|-----------------------------|
| Consumption of stores and spares | 57.34                       | 63.69                       |
| Job work charges                 | 18.22                       | 10.50                       |
| Power, fuel and water            | 446.42                      | 560.46                      |
| Buildings repairs                | 39.33                       | 30.90                       |
| Machinery repairs                | 18.28                       | 24.99                       |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**NOTE 29** OTHER EXPENSES (Continued)

(₹ in Crores)

| Particulars                             | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-----------------------------------------|-----------------------------|-----------------------------|
| Repairs to Other Assets                 | 9.86                        | 4.08                        |
| Rent                                    | 4.52                        | 3.88                        |
| Rates and taxes                         | 14.38                       | 14.28                       |
| Insurance                               | 20.47                       | 19.05                       |
| Freight, forwarding, octroi, etc.       | 73.07                       | 84.66                       |
| Material Handling Charges               | 10.61                       | 10.65                       |
| Advertisement and publicity             | 43.20                       | 30.81                       |
| Commission                              | 2.28                        | 3.48                        |
| Brokerage, discounts, incentives etc.   | 23.57                       | 0.53                        |
| Commission to Non Executive Directors   | 2.00                        | 2.00                        |
| Director's fees and travelling expenses | 0.28                        | 0.20                        |
| Loss on sale of Investments             | 0.48                        | -                           |
| Miscellaneous expenses                  | 119.93                      | 77.30                       |
| <b>Total</b>                            | <b>904.24</b>               | <b>941.46</b>               |

**30** HEDGING ACTIVITIES AND DERIVATIVES**Derivatives not designated as hedging instruments**

The Group holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instrument are valued based on quoted prices for similar asset and liabilities in active markets or inputs that is directly or indirectly observable in the marketplace.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**31 EARNINGS PER SHARE (EPS):**

(₹ in Crores)

| Particulars                                                                         | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Profit for the year attributable to equity shareholders continuing operations       | 295.01                      | 329.92                      |
| Profit for the year attributable to equity shareholders discontinued operations     | (244.48)                    | (58.04)                     |
| Profit for the year attributable to equity shareholders                             | <b>50.53</b>                | <b>271.88</b>               |
| <b>a) Basic EPS</b>                                                                 |                             |                             |
| Weighted average number of equity shares outstanding                                | 11,16,95,680                | 11,16,95,680                |
| Weighted average number of equity shares held by ESOP trust                         | (11,18,245)                 | -                           |
| Weighted average number of equity shares outstanding for calculation of basic EPS   | 11,05,77,435                | 11,16,95,680                |
| Basic EPS - Continuing operations (₹ Per Share)                                     | 26.68                       | 29.54                       |
| Basic EPS - Discontinued operations (₹ Per Share)                                   | (22.11)                     | (5.20)                      |
| Basic EPS - Continuing and discontinued operations (₹ Per Share)                    | 4.57                        | 24.34                       |
| <b>b) Diluted EPS</b>                                                               |                             |                             |
| Weighted average number of equity shares outstanding                                | 11,16,95,680                | 11,16,95,680                |
| Weighted average number of equity shares held by ESOP trust                         | (11,18,245)                 | -                           |
| Weighted average number of potential equity shares on exercise of options           | 3,31,831                    | -                           |
| Weighted average number of equity shares outstanding for calculation of diluted EPS | 11,09,09,266                | 11,16,95,680                |
| Diluted EPS - Continuing operations (₹ Per Share)                                   | 26.60                       | 29.54                       |
| Diluted EPS - Discontinued operations (₹ Per Share)                                 | (22.04)                     | (5.20)                      |
| Diluted EPS - Continuing and discontinued operations (₹ Per Share)                  | 4.56                        | 24.34                       |

**32** Revenue expenditure on research and development activities relating to Government recognised in-house research and development laboratories incurred and charged out during the year through the natural heads of account, aggregate ₹ 2.88 crores (31 March 2023: ₹ 4.35 crores).

**33** During the financial year 2017-18, the Group had entered into an agreement with Grasim Industries Limited ('GIL') granting right to manage and operate the group's Viscose Filament Yarn ('VFY') business, which is part of Textile segment, for a duration of 15 years commencing from February 1, 2018. As a part of consideration, GIL has paid an upfront Royalty of ₹ 605.00 crores. In addition GIL has also paid the carrying value of net working capital and the interest free security deposit of ₹ 200.00 crores which is repayable after 15 years. With effect from February 1, 2018, GIL have right to use the VFY business assets including its intangible assets for a period of 15 years from the above date. The Group is recognizing royalty income over the period of 15 years.

Pursuant to the agreement, GIL shall incur all capital expenditure and commitments involving capital expenditure as may be necessary for the proper, optimum and profitable operation of the VFY Business. In this regard, Group has agreed that all improvement / capital expenditure done by GIL during the tenure of agreement will be transferred to the Group, at such fair value as may be agreed between the Group and GIL.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**34 TRADE PAYABLES**

- (i) ₹ 8.56 Crore (31 March 2023 ₹ 19.11 Crore) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) There are no other amounts paid / payable towards interest / principal under the MSMED; and
- (ii) The above information has been determined to the extent such parties have been identified on the basis of the information available with the Group regarding the status of suppliers under the MSMED Act

**35 DISCONTINUED OPERATIONS****Textile Division**

During the quarter ended June 30, 2023, the Group had initiated the process to restructure its operations at its Bharuch Textile Division business ('Division') which includes outsourcing Greige Fabric from the third party instead of manufacturing it in the plant. Subsequently, during the year, Board of Directors have approved the proposal for discontinuation of complete operations of the said Division. Accordingly, results of the said Division is disclosed as discontinued operations in the financial results. Further the Group is evaluating all the available option including the sale of plant and machineries and hence the non current assets of the said division is not classified as asset held for sale.

As the operations are discontinued, during the year, the Group has assessed the recoverability of Property, plant and equipment and other assets of the said Division and recognized a provision aggregating to ₹ 214.00 Crores as Loss on measurement to net realizable value.

The Group has obtained the valuation report from registered valuer to assess the net realizable value of assets, Plant and Machinery has been valued at realisable value of existing machinery based on market prices. In case of building the entire remaining written down value is provided for impairment on conservative basis since the building are specifically designed for textile business and may not be of any significant use for the potential purchaser.

**a) The results of Textile Division unit for the year are presented below :**

| (₹ in Crores)                                                               |                             |                             |
|-----------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Particulars                                                                 | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| Sales                                                                       | 786.00                      | 950.77                      |
| Other operating income                                                      | 21.46                       | 17.06                       |
| Other Income                                                                | 3.59                        | 2.94                        |
| <b>Total Income (A)</b>                                                     | <b>811.05</b>               | <b>970.77</b>               |
| Cost of materials consumed                                                  | 472.48                      | 586.35                      |
| Purchases of traded goods                                                   | 60.93                       | 41.81                       |
| Changes in inventories of finished goods, work-in-progress and traded goods | 124.38                      | 37.05                       |
| Employee benefits expense                                                   | 83.23                       | 75.39                       |
| Finance costs                                                               | 25.72                       | 19.67                       |
| Depreciation and amortisation expense                                       | 31.67                       | 31.15                       |
| Other expenses                                                              | 174.71                      | 268.62                      |
| <b>Total Expenses (B)</b>                                                   | <b>973.12</b>               | <b>1,060.04</b>             |
| Loss on measurement to net realisable value (C)                             | 214.00                      | -                           |
| <b>Profit before Tax (A-B-C)</b>                                            | <b>(376.07)</b>             | <b>(89.27)</b>              |
| Income tax (expense) / credit                                               | 131.59                      | 31.23                       |
| <b>Profit / (Loss) after income tax</b>                                     | <b>(244.48)</b>             | <b>(58.04)</b>              |





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**35 DISCONTINUED OPERATIONS** (Continued)**b) The major class of assets and liabilities of Textile Division are as follows.**

(₹ in Crores)

| Particulars                                     | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                                   |                             |                             |
| <b>Non Current Assets</b>                       |                             |                             |
| Property, plant and equipments (including CWIP) | 118.60                      | 389.72                      |
| Financial Assets                                | 1.27                        | 1.23                        |
| Other Assets                                    | 1.22                        | 1.37                        |
|                                                 | <b>121.09</b>               | <b>392.32</b>               |
| <b>Current Assets</b>                           |                             |                             |
| Inventories                                     | 31.71                       | 183.54                      |
| Financial Assets                                | 55.64                       | 117.90                      |
| Other Assets                                    | 19.88                       | 28.40                       |
|                                                 | <b>107.23</b>               | <b>329.84</b>               |
| Assets classified as held for sale              | 50.60                       | -                           |
| <b>Total Assets</b>                             | <b>278.92</b>               | <b>722.16</b>               |

(₹ in Crores)

| Particulars                                                                | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|----------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Liabilities</b>                                                         |                             |                             |
| <b>Non Current Liabilities</b>                                             |                             |                             |
| Financial Liabilities                                                      | 16.80                       | -                           |
|                                                                            | <b>16.80</b>                | <b>-</b>                    |
| <b>Current Liabilities</b>                                                 |                             |                             |
| Financial Liabilities                                                      | 151.29                      | 318.21                      |
| Provisions                                                                 | 1.03                        | 2.72                        |
| Other current liabilities                                                  | 4.58                        | 3.59                        |
| <b>Total</b>                                                               | <b>156.90</b>               | <b>324.52</b>               |
| <b>Total Liabilities</b>                                                   | <b>173.70</b>               | <b>324.52</b>               |
| <b>Net Asset / (liabilities) directly associated with Textile Division</b> | <b>105.22</b>               | <b>397.64</b>               |

**c) The net cash flows of Textile Division are as follows.**

(₹ in Crores)

| Particulars                                           | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------------|-----------------------------|-----------------------------|
| Net Cash flow from Operating activities               | 68.69                       | 27.97                       |
| Net Cash flow from Investing activities               | (14.12)                     | (41.71)                     |
| Net Cash flow from Financing activities               | (52.67)                     | 13.97                       |
| <b>Net Cash generated from discontinued operation</b> | <b>1.90</b>                 | <b>0.23</b>                 |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**35A EXCEPTIONAL ITEMS**

During the previous year ended 31 March 2023, the Company had transferred its leasehold land in Gujarat to Grasim Industries Limited for a consideration of ₹ 215.85 Crores resulting in a net gain of ₹ 134.21 Crores as an exceptional item after adjusting non-usage charges amounting to ₹ 21.64 Crores and transfer fees amounting to ₹ 37.52 Crores paid to Gujarat Industrial Development Corporation. Further, tax on such gain amounting to ₹ 25.64 Crores was included in the current tax for the previous year.

**36 DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS"****(a) Defined Contribution Plans:**

The Group's contribution to Provident Fund and Superannuation Fund aggregating ₹ 8.05 Crores (31 March 2023: ₹ 8.61 Crores) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

**(b) Defined Benefit Plans:****(i) Gratuity**

The Group has a defined benefit gratuity plan (funded). The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments, property and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

| Particulars                         | Valuation as at |               |
|-------------------------------------|-----------------|---------------|
|                                     | 31 March 2024   | 31 March 2023 |
| Employee Attrition rate             | 2% to 7%        | 2% to 3%      |
| Discount rate                       | 7.1%-7.15%      | 7.40%         |
| Expected rate(s) of salary increase | 3% to 8%        | 3% to 6%      |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**36 DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS" (Continued)****Defined benefit plans – as on 31<sup>st</sup> March, 2024**

(₹ in Crores)

| Particulars                                                                    | Funded Plan                 |                             |
|--------------------------------------------------------------------------------|-----------------------------|-----------------------------|
|                                                                                | Gratuity                    |                             |
|                                                                                | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| <b>I. 1 Expense recognised in the Statement of Profit and Loss</b>             |                             |                             |
| Service Cost:                                                                  |                             |                             |
| Current Service Cost                                                           | 4.10                        | 4.81                        |
| Net interest expense                                                           | 0.11                        | 0.08                        |
| Current service cost of discontinued operation                                 | (0.20)                      | (1.19)                      |
| Components of defined benefit costs recognised in Statement of Profit and Loss | <b>4.01</b>                 | <b>3.70</b>                 |
| <b>2 Included in Other Comprehensive Income</b>                                |                             |                             |
| Remeasurement gain                                                             | 3.10                        | 0.22                        |
| Return on plan assets                                                          | (1.16)                      | 0.60                        |
| Remeasurement (gain)/loss of Discontinued operation                            | (1.26)                      | (0.48)                      |
| Remeasurement gain on defined benefit plans                                    | <b>0.68</b>                 | <b>0.34</b>                 |
| <b>II. Net Asset/(Liability) recognised in the Balance Sheet</b>               |                             |                             |
| 1. Present value of defined benefit obligation                                 | 51.33                       | 55.93                       |
| 2. Fair value of plan assets                                                   | 47.85                       | 53.03                       |
| Net Asset/(Liability)                                                          | (3.48)                      | (2.89)                      |
| Reflected in balance sheet as under                                            |                             |                             |
| Other Current Assets - Gratuity - plan asset                                   | 1.64                        | 0.83                        |
| Current Provisions - Gratuity                                                  | (0.59)                      | (3.65)                      |
| Non-Current Provisions - Gratuity                                              | (4.53)                      | (0.07)                      |
|                                                                                | <b>(3.48)</b>               | <b>(2.89)</b>               |
| <b>III. Change in the obligation during the year</b>                           |                             |                             |
| 1. Present value of defined benefit obligation at the beginning of the year    | 55.93                       | 56.02                       |
| 2. Liability to be Transferred in                                              |                             | -                           |
| 3. Expenses Recognised in Profit and Loss Account:                             |                             |                             |
| - Current Service Cost                                                         | 4.21                        | 4.89                        |
| - Interest Expense                                                             | 3.57                        | 3.53                        |
| 4. Recognised in Other Comprehensive Income                                    |                             |                             |
| Remeasurement gains / (losses):                                                |                             |                             |
| i. Financial Assumptions                                                       | 0.64                        | (1.77)                      |
| ii. Experience Adjustments                                                     | 2.46                        | 1.55                        |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

(₹ in Crores)

| Particulars                                                               | Funded Plan                 |                             |
|---------------------------------------------------------------------------|-----------------------------|-----------------------------|
|                                                                           | Gratuity                    |                             |
|                                                                           | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| 5. Benefit payments                                                       | (15.48)                     | (8.29)                      |
| 6. Transfer in / (out)                                                    | -                           | -                           |
| <b>Present value of defined benefit obligation at the end of the year</b> | <b>51.33</b>                | <b>55.93</b>                |
| <b>IV. Change in fair value of assets during the year</b>                 |                             |                             |
| 1. Fair value of plan assets at the beginning of the year                 | 53.03                       | 53.65                       |
| 2. Expenses Recognised in Profit and Loss Account                         |                             |                             |
| - Expected return on plan assets                                          | 4.35                        | 3.47                        |
| 3. Recognised in Other Comprehensive Income                               |                             |                             |
| Remeasurement gains / (losses)                                            |                             |                             |
| - Actual Return on plan assets in excess of the expected return           | 1.16                        | 0.60                        |
| 4. Contributions by employer (including benefit payments recoverable)     | 4.38                        | 3.39                        |
| 5. Benefit payments                                                       | (15.07)                     | (8.07)                      |
| <b>Fair value of plan assets at the end of the year</b>                   | <b>47.85</b>                | <b>53.03</b>                |

Expected Contribution during next Annual reporting period is ₹ 3.08 crores (31 March 2023 ₹ 3.28 Crores)

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

(₹ in Crores)

| Principal assumption |           | Changes in assumption | Impact on defined benefit obligation |                        |
|----------------------|-----------|-----------------------|--------------------------------------|------------------------|
|                      |           |                       | Increase in assumption               | Decrease in assumption |
| Discount rate        | 31-Mar-24 | 1%                    | (2.39)                               | 2.66                   |
|                      | 31-Mar-23 | 1%                    | (2.68)                               | 3.03                   |
| Salary growth rate   | 31-Mar-24 | 1%                    | 2.63                                 | (2.41)                 |
|                      | 31-Mar-23 | 1%                    | 3.01                                 | (2.70)                 |
| Withdrawal rate      | 31-Mar-24 | 1%                    | 0.27                                 | (0.31)                 |
|                      | 31-Mar-23 | 1%                    | 0.43                                 | (0.49)                 |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**36 DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS" (Continued)****Maturity profile of defined benefit obligation for the next 10 years (Undiscounted amount) :**

(₹ in Crores)

| Particulars   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------|------------------------|------------------------|
| Within 1 year | 7.80                   | 8.36                   |
| 1 - 2 year    | 8.18                   | 5.85                   |
| 2 - 3 year    | 6.35                   | 6.84                   |
| 3 - 4 year    | 6.21                   | 5.70                   |
| 4 - 5 year    | 5.58                   | 5.96                   |
| 6 - 10 year   | 20.82                  | 21.73                  |
|               | <b>54.94</b>           | <b>54.44</b>           |

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

(₹ in Crores)

| Asset category                    | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-----------------------------------|------------------------|------------------------|
| Cash and cash equivalents         | 0.10                   | 0.10                   |
| Debt instruments (quoted)         | 46.47                  | 51.32                  |
| Equity instruments (quoted)       | 0.22                   | 0.22                   |
| Deposits with Insurance companies | 1.06                   | 1.39                   |
| <b>Total</b>                      | <b>47.85</b>           | <b>53.03</b>           |

The weighted average duration of the defined benefit obligation as at 31 March 2024 is 5.56 years (31 March 2023 8.30 years)

**(ii) Provident Fund**

In case of certain employees, the Provident fund contribution is made to trusts administered by the Group. In terms of guidance note issued by the Institute of Actuaries of India, the Actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined that there is no shortfall as at 31 March 2024.

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

(₹ in Crores)

| Particulars                                                            | As at<br>31 March 2024 | As at<br>31 March 2023 |
|------------------------------------------------------------------------|------------------------|------------------------|
| Guaranteed interest rate                                               | 8.25%                  | 8.15%                  |
| Discount rate for the remaining term to maturity of interest portfolio | 8.15%                  | 8.50%                  |
| Contribution during the year                                           | 7.15                   | 7.12                   |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**37 PROVISION FOR DISPUTED MATTERS**

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

The movements in the above account are summarized below:-

(₹ in Crores)

| S No. | Nature of liability | As at 31 March 2023 | Amounts provided for during the year | Amounts utilised / written back during the year | As at 31 March 2024 |
|-------|---------------------|---------------------|--------------------------------------|-------------------------------------------------|---------------------|
| 1     | Water Charges       | 95.33               | 1.78                                 | (1.78)                                          | 95.33               |
| 2     | Octroi Duty         | 38.54               | -                                    | -                                               | 38.54               |
| 3     | Others              | 21.35               | 0.55                                 | (0.02)                                          | 21.88               |
|       | <b>Total</b>        | <b>155.22</b>       | <b>2.33</b>                          | <b>(1.80)</b>                                   | <b>155.75</b>       |

(₹ in Crores)

| S No. | Nature of liability | 1 April 2022  | Amounts provided for during the year | Amounts utilised / written back during the year | As at 31 March 2023 |
|-------|---------------------|---------------|--------------------------------------|-------------------------------------------------|---------------------|
| 1     | Water Charges       | 95.32         | 1.80                                 | (1.79)                                          | 95.33               |
| 2     | Octroi Duty         | 38.54         | -                                    | -                                               | 38.54               |
| 3     | Others              | 20.88         | 0.55                                 | (0.08)                                          | 21.35               |
|       | <b>Total</b>        | <b>154.74</b> | <b>2.35</b>                          | <b>(1.87)</b>                                   | <b>155.22</b>       |

**38 CONTINGENT LIABILITIES****(i) Contingent liabilities (to the extent not provided for)**

(₹ in Crores)

| Particulars                                                                                                                                               | As at 31 March 2024 | As at 31 March 2023 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Contingent liabilities - Continuing Operations</b>                                                                                                     |                     |                     |
| (a) (i) Claims against the Group not acknowledged as debts in respect of:                                                                                 |                     |                     |
| - Custom Duty, Goods & Service Tax and Excise Duty                                                                                                        | 11.77               | 11.22               |
| - Sales Tax and Entry Tax                                                                                                                                 | 16.17               | 11.00               |
| - Others                                                                                                                                                  | 5.93                | 6.29                |
| (ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Group had an interest (proportionate) | 27.34               | 26.51               |
| (b) Disputed income tax matters under appeal                                                                                                              | 133.34              | 133.34              |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**38 CONTINGENT LIABILITIES** (Continued)

(₹ in Crores)

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | As at<br>31 March 2024  | As at<br>31 March 2023  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| (c) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant. | Amount not determinable | Amount not determinable |

The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties are dependent on the outcome of the different legal processes. The timing of future cash flows will be determinable only on receipt of judgments / decisions pending with various forums/authorities. The Group does not expect any reimbursements against the above.

**39 COMMITMENTS**

(₹ in Crores)

| Particulars                                                                                                                                                                                                         | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Capital commitments</b>                                                                                                                                                                                          |                        |                        |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)                                                                                                    | 176.35                 | 50.56                  |
| <b>Other Commitments</b>                                                                                                                                                                                            |                        |                        |
| The Group has imported capital goods under the Export promotion capital goods scheme, of the Government of India, at concessional rates of duty on an undertaking to fulfill quantified exports in the future years | 2.83                   | 74.70                  |

**40 RELATED PARTY DISCLOSURE****Relationships :****(a) Where significant influence exists :**

- (i) M/s Pilani Investment and Industries Corporation Limited (As a Shareholder of the Company directly & indirectly)

**(b) Where control / joint control exists :**

- (i) Birla Advanced Knits Private Limited
- (ii) CTIL Community Welfare Foundation (w.e.f. 02.11.2023)



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**40 RELATED PARTY DISCLOSURE** (Continued)**(c) Key Management Personnel / Directors :****Executive Directors :**

Shri Rajendra Kumar Dalmia (w.e.f. 12.08.2022)

Shri J. C. Laddha (upto 11.08.2022)

**Non Executive Directors**

Shri Kumar Mangalam Birla

Smt. Rajashree Birla

Shri Rajan A Dalal

Shri Yazdi P Dandiwala

Shri Sohanlal Kundanmal Jain

Smt. Preeti Vyas

Shri J. C. Laddha (from 11.08.2022 to 28.09.2022)

**Others**

Shri. Snehal Shah (Chief Financial Officer)

Shri. Atul Kedia (Company Secretary)

**(d) Other Related Parties****(i) Pension & Provident Fund of Century Textiles & Industries Limited**

- Pension And Provident Fund Of Century Textiles And Industries Limited

**(ii) Gratuity Fund of Century Textiles & Industries Limited**

- Century Textiles And Industries Limited Employees Gratuity Fund

**(iii) Superannuation Fund of Century Textiles & Industries Limited**

- Century Textiles And Industries Limited (Textiles Division) Superannuation Scheme

**(iv) M/s Industry House Limited**

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

| (₹ in Crores)                                            |                             |                             |
|----------------------------------------------------------|-----------------------------|-----------------------------|
| Nature of Transaction                                    | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| <b>Sales</b>                                             |                             |                             |
| Birla Advanced Knits Private Limited                     | 21.15                       | 1.02                        |
| <b>Dividend Paid</b>                                     |                             |                             |
| M/s Pilani Investment and Industries Corporation Limited | 18.49                       | 14.79                       |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**40 RELATED PARTY DISCLOSURE** (Continued)

(₹ in Crores)

| Nature of Transaction                                                        | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Security Deposit</b>                                                      |                             |                             |
| Birla Advanced Knits Private Limited                                         | 13.00                       | 15.00                       |
| <b>Security Deposit Refund</b>                                               |                             |                             |
| Birla Advanced Knits Private Limited                                         | 5.60                        | -                           |
| <b>Provident Fund Contribution</b>                                           |                             |                             |
| Pension & Provident fund of Century Textiles & Industries Ltd.               | 7.15                        | 7.12                        |
| <b>Gratuity Fund Contribution</b>                                            |                             |                             |
| Century Textiles & Industries Ltd. Employee Gratuity Fund                    | 6.35                        | 3.40                        |
| <b>Utility Services - Income</b>                                             |                             |                             |
| Birla Advanced Knits Private Limited                                         | 6.06                        | -                           |
| <b>Remuneration</b>                                                          |                             |                             |
| Shri R. K. Dalmia (Managing Director )                                       | 5.73                        | 5.32                        |
| Shri J. C. Laddha                                                            | 0.26                        | 1.67                        |
| Shri. Snehal Shah (Chief Financial Officer)                                  | 2.04                        | 1.73                        |
| Shri. Atul Kedia (Company Secretary)                                         | 0.94                        | 0.90                        |
| <b>Job Work Charges</b>                                                      |                             |                             |
| Birla Advanced Knits Private Limited                                         | 2.38                        | 0.36                        |
| <b>Interest on Security Deposit</b>                                          |                             |                             |
| Birla Advanced Knits Private Limited                                         | 2.14                        | 0.23                        |
| <b>Commission to Non Executive Directors</b>                                 |                             |                             |
| Shri Yazdi P Dandiwala                                                       | 0.33                        | 0.33                        |
| Smt. Rajashree Birla                                                         | 0.33                        | 0.33                        |
| Smt. Preeti Vyas                                                             | 0.33                        | 0.33                        |
| Shri Kumar Mangalam Birla                                                    | 0.33                        | 0.33                        |
| Shri Rajan A Dalal                                                           | 0.33                        | 0.33                        |
| Shri Sohanlal Kundanmal Jain                                                 | 0.33                        | 0.33                        |
| Shri J. C. Laddha                                                            | 0.04                        | -                           |
| <b>Management Fees</b>                                                       |                             |                             |
| Birla Advanced Knits Private Limited                                         | 1.59                        | 1.69                        |
| <b>Rental Income</b>                                                         |                             |                             |
| Birla Advanced Knits Private Limited                                         | 0.52                        | -                           |
| <b>Superannuation Contribution</b>                                           |                             |                             |
| Century Textiles & Industries Ltd. (Textiles Division) Superannuation Scheme | 0.51                        | 0.37                        |
| <b>Rental Expenses</b>                                                       |                             |                             |
| M/s Industry House Limited                                                   | 0.29                        | 0.29                        |
| <b>Director Sitting Fees</b>                                                 |                             |                             |
| Shri Yazdi P Dandiwala                                                       | 0.07                        | 0.05                        |
| Shri Rajan A Dalal                                                           | 0.07                        | 0.05                        |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**40 RELATED PARTY DISCLOSURE** (Continued)

(₹ in Crores)

| Nature of Transaction             | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-----------------------------------|-----------------------------|-----------------------------|
| Shri Sohanlal Kundanmal Jain      | 0.05                        | 0.04                        |
| Smt. Preeti Vyas                  | 0.05                        | 0.03                        |
| Smt. Rajashree Birla              | 0.04                        | 0.02                        |
| Shri Kumar Mangalam Birla         | 0.01                        | 0.01                        |
| <b>Utility Charges</b>            |                             |                             |
| M/s Industry House Limited        | 0.13                        | 0.13                        |
| <b>Municipal Tax</b>              |                             |                             |
| M/s Industry House Limited        | 0.02                        | -                           |
| <b>Investment in Equity</b>       |                             |                             |
| CTIL Community Welfare Foundation | 0.01                        | -                           |
| <b>Donation</b>                   |                             |                             |
| CTIL Community Welfare Foundation | 0.01                        | -                           |
| <b>Corpus Fund Contribution</b>   |                             |                             |
| CTIL Employee Welfare Trust       | 0.00                        | 0.00                        |
| <b>Misc. Expenses</b>             |                             |                             |
| M/s Industry House Limited        | 0.00                        | 0.00                        |

(₹ in Crores)

| Outstanding Balances                                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
|----------------------------------------------------------------|------------------------|------------------------|
| <b>Loan Given - ESOP Scheme</b>                                |                        |                        |
| CTIL Employee Welfare Trust                                    | 94.50                  | -                      |
| <b>Investment</b>                                              |                        |                        |
| Birla Advanced Knits Private Limited                           | 25.00                  | 25.00                  |
| CTIL Community Welfare Foundation                              | 0.01                   | -                      |
| M/s Industry House Limited                                     | 28.41                  | 26.79                  |
| <b>Receivables</b>                                             |                        |                        |
| Birla Advanced Knits Private Limited                           | 29.77                  | 1.08                   |
| <b>Payables</b>                                                |                        |                        |
| Birla Advanced Knits Private Limited                           | 0.35                   | 0.23                   |
| CTIL Employee Welfare Trust                                    | 0.00                   | 0.00                   |
| M/s Industry House Limited                                     | 0.05                   | -                      |
| Pension & Provident fund of Century Textiles & Industries Ltd. | 0.62                   | 0.57                   |
| <b>Security Deposit</b>                                        |                        |                        |
| Birla Advanced Knits Private Limited                           | 20.05                  | 15.00                  |

\* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 41 SEGMENT INFORMATION

## A. Information about Business Segment - Primary

| S. No. | Particulars                                                                                         | Textiles     |              |                 |                 | Pulp and Paper |               |             |             | Real Estate      |                 |         |         | Others  |         |         |         | Total   |         |         |         |
|--------|-----------------------------------------------------------------------------------------------------|--------------|--------------|-----------------|-----------------|----------------|---------------|-------------|-------------|------------------|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|        |                                                                                                     | 2023-24      | 2022-23      | 2023-24         | 2022-23         | 2023-24        | 2022-23       | 2023-24     | 2022-23     | 2023-24          | 2022-23         | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| 1      | <b>Segment Revenue</b>                                                                              |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Sales of products                                                                                   | 49.98        | 49.98        | 3,375.32        | 3,571.71        | 832.21         | 138.07        | 7.07        | 9.39        | 4,264.58         | 3,769.15        |         |         |         |         |         |         |         |         |         |         |
|        | Less: Inter Segment Revenue                                                                         | -            | -            | -               | -               | 0.62           | 0.60          | -           | -           | 0.62             | 0.60            |         |         |         |         |         |         |         |         |         |         |
|        | Net Sales from Continuing Operations                                                                | <b>49.98</b> | <b>49.98</b> | <b>3,375.32</b> | <b>3,571.71</b> | <b>831.59</b>  | <b>137.47</b> | <b>7.07</b> | <b>9.39</b> | <b>4,263.96</b>  | <b>3,768.54</b> |         |         |         |         |         |         |         |         |         |         |
|        | Sales from Discontinued Operations:                                                                 |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Textiles                                                                                            | 786.00       | 950.77       | -               | -               | -              | -             | -           | -           | 786.00           | 950.77          |         |         |         |         |         |         |         |         |         |         |
| 2      | <b>Result</b>                                                                                       |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Segment Result of Continuing Operations                                                             | 34.50        | 34.67        | 279.77          | 464.25          | 198.94         | (72.50)       | 1.24        | 1.89        | 514.45           | 428.31          |         |         |         |         |         |         |         |         |         |         |
|        | Profit/(Loss) from Discontinued Operations:                                                         |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Textiles                                                                                            | (376.07)     | (89.27)      | -               | -               | -              | -             | -           | -           | (376.07)         | (89.27)         |         |         |         |         |         |         |         |         |         |         |
| 3      | <b>Other Information</b>                                                                            |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Segment Assets                                                                                      | 198.83       | 212.91       | 2,995.90        | 3,040.05        | 5,628.07       | 3,894.42      | 25.61       | 23.61       | 8,848.41         | 7,170.99        |         |         |         |         |         |         |         |         |         |         |
|        | Segment Assets Discontinued Operations:                                                             |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Textiles                                                                                            | 275.03       | 721.77       | -               | -               | -              | -             | -           | -           | 275.03           | 721.77          |         |         |         |         |         |         |         |         |         |         |
|        | Add: Unallocated common Assets                                                                      |              |              |                 |                 |                |               |             |             | 1,386.72         | 558.88          |         |         |         |         |         |         |         |         |         |         |
|        | Total Assets                                                                                        |              |              |                 |                 |                |               |             |             | <b>10,510.16</b> | <b>8,451.64</b> |         |         |         |         |         |         |         |         |         |         |
|        | Segment Liabilities                                                                                 | 689.14       | 729.73       | 469.73          | 525.46          | 2,461.65       | 1,843.29      | 12.92       | 12.13       | 3,633.44         | 3,110.61        |         |         |         |         |         |         |         |         |         |         |
|        | Segment Liabilities Discontinued Operations:                                                        |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Operations:                                                                                         |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Textiles                                                                                            | 172.53       | 323.90       | -               | -               | -              | -             | -           | -           | 172.53           | 323.90          |         |         |         |         |         |         |         |         |         |         |
|        | Add: Unallocated Common Liabilities                                                                 |              |              |                 |                 |                |               |             |             | 2,609.49         | 978.18          |         |         |         |         |         |         |         |         |         |         |
|        | Total Liabilities                                                                                   |              |              |                 |                 |                |               |             |             | <b>6,415.46</b>  | <b>4,412.69</b> |         |         |         |         |         |         |         |         |         |         |
| 4      | <b>Capital Expenditure during the year (excluding advances) (including Discontinued Operations)</b> |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Add: Unallocated Capital Expenditure                                                                | 11.54        | 45.48        | 81.53           | 78.00           | 47.73          | 11.99         | -           | -           | 140.80           | 135.47          |         |         |         |         |         |         |         |         |         |         |
| 5      | <b>Depreciation and amortisation</b>                                                                |              |              |                 |                 |                |               |             |             |                  |                 |         |         |         |         |         |         |         |         |         |         |
|        | Add: Unallocated Depreciation                                                                       | 15.46        | 15.30        | 150.86          | 140.98          | 42.03          | 38.62         | 0.17        | 0.15        | 208.52           | 195.05          |         |         |         |         |         |         |         |         |         |         |
|        |                                                                                                     |              |              |                 |                 |                |               |             |             | 1.35             | 0.88            |         |         |         |         |         |         |         |         |         |         |
|        |                                                                                                     |              |              |                 |                 |                |               |             |             | <b>209.87</b>    | <b>195.93</b>   |         |         |         |         |         |         |         |         |         |         |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**41 SEGMENT INFORMATION** (Continued)**Adjustments & Eliminations:**

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

**B. Reconciliation of profit**

| (₹ in Crores)                                                 |                             |                             |
|---------------------------------------------------------------|-----------------------------|-----------------------------|
| Particulars                                                   | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
| <b>Segment profit Continuing Operations [A]</b>               | 514.45                      | 428.31                      |
| <b>Unallocable Income/(Expense)[B]:</b>                       |                             |                             |
| Employee Benefit Expense                                      | (20.10)                     | (18.04)                     |
| Depreciation & Amortisation Expense                           | (1.35)                      | (0.88)                      |
| Other Expense                                                 | (34.77)                     | (32.94)                     |
| Other Income                                                  | 49.57                       | 155.14                      |
| <b>Total</b>                                                  | <b>(6.65)</b>               | <b>103.28</b>               |
| <b>Finance Cost [C]</b>                                       | (35.51)                     | (34.22)                     |
| Share of Loss of Joint Venture [D]                            | (22.40)                     | (1.84)                      |
| <b>Profit before tax from Continuing Operations [A+B+C+D]</b> | <b>449.89</b>               | <b>495.52</b>               |
| <b>Add/(Less): Taxes</b>                                      |                             |                             |
| Income Tax Charge                                             | (145.03)                    | (172.93)                    |
| <b>Profit after tax from continuing operations</b>            | <b>304.86</b>               | <b>322.59</b>               |
| Profit from Discontinued Operations                           | (376.07)                    | (89.27)                     |
| <b>Add/(Less): Taxes</b>                                      |                             |                             |
| Income Tax Charge                                             | 131.59                      | 31.23                       |
| <b>Profit after tax from discontinuing Operations</b>         | <b>(244.48)</b>             | <b>(58.04)</b>              |
| <b>Profit for the year</b>                                    | <b>60.38</b>                | <b>264.55</b>               |

**C. Reconciliation of Assets & Liabilities**

| (₹ in Crores)                         |                        |                        |
|---------------------------------------|------------------------|------------------------|
| Particulars                           | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>I (A) Segment Operating Assets</b> | 9,123.44               | 7,892.76               |
| <b>Unallocated Assets</b>             |                        |                        |
| <b>(B) Non-current Assets</b>         |                        |                        |
| Property, Plant and Equipments        | 39.00                  | 38.25                  |
| Financial Assets                      |                        |                        |
| Non-Current Investments               | 408.99                 | 224.77                 |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**41** SEGMENT INFORMATION (Continued)

(₹ in Crores)

| Particulars                                            | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--------------------------------------------------------|------------------------|------------------------|
| Other financial assets                                 | 0.34                   | 10.09                  |
| Deferred Tax Assets                                    | 94.96                  | 48.08                  |
| Non Current Tax                                        | 87.44                  | 68.74                  |
| Other Non Current Assets                               | 0.98                   | 1.03                   |
| <b>Total Non-Current Assets (B)</b>                    | <b>631.71</b>          | <b>390.96</b>          |
| <b>(C) Current Assets</b>                              |                        |                        |
| Financial Assets                                       |                        |                        |
| Cash and Cash Equivalents                              | 372.72                 | 48.51                  |
| Bank balances other than above cash & cash equivalents | 81.05                  | 100.62                 |
| Investments                                            | 282.66                 | 3.00                   |
| Others                                                 | 10.42                  | 10.12                  |
| Other Current Assets                                   | 8.16                   | 5.67                   |
| <b>Total Current Assets (C)</b>                        | <b>755.01</b>          | <b>167.92</b>          |
| <b>Total Unallocated Assets (B+C)</b>                  | <b>1,386.72</b>        | <b>558.88</b>          |
| <b>TOTAL ASSETS (A + B + C)</b>                        | <b>10,510.16</b>       | <b>8,451.64</b>        |
| <b>II (A) Segment Operating Liabilities</b>            | <b>3,805.97</b>        | <b>3,434.51</b>        |
| <b>Unallocated Liabilities</b>                         |                        |                        |
| <b>(B) Non-Current Liabilities</b>                     |                        |                        |
| Financial Liabilities                                  |                        |                        |
| Borrowings                                             | 2,355.74               | 399.09                 |
| Lease Liabilities                                      | 17.85                  | 19.34                  |
| Deferred Tax Liability                                 | 11.64                  | 40.64                  |
| <b>Total Non-Current Liabilities (B)</b>               | <b>2,385.23</b>        | <b>459.07</b>          |
| <b>(C) Current Liabilities</b>                         |                        |                        |
| Financial Liabilities                                  |                        |                        |
| Current Borrowings                                     | 125.80                 | 459.66                 |
| Lease Liabilities                                      | 2.30                   | 2.26                   |
| Trade Payables                                         | 128.10                 | 461.92                 |
| Other Financial Liabilities                            | 36.27                  | 37.34                  |
| Other Current Liabilities                              | 43.64                  | 8.81                   |
| Provisions                                             | 14.13                  | 8.79                   |
| Other Current Liabilities                              | 2.12                   | 2.25                   |
| <b>Total Current Liabilities (C)</b>                   | <b>224.26</b>          | <b>519.11</b>          |
| <b>Total Unallocated Liabilities (B+C)</b>             | <b>2,609.49</b>        | <b>978.18</b>          |
| <b>Total LIABILITIES (A+B+C)</b>                       | <b>6,415.46</b>        | <b>4,412.69</b>        |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**41 SEGMENT INFORMATION** (Continued)**D. Secondary Segment****I Geographic information**

(₹ in Crores)

| Particulars                                     | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|-------------------------------------------------|-----------------------------|-----------------------------|
| Revenue from external customers                 |                             |                             |
| India                                           | 3,995.02                    | 3,461.92                    |
| Outside India                                   | 268.94                      | 306.62                      |
| <b>Total revenue from continuing operations</b> | <b>4,263.96</b>             | <b>3,768.54</b>             |

**II Non-current operating assets:**

(₹ in Crores)

| Particulars   | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|---------------|-----------------------------|-----------------------------|
| India         | 3,719.95                    | 4,142.02                    |
| Outside India | -                           | -                           |
| <b>Total</b>  | <b>3,719.95</b>             | <b>4,142.02</b>             |

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

**E. Revenue from major products and services**

The following is an analysis of the Company revenue from continuing operations from its major products and services:

(₹ in Crores)

| Sale of Products                                                                                                                         | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2023 |
|------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Pulp & Paper (including Paper Board / Straw Board)                                                                                       | 3,375.32                    | 3,571.71                    |
| Others                                                                                                                                   | 7.07                        | 9.39                        |
| Revenue from sale land, construction and other related real estate development & Rental income including common area maintenance charges | 881.57                      | 187.45                      |
| <b>Total</b>                                                                                                                             | <b>4,263.96</b>             | <b>3,768.54</b>             |

**Composition of the business segment****Name of the Segment****Types of products / services Comprises of :**

- |                   |                                                                                                         |
|-------------------|---------------------------------------------------------------------------------------------------------|
| a. Textiles       | Textiles" include Yarn & Fabric (Discontinued operations) and Viscose Filament Yarn & Tyre Yarn (Rayon) |
| b. Pulp and Paper | Pulp, writing & printing paper , tissue paper and multilayer packaging board                            |
| c. Real Estate    | Leased Properties and real estate development                                                           |
| d. Others         | Salt works and Chemicals                                                                                |





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**41 SEGMENT INFORMATION** (Continued)

- F.** The Board of Directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.
- G.** No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2024 and 31 March 2023
- H.** The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2A.

**42 CAPITAL MANAGEMENT**

For the purpose of the Group's capital management, equity includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholder value. The Group's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Group is monitoring capital using debt equity ratio as its base which is debt to equity. The Group's policy is to keep debt equity ratio below two and infuse capital if and when required through issue of new shares and/or better operational results and efficient working capital management.

**Debt-to-equity ratio are as follows:**

| (₹ in Crores)                        |               |               |
|--------------------------------------|---------------|---------------|
| Particulars                          | 31 March 2024 | 31 March 2023 |
| Debt (including lease liability) (A) | 2,501.69      | 1,059.31      |
| Equity (B)                           | 4,094.70      | 4,038.95      |
| Debt to Equity Ratio (A / B)         | 0.61          | 0.26          |

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK**

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Group's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the risk management. The Group's senior management provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**A. Credit Risk**

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Group is exposed to credit risk mainly from trade receivables and other financial assets. The group only deals with parties which has good credit ratings / worthiness based on Group's internal assessment.

The Group has divided parties in two grades based on their performance.

Good: parties with a positive external rating (if available) and stable financial position with no past default is considered in this category.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)**

Doubtful: parties where the Group doesn't have information on their financial position or has past trend of default are considered under this category.

The Group has not acquired any credit impaired asset. There was no modification in any financial assets.

**(i) Trade receivables**

Customer credit is managed by each business division subject to the Group's established policy procedures and control related to customer credit risk management.

Export customers are mainly against Letter of Credit and/or insurance cover on export outstanding is also taken. Generally deposits are taken from domestic debtors. Apart from deposit there is a commission agent area wise. In case any customer defaults the amount is first recovered from deposits, then from the agent's commission. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification. The carrying amount and fair value of security deposit amounts to ₹ 59.46 crores (31 March 2023: ₹ 73.69 crores) as it is payable on demand.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Group has recognised loss allowance provision on trade receivables amounting to ₹ 9.27 Crs during the year (31 March 2023 ₹ 14.49 Crs) as there was no reasonable expectations of recovery and were outstanding for more than 360 days from becoming due.

(₹ in Crores)

| <b>As at 31 March 2024</b>      | <b>Less Than<br/>180 Days</b> | <b>More Than<br/>180 Days</b> |
|---------------------------------|-------------------------------|-------------------------------|
| Expected loss rate              | 1.38%                         | 62.52%                        |
| Gross carrying amount           | 151.12                        | 44.26                         |
| <b>Loss allowance provision</b> | <b>2.08</b>                   | <b>27.67</b>                  |

(₹ in Crores)

| <b>As at 31 March 2023</b>      | <b>Less Than<br/>180 Days</b> | <b>More Than<br/>180 Days</b> |
|---------------------------------|-------------------------------|-------------------------------|
| Expected loss rate              | 0.00%                         | 50.61%                        |
| Gross carrying amount           | 132.84                        | 47.78                         |
| <b>Loss allowance provision</b> | <b>-</b>                      | <b>24.18</b>                  |

Reconciliation of loss allowance provision for Trade Receivables

(₹ in Crores)

| <b>Particulars</b>                                 | <b>31 March 2024</b> | <b>31 March 2023</b> |
|----------------------------------------------------|----------------------|----------------------|
| Balance as at beginning of the year                | 24.18                | 13.31                |
| On receivables originated in the year              | 9.27                 | 14.49                |
| Amounts recovered / written back during the year   | (3.70)               | (3.62)               |
| Balance at end of the year (Continuing Operations) | 29.75                | 24.18                |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)****(ii) Other Financial Assets**

Credit risk from balances with banks is managed by Group's treasury department in accordance with the Group policy. Investment of surplus funds are made only in approved Mutual Funds and that too in liquid funds. As soon as the fund reaches to a reasonable level the Group repays its working capital borrowing by redeeming the liquid fund. The other financial assets are from various forum of Government authorities and are released by Government authorities on completion of relevant terms and conditions for the release of outstanding.

**B. MARKET RISK**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, FVTOCI Investments, derivatives and other financials assets.

The Group has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The sensitivity analyses in the following sections relates to the outstanding balance as at 31 March 2024 and 31 March 2023.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2024.

The sensitivity of the relevant profit or loss before tax item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2024 and 31 March 2023

**(i) Currency Risk**

This is the risk that the Group may suffer losses as a result of adverse exchange rate movement during the relevant period. As a policy, Group is covering all foreign exchange risk on account of import and loans so that Group may not be put to any loss situation due to adverse fluctuations in currency rates. There is periodical review of foreign exchange transactions and hedging by the Group's executives.

**Foreign Currency Sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. The Group's exposure to foreign currency changes for all other currencies is not material.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK** (Continued)

(₹ In crores)

|               | Currency | Change in rate | Effect on profit before tax |
|---------------|----------|----------------|-----------------------------|
| 31 March 2024 | USD      | +5%            | 3.33                        |
|               | USD      | -5%            | (3.33)                      |
|               | EUR      | +5%            | (0.06)                      |
|               | EUR      | -5%            | 0.06                        |
|               | GBP      | +5%            | 0.01                        |
|               | GBP      | -5%            | (0.01)                      |
| 31 March 2023 | USD      | +5%            | 2.63                        |
|               | USD      | -5%            | (2.63)                      |
|               | EUR      | +5%            | (0.03)                      |
|               | EUR      | -5%            | 0.03                        |

| Outstanding foreign currency exposures | As at 31 March 2024            |            | As at 31 March 2023            |            |
|----------------------------------------|--------------------------------|------------|--------------------------------|------------|
|                                        | Foreign Currency (in millions) | ₹ In crore | Foreign Currency (in millions) | ₹ In crore |
| <b>Trade Receivables</b>               |                                |            |                                |            |
| USD                                    | 3.57                           | 29.73      | 2.30                           | 18.87      |
| GBP                                    | 0.02                           | 0.19       | -                              | -          |
| <b>Trade Payables</b>                  |                                |            |                                |            |
| USD                                    | 6.54                           | 54.76      | 7.16                           | 58.83      |
| Euro                                   | 0.12                           | 1.11       | 0.07                           | 0.61       |
| Others                                 | 0.02                           | 0.23       | 0.03                           | 0.23       |

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

| Forward Contracts | Buy / Sell | 31 March 2024                  |                             |                          |
|-------------------|------------|--------------------------------|-----------------------------|--------------------------|
|                   |            | Foreign Currency (in millions) | Nominal value (₹ In Crores) | Fair value (₹ In Crores) |
| In USD            | Buy        | 11.02                          | 91.65                       | 0.37                     |
| Forward Contracts | Buy / Sell | 31 March 2023                  |                             |                          |
|                   |            | Foreign Currency (in millions) | Nominal value (₹ In Crores) | Fair value (₹ In Crores) |
| In USD            | Buy        | 11.22                          | 92.53                       | 0.31                     |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK (Continued)****(ii) Interest rate risk**

The Group manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Group has issued fixed rate bonds and loans taken from banks are linked to MCLR rate of the bank, which are variable.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ In crores)

|               | Currency | Increase / decrease in basis points | Effect on profit before tax |
|---------------|----------|-------------------------------------|-----------------------------|
| 31 March 2024 | INR      | +50                                 | (7.10)                      |
|               | INR      | -50                                 | 7.10                        |
| 31 March 2023 | INR      | +50                                 | (1.94)                      |
|               | INR      | -50                                 | 1.94                        |

(₹ In crores)

| Particulars                      | Total Borrowings | Floating rate Borrowings | Fixed rate Borrowings |
|----------------------------------|------------------|--------------------------|-----------------------|
| INR                              | 2,481.54         | 1,420.92                 | 1,060.62              |
| <b>Total as at 31 March 2024</b> | <b>2,481.54</b>  | <b>1,420.92</b>          | <b>1,060.62</b>       |
| INR                              | 1,037.71         | 388.76                   | 648.95                |
| <b>Total as at 31 March 2023</b> | <b>1,037.71</b>  | <b>388.76</b>            | <b>648.95</b>         |

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

**(iii) Equity Price Risk**

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

**C. LIQUIDITY RISK****(i) Liquidity risk management**

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Group ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK** (Continued)**(ii) Maturities of financial liabilities**

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

(₹ in Crores)

| <b>As at 31 March 2024</b>                                            | <b>On Demand</b> | <b>Less than 1 Year</b> | <b>1-3 Years</b> | <b>3 Years to 5 Years</b> | <b>5 years and above</b> | <b>Total</b>    |
|-----------------------------------------------------------------------|------------------|-------------------------|------------------|---------------------------|--------------------------|-----------------|
| <b>(a) Non Derivative financial instruments</b>                       |                  |                         |                  |                           |                          |                 |
| Long term borrowings (including current maturities of long-term debt) | -                | 230.17                  | 1,848.09         | 305.72                    | 967.36                   | 3,351.34        |
| Short term borrowings                                                 |                  |                         |                  |                           |                          |                 |
| Cash credit facilities/ working capital loan                          | 68.89            | -                       | -                | -                         | -                        | 68.89           |
| Line of credit                                                        | -                | 25.00                   | -                | -                         | -                        | 25.00           |
| Trade payables                                                        |                  |                         |                  |                           |                          |                 |
| Trade payables - micro and small enterprises                          | -                | 8.56                    | -                | -                         | -                        | 8.56            |
| Trade payables - other than micro and small enterprises               | -                | 739.71                  | -                | -                         | -                        | 739.71          |
| Other financial liabilities                                           |                  |                         |                  |                           |                          |                 |
| Deposits from dealers and agents                                      | 59.46            | -                       | -                | -                         | -                        | 59.46           |
| Deposits against rental arrangements                                  | -                | 82.04                   | 26.74            | 8.28                      | 94.76                    | 211.82          |
| Other interest accrued                                                | -                | 41.36                   | -                | -                         | -                        | 41.36           |
| Unclaimed / unpaid dividends                                          | -                | 1.47                    | -                | -                         | -                        | 1.47            |
| Creditors for capital supplies / services                             | -                | 10.29                   | -                | -                         | -                        | 10.29           |
| Earnest money on booking of residential inventory                     | -                | 1.61                    | -                | -                         | -                        | 1.61            |
| Sinking fund deposit from customer                                    | -                | 2.61                    | -                | -                         | -                        | 2.61            |
| Other current liabilities                                             | -                | 12.94                   | 0.49             | -                         | -                        | 13.43           |
| <b>Total</b>                                                          | <b>128.35</b>    | <b>1,155.76</b>         | <b>1,875.32</b>  | <b>314.00</b>             | <b>1,062.12</b>          | <b>4,535.55</b> |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK** (Continued)

(₹ in Crores)

| As at 31 March 2023                                     | On Demand     | Less than 1 Year | 1-3 Years     | 3 Years to 5 Years | 5 years and above | Total           |
|---------------------------------------------------------|---------------|------------------|---------------|--------------------|-------------------|-----------------|
| <b>(a) Non Derivative financial instruments</b>         |               |                  |               |                    |                   |                 |
| Long term borrowings                                    | -             | 365.43           | 486.56        | -                  | -                 | 851.99          |
| Short term borrowings                                   |               |                  |               |                    |                   |                 |
| Cash credit facilities/ working capital loan            | 133.88        | -                | -             | -                  | -                 | 133.88          |
| Pre-shipment, post-shipment facilities                  | -             | 30.00            | -             | -                  | -                 | 30.00           |
| Line of credit                                          | -             | 35.00            | -             | -                  | -                 | 35.00           |
| Trade payables                                          |               |                  |               |                    |                   |                 |
| Trade payables - micro and small enterprises            | -             | 19.11            | -             | -                  | -                 | 19.11           |
| Trade payables - other than micro and small enterprises | -             | 766.40           | -             | -                  | -                 | 766.40          |
| Other financial liabilities                             |               |                  |               |                    |                   |                 |
| Deposits from dealers and agents                        | 73.69         | -                | -             | -                  | -                 | 73.69           |
| Deposits against rental arrangements                    | -             | 66.83            | 23.99         | 2.65               | 200.00            | 293.47          |
| Other Interest accrued                                  | -             | 10.81            | -             | -                  | -                 | 10.81           |
| Unclaimed / unpaid dividends                            | -             | 1.67             | -             | -                  | -                 | 1.67            |
| Creditors for capital supplies / services               | -             | 20.82            | -             | -                  | -                 | 20.82           |
| Earnest money on booking of residential inventory       | 0.55          | -                | -             | -                  | -                 | 0.55            |
| Other current liabilities                               | -             | 8.87             | 0.49          | -                  | -                 | 9.36            |
| <b>Total</b>                                            | <b>208.12</b> | <b>1,324.94</b>  | <b>511.04</b> | <b>2.65</b>        | <b>200.00</b>     | <b>2,246.75</b> |

**(iii) Maturities of financial assets**

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**43 FINANCIAL RISK MANAGEMENT FRAMEWORK** (Continued)

(₹ in Crores)

| As at 31 March 2024                             | On Demand   | Less than 1 Year | 1-3 Years    | 3 Years to 5 Years | 5 years and above | Total         |
|-------------------------------------------------|-------------|------------------|--------------|--------------------|-------------------|---------------|
| <b>(a) Non Derivative financial instruments</b> |             |                  |              |                    |                   |               |
| Trade receivables                               | -           | 165.63           | -            | -                  | -                 | 165.63        |
| Other bank balances                             | 1.47        | 27.31            | -            | -                  | -                 | 28.78         |
| Other financial assets                          |             |                  |              |                    |                   |               |
| Security deposits                               | 2.10        | -                | -            | 9.96               | -                 | 12.06         |
| Interest receivable                             | -           | 10.05            | -            | -                  | -                 | 10.05         |
| Unbilled revenue                                | -           | 1.51             | 1.80         | -                  | -                 | 3.31          |
| Bank deposit more than 12 months                | -           | -                | 56.57        | -                  | -                 | 56.57         |
| Others                                          | -           | 9.18             | -            | -                  | -                 | 9.18          |
| Finance lease receivables                       | -           | 0.69             | 2.02         | -                  | -                 | 2.71          |
| <b>Total</b>                                    | <b>3.57</b> | <b>214.37</b>    | <b>60.39</b> | <b>9.96</b>        | <b>-</b>          | <b>288.29</b> |

(₹ in Crores)

| As at 31 March 2023                             | On Demand   | Less than 1 Year | 1-3 Years    | 3 Years to 5 Years | 5 years and above | Total         |
|-------------------------------------------------|-------------|------------------|--------------|--------------------|-------------------|---------------|
| <b>(a) Non Derivative financial instruments</b> |             |                  |              |                    |                   |               |
| Trade receivables                               | -           | 156.44           | -            | -                  | -                 | 156.44        |
| Other bank balances                             | 1.67        | 100.95           | -            | -                  | -                 | 102.62        |
| Other financial assets                          |             |                  |              |                    |                   |               |
| Security deposits                               | -           | 1.55             | -            | 6.53               | -                 | 8.08          |
| Interest receivable                             | -           | 10.45            | -            | -                  | -                 | 10.45         |
| Unbilled Revenue                                | -           | 1.50             | 1.87         | -                  | -                 | 3.37          |
| Bank deposit more than 12 months                | -           | -                | 10.09        | -                  | -                 | 10.09         |
| Others                                          | -           | 2.59             | -            | -                  | -                 | 2.59          |
| Finance lease receivables                       | -           | -                | 1.48         | -                  | -                 | 1.48          |
| <b>Total</b>                                    | <b>1.67</b> | <b>273.48</b>    | <b>13.44</b> | <b>6.53</b>        | <b>-</b>          | <b>295.12</b> |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT****Fair value of financial assets and financial liabilities**

(₹ in Crores)

| Particulars                                                                  | 31 March 2024   |                 | 31 March 2023  |               |
|------------------------------------------------------------------------------|-----------------|-----------------|----------------|---------------|
|                                                                              | Carrying Value  | Fair value      | Carrying Value | Fair value    |
| <b>Financial assets</b>                                                      |                 |                 |                |               |
| <u>Financial assets measured at Fair value through OCI:</u>                  |                 |                 |                |               |
| <b>Investments</b>                                                           |                 |                 |                |               |
| Quoted equity shares                                                         | 360.03          | 360.03          | 157.33         | 157.33        |
| Unquoted equity shares                                                       | 42.38           | 42.38           | 38.46          | 38.46         |
| <u>Financial assets measured at Fair value through profit and loss:</u>      |                 |                 |                |               |
| Investment in mutual funds                                                   | 282.66          | 282.66          | 3.00           | 3.00          |
| <u>Financial assets at amortised cost for which Fair value are disclosed</u> |                 |                 |                |               |
| Government and Trust Securities                                              | 5.82            | 5.82            | 5.82           | 5.82          |
| Other financial Assets                                                       |                 |                 |                |               |
| Security Deposit                                                             | 12.06           | 12.06           | 8.08           | 8.08          |
| Interest receivable                                                          | 10.05           | 10.05           | 10.45          | 10.45         |
| Unbilled Revenue                                                             | 3.31            | 3.31            | 3.37           | 3.37          |
| Finance Lease                                                                | 2.71            | 2.71            | 1.48           | 1.48          |
| Bank deposit more than 12 months                                             | 56.57           | 56.57           | 10.09          | 10.09         |
| Others                                                                       | 9.18            | 9.18            | 2.59           | 2.59          |
| Trade Receivables                                                            | 165.63          | 165.63          | 156.44         | 156.44        |
| Cash and Cash Equivalents                                                    | 372.72          | 372.72          | 48.51          | 48.51         |
| Other Bank Balances                                                          | 28.78           | 28.78           | 102.62         | 102.62        |
| <b>Total</b>                                                                 | <b>1,351.90</b> | <b>1,351.90</b> | <b>548.24</b>  | <b>548.24</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)

(₹ in Crores)

| Particulars                                                                  | 31 March 2024   |                 | 31 March 2023   |                 |
|------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                                                              | Carrying Value  | Fair value      | Carrying Value  | Fair value      |
| <b>Financial liabilities</b>                                                 |                 |                 |                 |                 |
| Financial liabilities at amortised cost for which Fair value are disclosed   |                 |                 |                 |                 |
| Floating rate borrowings (including current maturities and Interest accrued) | 1,426.68        | 1,426.68        | 388.76          | 388.76          |
| Fixed rate borrowings (including current maturities and Interest accrued)    | 1,093.61        | 1,093.49        | 655.91          | 633.32          |
| Lease liabilities (current and non current)                                  | 20.15           | 20.15           | 21.60           | 21.60           |
| Trade payables                                                               | 748.27          | 748.27          | 785.51          | 785.51          |
| Other financial liabilities                                                  |                 |                 |                 |                 |
| Deposits from dealers and agents                                             | 59.46           | 59.46           | 73.69           | 73.69           |
| Deposits against rental arrangements                                         | 207.80          | 209.45          | 176.23          | 168.58          |
| Earnest money on booking of residential inventory                            | 1.61            | 1.61            | 0.55            | 0.55            |
| Sinking fund deposit from customer                                           | 2.61            | 2.61            | -               | -               |
| Other interest accrued                                                       | 2.58            | 2.58            | 3.84            | 3.84            |
| Unclaimed / Unpaid dividends                                                 | 1.47            | 1.47            | 1.67            | 1.67            |
| Creditors for capital supplies/services                                      | 10.29           | 10.29           | 20.82           | 20.82           |
| Other liabilities                                                            | 13.43           | 13.43           | 9.36            | 9.36            |
| <b>Total</b>                                                                 | <b>3,587.96</b> | <b>3,589.49</b> | <b>2,137.94</b> | <b>2,107.70</b> |

The management assessed that cash and cash equivalents, trade receivables, trade payables, cash credit and all other current financial assets and liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Receivables are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair value of loans from banks and other financial liabilities, security deposit, as well as other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The fair values of the unquoted equity instruments have been estimated using a net adjusted fair value method. The valuation requires management to make certain assumptions about the assets, liabilities, investments of Investee Group. The probabilities of the various assumptions can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments based on the best information available to the Group.
- The fair values of quoted equity instruments are derived from quoted market prices in active markets.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)

- (v) The Group enters into foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs.
- (vi) The fair value of floating rate borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. As the Group's interest rates changes with the change in market interest rate, there is no material difference in carrying value and fair value. The own non performance risk as at 31 March 2024 was assessed to be insignificant.

**Fair value measurement hierarchy of financial assets and financial liabilities**

(₹ in Crores)

| Particulars                                                                  | Fair value hierarchy as at 31 March 2024 |               |              |                 |
|------------------------------------------------------------------------------|------------------------------------------|---------------|--------------|-----------------|
|                                                                              | Level 1                                  | Level 2       | Level 3      | Total           |
| <b>Financial assets</b>                                                      |                                          |               |              |                 |
| <u>Financial assets measured at Fair value through OCI:</u>                  |                                          |               |              |                 |
| <b>Investments</b>                                                           |                                          |               |              |                 |
| Quoted equity shares                                                         | 360.03                                   | -             | -            | 360.03          |
| Unquoted equity shares                                                       | -                                        |               | 42.38        | 42.38           |
| <u>Financial assets measured at Fair value through profit and loss:</u>      |                                          |               |              |                 |
| Investment in mutual funds                                                   | 282.66                                   | -             | -            | 282.66          |
| <u>Financial assets at amortised cost for which Fair value are disclosed</u> |                                          |               |              |                 |
| Government and Trust Securities                                              | -                                        | 5.82          | -            | 5.82            |
| Other financial Assets                                                       |                                          |               |              |                 |
| Security Deposit                                                             | -                                        | 12.06         | -            | 12.06           |
| Interest receivable                                                          | -                                        | 10.05         | -            | 10.05           |
| Unbilled Revenue                                                             | -                                        | 3.31          | -            | 3.31            |
| Finance Lease                                                                | -                                        | 2.71          | -            | 2.71            |
| Bank deposit more than 12 months                                             | -                                        | 56.57         | -            | 56.57           |
| Others                                                                       | -                                        | 9.18          | -            | 9.18            |
| Trade Receivables                                                            | -                                        | 165.63        | -            | 165.63          |
| Cash and Cash Equivalents                                                    | -                                        | 372.72        | -            | 372.72          |
| Other Bank Balances                                                          | -                                        | 28.78         | -            | 28.78           |
| <b>Total</b>                                                                 | <b>642.69</b>                            | <b>666.83</b> | <b>42.38</b> | <b>1,351.90</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)

(₹ in Crores)

| Particulars                                                                       | Fair value hierarchy as at 31 March 2024 |                 |          |                 |
|-----------------------------------------------------------------------------------|------------------------------------------|-----------------|----------|-----------------|
|                                                                                   | Level 1                                  | Level 2         | Level 3  | Total           |
| <b>Financial liabilities</b>                                                      |                                          |                 |          |                 |
| <u>Financial liabilities at amortised cost for which Fair value are disclosed</u> |                                          |                 |          |                 |
| Floating rate borrowings (including current maturities and Interest accrued)      | -                                        | 1,426.68        | -        | 1,426.68        |
| Fixed rate borrowings (including current maturities and Interest accrued)         | -                                        | 1,093.49        | -        | 1,093.49        |
| Lease liabilities (current and non current)                                       | -                                        | 20.15           | -        | 20.15           |
| Trade payables                                                                    | -                                        | 748.27          | -        | 748.27          |
| Other financial liabilities                                                       |                                          |                 |          |                 |
| Deposits from dealers and agents                                                  | -                                        | 59.46           | -        | 59.46           |
| Deposits against rental arrangements                                              | -                                        | 209.45          | -        | 209.45          |
| Earnest money on booking of residential inventory                                 | -                                        | 1.61            | -        | 1.61            |
| Sinking fund deposit from customer                                                | -                                        | 2.61            | -        | 2.61            |
| Other interest accrued                                                            | -                                        | 2.58            | -        | 2.58            |
| Unclaimed / Unpaid dividends                                                      | -                                        | 1.47            | -        | 1.47            |
| Creditors for capital supplies/services                                           | -                                        | 10.29           | -        | 10.29           |
| Other liabilities                                                                 | -                                        | 13.43           | -        | 13.43           |
| <b>Total</b>                                                                      | <b>-</b>                                 | <b>3,589.49</b> | <b>-</b> | <b>3,589.49</b> |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)**Fair value measurement hierarchy of financial assets and financial liabilities**

(₹ in Crores)

| Particulars                                                                  | Fair value hierarchy as at 31 March 2023 |               |              |               |
|------------------------------------------------------------------------------|------------------------------------------|---------------|--------------|---------------|
|                                                                              | Level 1                                  | Level 2       | Level 3      | Total         |
| <b>Financial assets</b>                                                      |                                          |               |              |               |
| <u>Financial assets measured at Fair value through OCI:</u>                  |                                          |               |              |               |
| <b>Investments</b>                                                           |                                          |               |              |               |
| Quoted equity shares                                                         | 157.33                                   | -             | -            | 157.33        |
| Unquoted equity shares                                                       | -                                        | -             | 38.46        | 38.46         |
| <u>Financial assets measured at Fair value through profit and loss:</u>      |                                          |               |              |               |
| Investment in mutual funds                                                   | 3.00                                     | -             | -            | 3.00          |
| <u>Financial assets at amortised cost for which Fair value are disclosed</u> |                                          |               |              |               |
| Government and Trust Securities                                              | -                                        | 5.82          | -            | 5.82          |
| Other financial Assets                                                       |                                          |               |              |               |
| Security Deposit                                                             | -                                        | 8.08          | -            | 8.08          |
| Interest receivable                                                          | -                                        | 10.45         | -            | 10.45         |
| Unbilled Revenue                                                             | -                                        | 3.37          | -            | 3.37          |
| Finance Lease                                                                | -                                        | 1.48          | -            | 1.48          |
| Bank deposit more than 12 months                                             | -                                        | 10.09         | -            | 10.09         |
| Others                                                                       | -                                        | 2.59          | -            | 2.59          |
| Trade Receivables                                                            |                                          | 156.44        |              | 156.44        |
| Cash and Cash Equivalents                                                    |                                          | 48.51         |              | 48.51         |
| Other Bank Balances                                                          | -                                        | 102.62        | -            | 102.62        |
| <b>Total</b>                                                                 | <b>160.33</b>                            | <b>349.45</b> | <b>38.46</b> | <b>548.24</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)

(₹ in Crores)

| Particulars                                                                       | Fair value hierarchy as at 31 March 2023 |                 |          |                 |
|-----------------------------------------------------------------------------------|------------------------------------------|-----------------|----------|-----------------|
|                                                                                   | Level 1                                  | Level 2         | Level 3  | Total           |
| <b>Financial liabilities</b>                                                      |                                          |                 |          |                 |
| <u>Financial liabilities at amortised cost for which Fair value are disclosed</u> |                                          |                 |          |                 |
| Floating rate borrowings (including current maturities and Interest accrued)      | -                                        | 388.76          | -        | 388.76          |
| Fixed rate borrowings (including current maturities and Interest accrued)         | -                                        | 633.32          | -        | 633.32          |
| Lease liabilities (current and non current)                                       | -                                        | 21.60           | -        | 21.60           |
| Trade payables                                                                    | -                                        | 785.51          | -        | 785.51          |
| Other financial liabilities                                                       |                                          |                 |          |                 |
| Deposits from dealers and agents                                                  | -                                        | 73.69           | -        | 73.69           |
| Deposits against rental arrangements                                              | -                                        | 168.58          | -        | 168.58          |
| Earnest money on booking of residential inventory                                 | -                                        | 0.55            | -        | 0.55            |
| Other interest accrued                                                            | -                                        | 3.84            | -        | 3.84            |
| Unclaimed / Unpaid dividends                                                      | -                                        | 1.67            | -        | 1.67            |
| Creditors for capital supplies/services                                           | -                                        | 20.82           | -        | 20.82           |
| Other liabilities                                                                 | -                                        | 9.36            | -        | 9.36            |
| <b>Total</b>                                                                      | <b>-</b>                                 | <b>2,107.70</b> | <b>-</b> | <b>2,107.70</b> |

**Fair Valuation Techniques and Inputs used - recurring Items**

(₹ in Crores)

| Financial assets/<br>financial liabilities<br>measured at Fair<br>value | Fair value as at |                  | Fair value<br>hierarchy | Valuation<br>technique(s)<br>and key<br>input(s) | Significant<br>unobservable<br>input(s)                 | Relationship of unobservable<br>inputs to fair value and<br>sensitivity                                                                                                                                                            |
|-------------------------------------------------------------------------|------------------|------------------|-------------------------|--------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                         | 31 March<br>2024 | 31 March<br>2023 |                         |                                                  |                                                         |                                                                                                                                                                                                                                    |
| <b>Financial assets</b>                                                 |                  |                  | Level 3                 | Replacement<br>Cost Method                       | Investment<br>property held<br>by investee<br>companies | 5% (31 March 2023: 5%) increase<br>(decrease) in the fair value of<br>investment property would<br>result in increase (decrease) in<br>fair value of unquoted equity<br>investment by ₹ 1.42 Crore (31<br>March 2023 ₹ 1.34 Crore) |
| Investments                                                             |                  |                  |                         |                                                  |                                                         |                                                                                                                                                                                                                                    |
| Unquoted Equity<br>investments                                          | 42.38            | 38.46            |                         |                                                  |                                                         |                                                                                                                                                                                                                                    |
| <b>Total financial<br/>assets</b>                                       | <b>42.38</b>     | <b>38.46</b>     |                         |                                                  |                                                         |                                                                                                                                                                                                                                    |





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**44 FAIR VALUE MEASUREMENT** (Continued)

There were no transfers between level 1 and level 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements, refer example below.

There were no significant inter-relationships between unobservable inputs that materially affects fair values.

**Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:**

(₹ in Crores)

| Particulars                      | 31 March 2024 | 31 March 2023 |
|----------------------------------|---------------|---------------|
| Opening                          | 38.46         | 38.50         |
| Re-measurement recognised in OCI | 3.92          | (0.04)        |
| <b>Closing</b>                   | <b>42.38</b>  | <b>38.46</b>  |

**45 DISCLOSURE UNDER IND AS 116 "LEASES":****Lessee:**

The Group has lease contracts for lands & buildings used in its operations. Leases of land and building generally have lease terms between 3 and 99 years. Generally, the Group is restricted from assigning and subleasing the leased assets.

(₹ in Crores)

| Amount recognized in statement of profit or loss                               | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Depreciation of right-of-use assets                                            | 2.57                                | 3.57                                |
| Interest on lease liabilities (including interest on reclassified prepayments) | 1.76                                | 1.88                                |
| Expenses related to short term leases                                          | 1.79                                | 2.03                                |
| <b>Total</b>                                                                   | <b>6.12</b>                         | <b>7.48</b>                         |

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

(₹ in Crores)

| Particulars                 | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Less than 1 year            | 3.10          | 3.22          |
| 1-3 years                   | 4.06          | 4.01          |
| 3-5 years                   | 3.75          | 3.79          |
| 5 years and above           | 48.99         | 52.10         |
| <b>Total as at 31 March</b> | <b>59.90</b>  | <b>63.12</b>  |

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

| (₹ in Crores)         |               |               |
|-----------------------|---------------|---------------|
| Particulars           | 31 March 2024 | 31 March 2023 |
| As at 1 April         | 21.60         | 20.76         |
| Additions             | -             | 2.99          |
| Accretion of interest | 1.76          | 1.88          |
| Payments              | (3.21)        | (4.03)        |
| <b>As at 31 March</b> | <b>20.15</b>  | <b>21.60</b>  |
| Current               | 2.30          | 2.26          |
| Non-current           | 17.85         | 19.34         |

| (₹ in Crores)                                |                                     |                                     |
|----------------------------------------------|-------------------------------------|-------------------------------------|
| Amount recognized in statement of cash flows | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
| Total cash outflow of leases                 | 3.21                                | 4.06                                |

**Lessor - Operating Lease:**

The Group has significant leasing arrangements in respect of operating leases for premises. These are non cancellable leases with a lock in period of minimum three years. Most of the leases are renewable for a further period on mutually agreeable terms and also include escalation clauses on renewal. The Group has entered into operating leases for its Investment property. These typically have lease terms of between 1 to 4 years. The Group has recognized an amount of ₹ 145.70 Crore (31 March 2023 ₹ 124.73 Crore) as rental income for operating lease during the year ended March 31, 2024

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

| (₹ in Crores)            |               |               |
|--------------------------|---------------|---------------|
| Particulars              | 31 March 2024 | 31 March 2023 |
| Less than a year         | 18.17         | 39.88         |
| One to two years         | 12.41         | 11.92         |
| Two to three years       | 4.20          | 6.16          |
| Three to four years      | 2.37          | 3.69          |
| Four to five years       | 0.52          | 2.37          |
| <b>Total (A)</b>         | <b>37.67</b>  | <b>64.02</b>  |
| More than five years (B) | 3.89          | 4.41          |
| <b>Total (A +B)</b>      | <b>41.56</b>  | <b>68.43</b>  |

**Lessor - Finance Lease:**

The Group has entered into Finance leases arrangement for leasehold improvement in investment property. These leases have terms of between three and five years.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

Amount receivable under Finance Lease:

(₹ in Crores)

| Particulars                                              | 31 March 2024 | 31 March 2023 |
|----------------------------------------------------------|---------------|---------------|
| Less than a year                                         | 0.69          | -             |
| One to two years                                         | 1.02          | 0.55          |
| Two to three years                                       | 0.96          | 1.36          |
| Three to four years                                      | 0.28          | -             |
| Four to five years                                       | 0.04          | -             |
| More than five years                                     | 0.27          | -             |
| <b>Total</b>                                             | <b>3.26</b>   | <b>1.91</b>   |
| Unearned Finance Income                                  | (0.55)        | (0.43)        |
| <b>Present value of minimum lease payment receivable</b> | <b>2.71</b>   | <b>1.48</b>   |

**46 SHARE BASED PAYMENTS (ESOP)**

During the year, the Nomination and Remuneration Committee ("Committee") of the Board of Directors of the Company has approved on 22nd June, 2023, and 01st December 2023, grant of 12,27,535 Stock Options in aggregate to the eligible employee(s) of Wholly Owned Subsidiary of the Company viz. Birla Estates Private Limited under the CTIL Employee Stock Option Scheme 2023 ('the Scheme').

The Scheme is implemented through the CTIL Employee Welfare Trust. The Trust has purchased 12,52,480 equity shares of the Company from market as per the Scheme. The Company considered Trust as its extension and shares held by the said Trust are treated as treasury shares which has been adjusted with the other equity. The details of the Scheme are given hereunder:

| Particulars                                             | Option 1                       | Option 2                                         |
|---------------------------------------------------------|--------------------------------|--------------------------------------------------|
| No. of Options Granted                                  | 2,82,839                       | 944,696                                          |
| Grant Date                                              | 22-06-2023 &<br>01-12-2023     | 22-06-2023 &<br>01-12-2023                       |
| Exercise Price (Rupee Per Share)                        | 758.55                         | 758.55                                           |
| Market Price on the Date of Grant (₹)                   | 827.45                         | 827.45                                           |
| Fair Value on the Date of Grant of Option (₹ Per Share) | 400.25                         | 178.8                                            |
| Method of Settlement                                    | Equity                         | Equity                                           |
| Method of Accounting                                    | Fair Value                     | Fair Value                                       |
| Graded Vesting Plan                                     | 1/3 each, over 3 years         | Achievement of performance milestone and 2 years |
| Normal Exercise Period                                  | 5 years from the date of grant | 6 years from the date of grant                   |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**46 SHARE BASED PAYMENTS (ESOP)****Movement of Options Granted along with Weighted-Average Exercise Price (WAEP)**

|                                          | Current Year |           |
|------------------------------------------|--------------|-----------|
|                                          | Nos          | WAEP (Rs) |
| Outstanding at the beginning of the year | -            | -         |
| Granted during the year                  | 12,27,535    | 758.55    |
| Exercised during the year                | -            | -         |
| Lapsed/Cancelled during the year         | -            | -         |
| Outstanding at the end of the year       | 12,27,535    | 758.55    |
| Options: Unvested at the end of the year | -            | -         |
| Exercisable at the end of the year       | -            | -         |

**Fair Valuation**

The fair value of options used to compute proforma net income and earnings per equity share has been done by an independent Valuer on the date of grant using Black-Scholes Model and Monte Carlo simulation approach.

The Key Assumptions in Black-Scholes Model and Monte Carlo simulation approach for calculating fair value as on the date of grant are:

| ESOS-2023            | Options Tranche I      | Options Tranche II                               |
|----------------------|------------------------|--------------------------------------------------|
| Method Used          | Black-Scholes Model    | Monte Carlo simulation approach                  |
| Risk-Free Rate       | 6.92%                  | 6.92%                                            |
| Option Life (Years)  | 1/3 each, over 3 years | Achievement of performance milestone and 2 years |
| Expected Volatility* | 46.27%                 | 32.06%                                           |
| Dividend Yield       | 0.75%                  | 0.75%                                            |

Employee Stock Options expenses of ₹ 11.16 Crores (31 March 2023 - Nil) has been recognised in the statement of profit and loss in the books of subsidiary.

**47 RATIO ANALYSIS AND ITS ELEMENTS**

| Ratio         | Numerator      | Denominator         | 31-Mar-24 | 31-Mar-23 | % change | Reason for variance                                                                                                                |
|---------------|----------------|---------------------|-----------|-----------|----------|------------------------------------------------------------------------------------------------------------------------------------|
| Current ratio | Current Assets | Current Liabilities | 1.72      | 1.16      | 48.28%   | Due to increase in real estates inventory on account of Real Estates projects developments and increase in liquid fund investments |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**47 RATIO ANALYSIS AND ITS ELEMENTS** (Continued)

| Ratio                                     | Numerator                                                                        | Denominator                                                                           | 31-Mar-24 | 31-Mar-23 | % change | Reason for variance                                                                                                                       |
|-------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-----------|-----------|----------|-------------------------------------------------------------------------------------------------------------------------------------------|
| Debt- Equity Ratio                        | Total Debt                                                                       | Shareholder's Equity                                                                  | 0.61      | 0.26      | -134.62% | Due to increase in debt on account of issue of Non Convertible debentures, Lease Rent Discounting and term loan for Real Estates projects |
| Debt Service Coverage ratio               | Earnings for debt service = Net profit after taxes + Non-cash operating expenses | Debt service = Interest & Lease Payments + Principal Repayments                       | 1.12      | 0.74      | 51.35%   | Due to decrease in scheduled repayment of long term debt as compare to previous year                                                      |
| Return on Equity ratio                    | Net Profits after taxes                                                          | Average Shareholder's Equity                                                          | 0.01      | 0.07      | -85.71%  | Refer Note (a)                                                                                                                            |
| Inventory Turnover ratio                  | Cost of goods sold                                                               | Average Inventory                                                                     | 6.41      | 3.99      | 60.65%   | Due to decrease in closing inventory of textile division on account of discontinuation of textile division                                |
| Trade Receivable Turnover Ratio           | Net sales = Gross sales - sales return                                           | Average Trade Receivable                                                              | 31.36     | 25.29     | 24.00%   |                                                                                                                                           |
| Trade Payable Turnover Ratio              | Net purchases = Gross purchases + other expenses - purchase return               | Average Trade Payables                                                                | 7.39      | 5.92      | 24.83%   |                                                                                                                                           |
| Net Capital Turnover Ratio                | Net sales = Total sales - sales return                                           | Working capital = Current assets – Current liabilities (Excluding current borrowings) | 1.98      | 4.78      | -58.58%  | Due to increase in real estates inventory on account of Real Estates projects developments and increase in liquid fund investments        |
| Net Profit ratio                          | Net Profit                                                                       | Net sales = Total sales - sales return                                                | 1.13%     | 5.51%     | -79.49%  | Refer Note (a)                                                                                                                            |
| Net Profit ratio before exceptional items | Net Profit before exceptional items (net of tax expense)                         | Net sales = Total sales - sales return                                                | 3.75%     | 3.25%     | -15.38%  |                                                                                                                                           |
| Return on Capital Employed                | Earnings before interest and taxes                                               | Capital employed = Tangible Net worth + Total debt + Deferred tax liability           | 0.06      | 0.08      | -25.00%  | Refer Note (a)                                                                                                                            |
| Return on Investment                      | Interest (Finance Income)                                                        | Investment                                                                            | 5.69%     | 3.46%     | 64.45%   | Due to increase in Investment in liquid fund investments and Loan given to Subsidiaries                                                   |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**47 RATIO ANALYSIS AND ITS ELEMENTS (Continued)****Notes :**

- (a) Due to discontinuation of textile business during the year, the Group has assessed the recoverability of Property, plant and equipment and other assets of the said Division and recognized a provision aggregating to ₹ 214.00 Crores as Loss on measurement to net realizable value and in previous year, the Group had recorded exceptional gain on account of transfer of leasehold land of ₹ 134.21 crores. Accordingly, all ratios related to cash flows, revenue and profitability of the Group has been impacted as compared to previous year.

**48 OTHER STATUTORY INFORMATION**

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 49.** The Holding Company, subsidiaries and joint venture which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except for the following:
- The Company together with its subsidiaries and joint venture have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to data for users with certain privileged access rights to the SAP HANA application and/or the underlying HANA database. Further no instance of audit trail feature being tampered with was noted in respect of the software.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**49A SUMMARISED FINANCIAL INFORMATION OF MATERIAL NON CONTROLLING INTERESTS**

Financial Information of Subsidiaries that have material non-controlling interest is provided below:

Proportion of equity interest held by non-controlling interests:

| Name                | Country of Incorporation | (₹ in Crores) |               |
|---------------------|--------------------------|---------------|---------------|
|                     |                          | 31 March 2024 | 31 March 2023 |
| Avarna Projects LLP | India                    | 50%           | 50%           |
| Birla Tisya LLP     | India                    | 60%           | 60%           |

**(a) Avarna Projects LLP****(i) Summarised Balance Sheet:**

| Particulars              | (₹ in Crores) |                |
|--------------------------|---------------|----------------|
|                          | 31 March 2024 | 31 March 2023  |
| Non-current Assets       | 48.57         | 7.43           |
| Current Assets           | 911.71        | 807.15         |
| Non-current Liabilities  | (461.58)      | (492.92)       |
| Current Liabilities      | (501.12)      | (350.86)       |
|                          | <b>(2.42)</b> | <b>(29.20)</b> |
| <b>Attributable to:</b>  |               |                |
| Equity holders of parent | (1.21)        | (14.60)        |
| Non-controlling interest | (1.21)        | (14.60)        |

**(ii) Summarised Statement of Profit and Loss:**

| Particulars                                                               | (₹ in Crores)                       |                                     |
|---------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                           | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
| Revenue from operations                                                   | 222.02                              | -                                   |
| Other income                                                              | 0.53                                | 0.28                                |
| Cost of land, construction and other related real estate development cost | (180.25)                            | -                                   |
| Employee benefits expense                                                 | (1.34)                              | (2.14)                              |
| Finance costs                                                             | (1.79)                              | -                                   |
| Depreciation and amortisation expense                                     | (1.06)                              | (0.59)                              |
| Other expenses                                                            | (14.09)                             | (7.09)                              |
| <b>Profit / (Loss) before tax</b>                                         | <b>24.02</b>                        | <b>(9.54)</b>                       |
| Add / (Less) : Income tax expense                                         | (2.75)                              | -                                   |
| <b>Profit / (Loss) before tax</b>                                         | <b>26.77</b>                        | <b>(9.54)</b>                       |
| Other Comprehensive Income/(Expense) for the year                         | -                                   | -                                   |
| <b>Total Comprehensive Loss for the year</b>                              | <b>26.77</b>                        | <b>(9.54)</b>                       |
| <b>Attributable to:</b>                                                   |                                     |                                     |
| Equity holders of parent                                                  | 13.38                               | (4.77)                              |
| Non-controlling interest                                                  | 13.38                               | (4.77)                              |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**49A SUMMARISED FINANCIAL INFORMATION OF MATERIAL NON CONTROLLING INTERESTS** (Continued)

## (iii) Summarised Cash Flow information:

(₹ in Crores)

| Particulars                                                   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Operating Activities                                          | 136.51                              | (26.86)                             |
| Investing Activities                                          | 41.29                               | (23.81)                             |
| Financing Activities                                          | (90.51)                             | 53.13                               |
| <b>Net (Decrease) / Increase in Cash and Cash Equivalents</b> | <b>87.29</b>                        | <b>2.46</b>                         |

## (b) Birla Tisya LLP

## (i) Summarised Balance Sheet:

(₹ in Crores)

| Particulars              | 31 March 2024 | 31 March 2023 |
|--------------------------|---------------|---------------|
| Non-current Assets       | 45.89         | 51.47         |
| Current Assets           | 293.18        | 135.61        |
| Non-current Liabilities  | (52.15)       | (65.88)       |
| Current Liabilities      | (294.00)      | (130.12)      |
|                          | <b>(7.08)</b> | <b>(8.91)</b> |
| <b>Attributable to:</b>  |               |               |
| Equity holders of parent | (2.83)        | (3.56)        |
| Non-controlling interest | (4.25)        | (5.35)        |

## (ii) Summarised Statement of Profit and Loss:

(₹ in Crores)

| Particulars                                       | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---------------------------------------------------|-------------------------------------|-------------------------------------|
| Other income                                      | 0.23                                | 0.06                                |
| Employee benefits expense                         | (1.53)                              | (1.56)                              |
| Depreciation and amortisation expense             | (0.84)                              | (0.84)                              |
| Other expenses                                    | (0.50)                              | (1.77)                              |
| <b>Loss before tax</b>                            | <b>(2.64)</b>                       | <b>(4.11)</b>                       |
| Add / (Less) : Income tax expense                 | (4.47)                              | -                                   |
| <b>Loss for the year</b>                          | <b>1.83</b>                         | <b>(4.11)</b>                       |
| Other Comprehensive Income/(Expense) for the year | -                                   | -                                   |
| <b>Total Comprehensive Loss for the year</b>      | <b>1.83</b>                         | <b>(4.11)</b>                       |
| <b>Attributable to:</b>                           |                                     |                                     |
| Equity holders of parent                          | 0.73                                | (1.65)                              |
| Non-controlling interest                          | 1.10                                | (2.47)                              |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**49A SUMMARISED FINANCIAL INFORMATION OF MATERIAL NON CONTROLLING INTERESTS** (Continued)

## (iii) Summarised Cash Flow information:

(₹ in Crores)

| Particulars                                                   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Operating Activities                                          | 44.85                               | 13.45                               |
| Investing Activities                                          | 0.70                                | 0.30                                |
| Financing Activities                                          | 7.01                                | -9.39                               |
| <b>Net (Decrease) / Increase in Cash and Cash Equivalents</b> | <b>52.56</b>                        | <b>4.36</b>                         |

**50 INTEREST IN JOINT VENTURE**

Birla Advanced Knits Private Limited (BAKPL) incorporated on 14 July 2021. The Group has a 50% interest in BAKPL, a joint venture involved in the manufacturing, marketing, supplying, selling & distribution of the MMCF knit product. The Group's interest in BAKPL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

(₹ in Crores)

| Particulars                                                                                       | 31 March 2024 | 31 March 2023 |
|---------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>Summarised balance sheet as at 31 March 2024:</b>                                              |               |               |
| Current assets, including cash and cash equivalents ₹ 0.03 Crore<br>(31 March 2023 ₹ 0.79 crores) | 69.09         | 10.83         |
| Non-current assets                                                                                | 199.72        | 195.10        |
| Non-current liabilities                                                                           | (132.56)      | (146.61)      |
| Current liabilities                                                                               | (134.73)      | (13.00)       |
| Equity                                                                                            | <b>1.52</b>   | <b>46.32</b>  |
| Group's share in equity- 50%                                                                      | 0.76          | 23.16         |
| Group's carrying amount of the investment                                                         | 0.76          | 23.16         |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

**50 INTEREST IN JOINT VENTURE** (Continued)

(₹ in Crores)

| Particulars                                                                 | For the period<br>ended<br>31 March 2024 | For the period<br>ended<br>31 March 2023 |
|-----------------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| <b>Summarised statement of profit and loss</b>                              |                                          |                                          |
| Revenue from contracts with customers                                       | 65.59                                    | -                                        |
| Other Income                                                                | 2.82                                     | 0.13                                     |
| Cost of materials consumed                                                  | (64.11)                                  | -                                        |
| Changes in inventories of finished goods, work-in-progress and traded goods | 14.19                                    |                                          |
| Employee benefits expense                                                   | (6.77)                                   | (1.44)                                   |
| Finance costs                                                               | (16.30)                                  | (0.32)                                   |
| Depreciation and amortisation expense                                       | (11.48)                                  | -                                        |
| Other expense                                                               | (28.80)                                  | (1.96)                                   |
| <b>Loss before tax</b>                                                      | <b>(44.86)</b>                           | <b>(3.59)</b>                            |
| Add / (Less) : Income tax expense                                           | (0.07)                                   | 0.10                                     |
| Loss for the year                                                           | (44.79)                                  | (3.69)                                   |
| Total comprehensive loss for the year                                       | (44.79)                                  | (3.69)                                   |
| <b>Group's share of loss for the year</b>                                   | <b>(22.40)</b>                           | <b>(1.84)</b>                            |

The joint venture has no other contingent liabilities or capital commitments as at 31 March 2024.



## FIVE YEAR HIGHLIGHTS

(₹ In Crores)

| PARTICULARS                                                                                  | CONSOLIDATED    |                 |                 |                 |                 |
|----------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                                                                              | 2023-24         | 2022-23         | 2021-22         | 2020-21         | 2019-20         |
| <b>INCOME</b>                                                                                |                 |                 |                 |                 |                 |
| Sales (Net of Rebates & Returns) & rent from leased properties                               | 4,513.54        | 3,831.82        | 4,068.36        | 2,567.36        | 3,331.40        |
| Other Income (Including Operating Income)                                                    | 56.47           | 24.58           | 105.65          | 110.83          | 127.23          |
|                                                                                              | <b>4,570.01</b> | <b>3,856.40</b> | <b>4,174.01</b> | <b>2,678.19</b> | <b>3,458.63</b> |
| <b>EXPENDITURE</b>                                                                           |                 |                 |                 |                 |                 |
| Material & Overheads (+/- Stock Adj.)                                                        | 3,852.34        | 3,263.10        | 3,686.44        | 2,392.87        | 2,858.57        |
| <b>EARNING BEFORE TAX, DEPRECIATION AND AMORTIZATION FROM CONTINUING OPERATIONS (EBITDA)</b> | <b>717.67</b>   | <b>593.30</b>   | <b>487.57</b>   | <b>285.32</b>   | <b>600.06</b>   |
| Less : Finance Cost                                                                          | 35.51           | 34.22           | 52.18           | 70.70           | 87.09           |
| <b>PROFIT BEFORE DEPRECIATION AND TAX</b>                                                    | <b>682.16</b>   | <b>559.08</b>   | <b>435.39</b>   | <b>214.62</b>   | <b>512.97</b>   |
| Less : Depreciation                                                                          | 209.87          | 195.93          | 230.66          | 231.13          | 228.58          |
| <b>PROFIT/(LOSS) BEFORE TAX FROM CONTINUED OPERATIONS</b>                                    | <b>472.29</b>   | <b>363.15</b>   | <b>204.73</b>   | <b>(16.51)</b>  | <b>284.39</b>   |
| Share of Loss of Joint Venture                                                               | (22.40)         | (1.84)          | (0.13)          | -               | -               |
| <b>PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>                                      | <b>449.89</b>   | <b>361.31</b>   | <b>204.60</b>   | <b>(16.51)</b>  | <b>284.39</b>   |
| Exceptional Items                                                                            | -               | 134.21          | -               | -               | -               |
| <b>PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>                                 | <b>449.89</b>   | <b>495.52</b>   | <b>204.60</b>   | <b>(16.51)</b>  | <b>284.39</b>   |
| Less : Tax (Net) - including deferred tax from continuing operations                         | 145.03          | 172.93          | 50.44           | (1.44)          | (93.69)         |
| <b>NET PROFIT / (LOSS)</b>                                                                   | <b>304.86</b>   | <b>322.59</b>   | <b>154.16</b>   | <b>(15.07)</b>  | <b>378.08</b>   |
| <b>PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS</b>                                           | <b>(376.07)</b> | <b>(89.27)</b>  | <b>10.59</b>    | <b>(28.50)</b>  | <b>(27.13)</b>  |
| Less : Tax (Net) - including deferred tax from discontinued operations                       | 131.59          | 31.23           | (3.05)          | 9.96            | 9.48            |
| <b>PROFIT/(LOSS) BEFORE TAX FROM DISCONTINUING OPERATIONS</b>                                | <b>(244.48)</b> | <b>(58.04)</b>  | <b>7.54</b>     | <b>(18.54)</b>  | <b>(17.65)</b>  |
| <b>Net Profit</b>                                                                            | <b>60.38</b>    | <b>264.55</b>   | <b>161.70</b>   | <b>(33.61)</b>  | <b>360.43</b>   |
| DIVIDEND (%)                                                                                 | 50.00           | 50.00           | 40.00           | 10.00           | 30.00           |
| CASH PROFIT AFTER TAX                                                                        | 589.20          | 483.80          | 450.07          | 266.37          | 383.84          |
| BOOK VALUE PER SHARE                                                                         | 366.58          | 361.59          | 347.08          | 326.53          | 323.33          |

**Note :** During the year, Board of Directors have approved the proposal for discontinuation of complete operations of Textile Division. Accordingly, results of the said Division is disclosed as discontinued operations in the financial results for FY 2022-23 and FY 2023-24.



# STATEMENT OF ASSETS AND LIABILITIES FOR FIVE YEARS

(₹ in Crores)

| PARTICULARS                                                            | Consolidated     |                 |                 |                 |                 |
|------------------------------------------------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|
|                                                                        | 2023-24          | 2022-23         | 2021-22         | 2020-21         | 2019-20         |
| <b>ASSETS</b>                                                          |                  |                 |                 |                 |                 |
| <b>Non-Current Assets</b>                                              |                  |                 |                 |                 |                 |
| (a) Property, plant & equipment (including Investment Property & CWIP) | 3,792.71         | 4,165.18        | 4,284.29        | 4,349.50        | 4,469.40        |
| (b) Financial Assets                                                   | 660.99           | 338.40          | 439.51          | 307.00          | 422.80          |
| (c) Other Non current assets                                           | 35.60            | 21.58           | 25.65           | 38.59           | 51.29           |
| <b>Sub-Total - Non Current Assets</b>                                  | <b>4,489.30</b>  | <b>4,525.16</b> | <b>4,749.45</b> | <b>4,695.09</b> | <b>4,943.49</b> |
| <b>Current assets</b>                                                  |                  |                 |                 |                 |                 |
| (a) Inventories                                                        | 4,725.77         | 3,256.10        | 2,330.86        | 1,508.29        | 1,337.68        |
| (b) Financial Assets                                                   |                  |                 |                 |                 |                 |
| (i) Investments                                                        | 282.66           | 3.00            | 131.00          | 45.00           | -               |
| (ii) Trade Receivables                                                 | 165.63           | 156.44          | 216.80          | 157.85          | 181.24          |
| (iii) Cash & Cash Equivalent                                           | 401.50           | 151.13          | 65.81           | 126.19          | 120.23          |
| (iv) Other Financial Assets                                            | 23.53            | 16.09           | 13.18           | 19.80           | 28.13           |
| (c) Other Current assets                                               | 371.17           | 343.72          | 231.74          | 139.29          | 135.39          |
| <b>Sub-Total - Current Assets</b>                                      | <b>5,970.26</b>  | <b>3,926.48</b> | <b>2,989.39</b> | <b>1,996.42</b> | <b>1,802.67</b> |
| Assets classified as held for Sale                                     | 50.60            | -               | -               | 1.96            | 1.33            |
| <b>TOTAL ASSETS</b>                                                    | <b>10,510.16</b> | <b>8,451.64</b> | <b>7,738.84</b> | <b>6,693.47</b> | <b>6,747.49</b> |
| <b>EQUITY &amp; LIABILITIES</b>                                        |                  |                 |                 |                 |                 |
| <b>Equity</b>                                                          |                  |                 |                 |                 |                 |
| (a) Equity Share Capital                                               | 111.69           | 111.69          | 111.69          | 111.69          | 111.69          |
| (b) Other Equity                                                       | 3,867.44         | 3,775.14        | 3,607.13        | 3,392.67        | 3,367.80        |
| (c) Non Controlling Interest                                           | 115.57           | 152.12          | 158.03          | 143.03          | 132.09          |
| <b>Sub-Total - Equity</b>                                              | <b>4,094.70</b>  | <b>4,038.95</b> | <b>3,876.85</b> | <b>3,647.39</b> | <b>3,611.58</b> |
| <b>Liabilities</b>                                                     |                  |                 |                 |                 |                 |
| <b>Non-Current Liabilities</b>                                         |                  |                 |                 |                 |                 |
| (a) Financial Liability                                                |                  |                 |                 |                 |                 |
| (i) Borrowings                                                         | 2,355.74         | 399.09          | 381.82          | 864.97          | 549.92          |
| (ii) Lease Liabilities                                                 | 17.85            | 19.34           | 18.46           | 20.62           | 15.44           |
| (iii) Other Financial Liabilities                                      | 128.12           | 117.82          | 98.19           | 97.13           | 87.15           |
| (b) Provisions                                                         | 7.95             | 2.48            | 1.50            | 0.75            | 0.74            |
| (c) Deferred Tax Liabilities                                           | 11.64            | 40.64           | -               | -               | -               |
| (d) Other Non-current Liabilities                                      | 392.41           | 454.50          | 520.21          | 571.51          | 601.18          |
| <b>Sub-Total - Non-Current Liabilities</b>                             | <b>2,913.71</b>  | <b>1,033.87</b> | <b>1,020.18</b> | <b>1,554.98</b> | <b>1,254.43</b> |
| <b>Current Liabilities</b>                                             |                  |                 |                 |                 |                 |
| (a) Financial Liability                                                |                  |                 |                 |                 |                 |
| (i) Borrowings                                                         | 125.80           | 638.62          | 933.74          | 160.23          | 33.84           |
| (ii) Lease Liabilities                                                 | 2.30             | 2.26            | 2.30            | 2.69            | 1.95            |
| (iii) Trade Payables                                                   | 748.27           | 785.51          | 857.96          | 620.52          | 492.61          |
| (iv) Other Financial Liabilities                                       | 209.91           | 175.31          | 149.08          | 136.52          | 944.16          |
| (b) Provisions                                                         | 179.94           | 182.46          | 181.87          | 189.68          | 181.94          |
| (c) Other Current Liabilities                                          | 2,235.53         | 1,594.66        | 716.86          | 333.69          | 181.65          |
| <b>Sub-Total - Current Liabilities</b>                                 | <b>3,501.75</b>  | <b>3,378.82</b> | <b>2,841.81</b> | <b>1,443.33</b> | <b>1,836.15</b> |
| Liabilities directly associated with assets held for sale              | -                | -               | -               | 47.77           | 45.33           |
| <b>TOTAL - EQUITY &amp; LIABILITIES</b>                                | <b>10,510.16</b> | <b>8,451.64</b> | <b>7,738.84</b> | <b>6,693.47</b> | <b>6,747.49</b> |

## NOTES

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# Carrying a century-old legacy into a new decade

From a single unit plant in 1897, today, Century Textiles and Industries Ltd. (CTIL) is one of the leading powerhouses in the country and is at the forefront of innovation, while being still rooted in its core values.

Over the years we have brought our century-old legacy and expertise to all our business endeavours across a host of industries, becoming a trendsetter in Pulp & Paper and Real Estate.



With two fully leased commercial projects and five residential projects in Kalyan-Mumbai, Worli-Mumbai, Bengaluru and Gurugram, Birla Estates aims to deliver exceptional and premium LifeDesigned® homes and office spaces.



Established in 1984, Century Pulp and Paper is a leading manufacturer of excellent quality writing and printing paper.

It is the only manufacturing facility in the industry present in all paper segments - Paper, board and tissue as well as Rayon Grade Pulp products.





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