BOMBAY DYEING

12th July, 2018

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 023
BSE Scrip Code: 500020

National Stock Exchange of India Ltd,
Exchange Plaza, 5th floor,
Plot No. C/1, 'G' Block,
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051
NSE Symbol: BOMDYEING

Dear Sirs,

SUB: NOTICE OF 138TH ANNUAL GENERAL MEETING OF THE COMPANY.

REF: REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the following, which are being sent to the Members of the Company:

1. Notice of the 138th Annual General Meeting of the Company to be held on Tuesday, 7th August, 2018, at 3.45 p.m.; at the Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021;

2. Annual Report for the Financial Year ended 31st March, 2018; and

3. Attendance Slip and Proxy Form.

You are requested to take note of the above.

Yours Faithfully,
For The Bombay Dyeing and Manufacturing Company Limited

SANJIVE ARORA
Company Secretary
Encl: as above

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THE BOMBAY DYEING & MANUFACTURING CO. LTD.
C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai - 400 025, India. **Regd. Office:** Neville House, J.N. Heredia Marg, Ballard Estate, Mumbai - 400 001, India.
Office: +91 22 666 20000. Fax: +91 22 661 92001. Website: www.bombaydyeing.com. Email: corporate@bombaydyeing.com. CIN: L17120MH1879PLC000037

BOMBAY DYEING

CC:

National Securities Depository Ltd.,
Trade World, 4th Floor, Kamala Mills Compound,
S. Bapat Marg, Lower Parel,
MUMBAI – 400 013.

Central Depository Services (India) Ltd.,
Phiroze Jeejeebhoy Towers, 16th Floor,
Dalal Street,
Mumbai- 400 023.

Bourse de Luxembourge,
Societe de La Bourse de Luxembourg,
Societe Anonyme, R. C. 36222, BP 165, L- 2011,
LUXEMBOURG.

Citibank N.A.,
DR Account Management,
Citigroup Corporate & Investment Bank,
14th Floor, 388, Greenwich Street,
NEWYORK, NY (USA) 10013.

M/s Karvy Computershare Private Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032

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ANNUAL REPORT 2017-18

Bombay Dyeing

THE BOMBAY DYEING AND
MANUFACTURING COMPANY LIMITED

[Established 1879]

Bombay Dyeing is an iconic brand with deeply rooted aspirational values in each of its product offerings. Our endeavour would be to make our brand, products and the overall experience 'Young, contemporary and ever-evolving' in the eyes of our consumers.

Besides strengthening our traditional core values of superior quality, unparalleled product range for consumers cutting across different social spectra, our focus will be to grow our consumer franchise. We will do so through product innovations, offerings that cater to diverse consumer preferences and by expanding product availability on multi-channel platforms.

With the economic outlook positive and lower interest rates, the real estate market too will witness improved demand. This year will see the completion of key milestones for our luxurious development in the heart of Mumbai.

We will continue our efforts with zeal and enthusiasm to create a better future and offer better value to all our stakeholders.





CORPORATE INFORMATION

DIRECTORS
Nusli N. Wadia, *Chairman*
R. A. Shah
S. S. Kelkar
S. Ragothaman
A. K. Hirjee
S. M. Palia
Ishaat Hussain *(up to 10.08.2017)*
Ness N. Wadia
V. K. Jairath
Keki M. Elavia *(w.e.f. 22.05.2017)*
Minnie Bodhanwala
Jehangir N. Wadia, *Managing Director*

CHIEF EXECUTIVE OFFICERS
Suresh Khurana *(PSF)*
Alokendra Banerjee *(Retail)*

CHIEF FINANCIAL OFFICER
Vishnu Peruvemba

COMPANY SECRETARY
Sanjive Arora

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

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

AUDITORS
Messrs. Kalyaniwalla & Mistry LLP

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

REGISTRAR & TRANSFER AGENT

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

Mumbai Office:
Karvy Computershare Pvt. Ltd.
Unit: Bombay Dyeing
24-B ,Raja Bahadur Mansion
Ground Floor
Ambalal Doshi Marg
Behind BSE , Fort
Mumbai 400 001
Tel - 022 - 6623 5454/412/427

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ISLAND CITY CENTER

AN ISLAND THAT COMES WITH ITS OWN WORLD


Artistic Impression

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

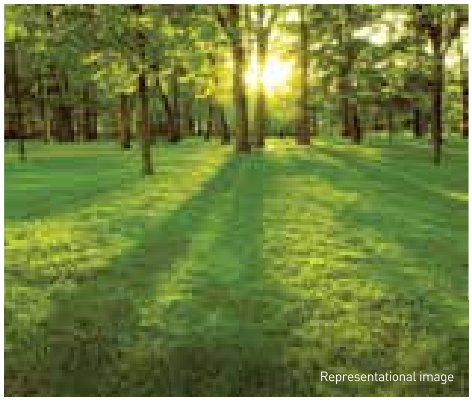
While living in Mumbai has its challenges and acquiring homes which provide a safe and well-connected abode are hard to find, providing spacious luxurious living in a secure and green environment at the center of now remains our promise.

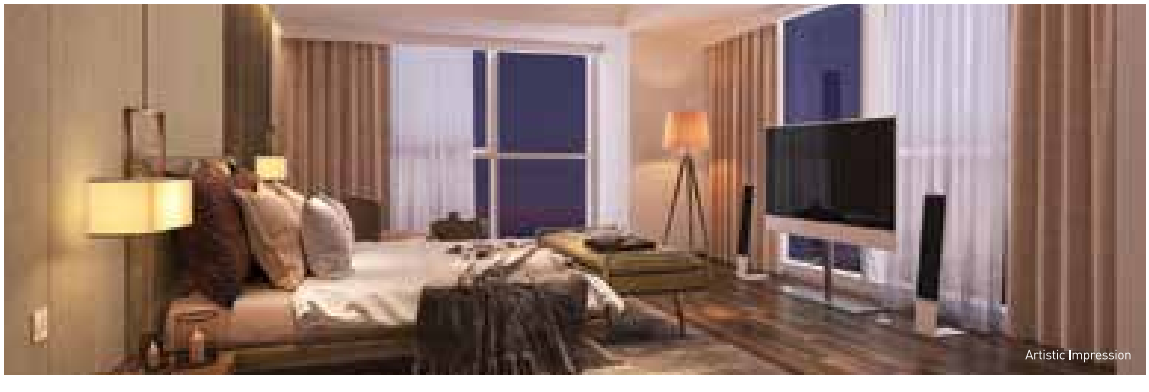
Redefining Mumbai's Skyline with projects such as WIC, AXIS Bank HQ and more, quality and sustainability have always been our priorities.

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

With an esteemed list of international partners, we ensure unparalleled quality with unmatched expertise across construction and infrastructure, proving to set a benchmark for quality living across Mumbai.

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


Representational image


Artistic Impression

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

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

Secured by international security standards from the entry gate point, the superstructures are under 24/7 surveillance. With just 2 or 3 apartments per lobby, we also offer the largest in carpet areas across Mumbai. These VRV air-conditioned living spaces feature the finest of international marble, wooden flooring, expansive walk-in wardrobes and modular-kitchens; giving residents an extravagant abode with panoramic views, while allowing ample sunlight and unobstructed cross-ventilation.


Artistic Impression

The grand clubhouse and welfare center at ICC are also amongst the largest in the city. With over 140,000 sq. ft. of recreational area; which will be shared by just 520 families, our aim is to provide an exceptional experience. Catering to various activities, we have over 45 indoor and outdoor privileges to choose from. One can jog across our internationally-designed track or take a relaxing dip in the pool with the family.

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


Artistic Impression

*Conditions Apply. Representational images are not actual project images and are strictly for representational purpose only. **No white goods and appliances included. The project "ONE ICC/TWO ICC" is registered as the Real Estate Phase Two Project under the provisions of the Real Estate (Regulation and Redevelopment) Act, 2016 and accordingly the authority has granted a Certificate of Registration bearing number P51900008726 dated 19.08.2017. "Elevation, sketch elevation, external spaces, common amenities and internal spaces are strictly for representational purposes only and are an artist impression of possible appearance and is/are not accurate and/or complete. The plans, designs, dimensions and elevations are as per current sanctioned plans and approvals, specifications, amenities and facilities will be set out in the agreements for sell and images are artistic impressions and purely for representational purposes. The Carpet area is subject to variance of +/-3%. The same may be subject to changes/revisions/alterations in terms of approvals, orders, directions and/or regulations of the concerned/relevant authorities, and/or for compliance with laws/regulations in force from time to time. The colours, shades of walls, tiles etc. are for representational purposes and will vary in planning and designing and upon actual construction. All features, landscaping, fixtures, fittings, goods, accessories and furniture reflected/displayed in this image(s) are strictly for illustrative and display purposes only and are not part of the standard final amenities and finishes. The Company reserves the right to change and modify the same, at its sole discretion without any notice or intimation. This does not constitute an offer and/or contract of any nature between the Company and the purchaser. All brand names and trademarks are the exclusive property of their respective owners. The terms and conditions of the Agreement to Sell between the Parties shall prevail and be binding Solely the amenities/ specifications, features mentioned in the agreement for sell (if any) shall be final." "Dewan Housing Finance Corporation' (DHFL) has granted Term loan to develop/construct the Project and has first charge on the Project and receivables arising therefrom. The NOC/permission of DHFL is required for sale of apartments in the Project that all the payments to be made by the apartment purchasers in the project are to be routed through a prescribed escrow mechanism. For more information refer to https://maharera.mahaonline.gov.in/

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NOTICE

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

(CIN : L17120MH1879PLC000037)

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

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

Email: grievance_redressal_cell@bombaydyeing.com

Website: www.bombaydyeing.com

Phone: (91) (22) 6662 0000; Fax: (91) (22) 6662 0069

Notice is hereby given that the 138th Annual General Meeting of the Members of The Bombay Dyeing and Manufacturing Company Limited will be held at the Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021, on Tuesday, 7th August, 2018, at 3.45 p.m. to transact the following business namely :

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a. the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2018, together with the Reports of the Board of Directors and the Auditors thereon;
   b. the Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2018, together with the Report of the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Mr. Nusli N. Wadia (DIN: 00015731), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to appoint M/s. Bansi S. Mehta & Co., Chartered Accountants (Firm Registration No. 100991W), as the Statutory Auditors of the Company, in place of retiring Auditors, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W/W100166), to hold office for a term of 5 (five) years, from the conclusion of this Annual General Meeting ("AGM") until the conclusion of the 143rd AGM to be held in the year 2023, at a remuneration determined by the Board of Directors of the Company as per the recommendation of the Audit Committee, in addition to out of pocket expenses as may be incurred by them during the course of the audit.

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

SPECIAL BUSINESS:

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

   "RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been inserted by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to be effective from 1st April, 2019 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s), statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the members of the Company be and is hereby granted for continuation of holding office of Non- Executive Director of the Company, by Mr. Nusli N. Wadia (DIN: 00015731) who will be above the age of 75 (Seventy Five) years as on 1st April, 2019.

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

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

   "RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been inserted by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to be effective from 1st April, 2019 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s),statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the members of the Company be and is hereby granted for continuation of holding office of Non- Executive- Independent Director of the Company, by Mr. R. A. Shah (DIN- 00009851) who is above the age of 75 (Seventy Five) years as on 1st April, 2019, upto the expiry of his present term of office i.e. upto 7th August, 2019, on the existing terms and conditions as mentioned in the letter dated 9th August, 2014 and whose appointment is duly approved by the Members through an ordinary resolution passed at Annual General Meeting

held on 8th August, 2014.

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

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

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been inserted by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to be effective from 1st April, 2019 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s),statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the members of the Company be and is hereby granted for continuation of holding office of Non- Executive Independent Director of the Company, by Mr. A. K. Hirjee (DIN: 00044765) who is above the age of 75 (Seventy Five) years as on 1st April, 2019, upto the expiry of his present term of office i.e. upto 7th August, 2019, on the existing terms and conditions as mentioned in the letter dated 9th August, 2014 and whose appointment is duly approved by the Members through an ordinary resolution passed at Annual General Meeting held on 8th August, 2014.

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

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any amendment(s), statutory modification(s) or re-enactment(s) thereof, M/s. D. C. Dave & Co., Cost Accountants, Mumbai, (Firm Registration No. 000611), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019, be paid the remuneration of ₹ 5,00,000/- (Rupees Five Lakhs) plus applicable taxes and re-imbursement of actual travel and out-of-pocket expenses.

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

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

"RESOLVED THAT further to the resolution passed at the 136th Annual General Meeting of the Company held on 10th August, 2016, for appointment and payment of remuneration to Mr. Jehangir N. Wadia (DIN: 00088831), Managing Director and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been inserted by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to be effective from 1st April, 2019 and including any statutory amendment(s), modification(s) or re-enactment(s) thereof and subject to the approval of the Central Government, if and to the extent necessary, and such other permissions, sanction(s) as may be required, the consent of the Members of the Company, be and is hereby accorded for revision in the maximum remuneration payable to Mr. Jehangir N. Wadia, Managing Director of the Company with effect from 1st April, 2018 for the remaining period of his present term of appointment i..e upto 31st March, 2021, including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period, as set out in the Explanatory Statement under Section 102 of the Companies Act, 2013, annexed to this Notice and Supplemental Agreement to be entered into between the Company and Mr. Jehangir N. Wadia, which Supplemental Agreement is hereby specifically sanctioned with liberty and power to the Board of Directors (hereinafter referred to as "the Board", which expression shall also include the Nomination and Remuneration Committee of the Board), in the exercise of its discretion, to fix and to revise from time to time the actual remuneration of Mr. Jehangir N. Wadia within the ceilings stipulated in the Supplemental Agreement and to alter/vary/modify/amend from time to time the terms and conditions of the said appointment and remuneration and/or Supplemental Agreement in such manner as may be agreed to between the Board and Mr. Jehangir N. Wadia, provided that such alteration/variation/modification/amendment is in conformity with the applicable provisions of the Act, as amended from time to time.

RESOLVED FURTHER THAT in the event of any statutory amendment(s), modification(s) or relaxation(s) by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Jehangir N. Wadia be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.

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

By Order of the Board of Directors,

FOR THE BOMBAY DYEING & MFG. CO. LTD.

SANJIVE ARORA

Mumbai, 14th May, 2018 COMPANY SECRETARY

Notes:

a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Corporate Members intending to send their authorised representative(s) to attend the meeting are requested to send to the Company a certified true copy of the relevant board resolution together with the specimen signature(s) of the representative(s) authorised under the said board resolution to attend and vote on their behalf at the Meeting. The proxy holder shall provide his identity at the time of attending the meeting.

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

b. Brief resume of Directors proposed to be appointed/re-appointed/ continued as Director, nature of their expertise in functional areas, names of Companies in which they hold directorships and memberships/chairmanships of Board Committees and shareholding, as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 ('Listing Regulations') and the Secretarial Standards on General, are hereto furnished in annexure to the Notice.

c. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, 21st July, 2018 to Tuesday, 7th August, 2018 both days inclusive for determining names of members eligible for payment of dividend.

d. The dividend as recommended by the Board of Directors, if approved by the members at the 138th Annual General Meeting, shall be paid on or after Wednesday, 8th August, 2018 to those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Registrar & Share Transfer Agents of the Company on or before Friday, 20th July, 2018 in respect of shares held in physical form. In respect of shares held in electronic form, the dividend for the year ended 31st March, 2018 will be paid on or after Wednesday, 8th August, 2018 to the beneficial owners of shares as at the closing hours of 20th July, 2018 as per details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.

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

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

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

   Karvy Computershare Private Limited

   (Unit : Bombay Dyeing)

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

   Financial District, Nanakramguda, Hyderabad,

   Telangana – 500 032, India.

   Telephone number: +91 40 6716 2222

   Fax number: +91 40 2342 0814

   E-mail: einward.ris@karvy.com

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

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

h. Pursuant to Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules,2016") dividends for the financial year ended 31st March, 2011 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates of transfer to the unpaid dividend account of the Company are due for transfer to the Investor Education & Protection Fund ("IEPF") on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Date of transfer to the unpaid Dividend account	Due date for transfer to IEPF
2010-11	04.08.2011	09.09.2011	08.09.2018
2011-12	07.08.2012	12.09.2012	11.09.2019
2012-13	06.08.2013	11.09.2013	10.09.2020
2013-14	08.08.2014	13.09.2014	12.09.2021
2014-15	06.08.2015	12.09.2015	11.09.2022
2015-16	10.08.2016	15.09.2016	14.09.2023
2016-17	10.08.2017	15.09.2017	14.09.2024

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

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

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

   The Rules, contain provisions for transfer of all those shares in respect of which dividend has not been encashed or claimed by Members for seven consecutive years or more in the account of the IEPF Authority.

   In terms of the said Rules, the Company has already transferred to the IEPF Authority, those shares in respect of which dividend has not been encashed or claimed by Members for seven consecutive years or more in Financial Year 2017-18.

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

j. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death.

   The prescribed form can be obtained from the Registered Office or at Company's Corporate Office at C-1, Wadia International Center (Bombay Dyeing), Pandurang Budhkar Marg, Worli, Mumbai - 400025 or from its R&TA at their aforesaid address.

k. As part of the Company's Green Initiative, the Company sends documents like Notice convening the general meetings, Financial Statements, Directors' Report, etc. to the e-mail address provided by the members.

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

l. Members intending to require information about the Financial Accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available.

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

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

o. The instructions for Members voting electronically are as under:

1. Voting through electronic means

I. In compliance with provisions of Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings ('SS2') issued by the Institute of Companies Secretaries of India, the Company is pleased to provide its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 138th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy Computershare Private Limited (Karvy).

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

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

IV. The remote e-voting period commences on Saturday, 4th August, 2018 at 9:00 am and ends on Monday, 6th August, 2018 at 5:00 pm. During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 31st July, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EVSN NO.	USER ID	PASS WORD

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

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

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

X. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication.

XI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 31st July, 2018.

XII. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 31st July, 2018, may obtain the User ID and password in the manner as mentioned below:

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

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

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

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

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890

XIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, viz., 31st July, 2018 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through electronic voting system/ballot paper.

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

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

XVI. The Scrutiniser will after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than Forty Eight hours of the conclusion of the AGM, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

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

XVIII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM i.e. 7th August, 2018.

p. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

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

r. The Annual Report of the Company including the Notice convening the Annual General Meeting circulated to the members of the Company will be available on the Company's website at www.bombaydyeing.com.

s. A route map giving directions to reach the venue of the 138th Annual General Meeting of the Company is annexed hereto.

By Order of the Board of Directors,

FOR THE BOMBAY DYEING & MFG. CO. LTD.

SANJIVE ARORA

COMPANY SECRETARY

Mumbai, 14th May, 2018

Additional information with respect to Item Nos. 3 and 4:

Item No. 3

Mr. Nusli N. Wadia, Chairman and Non – Executive Director of the Company is liable to retire by rotation and being eligible, has offered himself for re – appointment. Brief profile of Mr. Nusli N. Wadia is given in explanatory statement to Item No. 5.

Mr. Nusli N. Wadia is interested in the resolution set out at Item No. 3 of the Notice. Mr. Jehangir N. Wadia, Managing Director and Mr. Ness N. Wadia, Non -Executive –Director being related to Mr. Nusli N. Wadia may be deemed to be interested in the said resolution. The other relatives of Mr. Nusli N. Wadia may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.

Item No. 4

Pursuant to the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Messrs Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration Number 104607W/W100166), the present Statutory Auditors of the Company would be completing their term as Statutory Auditors. They hold office upto the conclusion of 138th Annual General Meeting of the Company. Accordingly, the Board of Directors has recommended the appointment of M/s. Bansi S. Mehta & Co., Chartered Accountants (Firm Registration No. 100991W), as Statutory Auditors, in place of retiring Auditors M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, to hold office for a term of 5 (five) years from the conclusion of this Annual General Meeting until the conclusion of the 143rd Annual General Meeting, at a remuneration determined by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit.

M/s. Bansi S. Mehta & Co., Chartered Accountants, have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with section 139 read with section 141 of the Act.

M/s Bansi S. Mehta & Co., Chartered Accountants was founded in the year 1958 by Mr. Bansidhar S. Mehta, Ex-President of ICAI. The firm operates in Mumbai from two locations. Mr. Paresh H. Clerk, B. Com., Grad. C.W.A., F.C.A. will be the signing partner for the Audit of the Company. Mr. Paresh H. Clerk is having experience of more than 22 years in corporate advisory, audit and assurance.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

ANNEXURE TO THE NOTICE

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

Item No. 5

Securities and Exchange Board of India (SEBI) has vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 09, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought amendments in the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("the Listing Regulations") to be effective from 1st April, 2019, save as otherwise specifically provided for in the Amendment Regulations. Regulation 17(1A) of the Listing Regulations, which has been inserted by the Amendment Regulations, requires the listed entities to obtain approval of shareholders by way of Special Resolution to appoint or continue the directorship of Non-Executive Directors who have attained the age of 75 years. Regulation 17(1A) is going to be effective from 1st April, 2019.

Accordingly, for continuation of directorship of Mr. Nusli N. Wadia, who will be above the age of 75 years as on 1st April, 2019, a special Resolution, has been proposed and justifications for the same is given below:

Mr. Nusli N. Wadia, 74, was inducted on the Company's Board in 1968. In 1970, he was appointed as Joint Managing Director of the Company. Since April, 1977, he has been the Chairman of the Company. Mr. Wadia, being a noted industrialist, has contributed actively in the deliberations of various organizations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), Millowners' Association (MOA), Associated Chambers of Commerce & Industry, etc. He is the former Chairman of TEXPROCIL and MOA. Mr. Wadia was appointed on the Prime Minister's Council on Trade & Industry during 1998 to 2004. He was the Convenor of the Special Group Task Force on Food and Agro Industries Management Policy in September, 1998. He was a Member of the Special Subject Group to review regulations and procedures to unshackle Indian Industry and on the Special Subject Group on Disinvestment. He was a member of ICMF from 1984-85 to 1990-91. He is on the Managing Committee of the Nehru Centre, Mumbai. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable and educational institutions.

Mr. Wadia is also on the Board and Committees of the Board of several other leading companies as stated below:

Name of the Company	Nature of Interest	Committees of the Board
(a) Public Limited Companies		
The Bombay Burmah Trading Corporation Limited	Chairman	i. Nomination and Remuneration Committee – Member
Britannia Industries Ltd	Chairman	i. Nomination and Remuneration Committee – Member ii. Strategy & Innovation Steering Committee - Chairman
Go Airlines (India) Limited	Chairman	i. Nomination and Remuneration Committee – Member
(b) Private Limited Companies		
Go Investments & Trading Private Limited	Director	Nil

He is also Director in six foreign companies.

He is a promoter of the Company and does not hold any shares in the Company.

The number of Meetings of the Board/Committees attended by Mr. Nusli N. Wadia during the year is given in the Corporate Governance Report.

Mr. Nusli N. Wadia is interested in the resolution set out at Item No. 5 of the Notice. Mr. Jehangir N. Wadia, Managing Director and Mr. Ness N. Wadia, Non-Executive Director being related to Mr. Nusli N. Wadia may be deemed to be interested in the said resolution.

The other relatives of Mr. Nusli N. Wadia may be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 5, of the Notice for approval of the Members.

Item No. 6

Securities and Exchange Board of India ("SEBI") has vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") to be effective from 1st April, 2019, save as otherwise specifically provided for in the Amendment Regulations. Regulation 17(1A) of the Listing Regulations, which has been inserted by the Amendment Regulations, requires the listed entities to obtain approval of shareholders by way of special resolution to appoint or continue the directorship of Non-Executive Directors who have attained the age of 75 years. Regulation 17(1A) is going to be effective from 1st April, 2019.

Accordingly, a special resolution is being proposed to be passed by the members for continuation of holding office of Non-Executive Independent Director of the Company, by Mr. R. A. Shah (DIN- 00009851) who is above the age of 75 (Seventy Five) years as on 1st April, 2019, upto the expiry of his present term of office i.e. upto 7th August, 2019, on the existing terms and conditions as mentioned in the letter dated 9th August, 2014 and whose appointment is duly approved by the Members through an ordinary resolution passed at the Annual General Meeting of the Company held on 8th August, 2014.

Mr. R.A. Shah, 86, is a leading Solicitor and a Senior Partner of M/s. Crawford Bayley & Company, a firm of Solicitors and Advocates. He specializes in a broad spectrum of corporate laws. Mr. R.A. Shah has been a Director on the Board of the Company since December, 1979.

Mr. Shah is also on the Board and Committees of the Board of several other leading companies as stated below:

Name of the Company	Nature of Interest	Committees of the Board
(a) Public Limited Companies		
Pfizer Ltd.	Chairman	Audit Committee – Chairman; Nomination and Remuneration Committee - Member
Colgate Palmolive India Ltd.	Vice-Chairman	Audit Committee – Chairman; Nomination and Remuneration Committee - Chairman
Procter & Gamble Hygiene and Healthcare Ltd.	Chairman	Audit Committee – Chairman; Nomination and Remuneration Committee - Member
Abbot India Ltd	Director	Audit Committee – Chairman; Nomination and Remuneration Committee – Member; Stake Holders Relationship Committee - Member
BASF India Ltd	Director	Audit Committee – Member; Nomination and Remuneration Committee - Member
Godfrey Philips India Ltd	Chairman	Audit Committee – Member; Nomination and Remuneration Committee – Member; Corporate Social Responsibility Committee - Chairman

Name of the Company	Nature of Interest	Committees of the Board
Deepak Fertilisers & Petrochemicals Corporation Ltd.	Director	Stake Holders Relationship Committee - Chairman
Lupin Ltd.	Director	Nomination and Remuneration Committee - Member
Atul Ltd.	Director	Nomination and Remuneration Committee – Member; Investment Committee - Chairman
(b) Private Limited Companies		
Thyssenkrupp Industrial Solutions (India) Pvt Ltd.	Alternate Director	Nil

Mr. Shah is also a Committee Member of Bombay Chamber of Commerce and Indo German Chamber of Commerce and President of Society of Indian Law Firms (Western Region).

He holds 7,100 shares of the Company in his name.

The numbers of Meetings of the Board/Committees attended by Mr. R. A. Shah during the year are given in the Corporate Governance Report.

Except Mr. R. A. Shah none of the Directors and Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board of Directors recommends Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

Item No. 7

Securities and Exchange Board of India (SEBI) has vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") to be effective from 1st April, 2019, save as otherwise specifically provided for in the Amendment Regulations. Regulation 17(1A) of the Listing Regulations, which has been inserted by the Amendment Regulations, requires the listed entities to obtain approval of shareholders by way of special resolution to appoint or continue the directorship of Non-Executive Directors who have attained the age of 75 years. Regulation 17(1A) is going to be effective from 1st April, 2019.

Accordingly, a special resolution is being proposed to be passed by the members for continuation of holding office of Non-Executive Independent Director of the Company, by Mr. A. K. Hirjee (DIN- 00044765) who is above the age of 75 (Seventy Five) years as on 1st April, 2019, upto the expiry of his present term of office i.e. upto 7th August, 2019, on the existing terms and conditions as mentioned in the letter dated 9th August, 2014 and whose appointment is duly approved by the Members through an ordinary resolution passed at the Annual General Meeting of the Company held on 8th August, 2014.

Mr. A. K. Hirjee, 79, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in May, 2001. Mr. Hirjee is B.A.(Hons.), LL.B. (Hons.), Barrister-at-Law, SLOAN Fellow of London Business School. He has 53 years of experience in different areas of Business Management and his expertise extends to finance, banking, legal, commercial, industrial and general administration. He has been actively associated with leading charitable institutions.

Name of the Company	Nature of Interest	Committees of the Board
(a) Public Limited Companies		
Atlas Copco (India) Limited	Chairman	Audit Committee – Chairman; Stakeholders Relationship Committee – Member; Nomination and Remuneration Committee - Chairman
Britannia Industries Ltd	Director	Audit Committee – Member; Stakeholders Relationship Committee - Member
The Bombay Burmah Trading Corporation Limited	Vice-Chairman	Audit Committee – Member; Stakeholders Relationship Committee – Chairman; Nomination and Relationship Committee - Member
HDFC Trustee Company Limited	Chairman	Audit Committee – Chairman; Stakeholders Relationship Committee – Member; Risk Management Committee – Chairman; Customer Services Committee - Member
(b) Private Limited Companies		
Go Investments & Trading Private Limited	Director	Nil
Chika Private Limited	Director	Nil

He is also Director in eight foreign companies.

Mr. Hirjee is also a Director in Breach Candy Hospital Trust.

He holds 3,800 shares of the Company in his name.

The numbers of Meetings of the Board/Committees attended by Mr. A. K. Hirjee during the year are given in the Corporate Governance Report.

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

The Board of Directors recommends Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

Item No. 8

The Board of Directors on the recommendation of the Audit Committee have approved the appointment of M/s. D. C. Dave & Co., Cost Accountants, Mumbai (Firm Registration No. 000611) as Cost Auditors at a remuneration of ₹ 5,00,000/- (Rupees Five Lakh only) plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit of cost records of the Company for FY 2018-19. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Registered Office/Corporate Office of the Company during business hours except on Saturdays, Sundays and Holidays and shall also be available at the meeting.

The remuneration payable to Cost Auditors is required to be ratified by the shareholders in accordance to the provisions of Section 148 of the Act and Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2019.

None of the Directors and Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

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

Item No. 9

The Members of the Company at the 136th Annual General Meeting of the Company held on 10th August, 2016 had approved the re-appointment of Mr. Jehangir N Wadia as the Managing Director of the Company for a period of 5 years w.e.f. 1st April, 2016 to 31st March, 2021 and approved limits of maximum remuneration payable to him including the minimum remuneration to be paid in case Company has no profits or its profits are inadequate in any financial year comprised in the period of any three years, during the currency of tenure of 5 years of Mr. Jehangir N. Wadia as Managing Director.

The Managing Director during his current tenure put in dedicated and meritorious services and significant contribution to the turnaround of the Company. Therefore, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on 14th May, 2018 recommended to revise the remuneration payable to Mr. Jehangir N. Wadia by increasing the upper limit of remuneration for the remaining period of his appointment i.e. upto 31st March, 2021.

Mr. Jehangir N. Wadia, 45, is a Master in Science from the Warwick University in Coventry, UK. He is the Co-author of the restructuring of the Wadia Group which involved looking at new financial and strategic investments for the group in the areas of Real Estate and Aviation. He is also Managing Director of Go Airlines (India) Ltd. (a low cost Airline in India) as well as Director on the Boards of Britannia Industries Ltd. and The Bombay Burmah Trading Corporation Ltd. The World Economic Forum elected him as a Young Global Leader in the year 2008.

The terms and conditions pertaining to revised remuneration as contained in supplemental agreement to the main agreement, to be entered into between the Company and Mr. Jehangir N. Wadia, subject to approval of shareholders are as follows:

- Basic Salary upto a maximum of ₹ 18,75,000/- per month with effect from 1st April, 2018 to the remainder of his term up to 31st March, 2021.
- Other benefits, perquisites and allowances will be determined by the Board from time to time.
- Reimbursement of actual medical expenses incurred on self and family (wife and children).
- Bonus as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee based on performance criteria.
- Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the Rules of the Company.

All other terms and conditions of his appointment remain unchanged.

The Nomination and Remuneration Committee or the Board of Directors may, at its discretion, fix the actual remuneration of Mr. Wadia and revise the same from time to time, within the maximum limits specified herein above.

Further the Securities and Exchange Board of India (SEBI) has vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought amendment to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") to be effective from 1st April, 2019, save as otherwise specifically provided for in the Amendment Regulations. Regulation 17 (6)(e) of the Listing Regulations, which has been inserted by the said Amendment Regulations requires the listed entities to obtain approval of shareholders by way of special resolution for payment of

annual remuneration to Promoter-Executive Director which exceeds ₹ 5 crore or 2.5% of the net profits of the listed entity, whichever is higher; or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the listed entity.

Accordingly, the necessary special resolution for revision in remuneration payable to the Managing Director is set out at item No. 9 of the Notice.

Mr. Jehangir N. Wadia is interested in the resolution set out at Item No. 9 of the Notice. Mr. Nusli N. Wadia and Mr. Ness N. Wadia being related to Mr. Jehangir N. Wadia may be deemed to be interested in the said resolution. The other relatives of Mr. Jehangir N. Wadia may be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the Members.

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

SANJIVE ARORA
COMPANY SECRETARY

Mumbai, 14th May, 2018

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

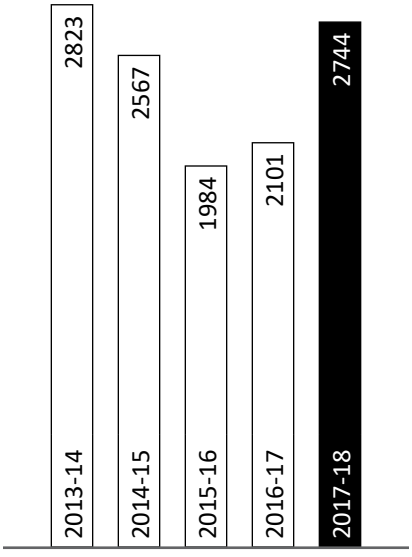
ROUTE MAP TO AGM VENUE



FINANCIAL PERFORMANCE

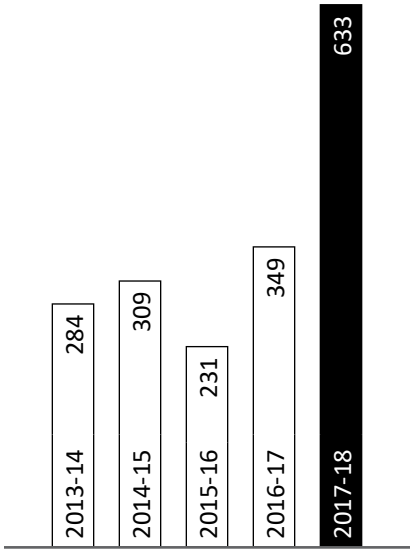
TOTAL REVENUE

₹ in crores



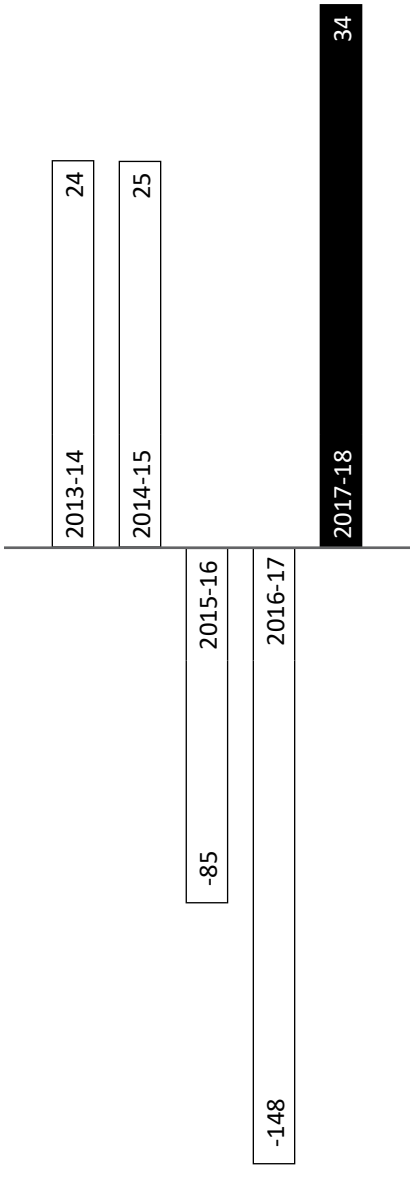
EBITDA

₹ in crores



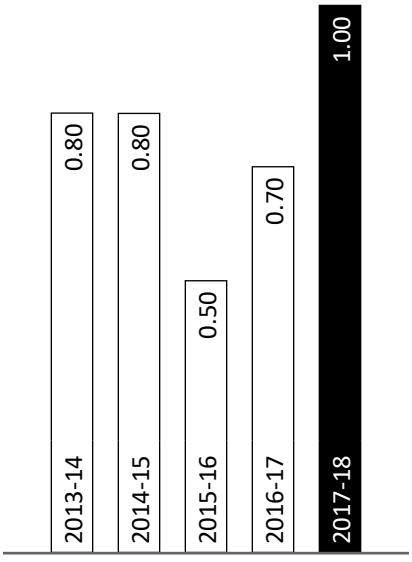
PAT

₹ in crores

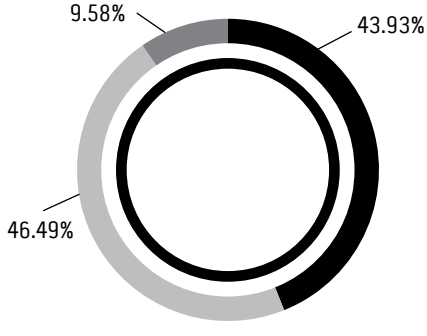


DIVIDEND PER SHARE

₹



SEGMENT WISE BREAK UP OF REVENUES, FY 2017-18 (%)



	(₹ in crores)	
BOMBAY REALTY	1183	43.93%
TEXTILE/RETAIL	258	9.58%
PSF	1252	46.49%

10 YEARS' FINANCIAL REVIEW

(₹ in crores)

FINANCIAL POSITION	2017-18#	2016-17#	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Share Capital	41.31	41.31	41.31	41.31	41.31	41.31	41.31	40.54	38.61	38.61
Share Warrants		-	-	-	-	-	-	26.75	-	-
Other Equity	595.34	293.57	1270.81	1530.97	1422.24	1645.77	1751.09	1060.90	171.74	331.81
Net Worth :										
Total	**636.65**	**334.88**	**1312.12**	**1572.28**	**1463.55**	**1687.08**	**1792.40**	**1128.19**	**210.35**	**370.42**
Per Equity Share of ₹ 2/-*	30.82	16.21	63.53	76.12	70.86	81.68	86.78	271.96	54.49	95.96
Borrowings	2720.96	2541.6	2431.49	1725.82	1435.25	1247.88	1295.30	1240.87	1775.11	1710.88
Debt Equity Ratio	3.5:1	2.81:1	0.93:1	0.58:1	0.38:1	0.33:1	0.28:1	0.44:1	4.64:1	1.28:1
Property, plant and equipment, Investment property and Intangible assets(Including capital work-in-progress)	630.00	646.79	662.72	912.55	1011.14	1034.86	1031.46	1093.85	1160.57	1199.88
Investments & other Assets	3425.96	2990.90	3730.73	3080.14	2752.45	2749.77	2556.64	1581.80	824.89	881.42
OPERATING RESULTS										
Sales and other Income	2744.00	2100.60	1983.72	2566.75	2822.68	2501.37	2402.63	2014.11	1732.04	1417.77
Manufacturing and other expenses	2523.68	2120.13	2035.05	2484.99	2729.52	2341.53	2266.39	1925.66	1650.31	1555.64
Depreciation	29.88	31.66	33.91	46.82	60.02	62.03	61.39	62.08	59.54	55.73
Profit/(Loss) before exceptional items and tax	190.44	-51.19	(85.24)	34.94	33.14	97.81	74.85	26.37	22.19	(193.60)
Exceptional items	153.25	67.48	-	-	-	-	-	-	-	-
Current Taxation	2.78	29.57	0.00	10.38	8.80	22.11	15.50	5.26	3.77	-
Excess Provision of Tax - of earlier years	-	-	-	-	-	-	-	(0.28)	-	-
Fringe Benefit Tax	-	-	-	-	-	-	-	-	-	1.02
Profit after Tax	34.41	(148.24)	(85.24)	24.56	24.34	75.70	59.35	21.39	18.42	(194.62)
Earnings per Equity Share of ₹ 2/- *	1.67	(7.18)	(4.13)	1.19	1.18	3.67	2.92	5.54	4.77	(50.39)
Dividends :										
Amount	24.87	17.40	12.43	19.89	19.33	24.16	24.02	16.49	11.26	4.52
Percentage	50	35	25	40	40	50	50	35	25	10

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

* Valued for current and immediately preceding 5 years only after sub-division of shares @ ₹ 2/- per share.

Notes :

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

DIRECTORS' REPORT to the members

Your Directors have pleasure in presenting their Report on the business and operations of the Company along with the audited financial statements for the year ended 31st March, 2018.

1. FINANCIAL RESULTS

(₹ in crore)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2018	31/03/2017	**31/03/2018**	31/03/2017
GROSS TURNOVER AND OTHER INCOME	2744.00	2100.60	2744.00	2100.60
Profit before Finance Cost, Depreciation, Amortization expenses and Exceptional item	632.83	351.35	632.83	351.35
Less: Finance Costs	412.51	368.45	412.51	368.45
Profit/(Loss) before Depreciation, Amortization expenses and Exceptional item	220.32	(17.10)	220.32	(17.10)
Less: Depreciation and Amortization expenses	29.88	34.09	29.88	34.09
PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEM	190.44	(51.19)	190.44	(51.19)
Less: Exceptional item	153.25	67.48	153.25	45.81
Add: Share of profit of equity accounted investees	-	-	0.77	0.05
PROFIT/(LOSS) BEFORE TAX	37.19	(118.67)	37.96	(96.95)
Less: Tax (net)	2.78	29.57	2.78	29.57
PROFIT/(LOSS) AFTER TAX	34.41	(148.24)	35.18	(126.52)
Add: Other Comprehensive Income	284.76	604.73	284.76	604.73
Total Comprehensive Income	319.17	456.49	319.94	478.21
Add: Balance in Statement of Profit and Loss of Previous Year (Incl. OCI)	(25.72)	(469.78)	(26.26)	(492.04)
SURPLUS AVAILABLE FOR APPROPRIATIONS				
Appropriations to:				
Dividend	14.46	10.33	14.46	10.33
Dividend Distribution Tax	2.94	2.10	2.94	2.10
Balance carried to Balance Sheet (Incl. OCI)	276.05	(25.72)	276.28	(26.26)

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

2. COMPANY RESULTS AND DIVIDEND

The Company has drawn up its accounts for the first time under Ind AS. The figures for the previous year have been suitably adjusted, as appropriate to conform to the Ind AS requirements.

The Company's turnover and other income for the year was ₹ 2,744.00 crore as against ₹ 2,100.60 crore in the previous year. The profit after tax is ₹ 34.41 crore as against a loss of ₹ 148.24 crore in the previous year. The profit for the current year would have been even higher but for an exceptional provision of ₹ 153.25 crore made in regard to the perceived doubtful recovery of advance made to the Company's Joint Venture, P.T. Five Star Textile Indonesia, spelt out in detail in Note 41 to the accounts.

During the year the Company successfully rationalised number of lenders to improve operating efficiency. This greatly helped management of large volume of cash outflows. In this process it will also help tightly monitor and control finance costs in future.

The construction of the two towers at Island City Center ("ICC"), Dadar, by Bombay Realty, is nearing completion and handover to the buyers will be done as committed which will generate net cash inflows thereby easing the company's debt burden.

Polyester Staple Fibre ("PSF") industry saw a sluggish growth of 3% in volume in the country, which was mainly met through new capacities commissioned during the year. Continuing cheap imports from China disrupted the domestic market impacting the Company's PSF business. The PSF Division will continue to focus on innovative product mix and cost reduction initiatives in order to counter these factors.

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

Having regard to the above, your Directors have recommended a higher dividend of ₹ 1/- per equity share of ₹ 2/- each which is subject to shareholders' approval.

3. CONSOLIDATED FINANCIAL RESULTS

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

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

4. BOMBAY REALTY

Bombay Realty had a highly satisfactory year. With the receipt of the regulatory approvals and the consequent pick up in construction activity, the Division is now fully geared to complete the construction as per schedule and ensure timely delivery of the two ICC towers.

The revenues from real estate activity as per Ind AS reporting for FY 2017-18 adopted during the year were ₹ 1182.91 crore as compared to ₹ 515.28 crore in FY 2016-17, reporting a growth of 130% over last year. The business is poised to become the single largest revenue earning Division of the Company on topline basis and will be a substantial contributor to the bottom line growth of the Company.

The Division is complying with the Real Estate (Regulation and Development) Act, 2016 ("RERA") requirements and giving the clients a transparent and fully compliant project information, the promise of timely delivery with world class construction quality and amenities. The increased pace of construction will mean completion of two ICC towers within a record construction time of 42 months. The construction of the slum project at ICC is ready for delivery.

The ICC flats are uniquely positioned in market and the demand for the units has picked up substantially driving faster sales in an otherwise struggling real estate market impacted by changing policy framework, the demonetization effect and general economic slowdown. Ever growing enquiries and higher footfalls are likely to result in increased sales and the resultant cash flow.

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

With the experience of successfully executing the two large ICC projects, the Division is aiming to becoming a best in class with a name to reckon with in the real estate industry.

5. HOME & YOU

For first half of the year under report the Division experienced revenue pressure led by weak market demand. However, there was recovery in the latter half of the year with revival of general trade channel, which was showing de-growth in the first six months and reported growth of 24% in the second half. Modern trade channel opened 842 stores by end of the financial year. The coming year shows even more promise when the Division will look to consolidate leadership position by owning digital bed sheet platform as well as through the launch of innovative make your own bed sheet campaign.

6. POLYESTER DIVISION

The Division achieved a turnover of ₹ 1,251.95 crore during the year as compared to ₹ 1,214.45 crore in the previous year. In volume terms, there was an increase of slightly over 3 %. The raw material and PSF prices remained volatile during the year tracking the movement in petrochemicals and crude oil prices. The average capacity utilization was 93%, significantly better than the industry average capacity utilization of below 80%.

The sluggish market sentiment in the domestic polyester staple fibre industry was reflected in an overall growth of 3% compared to the previous year. New capacities of around 12% of existing capacity, became fully operational during the year far exceeding the growth in domestic demand resulting in underutilization of domestic capacity. Increased volatility in raw material prices, surplus production capacities and imports at significantly lower prices has posed challenges to the Company's Polyester business, which it will seek to counteract with innovative product mix and cost reduction initiatives.

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

8. FIXED DEPOSITS

During the year, the Company repaid the deposits aggregating to ₹ 0.80 crore.

Total deposits outstanding as on 31st March, 2018 amounted to ₹ 77.09 crore out of which 80 deposits aggregating ₹ 0.47 crore had matured, but remained unclaimed.

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

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

10. RELATED PARTY TRANSACTIONS

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

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

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

12. INSURANCE

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

13. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Directors' Report.

14. ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in form MGT – 9 in "Annexure B" of this Report.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

At the Annual General Meeting (AGM) of the Company held on 10th August, 2017, the members of the Company appointed Mr. Vinesh Kumar Jairath as an Independent Director for a term of five years with effect from 9th February, 2017 and Mr. Keki M. Elavia, as an Independent Director for a term of five years with effect from 22nd May, 2017. Dr. (Mrs.) Minnie Bodhanwala was also appointed in the said AGM, as a Non-Executive, Non-Independent Director, liable to retire by rotation with effect from 29th March, 2017.

Mr. Ishaat Hussain ceased to be a Director of the Company w.e.f. 10th August, 2018. The Board places on record its appreciation towards valuable contribution made by Mr. Ishaat Hussain during his tenure as a Director of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Nusli N. Wadia (DIN: 00015731) retires by rotation and is eligible for re-appointment.

By the Notification dated 9th May, 2018, Securities and Exchange Board of India ("SEBI") amended the Listing Regulations, 2015 by incorporating Regulation 17(1A) in the Listing Regulations, 2015 to be effective from 1st April, 2019. According to the said Regulation, no listed company shall appoint or continue the directorship of a person who has attained age of 75 years unless special resolution is passed to that effect.

Mr. Nusli N. Wadia is 74 years as on date and therefore, a special resolution is proposed in ensuing Annual General Meeting for continuation of holding office of Non- Executive Director of the Company, by Mr. Nusli N. Wadia, who will be above the age of 75 years as on 1st April, 2019 to comply with the above amendment.

Similarly, Mr. A. K. Hirjee, Mr. S. M. Palia, Mr. S. S. Kelkar and Mr. R. A. Shah have also attained the age of 75 years. However, Mr. S. M. Palia and Mr S. S. Kelkar have expressed their desire to step down from the Board during the financial year 2018-19. Therefore, it is proposed to pass special resolutions at the ensuing AGM of the Company for continuation of remainder term of only Mr. A. K. Hirjee (DIN: 00044765) and Mr. R. A. Shah (DIN: 00009851) i.e. upto 7th August, 2019.

Necessary resolutions for re-appointment/continuation of Directorship past the age of 75 years, of aforesaid Directors have been included in the notice of the ensuing AGM and requisite details have been provided in the explanatory statement of the notice. The Board recommends their re-appointment/ continuation as Directors of the Company.

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

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

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

Key Managerial Personnel

During the year under review, Mr. Pushpamitra Das, Chief Financial Officer, resigned with effect from 30th June, 2017.

Mr. Vishnu Peruvemba, was appointed as the Chief Financial

Officer ("CFO") of the Company at the Board Meeting held on 8th November, 2017. He joined as CFO of the Company w.e.f. 5th January, 2018.

Board Evaluation

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

Nomination and Remuneration Policy

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

16. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

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

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

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

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

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s) and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

18. CORPORATE GOVERNANCE

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

19. BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2) of Listing Regulations, 2015, the Business Responsibility Report ("BRR") of the Company for FY 2017-18 is forming part of this Report as "Annexure E".

20. PARTICULARS OF EMPLOYEES

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

21. AUDITORS

Statutory Auditors

Pursuant to Section 139 of the Companies Act, 2013 the Company's Auditors, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting of the Company. The Company proposes to appoint, M/s. Bansi S. Mehta & Co. (Firm Registration No. 100991W) as the Statutory Auditors of the Company for a period of 5 years from the conclusion of 138th Annual General Meeting until the conclusion of 143rd Annual General Meeting. They have confirmed their eligibility under Section 141 of the Act and the Rules framed there under for appointment as Auditors of the Company.

As required under Regulation 33 of Listing Regulations, 2015, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records of the Company are required to be audited. The Directors, on the recommendation of the Audit Committee, appointed M/s. D. C. Dave & Co., Cost Accountants, to audit the cost accounts of the Company for the financial year ending 31st March, 2019 on a remuneration of ₹ 5,00,000/- (Rupees Five Lakh) plus out of pocket expenses and applicable taxes. The remuneration payable to the Cost Auditor is required to be ratified by the shareholders at the ensuing AGM.

Secretarial Auditors

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 Parikh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as "Annexure G".

Internal Auditors

At the Board Meeting held on 14th May, 2018, M/s. Ernst & Young, Chartered Accountants, were re-appointed as the Internal Auditors of the Company for financial year 2018-19.

22. SIGNIFICANT OR MATERIAL ORDERS

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

23. MATERIAL CHANGES

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

24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

25. INDIAN ACCOUNTING STANDARDS (Ind AS)

Your Company has adopted Indian Accounting Standards ("Ind AS") for the accounting period beginning on 1st April, 2017 pursuant to Ministry of Corporate Affairs Notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015.

26. CORPORATE SOCIAL RESPONSIBILITY

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

For the current financial year 2017-18, as the average profit for the last three years is negative, the Company decided not to spend any amount on CSR. However, the unspent CSR amount of ₹ 4 lakh of the previous year was spent for CSR activity during the financial year (Refer Annexure – H).

27. AUDITORS QUALIFICATIONS

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

28. RISK MANAGEMENT POLICY

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

29. AUDIT COMMITTEE

The Audit Committee of the Company comprises of 6 Independent Directors. The composition of directors and other details are provided in the Corporate Governance Report of the Company. The Company has established a vigil mechanism through the Committee, wherein the genuine concerns can be expressed by the employees and directors. The Company has also provided adequate safeguards against victimisation of employees who express their concerns. The Company has provided the details of the vigil mechanism in the Whistle Blower Policy in the Corporate Governance Report and also posted these on the website of the Company: http://www.bombaydyeing.com/pdfs/corporate/Whistle_Blower_Policy.pdf

30. APPRECIATION

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

On behalf of the Board of Directors

Place: Mumbai
Date: 14th May, 2018.

NUSLI N.WADIA
Chairman

ANNEXURE A to Directors' Report

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

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

A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken

PSF operations

1. Polymer filter candles replaced with modified design.
2. Usage of high GCV coal to reduce auxiliary power consumption.
3. Cooling tower cell # 5 structural revamp.
4. VFD Provision in Virgin EG pump, Fire pump & Coal boiler's FD fan.
5. Quench Temp is optimized with Product requirement.
6. Chilled water set point optimized.
7. Both Chiller overhauling completed for power saving.
8. Puller cooler water circulation pump kept stopped with process optimization.
9. Cooling Tower fan 6 replaced with modified hollow FRP.
10. Intrinsic Viscosity optimization to reduce load on Gear Pumps.
11. ETP RVF vacuum pump replaced with upgraded version.
12. Oligomer pump refurbished for better efficiency.
13. Slurry Density control with pressure control loop.
14. SOV provision in Annealer to force close Steam during idle period.
15. Biogas hood repairing to maximize Biogas generation.
16. Process optimization to reduce Steam consumption.
17. Optimization of Process HTF vents to avoid heat loss.
18. Installation of upgraded KVX system for RLNG saving.

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

PSF operations

- Installation of Steam Turbine in place of PRDS.
- Installation of Energy efficient Cooling Tower pump & Chillers.
- Manual Baling press for reduction in Energy Consumption.
- Provision of spare PA Fan in FBC Boiler.
- Recycling of Spin Finish & DM water.
- Rain Water harvesting from Warehouse roof.
- Stoppage of Pre-feed Bath circulation pumps.
- Installation of LED lights in plant & office area.
- Provision of VA Chiller from CP waste heat.
- Energy Conservation by various process improvement projects.

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

PSF operations

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

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

- As per 'Form A' attached.

B. TECHNOLOGY ABSORPTION

Research and Development (R & D).

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

PSF operations

- New SUPER FIBRE (0.6 to 1.0 D) were successfully produced & commercialised.
- Production of low shrinkage annealed fibre.
- Various new product development.
- Process change for PSF quality (T10) improvement.
- Medium tenacity product developments for Nonwovens.
- Usage of upgraded version KVX in HTF heater.

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

PSF operations

- Diversity of product mix & availability of value added products.
- Improved customer base & market share.
- Quality consistency with improved operational performance at customer end.
- Risk mitigation against up-coming new competitors in the market.
- Energy conservation with improved operational reliability.

3. Future plan of action

PSF operations

- Key focus is to increase the volume of specialty value added products.
- Development of hardware and improvement in process SOP, for the production of Super Micro Products.
- Increase in volume of nonwoven & technical textile end use products.
- Execution of various process improvement projects for reduction in energy consumption.
- Investment for improvement in energy & operational efficiency.

4. Expenditure on R & D

- Expenditure reported on R & D during the year under report: ₹ 1.50 crore (Previous year ₹ Nil).

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

   PSF operations

   - Use of modified design Polymer filter candles.
   - Hardware modification to improve coal boiler efficiency.
   - Chillers made energy efficient by overhauling & upgrading microprocessor cards.
   - Draw machine start-up logic modified to increase yield & productivity.
   - Process optimisation & design change for energy conservation.
   - Productivity of high staple length technical textile fibres was improved.

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

   PSF operations

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

3. **Information regarding technology imported during the last 3 years:**
   - Technology imported: – Nil
   - Year of import: – N/A
   - Has Technology been fully absorbed: – N/A
   - If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: – N/A
   - PSF operation: – Nil

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

   (i) Total foreign exchange used and earned:

	₹ in crore
Total foreign exchange used	533.16
Total foreign exchange earnings	285.60

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

   New export markets are being developed and emphasis is being placed on export of value added products.

On behalf of the Board of Directors

Place: Mumbai
Date: 14th May, 2018

NUSLI N.WADIA
Chairman

FORM 'A'

Form for disclosure of particulars with respect to conservation of energy

		Production Unit	2017-18 Current Year	2016-17 Previous Year
A.	**POWER AND FUEL CONSUMPTION**			
1	**Electricity**			
	(a) Purchased			
	Unit (KWH in lakhs)		526.37	533.10
	Total Amount (₹ in crores)		36.14	40.47
	Rate/Unit (₹)		6.87	7.59
	(b) Own Generation			
	(Through Diesel Generator)			
	Unit (KWH in lakhs)			
	Units per Ltr. of Diesel		-	-
	Cost/Unit (₹)		-	-
2	**Furnace Oil/L.S.H.S.**		-	-
	Quantity (in M. Tons)		3.33	859.00
	Total Cost (₹ in crores)		0.01	2.00
	Average Rate (in ₹ per M.T.)		24,519.62	23,233.99
3	**RLN GAS**			
	Quantity in (MMBTU)		437,657.65	391,493.60
	Total Cost (₹ in crores)		27.74	22.13
	Average Rate (in ₹ per MMBTU)		633.77	565.36
4	**Coal**			
	Quantity (in M. Tons)		28,026.00	32,393.00
	Total Cost (₹ in crores)		16.81	12.20
	Average Rate (in ₹ per M.T.)		5,996.39	3,766.42
B.	**CONSUMPTION PER UNIT OF PRODUCTION**			
1	**Electricity (KWH)**			
	PSF	per M.T.	345.50	350.01
2	**Furnace Oil/L.S.H.S.(M.T.)**			
	PSF	M.T.	0.00	0.01
3	**RLN GAS**			
	PSF	per MMBTU	2.87	2.57
4	**Coal (M.T.)**			
	PSF	M.T.	0.184	0.213

ANNEXURE B to Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31st March, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014.]

I. REGISTRATION & OTHER DETAILS:

i.	CIN	L17120MH1879PLC000037
ii.	Registration Date	23rd August, 1879
iii.	Name of the Company	The Bombay Dyeing and Manufacturing Company Limited
iv.	Category/Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
v.	Address of the Registered office and contact details	Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai - 400001. Tel: +91 22 66620000 Fax: +91 22 66620069
vi.	Whether listed company	Yes
vii.	Name, Address and contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telengana - 500032, India. Tel: +91 40 6716 2222 Fax: +91 40 2342 0814 E-mail : einward.ris@karvy.com Website: www.karvycomputershare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
i.	Real estate activities	6810	43.93
ii.	Polyester Staple Fibre	20302	46.49
iii.	Retail - Home Textiles	4751	9.58

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
i.	Pentafil Textile Dealers Limited	U65993MH1984PLC253516	Associate	49.00	2(6)
ii.	Bombay Dyeing Real Estate Company Limited	U70102MH2008PLC183489	Associate	40.00	2(6)
iii.	P. T. Five Star Textile Indonesia	Incorporated in Indonesia	Joint Venture	33.89	2(6)

IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

(i) Category-wise Shareholding

Category of Shareholders		No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**PROMOTERS**									
(1)	**INDIAN**									
(a)	Individual/HUF	2084953	0	2084953	1.01	2084953	0	2084953	1.01	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	43523985	0	43523985	21.07	43623035	0	43623035	21.12	0.05
(d)	Financial Institutions/Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any other - Trusts	1866330	0	1866330	0.90	1767280	0	1767280	0.86	-0.05
	Sub-Total A(1) :	**47475268**	**0**	**47475268**	**22.99**	**47475268**	**0**	**47475268**	**22.99**	**0.00**
(2)	**FOREIGN**									
(a)	NRIs -Individuals	2801560	0	2801560	1.36	2801560	0	2801560	1.36	0.00
(b)	Other - Individuals									
(c)	Bodies Corporate	57845790	0	57845790	28.01	57845790	0	57845790	28.01	0.00
(d)	Financial Institutions/Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	**60647350**	**0**	**60647350**	**29.36**	**60647350**	**0**	**60647350**	**29.36**	**0.00**
	Total A=A(1)+A(2)	**108122618**	**0**	**108122618**	**52.35**	**108122618**	**0**	**108122618**	**52.35**	**0.00**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTIONS**									
(a)	Mutual Funds/UTI	54085	10935	65020	0.03	4085	8035	12120	0.01	-0.03
(b)	Financial Institutions/Banks	689271	97865	787136	0.38	1493832	97445	1591277	0.77	0.39
(c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	8527970	0	8527970	4.13	7819349	0	7819349	3.79	-0.34
(g)	Foreign Institutional Investors	12722343	3900	12726243	6.16	6433929	0	6433929	3.12	-3.05
(h)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others - Foreign Portfolio Investors	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	**21993669**	**112700**	**22106369**	**10.70**	**15751195**	**105480**	**15856675**	**7.68**	**-3.03**

Category of Shareholders		No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	**NON-INSTITUTIONS**									
(a)	Bodies Corporate	14555033	107605	14662638	7.10	22776436	95925	22872361	11.07	3.97
(b)	Individuals									
	(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	40823361	4161197	44984558	21.78	33259811	3158737	36418548	17.63	-4.15
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	10964525	126000	11090525	5.37	15951851	126000	16077851	7.78	2.41
(c)	Others									
	(i) Clearing Members	1127507	0	1127507	0.55	1093983	0	1093983	0.53	-0.02
	(ii) Enemy Property	18300	0	18300	0.01	18300	0	18300	0.01	0.00
	(iii) Foreign Nationals	427	0	427	0.00	427	0	427	0.00	0.00
	(iv) Investor Education and Protection Fund	0	0	0	0.00	791907	0	791907	0.38	0.38
	(v) NBFC	42587	0	42587	0.02	836601	0	836601	0.41	0.38
	(vi) NRI	810001	2530	812531	0.39	976389	1780	978169	0.47	0.08
	(vii) NRI Non-Repatriation	497108	158250	655358	0.32	413980	142560	556540	0.27	-0.05
	(viii) Trusts	132057	0	132057	0.06	131495	0	131495	0.06	0.00
	Sub-Total B(2) :	**68970906**	**4555582**	**73526488**	**35.60**	**76251180**	**3525002**	**79776182**	**38.63**	**3.03**
	Total B=B(1)+B(2) :	**90964575**	**4668282**	**95632857**	**46.30**	**92002375**	**3630482**	**95632857**	**46.30**	**0.00**
	Total (A+B) :	**199087193**	**4668282**	**203755475**	**98.65**	**200124993**	**3630482**	**203755475**	**98.65**	**0.00**
(C)	**Shares held by Custodian for GDRs & ADRs**	2762170	17255	2779425	1.35	2762170	17255	2779425	1.35	0.00
	GRAND TOTAL (A+B+C) :	**201849363**	**4685537**	**206534900**	**100**	**202887163**	**3647737**	**206534900**	**100**	**0.00**

(ii) **SHAREHOLDING OF PROMOTERS:**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	AFCO INDUSTRIAL AND CHEMICALS LIMITED	59660	0.03	-	59660	0.03	-	0.00
2	LOTUS VINIYOG LIMITED	144690	0.07		144690	0.07		0.00
3	DPI PRODUCTS AND SERVICES LIMITED	264900	0.13		264900	0.13		0.00
4	THE BOMBAY BURMAH TRADING CORPORATION LTD.	31550713	15.28		31550713	15.28		0.00
5	NUSLI NEVILLE WADIA (DIANA CLAIRE TRUST A/C)	180530	0.09		180530	0.09		0.00
6	NUSLI NEVILLE WADIA (NUSLI NEVILLE WADIA TRUST A/C)	137000	0.07		137000	0.07		0.00
7	ESTATE OF SMT. BACHOOBAI WORONZOW	814030	0.39		814030	0.39		0.00
8	MACROFIL INVESTMENTS LIMITED	409700	0.20		409700	0.20		0.00
9	N W EXPORTS LIMITED	5000	0.00		0	0.00		0.00
10	NOWROSJEE WADIA AND SONS LIMITED	6460293	3.13		7365293	3.57		0.44
11	N N WADIA ADMIN OF ESTATE OF LT. EF DINSHAW	500	0.00		500	0.00		0.00
12	NESSVILLE TRADING PRIVATE LIMITED	24550	0.01		24550	0.01		0.00
13	SUNFLOWER INVESTMENTS AND TEXTILES PRIVATE LIMITED	900000	0.44		0	0.00		-0.44
14	MAUREEN NUSLI WADIA	578010	0.28		578010	0.28		0.00
15	JEHANGIR NUSLI WADIA	287525	0.14		287525	0.14		0.00
16	NUSLI NEVILLE WADIA (TRUSTEES OF JER MAVIS SETTLEMENT NO II)	1548800	0.75		1449750	0.70		-0.05
17	NESS NUSLI WADIA	1219418	0.59	640000	1219418	0.59	640000	0.00
18	WADIA INVESTMENTS LIMITED	419750	0.20		419750	0.20		0.00
19	NATIONAL PEROXIDE LIMITED	1489700	0.72		1489700	0.72		0.00
20	DINA NEVILLE WADIA	458220	0.22		603220	0.29		0.07
21	HAVENKORES REAL ESTATES PVT LTD	268672	0.13		268672	0.13		0.00
22	DIANA CLAIRE WADIA	1528810	0.74		1383810	0.67		-0.07
23	NEWPOINT ENTERPRISES LIMITED	250000	0.12		250000	0.12		0.00

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
24	BEN NEVIS INVESTMENTS LTD.	10283790	4.98		10283790	4.98		0.00
25	BAYMANCO INVESTMENTS LTD.	47312000	22.91		47312000	22.91		0.00
26	NIDHIVAN INVESTMENTS AND TRADING CO. PVT. LTD.	263058	0.13		330108	0.16		0.03
27	SAHARA INVESTMENTS PVT LTD	508036	0.25		540036	0.26		0.02
28	HEERA HOLDINGS AND LEASING PVT LTD	152103	0.07		152103	0.07		0.03
29	NAPEROL INVESTMENTS LIMITED	406200	0.20		406200	0.20		0.00
30	GO INVESTMENTS AND TRADING PRIVATE LIMITED	500	0.00		500	0.00		0.00
31	WADIA TECHNO ENGINEERING SERVICES LIMITED	195460	0.09		195460	0.09		0.00
32	GO AIRLINES (INDIA) LTD	1000	0.00		1000	0.00		0.00
Total		**108122618**	**52.35**	**640000**	**108122618**	**52.35**	**640000**	**0.00**

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sr. No.	Name of the Promoter/Promoter Group	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Shareholding at the end of the year	
		No. of shares	% of total shares of the company				No of shares	% of total shares of the company
1	N W EXPORTS LIMITED	5000	0.81	20.02.2018	5000	Amalgamation	0	0.00
2	NOWROSJEE WADIA AND SONS LIMITED	6460293	3.13	20.02.2018	905000	Amalgamation	7365293	3.57
3	SUNFLOWER INVESTMENTS AND TEXTILES PVT. LTD.	900000	0.44	20.02.2018	900000	Amalgamation	0	0.00
4	NUSLI NEVILLE WADIA (TRUSTEES OF JER MAVIS SETTLEMENT NO II)	1548800	0.75	01.06.2017, 23.08.2017, 29.11.2017, 12.02.2018, 21.03.2018	99050	Acquisition/ Transfer	1449750	0.70
5	DINA NEVILLE WADIA	458220	0.22	24.04.2017	145000	Acquisition	603220	0.29
6	DIANA CLAIRE WADIA	1528810	0.74	24.04.2017	145000	Transfer	1383810	0.67
7	NIDHIVAN INVESTMENTS AND TRADING CO. PVT. LTD.	263058	0.13	23.08.2017, 29.11.2017, 12.02.2018, 21.03.2018	67050	Acquisition	330108	0.16
8	SAHARA INVESTMENTS PVT LTD.	508036	0.25	01.06.2017	32000	Acquisition	540036	0.26

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

Sr. No.	FOR EACH OF THE TOP 10 SHAREHOLDERS	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the Year	
		No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA	6618784	3.20	01/04/2017			6618784	3.20
				31/03/2018			6618784	3.20
2	CITIBANK N.A. NEW YORK, NYADR DEPARTMENT	2762170	1.34	01/04/2017			2762170	1.34
				31/03/2018			2762170	1.34
3	INDIA INFOLINE LIMITED	85	0.00	01/04/2017			85	0.00
				14/04/2017	1706	Transfer	1791	0.00
				21/04/2017	-1706	Transfer	85	0.00
				28/04/2017	81050	Transfer	81135	0.04
				05/05/2017	-41000	Transfer	40135	0.02
				26/05/2017	250	Transfer	40385	0.02
				02/06/2017	1975	Transfer	42360	0.02
				09/06/2017	-2228	Transfer	40132	0.02
				23/06/2017	-47	Transfer	40085	0.02
				30/06/2017	-40000	Transfer	85	0.00
				18/08/2017	-50	Transfer	35	0.00
				25/08/2017	50	Transfer	85	0.00
				01/09/2017	200	Transfer	285	0.00
				08/09/2017	2363	Transfer	2648	0.00
				15/09/2017	-2563	Transfer	85	0.00
				22/09/2017	4334	Transfer	4419	0.00
				29/09/2017	-4334	Transfer	85	0.00
				06/10/2017	1568	Transfer	1653	0.00
				13/10/2017	1183	Transfer	2836	0.00
				20/10/2017	-2741	Transfer	95	0.00
				27/10/2017	-10	Transfer	85	0.00
				17/11/2017	70	Transfer	155	0.00
				24/11/2017	-70	Transfer	85	0.00
				01/12/2017	-10	Transfer	75	0.00
				08/12/2017	10	Transfer	85	0.00
				22/12/2017	-6	Transfer	79	0.00
				29/12/2017	20	Transfer	99	0.00
				05/01/2018	-14	Transfer	85	0.00

Sr. No.	FOR EACH OF THE TOP 10 SHAREHOLDERS	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the Year	
		No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
				19/01/2018	200000	Transfer	200085	0.10
				26/01/2018	300020	Transfer	500105	0.24
				02/02/2018	-20	Transfer	500085	0.24
				09/02/2018	845661	Transfer	1345746	0.65
				16/02/2018	350000	Transfer	1695746	0.82
				23/02/2018	-1	Transfer	1695745	0.82
				02/03/2018	101	Transfer	1695846	0.82
				09/03/2018	-100	Transfer	1695746	0.82
				16/03/2018	607090	Transfer	2302836	1.11
				23/03/2018	365000	Transfer	2667836	1.29
				30/03/2018	10	Transfer	2667846	1.29
				31/03/2018			2667846	1.29
4	LAKSHIT BANSAL	0	0.00	01/04/2017			0	0.00
				30/06/2017	1316462	Transfer	1316462	0.64
				28/07/2017	203538	Transfer	1520000	0.74
				08/09/2017	560000	Transfer	2080000	1.01
				30/03/2018	200000	Transfer	2280000	1.10
				31/03/2018			2280000	1.10
5	SOCIETE GENERALE	0	0.00	01/04/2017			0	0.00
				12/01/2018	400000	Transfer	400000	0.19
				26/01/2018	-200000	Transfer	200000	0.10
				09/02/2018	1420000	Transfer	1620000	0.78
				16/02/2018	380000	Transfer	2000000	0.97
				09/03/2018	200000	Transfer	2200000	1.07
				31/03/2018			2200000	1.07
6	BHARTI JITENDRABHAI SHAH	0	0.00	01/04/2017			0	0.00
				03/11/2017	151070	Transfer	151070	0.07
				08/12/2017	175000	Transfer	326070	0.16
				15/12/2017	4262	Transfer	330332	0.16
				22/12/2017	681184	Transfer	1011516	0.49
				29/12/2017	356369	Transfer	1367885	0.66
				05/01/2018	103797	Transfer	1471682	0.71
				12/01/2018	-1397	Transfer	1470285	0.71

Sr. No.	FOR EACH OF THE TOP 10 SHAREHOLDERS	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the Year	
		No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
				19/01/2018	10000	Transfer	1480285	0.72
				26/01/2018	-197785	Transfer	1282500	0.62
				02/02/2018	-65000	Transfer	1217500	0.59
				09/02/2018	38197	Transfer	1255697	0.61
				23/02/2018	711856	Transfer	1967553	0.95
				09/03/2018	203877	Transfer	2171430	1.05
				16/03/2018	189070	Transfer	2360500	1.14
				23/03/2018	286500	Transfer	2647000	1.28
				30/03/2018	-609899	Transfer	2037101	0.99
				31/03/2018			2037101	0.99
7	CHINAPPA M B	2500000	1.21	01/04/2017			2500000	1.21
				07/04/2017	200000	Transfer	2700000	1.31
				28/04/2017	200000	Transfer	2900000	1.40
				05/05/2017	200000	Transfer	3100000	1.50
				26/05/2017	200000	Transfer	3300000	1.60
				20/10/2017	-600000	Transfer	2700000	1.31
				15/12/2017	500000	Transfer	3200000	1.55
				12/01/2018	-1400000	Transfer	1800000	0.87
				09/02/2018	200000	Transfer	2000000	0.97
				23/02/2018	-200000	Transfer	1800000	0.87
				31/03/2018			1800000	0.87
8	SHILPA STOCK BROKER PVT LTD	186513	0.09	01/04/2017			186513	0.09
				07/04/2017	-10	Transfer	186503	0.09
				14/04/2017	-1675	Transfer	184828	0.09
				21/04/2017	-180040	Transfer	4788	0.00
				28/04/2017	-45	Transfer	4743	0.00
				05/05/2017	-4605	Transfer	138	0.00
				12/05/2017	275	Transfer	413	0.00
				19/05/2017	150	Transfer	563	0.00
				26/05/2017	-540	Transfer	23	0.00
				09/06/2017	100	Transfer	123	0.00
				16/06/2017	-10	Transfer	113	0.00
				23/06/2017	-50	Transfer	63	0.00

Sr. No.	FOR EACH OF THE TOP 10 SHAREHOLDERS	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the Year	
		No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
				30/06/2017	49950	Transfer	50013	0.02
				14/07/2017	5600	Transfer	55613	0.03
				21/07/2017	-50450	Transfer	5163	0.00
				28/07/2017	1500	Transfer	6663	0.00
				04/08/2017	100	Transfer	6763	0.00
				11/08/2017	-2969	Transfer	3794	0.00
				18/08/2017	25	Transfer	3819	0.00
				01/09/2017	1198479	Transfer	1202298	0.58
				08/09/2017	4126	Transfer	1206424	0.58
				15/09/2017	202599	Transfer	1409023	0.68
				22/09/2017	-40697	Transfer	1368326	0.66
				29/09/2017	-70000	Transfer	1298326	0.63
				06/10/2017	147	Transfer	1298473	0.63
				13/10/2017	401692	Transfer	1700165	0.82
				20/10/2017	87350	Transfer	1787515	0.87
				27/10/2017	100880	Transfer	1888395	0.91
				31/10/2017	15	Transfer	1888410	0.91
				03/11/2017	12400	Transfer	1900810	0.92
				10/11/2017	-100	Transfer	1900710	0.92
				17/11/2017	-1365	Transfer	1899345	0.92
				24/11/2017	-590	Transfer	1898755	0.92
				08/12/2017	250000	Transfer	2148755	1.04
				15/12/2017	2890	Transfer	2151645	1.04
				22/12/2017	-30950	Transfer	2120695	1.03
				29/12/2017	34950	Transfer	2155645	1.04
				05/01/2018	-34000	Transfer	2121645	1.03
				12/01/2018	88500	Transfer	2210145	1.07
				19/01/2018	-8000	Transfer	2202145	1.07
				26/01/2018	6700	Transfer	2208845	1.07
				02/02/2018	64600	Transfer	2273445	1.10
				09/02/2018	3320	Transfer	2276765	1.10
				16/02/2018	-40572	Transfer	2236193	1.08
				23/02/2018	89307	Transfer	2325500	1.13

Sr. No.	FOR EACH OF THE TOP 10 SHAREHOLDERS	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the Year	
		No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
				02/03/2018	-188000	Transfer	2137500	1.03
				09/03/2018	103657	Transfer	2241157	1.09
				16/03/2018	-299295	Transfer	1941862	0.94
				23/03/2018	-354390	Transfer	1587472	0.77
				30/03/2018	-97605	Transfer	1489867	0.72
				31/03/2018	-3200	Transfer	1486667	0.72
				31/03/2018			1486667	0.72
9	MINESH JORMALBHAI MEHTA MEHTA	0	0.00	01/04/2017			0	0.00
				06/10/2017	1	Transfer	1	0.00
				17/11/2017	461652	Transfer	461653	0.22
				01/12/2017	47348	Transfer	509001	0.25
				08/12/2017	500000	Transfer	1009001	0.49
				15/12/2017	5921	Transfer	1014922	0.49
				22/12/2017	-184307	Transfer	830615	0.40
				05/01/2018	-6615	Transfer	824000	0.40
				02/02/2018	500	Transfer	824500	0.40
				09/02/2018	506000	Transfer	1330500	0.64
				23/02/2018	155000	Transfer	1485500	0.72
				09/03/2018	363856	Transfer	1849356	0.90
				16/03/2018	-363856	Transfer	1485500	0.72
				23/03/2018	33591	Transfer	1519091	0.74
				30/03/2018	-33591	Transfer	1485500	0.72
				31/03/2018			1485500	0.72
10	THE ORIENTAL INSURANCE COMPANY LIMITED	1908686	0.92	01/04/2017			1908686	0.92
				07/04/2017	-25000	Transfer	1883686	0.91
				14/04/2017	-5000	Transfer	1878686	0.91
				21/04/2017	-40000	Transfer	1838686	0.89
				28/04/2017	-10000	Transfer	1828686	0.89
				05/05/2017	-30000	Transfer	1798686	0.87
				12/05/2017	-35000	Transfer	1763686	0.85
				14/07/2017	-36800	Transfer	1726886	0.84
				21/07/2017	-53200	Transfer	1673686	0.81
				28/07/2017	-10000	Transfer	1663686	0.81

Sr. No.	FOR EACH OF THE TOP 10 SHAREHOLDERS	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the Year	
		No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
				01/09/2017	-40000	Transfer	1623686	0.79
				08/09/2017	-35000	Transfer	1588686	0.77
				15/09/2017	-50502	Transfer	1538184	0.74
				22/09/2017	-10000	Transfer	1528184	0.74
				22/12/2017	-17500	Transfer	1510684	0.73
				29/12/2017	-7500	Transfer	1503184	0.73
				23/02/2018	-40000	Transfer	1463184	0.71
				02/03/2018	-18119	Transfer	1445065	0.70
				09/03/2018	-15000	Transfer	1430065	0.69
				16/03/2018	-75000	Transfer	1355065	0.66
				23/03/2018	-95000	Transfer	1260065	0.61
				30/03/2018	-60000	Transfer	1200065	0.58
				31/03/2018			1200065	0.58
11	DIMENSIONAL EMERGING MARKETS VALUE FUND	1308130	0.63	01/04/2017			1308130	0.63
				29/12/2017	-114399	Transfer	1193731	0.58
				05/01/2018	-86075	Transfer	1107656	0.54
				30/03/2018	-22862	Transfer	1084794	0.53
				31/03/2018			1084794	0.53
12	GLOBE CAPITAL MARKET LTD	2977822	1.44	01/04/2017			2977822	1.44
				07/04/2017	-897129	Transfer	2080693	1.01
				14/04/2017	-121303	Transfer	1959390	0.95
				21/04/2017	48776	Transfer	2008166	0.97
				28/04/2017	129051	Transfer	2137217	1.03
				05/05/2017	-137147	Transfer	2000070	0.97
				12/05/2017	-1707418	Transfer	292652	0.14
				19/05/2017	-56890	Transfer	235762	0.11
				26/05/2017	59511	Transfer	295273	0.14
				02/06/2017	-12401	Transfer	282872	0.14
				09/06/2017	-34782	Transfer	248090	0.12
				16/06/2017	-30473	Transfer	217617	0.11
				23/06/2017	-121848	Transfer	95769	0.05
				30/06/2017	-3814	Transfer	91955	0.04
				07/07/2017	10487	Transfer	102442	0.05

Sr. No.	FOR EACH OF THE TOP 10 SHAREHOLDERS	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the Year	
		No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
				14/07/2017	1520	Transfer	103962	0.05
				21/07/2017	-33886	Transfer	70076	0.03
				28/07/2017	-17285	Transfer	52791	0.03
				04/08/2017	1878	Transfer	54669	0.03
				11/08/2017	26826	Transfer	81495	0.04
				18/08/2017	-29294	Transfer	52201	0.03
				25/08/2017	-1612	Transfer	50589	0.02
				01/09/2017	-6162	Transfer	44427	0.02
				08/09/2017	749757	Transfer	794184	0.38
				15/09/2017	1367641	Transfer	2161825	1.05
				22/09/2017	-1287897	Transfer	873928	0.42
				29/09/2017	-664146	Transfer	209782	0.10
				06/10/2017	1050659	Transfer	1260441	0.61
				13/10/2017	-409597	Transfer	850844	0.41
				20/10/2017	-732893	Transfer	117951	0.06
				27/10/2017	931532	Transfer	1049483	0.51
				31/10/2017	-200768	Transfer	848715	0.41
				03/11/2017	-19749	Transfer	828966	0.40
				10/11/2017	-404995	Transfer	423971	0.21
				17/11/2017	-53769	Transfer	370202	0.18
				24/11/2017	-170201	Transfer	200001	0.10
				01/12/2017	133785	Transfer	333786	0.16
				08/12/2017	321864	Transfer	655650	0.32
				15/12/2017	386040	Transfer	1041690	0.50
				22/12/2017	-209505	Transfer	832185	0.40
				29/12/2017	-232575	Transfer	599610	0.29
				30/12/2017	-25000	Transfer	574610	0.28
				05/01/2018	-10810	Transfer	563800	0.27
				12/01/2018	-269246	Transfer	294554	0.14
				19/01/2018	23790	Transfer	318344	0.15
				26/01/2018	-229997	Transfer	88347	0.04
				02/02/2018	55118	Transfer	143465	0.07
				09/02/2018	95040	Transfer	238505	0.12

Sr. No.	FOR EACH OF THE TOP 10 SHAREHOLDERS	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the Year	
		No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
				16/02/2018	200596	Transfer	439101	0.21
				23/02/2018	18629	Transfer	457730	0.22
				02/03/2018	-18550	Transfer	439180	0.21
				09/03/2018	-299753	Transfer	139427	0.07
				16/03/2018	-80826	Transfer	58601	0.03
				23/03/2018	46440	Transfer	105041	0.05
				30/03/2018	467805	Transfer	572846	0.28
				31/03/2018	-356000	Transfer	216846	0.10
				31/03/2018			216846	0.10

(v) Shareholding of Directors and Key Management Personnel

For Each of the Directors & KMPs		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. Nusli N. Wadia	0	0.00	0	0.00
2	Mr. R. A. Shah	7100	0.00	7100	0.00
3	Mr. A. K. Hirjee	3800	0.00	3800	0.00
4	Mr. S. M. Palia	0	0.00	0	0.00
5	Mr. S. Ragothaman	35000	0.02	35000	0.02
6	Mr. S. S. Kelkar	50000	0.02	50000	0.02
7	Mr. Ness N. Wadia	1219418	0.59	1219418	0.59
8	Mr. V. K. Jairath	0	0.00	0	0.00
9	Dr. (Mrs.) Minnie Bodhanwala	0	0.00	0	0.00
10	Mr. Keki M. Elavia	0	0.00	0	0.00
11	Mr. Jehangir N. Wadia (KMP-MD)	287525	0.14	287525	0.14
12	Mr.Vishnu Peruvemba (KMP-CFO)	0	0.00	0	0.00
13	Mr. Sanjive Arora (KMP-Company Secretary)	0	0.00	0	0.00

V. Indebtedness

₹ In crores

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Particular	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtness at the beginning of the financial year				
i) Principal Amount	1852.33	683.05	77.05	2612.44
ii) Interest due but not paid	2.96	-	-	2.96
iii) Interest accrued but not due	2.02	-	-	2.02
Total (i+ii+iii)	**1857.30**	**683.05**	**77.05**	**2617.42**
Change in Indebtedness during the financial year				
Addition	2347.12	810.68	-	3157.80
Reduction	-1,822.47	-1,143.73	-0.69	-2966.89
Net Change	**524.65**	**-333.05**	**-0.69**	**190.91**
Indebtedness at the end of the financial year				
i) Principal Amount	2376.98	350.00	76.36	2803.35
ii) Interest due but not paid	0.08	-	-	0.08
iii) Interest accrued but not due	15.13	-	-	15.13
Total (i+ii+iii)	**2392.19**	**350.00**	**76.36**	**2818.56**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

₹ in Crores

Sr. No.	Particulars of Remuneration	Name of the MD	Total Amount
		Mr. Jehangir N. Wadia	
1	**Gross salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961	5.35	5.35
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.28	0.28
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission:		
	- as % of profit	-	-
	- others (specify)	-	-
5	Others, (Bonus*)	1.00	1.00
	(Perquisites and Allowances)	0.18	0.18
	Total (A)	**6.81**	**6.81**
	Ceiling as per the Act (@ 5% of profits calculated under Section 198 of the Companies Act, 2013)		**10.25**

*Bonus is for FY 2017-18 and will be paid in FY 2018-19.

B. Remuneration to other directors:

₹ In Crores

Sr. No.	Particulars of Remuneration	Name of the Directors								Total Amount
1	**Independent Directors**	**Mr. R. A. Shah**	**Mr. A. K. Hirjee**	**Mr. S. M. Palia**	**Mr. S. Ragothaman**	**Mr. S. S. Kelkar**	**Mr. Ishaat Hussain (upto 10.08.2017)**	**Mr. V.K. Jairath**	**Mr. Keki Elavia (From 22.05.2017)**	
	(a) Fee for attending board committee meetings (Total fees paid for attending Board and Committee meetings)	0.13	0.09	0.12	0.10	0.11	0.04	0.14	0.08	0.81
	(b) Commission*:	0.11	0.11	0.10	0.09	0.09	0.04	0.17	0.11	0.82
	(c) Others, please specify	-	-	-	-	-	-	-	-	-
	Total (1)	**0.24**	**0.20**	**0.22**	**0.19**	**0.20**	**0.08**	**0.31**	**0.19**	**1.63**
2	**Other Non Executive Directors**	**Mr. Nusli N. Wadia**	**Mr. Ness N. Wadia**	**Dr. (Mrs.) Minnie Bodhanwala**						
	(a) Fee for attending board committee meetings (Total fees paid for attending Board and Committee meetings)	0.10	0.04	0.04						0.18
	(b) Commission*	0.60	0.03	0.05						0.68
	(c) Others, please specify	-	-	-						-
	Total (2)	**0.70**	**0.07**	**0.09**						**0.86**
	Total (B)=(1+2)	**0.94**	**0.28**	**0.31**	**0.19**	**0.20**	**0.08**	**0.31**	**0.19**	**2.49**
	Total Managerial Remuneration**									**9.30**
	Overall Cieling as per the Act.									**12.30**

*** Commision is for FY 2017-18 and will be paid in FY 2018-19.**

**** Total remuneration to Managing Director, Whole-time Directors and the other Directors (being the total of A and B)**

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

₹ In Crores

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Vishnu Peruvemba (CFO) (w.e.f. 5th January, 2018)	Mr. Sanjive Arora (Company Secretary)	Mr. Pushpamitra Das (CFO) (upto 30th June, 2017)	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0.14	0.40	0.62	1.16
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00	0.00	0.01
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission:				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify (Allowances)	0.01	0.01	0.02	0.04
	Total	**0.15**	**0.41**	**0.64**	**1.20**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made, if any (give details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

ANNEXURE C to Directors' Report
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India's economy is expected to grow 7.3% in the financial year 2018-19 and accelerate to 7.5% in 2019-20, bottoming out from the impact of demonetisation and GST, the World Bank has stated even as it highlighted private investments and exports as the two lagging engines of growth.

In its latest India Development Update, the World Bank said India's economy will grow 7.3% in fiscal year 2018-19. The Government's push towards manufacturing sector and digital economy and Make in India initiatives will provide the thrust for fuelling economic growth.

The expectation of normal rainfall in 2018 is a further shot in the arm for positive impact on the Agricultural and Manufacturing Sectors.

BOMBAY REALTY

Industry Structure and Developments

The year ahead brings with it a clearer policy framework. The major effects on real estate market due to introduction of Real Estate (Regulation and Development) Act, 2016 ("RERA"), demonetization as well as Land Bill were absorbed in 2017.

The overall housing shortage has prompted Government to introduce interest subsidy to the tune of 6.5% under Pradhan Mantri Awas Yojna ("PMAY") for low and medium income households. The current shortage of nearly 20 million houses is the key driver which will have a cascading effect across all asset classes, including luxury real estate.

Opportunities and Threats

Your Company expects a significant turnaround in the current year owing to overall economic clarity, transparency under RERA resulting in more sales and a faster pace of construction with the regulatory approvals being in place. Real Estate Regulations will act as a catalyst for your Company as regulatory environment is always good for companies that are well-managed.

Important events like banks lowering interest rates for housing finance, RBI offering incentives for infrastructure financing, creation of Real Estate Investment Trusts (REITs), relaxation of FDI norms in construction sector will only boost real estate development.

Outlook

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

Risks and Concerns

Slow pace of economic growth and structural challenges of the real estate industry in terms of delays in approvals, high construction costs, introduction of GST regulation, fast track implementation of Ind AS accounting standards, and an inventory overhang with slow offtake impacting liquidity in the industry, have come in the way of the growth of the industry. Industry expects government to fast track implementation of DCR 2034 regulation should help create positive momentum. However, if the Government fails to redress the issues of the construction industry in a time bound manner, there might be setbacks.

GST introduction in 2017 across India and with the real estate sector not being given the cost abatement of Land and linking all suppliers to the input credit system is also taking time to stabilize. The GST implication on under construction contracts, especially ones nearing completion and handover, have seen customers preferring to hold back purchases foreseeing possible benefit of nil GST and may impact sales in short term till date of OC and possession handover.

The Company's projects were affected due to legal and regulatory delays. Excessive supply of 'luxury residences' in the Central Mumbai area by competing developers and slow take of rate with huge overhang, may not improve the overall price in short term thereby having a negative effect on the project profitability. The Company feels the pace of construction coupled with offering a quality product and unique offering of mixed used development tag will place it being superior to the competition and will help continue to attract the customers towards our project as most preferred and value proposition.

The Ministry of Corporate Affairs has notified a new accounting standard, Ind AS aligned with International Financial Reporting Standards (IFRS) dealing with revenue recognition which is based on IFRS 15 Revenue for Contracts with Customers, the new standard becomes mandatory for accounting periods beginning on or after 1st April, 2018. With this notification the earlier existing revenue standards and related guidance has also been withdrawn.

The new revenue standard brings in a comprehensive and robust framework (5 Step model) for recognition, measurement and disclosure of revenue. As one of the key performance indicator for a company and its business, revenue plays a large part in the way investors judge the company. This standard will change the manner in which companies will recognise and report revenues especially in real estate sector where revenue comes in tranches.

Your Company is also understanding and assessing the implications of new standards and would start reporting its revenues as per new standards effective next year.

HOME & YOU

Industry Structure and Developments

Domestic home textile category continues to evolve faster in India. Influence of competitively priced private labels in modern trade and e-commerce market places is bringing in new value conscious consumers to the industry. On the other hand, fashion led premium consumer's preferences are switching over to product made from high

end fabrics and innovative designs. The market is clearly drawing distinction between the value led and the fashion conscious consumers both in terms of product as well as the channel preferences.

Innovations in products and designs are gaining significance to attract emerging young consumers across the value chain. Increasing disposable income and nuclear families will continue to expand the growth opportunities for the category. GST implementation has helped the organized retailers by reducing influx of cheap alternatives from abroad and domestic unorganized industry.

Opportunities and Threats

Your Company sees enormous opportunity in product and design innovations to address the changing tastes of young vibrant India. The Company will be investing in design expansion, owning the digital printing space through TVC media campaigns to reinforce its leadership position. Sales channels proliferation will be thrust area. The Division would be launching new franchise model and explore high volume institutional business in FY 2018-19. This would widen its product availability, offer numerous product ranges and provide unique shopping experience to its customers in Company owned stores and franchise stores. The Division will, in addition, be investing aggressively in technology to improve efficiencies, process compliance and facilitate seamlessly integrated operations.

The sector continues to be influenced by swinging commodity prices. It is also facing major challenges in the form of rising production costs from increasing wages, power and interest cost. Key threats for the Company continue to be constant inflow of cheaper alternatives from unorganized sector as well as neighbouring countries. Along with launch of new brands and competitors, existing players have also become more aggressive through competitive pricing. Higher margin demand from channel partners is also putting pressure on the Company's margin.

Outlook

Your Company has attained leadership position in few e-commerce sites and is further geared up to exploit all emerging opportunities in the market place. Through investments in new franchise model, organization capabilities, brand image, vibrant new designs, new product portfolios and information technology, the Company expects to grow ahead of the industry and retain its market leadership status.

Risks and Concerns

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

POLYESTER BUSINESS

Industry Structure and Developments

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

PSF industry saw a domestic sales volume growth of 3%. The overall polyester industry's capacity utilisation remained under 80%, but the Company's utilisation remained comparatively stable at 93%, same as previous year. The Division recorded a growth in sales volume of slightly over 2% during the year. New capacities becoming fully operational ahead of demand curve have been putting pressure on the margins.

Raw materials, PTA and MEG prices were volatile during the year. With the commissioning of new production capacity of PTA and MEG in the country, the availability of raw materials in the domestic market has improved.

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

Opportunities and Threats

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

Disparity in tax structure between PSF and Cotton has continued under the GST regime and expected fibre neutrality did not materialise. Two new PSF production plants with capacities aggregating 12% of existing domestic PSF capacity were fully operational during the year, creating new competition for your Company.

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

Outlook

Polyester business performance during the year 2017-18 was relatively stable despite volatile petrochemicals and crude oil prices. Improving GDP growth should help strengthen domestic demand and stable raw

material prices should help improvement in margins. Firm cotton prices and relatively tight supply situation in cotton should also help improve PSF demand in FY 2018-19.

Risks and Concerns

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

SEGMENT-WISE PERFORMANCE

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

GENERAL

Internal Controls

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

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

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Human Resources

The Company continues to strengthen its people capabilities in its quest to build a growing and sustainable business. An increased focus is being maintained to further build employee retention at all levels in the Company.

Towards this several programs related to Learning & Development, Reward & Recognition, employee engagement are being worked upon. The overall manpower structure is being strengthened and aligned to the business requirement.

Resources and Liquidity

The Company has sold its processing unit at Ranjangaon along with land and building which has eased liquidity pressure. Further improved sale of flats and disinvestment of its non-core assets and other investments will provide more liquidity to the Company.

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

Cautionary Statement

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

ANNEXURE D to Directors' Report
REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance:

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

2. Board of Directors:

The Board is composed of eminent persons with considerable professional experience in diverse fields and comprises a majority of Non-Executive Directors. Over two thirds of the Board consists of Non-Executive Directors and of these, the majority are Independent Directors. Mr. Nusli N. Wadia is the Chairman of the Board. The details are given below:-

Name of Directors	Category	No. of Board Meetings attended during FY 2017-18		Whether attended AGM held on 10th August, 2017	No. of Directorships in other public companies as on 31.3.2018*		No. of Committee positions held in other public companies** as on 31.3.2018	
		held	attended		Chairman	Member	Chairman	Member
Mr. Nusli N. Wadia (Chairman) (DIN:00015731)	Non-Executive/ Promoter	7	6	Yes	3	-	-	-
Mr. R. A. Shah (DIN: 00009851)	Independent -non-executive	7	7	Yes	3	6	5	3
Mr. S. S. Kelkar (DIN: 00015883)	-do-	7	7	Yes	-	8	2	1
Mr. S. Ragothaman (DIN: 00042395)	-do-	7	6	Yes	-	8	3	3
Mr. A. K. Hirjee (DIN: 00044765)	-do-	7	5	Yes	2	3	7	2
Mr. S. M. Palia (DIN: 00031145)	-do-	7	6	Yes	-	2	-	-
Mr. Ishaat Hussain (DIN: 00027891) (Retired as a Director w.e.f. close of AGM of the Company on 10.08.2017)	-do-	7	2	Yes	-	-	-	-
Mr. V. K. Jairath (DIN: 00391684)	-do-	7	7	Yes	-	8	3	6
Mr. Keki M. Elavia (DIN: 00003940) (w.e.f. 22.05.2017)	-do-	7	5	Yes	-	9	4	5
Dr. (Mrs.) Minnie Bodhanwala (DIN: 00422067)	Non-Executive, Non-Independent	7	6	Yes	-	3	-	1
Mr. Ness N. Wadia (DIN: 00036049)	Non-Executive/ Promoter	7	6	Yes	1	4	-	3
Mr. Jehangir N. Wadia (DIN: 00088831)	Managing Director/ Promoter	7	7	Yes	-	3	-	1

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

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

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

During the year under review, 7 Board Meetings were held, the dates being , 22nd May, 2017, 28th June, 2017, 10th August, 2017, 5th October, 2017, 8th November, 2017, 8th February, 2018 and 26th March, 2018.

3. Board Committees:

The Board has constituted the following Committees of Directors:

(a) Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI (LODR) Regulations, 2015'). The Committee comprises of members who possess financial and accounting expertise/exposure. The Committee consists of the following Non-Executive-Independent Directors:

Mr. K. M. Elavia (w.e.f. 22.05.2017 and appointed as Chairman on 10.08.2017)

Mr. Ishaat Hussain (Chairman & member upto 10.08.2017)

Mr. S. Ragothaman

Mr. R. A. Shah

Mr. S. S. Kelkar

Mr. S. M. Palia

Mr. V. K. Jairath

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

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

The Audit Committee also reviews the reports and presentations and the responses thereto by the Management.

During the year under review, 9 Meetings of the Audit Committee were held, the dates being 25th April, 2017, 23rd June, 2017, 28th June, 2017, 8th August, 2017, 10th August, 2017, 5th October, 2017, 7th November, 2017, 10th January, 2018 and 7th February, 2018.

Details of attendance of each member at the Audit Committee Meetings are as follows:-

Name	No. of Audit Committee Meetings attended
Mr. K. M. Elavia	7
Mr. Ishaat Hussain*	3
Mr. S. Ragothaman	6
Mr. R. A. Shah	9
Mr. S. S. Kelkar	9
Mr. S. M. Palia	7
Mr. V. K. Jairath	8

* Retired as a director w.e.f. closure of AGM of the Company held on 10th August, 2017.

Internal Audit and Control:

M/s. Ernst and Young LLP, Internal Auditors of the Company have carried out the internal audit for the financial year 2017-18. The reports and findings of the Internal Auditor and the internal control systems are periodically reviewed by the Committee.

Whistle Blower Policy:

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

At the Audit Committee Meeting held on 5th April, 2018 , the reporting person and the contact email IDs under Whistle Blower Policy have been changed. The revised Whistle Blower Policy with the required changes has been uploaded on the Company's website: http://www.bombaydyeing.com/pdfs/corporate/Whistle_Blower_Policy.pdf

The Company had not received any complaint under the Whistle Blower Policy during the financial year 2017-18.

(b) Nomination and Remuneration Committee (NRC):

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements

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

The Nomination and Remuneration Committee consists of the following Non-Executive Directors:

Mr. S. M. Palia (Chairman upto 26.03.2018 but continues to be a member)
Mr. V. K. Jairath (Member w.e.f. 08.02.2018 & appointed as Chairman on 26.03.2018)
Mr. Ishaat Hussain (upto 10.08.2017)
Mr. Nusli N. Wadia
Mr. R. A. Shah
Mr. S. Ragothaman
Mr. A. K. Hirjee

The Chairman of the Committee is an Independent Director.

During the year under review, the Committee met 5 times on 22nd May, 2017, 28th June, 2017, 27th September, 2017, 8th February, 2018 and 26th March, 2018.

Details of attendance of each member at the Nomination and Remuneration Committee Meetings are as follows:-

Name	No. of NRC Meetings attended
Mr. S. M. Palia	5
Mr. V. K. Jairath	1
Mr. Ishaat Hussain	1
Mr. Nusli N. Wadia	4
Mr. R. A. Shah	5
Mr. S. Ragothaman	4
Mr. A. K. Hirjee	3

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

- Setup and composition of the Board, its committees and the leadership team of the Company comprising of Key Managerial Personnel ("KMP" as defined under the Companies Act, 2013) and Executive Team (as defined by the Committee).
- Evaluation of performance of the Board, its Committees and Individual Directors.
- Remuneration for Directors, KMPs, Executive Team and other employees.
- Oversight of the familiarisation programme of Directors.
- Oversight of the HR philosophy, HR and people strategy and key HR practices.

R**emuneration of Directors:**

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

(i) Details of remuneration paid to the Managing Director during the FY 2017-18 are given below:

(In ₹)

Name	Salary	Benefits**	Bonus***	Total
*Mr. Jehangir. N. Wadia, Managing Director	1,50,35,412	4,31,02,050	1,00,00,000	6,81,37,462

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

** Includes the Company's contribution to Provident and Superannuation Funds, but excludes gratuity and re-imbursement of fuel and maintenance of car.

*** Bonus is for FY 2017-18 and will be paid in FY 2018-19.

Note:

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

(ii) Details of payments made to Non-Executive Directors during the year 2017-18 and the number of shares held by them are given below:

Name	Sitting Fees** (₹)	Commission *** (₹)	Total No. of Shares held in the Company as on 31st March, 2018
Mr. Nusli N. Wadia	10,20,000	60,00,000	Nil
Mr. R. A. Shah*	13,20,000	11,03,583	7,100
Mr. S. S. Kelkar	10,75,000	9,28,013	50,000
Mr. S. Ragothaman	10,20,000	8,52,769	35,000
Mr. A. K. Hirjee	9,15,000	10,77,524	3,800
Mr. S. M. Palia	11,80,000	10,03,257	Nil
Mr. Ishaat Hussain (upto 10.08.2018)	3,60,000	3,76,221	Nil
Mr. Ness N. Wadia	4,00,000	3,51,140	12,19,418
Mr. V. K. Jairath	14,40,000	17,03,909	Nil
Mr. K. M. Elavia (w.e.f. 22.05.2017)	7,80,000	11,02,606	Nil
Dr. (Mrs.) Minnie Bodhanwala	3,60,000	5,00,978	Nil
Total :	**98,70,000**	**1,50,00,000**	

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

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

*** Commission is for FY 2017-18 and will be paid in FY 2018-19.

Non-Executive Directors are paid sitting fees at the rate of ₹ 60,000/- per meeting for attending the meetings of the Board of Directors/Committees thereof. Sitting fees for CSR Committee is ₹ 40,000/- and Stakeholders Relationship Committee is ₹ 15,000/- per meeting. The Independent Directors are paid sitting fees at the rate of ₹ 60,000/- per meeting of Independent Directors.

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

Performance Evaluation:

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

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

This was followed by a Board Meeting that discussed the performance of the Board, its committees and individual directors.

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

Board Diversity:

The Company has adopted the Policy on Board Diversity as required under Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015.

Remuneration Policy:

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

(c) Stakeholders Relationship Committee (SRC):

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

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

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

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

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

The Committee consisted of 2 Non-Executive Directors and the Managing Director, namely:

Mr. S. S. Kelkar (Chairman)

Mr. A. K. Hirjee

Mr. Jehangir N. Wadia

During the year under review, the Committee met once on 26th March, 2018 and all the members attended the meeting.

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

Name and designation of Compliance Officer:

Mr. Sanjive Arora
Company Secretary

No. of shareholders' complaints received during the year: 308

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

No. of pending complaints: Nil

(d) Corporate Social Responsibility (CSR) Committee:

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

The CSR Committee consists of the following Directors:

Mr. Ness N. Wadia (Chairman)

Mr. S. M. Palia

Mr. S. S. Kelkar

Dr. (Mrs.) Minnie Bodhanwala (w.e.f. 08.02.2018)

The CSR Committee:

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

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

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

During the year under review, the Committee met once on 8th February, 2018 and all members attended the meeting.

The details of CSR contribution during the financial year 2017-18 has been provided in Annexure 'H' to the Directors' Report.

(e) Independent Directors' Meeting:

During the year under review, the Independent Directors met on 8th February, 2018, inter alia, to discuss:

- Evaluation of the performance of the Board as a whole;
- Evaluation of performance of Non-Independent Non-Executive Directors and the Chairman of the Board.
- To assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

(f) Familiarisation programme for Independent Directors:

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

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

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

(g) Strategic Committee:

The Board has constituted a Strategic Committee comprising of the following members.

Mr. Nusli N. Wadia (Chairman)

Mr. A. K. Hirjee

Mr. V. K. Jairath

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

During the year under review, the Committee met 7 times on 15th May, 2017, 18th May, 2017, 25th May, 2017, 3rd October, 2017, 28th November, 2017, 5th February, 2018 and 19th March, 2018.

Details of attendance of each member at the Strategic Committee Meetings are as follows:-

Name	No. of Strategic Committee Meetings attended
Mr. Nusli N. Wadia	7
Mr. A. K. Hirjee	6
Mr. V. K. Jairath	7

The Committee has been formed to deliberate and take all strategic decisions for the Company.

h. During the year, at the Board Meeting held on 26th March, 2018, the Board decided to disband the Executive Committee and the Finance Committee of the Board.

4. General Body Meetings:

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

Annual General Meetings:

Date & Time	Location	Special Resolutions Passed
10th August, 2017 at 3.45 p.m.	Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021	Nil
10th August, 2016 at 3.45 p.m.	Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021	(i) Re-appointment of Mr. Jehangir N. Wadia (DIN: 00088831) as the Managing Director of the Company for 5 years and remuneration payable to him. (ii) Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing upto ₹ 3,000 crore. (iii) Resolution under Section 180(1)(a) of the Companies Act, 2013 for creating charges, mortgages and hypothecations in connection with the borrowing upto ₹ 3,000 crore.
6th August, 2015 at 3.45 p.m.	Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400020	(i) To pay remuneration to Mr. Jehangir N. Wadia (DIN: 00088831), Managing Director of the Company.

NCLT Convened Meeting:

27th March, 2017 at 11.30 a.m.	"Rangaswar" Hall, 4th Floor, Yashwantrao Chavan Center, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021	Resolution pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013, read with relevant Rules and SEBI Circulars and under relevant provisions of applicable law for approval of the Scheme of Amalgamation between Archway Investment Company Ltd. with The Bombay Dyeing & Mfg. Co. Ltd. and their respective shareholders.

(b) Whether any Special Resolutions were passed last year through postal ballot: None

5. Other disclosures :

(a) Related Party Transactions

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

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

(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

A fine was levied on the Company by BSE Ltd.("BSE") and National Stock Exchange of India Ltd. ("NSE") for late submission of Financial Result under Regulation 33 of SEBI (LODR) Regulations, 2015 for the quarter and year ended 31st March, 2017, as per the provisions of SEBI circular No. CIR/CFD/CMD/12/2015 dated November 30, 2015. The Company complied and paid the fine to both BSE and NSE.

(c) Risk Management:

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

(d) CEO/CFO Certification:

Mr. Jehangir N. Wadia, Managing Director and Mr. Vishnu Peruvemba, Chief Financial Officer, have certified to the Board in accordance with Regulation 17(8) of SEBI (Listing Obligations and Disclosures) Regulations, 2015, pertaining to CEO/CFO certification for the financial year ended 31st March, 2018.

(e) Code of Conduct:

The Board of Directors has adopted the Code of Ethics and Business Principles for Non-Executive Directors as also for the employees including Whole-Time Directors and other members of Senior Management. All members of the Board and senior management personnel have affirmed compliance with the Code. The said Code has been communicated to all the Directors and members of

the Senior Management. The Codes have also been posted on the Company's website: http://www.bombaydyeing.com/pdfs/corporate/corporatepdf01.pdf and http://www.bombaydyeing.com/pdfs/corporate/corporatepdf02.pdf

(f) Prevention of Insider Trading Code:

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015.

All the Directors, employees at senior management level and other employees who could have access to unpublished price sensitive information of the Company are governed by this code.

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

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

No such complaint has been received during the financial year 2017-18.

(h) Dividend Distribution Policy:

The Company has adopted Dividend Distribution Policy in terms of the requirement of Listing Regulations. The Policy is available on the website of the Company under the below mentioned link:

https://www.bombaydyeing.com/pdfs/corporate/Dividend_Distribution_Policy.pdf

6. Means of communication:

(i) Quarterly results:

The unaudited quarterly results are announced to Stock Exchanges within forty-five days from the end of the quarter and the audited annual results within sixty days from the end of the last quarter as stipulated under the SEBI (LODR) Regulations, 2015.

(ii) Newspapers wherein results normally published:

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

(iii) Any Website where displayed:

www.bombaydyeing.com

(iv) Whether Website also displays official news releases:

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

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

No presentations were made to institutional investors or to analysts.

(vi) Management Discussion & Analysis Report:

The Management Discussion & Analysis Report is annexed to the Directors' Report and forms a part of the Annual Report.

7. General Shareholder information:

(a) AGM: Date, time and venue:

Tuesday, 7th August, 2018 - 3.45 p.m. at Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400021.

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

(c) Book closure period: Saturday, 21st July, 2018 to Tuesday, 7th August, 2018 both days inclusive.

(d) Dividend payment date: On or from 8th August, 2018.

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

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

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

Annual Listing Fees for the year 2018-19 have been paid to BSE Ltd. and National Stock Exchange of India Ltd.

Listing fee to the Societe de la Bourse de Luxembourg for listing of GDRs has been paid for the calendar year 2018.

(f) Stock Code:

BSE Ltd. (BSE): 500020

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

(g) Stock Market Data: Please see Annexure 1

(h) Stock Performance: Please see Annexure 2

(i) Contact address of Registrars and Transfer Agents ("RTA"):

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

1) **Corporate office:**

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

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

Karvy Computershare Pvt. Ltd.
(Unit : Bombay Dyeing)
24-B ,Raja Bahadur Mansion,
Ground Floor,
Ambalal Doshi Marg,
Behind BSE , Fort,
Mumbai – 400 001.
Tel: 022 6623 5454/412/427

(j) Share Transfer Details:

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

	No. of Applications	No. of Shares
Transfers	125	41,280
Transmissions	49	22,670
Total	174	63,950

(k) Dematerialisation of shares and liquidity:

98.23% of the outstanding Equity Shares have been dematerialised up to 31st March, 2018. All shares held by Promoters/Promoter Group Companies have been dematerialised. Trading in Equity Shares of the Company on the stock exchanges, is permitted only in dematerialised form effective from 29th November, 1999, as per Notification issued by the Securities & Exchange Board of India (SEBI).

(l) (i) Secretarial Audit:

Parikh & Associates, Practicing Company Secretaries, have carried out the Secretarial Audit of the Company for the Financial Year 2017-18 and as per the provisions of Section 204 of the Companies Act, 2013 a Secretarial Audit Report in the prescribed format given by Parikh & Associates is annexed to this Report.

(ii) Share Capital Audit:

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

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

(i) 27,79,425 (1.35%) GDRs were outstanding as at 31st March, 2018, each GDR representing one underlying equity share of ₹ 2/- each.

(ii) 928 (2016-17: 928) Warrants as part of the rights entitlement kept in abeyance out of the rights issue of non-convertible debentures (NCDs)/secured premium notes (SPNs) with two detachable warrants attached to each NCD/SPN entitling the warrant-holder to apply for and be allotted five equity shares of the Company for each warrant at a price of ₹ 12 per share. Likely impact on full conversion will be ₹ 0.09 lakh on share capital and ₹ 0.46 lakh on share premium.

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

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

(o) (i) Distribution of Shareholding as on 31st March, 2018:

Description	No. of Shareholders	%	Share Holding	%
1 - 50	39,535	39.22	9,48,349	0.46
51 - 100	15,886	15.75	14,17,415	0.69
101 - 250	20,003	19.84	37,48,192	1.81
251 - 500	12,395	12.30	50,60,604	2.45
501 - 1000	6,356	6.31	50,81,110	2.46
1001 - 5000	5,289	5.25	1,16,07,904	5.62
5001 & Above	1,336	1.33	17,86,71,326	86.51
Total	**1,00,800**	**100.00**	**20,65,34,900**	**100.00**

(ii) Shareholding Pattern as on 31st March, 2018:

	No. of Shares	%
Promoters	10,81,22,618	52.35
Insurance Companies	78,19,349	3.79
Nationalised Banks	15,91,277	0.77
Mutual Funds	7,440	0.00
FIIs	64,33,929	3.12
GDR Holders	27,79,425	1.35
Others	7,97,80,862	38.63
Total	20,65,34,900	100.00

(p) During the financial year 2017-18, the Company has transferred ₹ 11,51,871.00 to Investor Education and Protection Fund in accordance with the provisions of Section 125 of the Companies Act, 2013 (erstwhile 205C of the Companies Act, 1956) read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

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

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

In terms of the said Rules, the Company has already transferred to the IEPF Authority 7,91,907 shares pertaining to 4,243 shareholders, in respect of which dividend has not been encashed or claimed by shareholders for seven consecutive years or more in Financial Year 2017-18.

(r) Plant Location:
PSF Plant,
A-1, Patalganga Industrial Area,
Dist. Raigad, Taluka Khalapur,
Maharashtra.
Tel. No.: 952192 251096/103; Fax No.: 952192 250263.

Address for correspondence:

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

Contact M/s. Karvy Computershare Private Limited at the addresses printed in Sr. No. 7(i) above.

For any queries on Annual Report or investors' assistance:

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

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

(s) Green Initiative:

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

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

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

(t) Corporate Identity Number (CIN):

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

(u) Information flow to the Board Members:

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

8. Compliance with mandatory requirements:

The Company has complied with all the mandatory requirements of the SEBI (LODR) Regulations, 2015.

9. Compliance with Non-Mandatory Requirements:

(a) Office of the Chairman of the Board:

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

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

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

(c) Unqualified Financial Statements:

There are no qualifications in the Auditor's Report on the accounts for the year 2017-18.

(d) Separate posts of Chairman and Managing Director:

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

(e) Reporting of Internal Auditor:

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

Mumbai, 14th May, 2018.

DECLARATION

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the Members of the Board and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2018.

For The Bombay Dyeing & Mfg. Co. Ltd.

Jehangir N. Wadia
Managing Director

Mumbai, 14th May, 2018.

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

The Bombay Dyeing and Manufacturing Company Limited

We have examined the compliance of conditions of Corporate Governance by The Bombay Dyeing and Manufacturing Company Limited ('the Company'), for the year ended March 31, 2018, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations').

Management's Responsibility

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

Auditor's Responsibility

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

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

We conducted our examination in accordance with the Guidance note on Reports or Certificates for Special Purposes (revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above-mentioned Listing Regulations as applicable during the year ended March 31, 2018.

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

Restrictions for use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No. 104607W/W100166

Anil A. Kulkarni
Partner
M. No. 047576

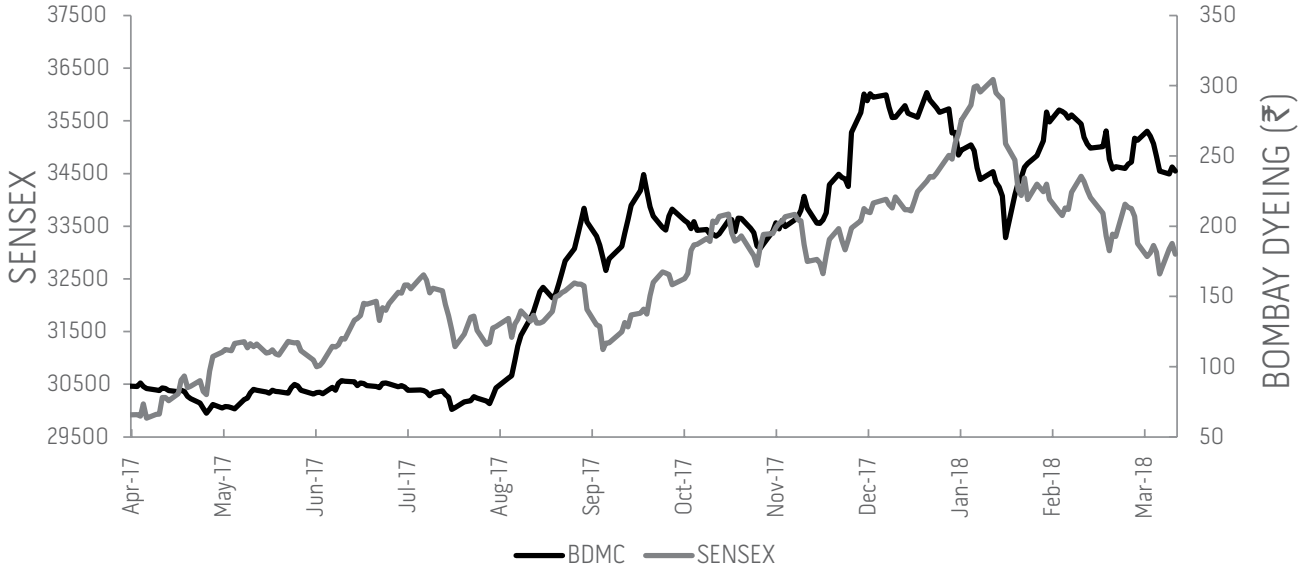
Mumbai: May 14, 2018

ANNEXURE -1

STOCK MARKET DATA

	Month's High Price (₹)		Month's Low Price (₹)		No. of shares Traded		No. of Trades		Value (₹ in crores)	
	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
Apr. 2017	92.50	92.40	78.85	78.85	18377998	73362913	77741	289583	157.87	630.64
May. 2017	91.45	91.45	66.40	66.30	13043090	45975412	54666	211142	104.39	375.21
Jun. 2017	90.60	90.65	69.75	69.55	15518509	57996416	68413	278992	127.50	476.89
Jul. 2017	92.95	92.95	80.90	80.80	12617710	43316371	59285	228618	110.39	379.01
Aug. 2017	114.80	114.85	66.10	65.55	22993348	97963535	114675	453757	211.42	935.25
Sep. 2017	222.00	221.80	116.50	116.05	39036621	193495408	205951	834387	635.14	3112.43
Oct. 2017	245.70	244.95	176.00	175.80	14068130	63005524	77986	320242	287.69	1284.47
Nov. 2017	221.90	222.60	178.70	178.45	11888582	59535009	79887	420323	241.29	1213.17
Dec. 2017	303.80	303.75	192.10	191.30	24651917	130302457	230350	1013278	642.66	3390.17
Jan. 2018	304.20	304.90	223.95	224.00	16656630	80212419	138317	633541	452.52	2189.88
Feb. 2018	295.00	295.00	176.50	176.50	21251042	137752898	192884	947526	533.78	3463.42
Mar. 2018	275.40	276.00	233.85	233.70	14661023	85718583	127457	624982	372.08	2179.01

ANNEXURE 2



ANNEXURE E to Directors' Report
BUSINESS RESPONSIBILITY REPORT

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2) of SEBI (LODR) Regulations, 2015, the Directors present the Business Responsibility Report ("BRR") of the Company for FY 2017-18.

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

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L17120MH1879PLC000037
2. Name of the Company: The Bombay Dyeing and Manufacturing Company Limited
3. Registered Office Address: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.
4. Website : www.bombaydyeing.com
5. E-mail Id : grievance_redressal_cell@bombaydyeing.com
6. Financial Year reported : 2017-18
7. Sector(s) that the Company is engaged :

   Real Estate activities – NIC Code: 6810

   Polyester Staple Fibre – NIC Code: 20302

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

SECTION B: FINANCIAL DETAILS OF THE COMPANY (Standalone)

1. Paid up capital (INR): ₹ 41.31 Crores
2. Total turnover (INR) : ₹ 2,744 Crores
3. Total profit after taxes (INR): ₹ 34.41 Crores
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

   For the current financial year 2017-18, as the average profit for the last three years is negative, the Company decided not to spend any amount on CSR. However, the unspent CSR amount of ₹ 4 lakh of the previous year was spent for CSR activity during the financial year.
5. List of activities in which expenditure in 4 above has been incurred:

   Towards the Project for Community Development Management for Disaster Relief of Sir Ness Wadia Foundation.

SECTION C: OTHER DETAILS

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

   No.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).**

   Not applicable.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company?**

   No

SECTION D: BR INFORMATION

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

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

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

   (b) Details of the BR Head:

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	N/A
2	Name	Mr. Vishnu Peruvemba
3	Designation	Chief Financial Officer
4	Telephone number	022 - 6662 0000
5	E-mail Id	grievance_redressal_cell@bombaydyeing.com

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

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

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

*Links to Company's Policies:

- Code of Ethics and Business Principles: http://www.bombaydyeing.com/pdfs/corporate/corporatepdf01.pdf and http://www.bombaydyeing.com/pdfs/corporate/corporatepdf02.pdf
- CSR Policy: http://www.bombaydyeing.com/pdfs/corporate/corporatepdf06.pdf
- Whistle Blower Policy: http://www.bombaydyeing.com/pdfs/corporate/Whistle_Blower_Policy.pdf

(b) If answer to the question at serial number 1 against any principle is 'No', please explain why:

Not Applicable

3. Governance related to BR

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

This is the first BR Report required to be published by the Company. The BR performance will be assessed periodically.

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

The Company is publishing the BR report for the first time for year ended on 31st March, 2018.

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

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

Further, the Company has adopted a Whistle Blower Policy to provide a mechanism for employees and Directors of the Company to approach the Ethics Committee or Chairman of the Audit Committee of the Company for reporting unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Ethics and Business Principles.

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

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

   During the year, no complaint was received from any stakeholder under the Code of Ethics and Business Principles.

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

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

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

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

   For example- the Retail-Textile Division is in the process of phasing out polybags in the company-owned stores and also encouraging its retail partners to do the same.

   PSF Division has incorporated following initiatives:

   - Installation of ESP in coal fired boiler.
   - Ensuring PUC compliance for all transporters.
   - Discharging our treated effluent to CETP for further treatment.
   - Ensuring energy efficient operations.
   - Rain water harvesting.

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

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

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

   The Company has a clear objective to ensure social, ethical and environmental sustainability across the entire supply chain.

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

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

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

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

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

   The Company has a mechanism to recycle products and waste. Waste heat and waste water generated during the production process is recycled within the plant (>10%). Product waste generated is relatively low and is fully recycled either in-house or through recycled polyester industry (>10%).

Principle 3: Businesses should promote the wellbeing of all employees.

The Company ensures development and growth by investing in the satisfaction and wellbeing of its employees. The Company takes seriously its responsibility to provide a safe working environment and recognize that employees are more productive when they are healthy, feel good & work safely.

The Company's wellness programs raise awareness of health issues by encouraging its employees to adopt a healthy lifestyle. The Company also tailors its safety programs to minimize hazards at workplace.

1. Total number of employees : 644
2. Total number of employees hired on temporary/contractual/ casual basis : 135

3. Number of permanent women employees : 77

4. Number of permanent employees with disabilities : 2

5. Do you have an employee association that is recognized by management:

   Yes at PSF Plant.

6. What percentage of your permanent employees is members of this recognized employee association?

   100% of PSF Plant workers.

7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:

   Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

   a. Permanent Employees : 100%

   b. Permanent Women Employees : 100%

   c. Casual/Temporary/Contractual Employees : 100%

   d. Employees with Disabilities : 100%

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

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

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

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

   Yes. The Company has mapped its internal and external stakeholders.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   The Company is committed towards proactively engaging with all the employees, business associates, customers and communities who may be disadvantaged, vulnerable and marginalised.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders?**

   In FY 2017-18, the Company invited members of NGOs which support differently abled individuals and underprivileged rural women to set up stalls free of cost at Company's offices on festivals like Rakhi and Diwali and employees of the Company purchased sweets, snacks, handicrafts etc. from them to provide support for their livelihood. The Company also celebrated the Joy of Giving Week/Daan Utsav in its office where employees donated clothes, toys, books, hygiene packs and dry grains to support underprivileged children, senior citizens and orphanages and also provided bedsheets and towels to underprivileged children. The Company also took the initiative of felicitating underprivileged children and their families who had braved critical illnesses with the support of Wadia Hospital.

Principle 5: Businesses should respect and promote human rights.

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

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

   Code of Ethics and Business Principles extends not only to employees of the Company but also others who work with, or represent the Company directly or indirectly. The Company's Anti-Sexual Harassment Policy is applicable to all the employees including contractual and also covers trainees, consultants, contractors and vendors.

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

   During the financial year 2017-18, the Company did not receive any complaint with regard to violation of human rights.

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

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

During FY 2017-18, the Company has taken various initiatives for conservation of energy and reducing its environmental impact as given in Annexure A of the Directors' Report.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

   Nil

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

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

   Yes, the Company is the member of associations like MCHI, The Property Owners Association etc.

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

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

Principle 8: Businesses should support inclusive growth and equitable development.

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

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

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

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

   The CSR Committee of the Board of Directors undertakes CSR projects and executes it through various Trusts and Foundations.

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

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

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

   For the current financial year 2017-18, as the average profit for the last three years is negative, the Company did not spend any amount on CSR. However, for the previous year the unspent CSR amount of ₹ 4 lakh was contributed to Sir Ness Wadia Foundation for Community Development Management for Disaster Relief.

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

   Company's activities are of ongoing nature and hence are continuously benefiting the community at large.

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

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

The Company has been providing great value to its customers. To keep the customers satisfaction levels high, the Company not only maintain high quality standards but also has efficient customer redressal system.

Polyester division makes consistent efforts to offer differentiated, specialty and value added PSF products at most competitive prices, thus creating value for the customers. By this initiative, the Company has positioned itself as one of the most trusted, valuable and popular brands among its customers.

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

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

   In Retail Division, the Company has solution ratio of 95% during the financial year ended 31st March, 2018.

   In PSF Division the Company has successfully resolved 98% of the complaints received during the financial year ended 31st March, 2018.

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

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

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

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

   As on 31st March, 2018, there are no cases pending under Competition Act.

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

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

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

ANNEXURE F to Directors' Report

DETAILS OF THE REMUNERATION OF DIRECTORS, KMPs AND EMPLOYEES

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

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2017-18 (₹ in crore)	% increase in Remuneration in the Financial Year 2017-18	Ratio of remuneration of each Director/to median remuneration of employees
1	Mr. Nusli N. Wadia, Chairman	0.70	900%	10.19
2	Mr. Jehangir N. Wadia, Managing Director	6.81	18.43%	99.13
3	Mr. Ness N. Wadia, Promoter and Non-Executive Director	0.07	16.67%	1.02
4	Mr. R. A. Shah, Non-Executive and Independent, Director	0.24	100%	3.49
5	Mr. S. S. Kelkar,Non-Executive and Independent Director	0.20	81.81%	2.91
6	Mr. S. Ragothaman, Non-Executive and Independent Director	0.19	90%	2.77
7	Mr. A. K. Hirjee, Non-Executive and Independent Director	0.20	122.22%	2.91
8	Mr. S. M. Palia, Non-Executive and Independent Director	0.22	83.33%	3.20
9	Mr. Ishaat Hussain, Non-Executive and Independent Director (upto 10.08.2017)	0.74	*	10.77
10	Mr. V.K. Jairath, Non-Executive and Independent Director (w.e.f. 09.02.2017)	0.31	#	4.51
11	Dr. (Mrs.) Minnie Bodhanwala, Non-Executive Non -Independent Director (w.e.f. 29.03.2017)	0.09	#	1.31
12	Mr. Keki M. Elavia, Non-Executive and Independent Director (w.e.f. 22.05.2017)	0.19	*	2.77
13	Mr. Sanjive Arora, Company Secretary	0.41	5%	6.04
14	Mr. Pushpmitra Das, CFO (upto 29.07.2017)	0.64	*	9.32
15	Mr. Vishnu Peruvemba, CFO (w.e.f. 05.01.2018)	0.15	*	2.18

Note: (i) As there was no payment of Commission in FY 2016-17, hence there is a steep percentage increase in Remuneration of Non Executive Directors in the FY 2017 -18.

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

(iii) # Details not given as they were Director/Employee only for part of the financial year 2016-17.

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year:** The median remuneration of employees of the Company during the Financial Year was ₹ 0.069 crore and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.
2. **The percentage increase in the median remuneration of employees in the financial year:** In the Financial Year, there was an increase of 2.99% in the median remuneration of employees.
3. **The number of permanent employees on the rolls of company:** There were 644 number of permanent employees on the rolls of Company as on 31st March, 2018.
4. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

   Average percentage increase in the salaries of employees other than Managerial Personnel in FY 2017-18 on comparable basis was 6.2% over previous year whereas Managerial Remuneration was increased by 41.12%, mainly due to inclusion of Bonus paid to Managing Director and Commission paid to Non- Executive Directors in view of the efforts being put in by them to enhance the overall performance of the Company and for sustained efforts for future growth.
5. **Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

On Behalf of the Board of Directors

Nusli N. Wadia
Chairman

Mumbai, 14th May, 2018

ANNEXURE G to Directors' Report

FORM No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 315T MARCH, 2018

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

To,

The Members,

The Bombay Dyeing and Manufacturing Company Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2018 according to the applicable provisions of:

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

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;

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

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

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period);

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

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

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

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

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

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

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

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

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

  7. Copyright Act, 1957 and the Rules thereunder

  8. Designs Act, 2000 and the Rules thereunder

  9. Legal Metrology Act, 2009 and Rules thereunder

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

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

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except that the application of the Company for payment of remuneration of ₹ 5.88 Crore to Managing Director for the year 2016-17, the Central Government vide its letter dated 21st June, 2017 approved the payment of ₹ 2.12 crore as remuneration to the Managing Director. The Company has made representation to the Central Government by filing Form MR-2 for reconsideration of the remuneration paid to the Managing Director, which is pending for approval.

We further report that:

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

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

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

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

1) The Hon'ble National Company Law Tribunal, Mumbai Bench has sanctioned the Scheme of Amalgamation of Archway Investment Company Limited, a wholly owned subsidiary with the Company.

2) The Shareholders have approved the resolutions under sections 180(1)(c) & 180(1)(a) for increase in borrowing limit upto ₹ 4500 Crores and creation of charge through Postal Ballot.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: May 14, 2018

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

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

'ANNEXURE A'

To,
The Members

The Bombay Dyeing and Manufacturing Company Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate .and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: May 14, 2018

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

ANNEXURE H to Directors' Report

CORPORATE SOCIAL RESPONSIBILITY POLICY

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

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILTY ACTIVITES

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

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

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

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

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

   Mr. Ness N. Wadia (Chairman)

   Mr. S. M. Palia, Mr. S. S. Kelkar

   Dr. (Mrs.) Minnie Bodhanwala (w.e.f. 08.02.2018).

3. **Average Net Profit of the Company for last three financial years (2014-15, 2015-16 & 2016-17):** Negative i.e. ₹ (-) 73.75 crore.

4. **Prescribed CSR expenditure (two percent of the Amount as in item 3 above) (2017-2018):** Nil.

5. **Details of CSR spend during the financial Year 2017-18:**

   (a) Total amount spent during the Financial Year 2017-18: ₹ NIil

   (b) Amount unspent, if any: ₹ Nil (Refer Note 6)

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

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

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

For the current financial year 2017-18, as the average profit for the last three years is negative, the Company need not spend any amount on CSR.

However, the unspent CSR amount of ₹ 4 lakh of FY 2016-17 was donated during the year towards the Project for Community Development Management for Disaster Relief of Sir Ness Wadia Foundation.

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

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

Jehangir N. Wadia
Managing Director

Ness N. Wadia
Chairman,
Corporate Social Responsibility Committee

Place: Mumbai
Date: 14th May, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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.

Opinion

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 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, 2018 and its financial performance including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the standalone financial statements:

i. Note 49 to the standalone financial statements regarding agreements to sell certain apartments in the proposed residential towers being constructed at Island City Centre to SCAL Services Limited, in terms of various MOUs entered between the companies till March 2018. The Company has during the year recognised net revenues of INR 445.58 crore (2016-17 INR 209.49 crore) and resultant profit before tax of INR 257.04 crore (2016-17 INR 223.26 crore) on sale of said apartments to SCAL.

ii. Note 52 (b) to the standalone financial statements regarding the remuneration paid to the Managing Director for the year ended March 31, 2017 in excess of the limits prescribed under section 197 read with Schedule V of the Act by INR 4.29 crore. The Company has received an approval from the Central Government dated June 21, 2017, for payment of remuneration amounting to INR 2.12 crore only. The Company has made a fresh application to the Central Government with a request to reconsider the amount approved, which is pending.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the 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 Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder.

   e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

   g) 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 44 to the standalone financial statements.

      ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts requiring provision under the applicable law or accounting standards.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No. 104607W/W100166

Anil A. Kulkarni
Partner
M. No.: 047576

Mumbai: May 14, 2018

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED** on the Standalone financial statements for the year ended March 31, 2018.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

i) a) The Company has maintained records showing full particulars, including quantitative details and situation of fixed assets. The records of certain assets need to be assimilated to make identification possible.

b) The Company has a program for physical verification of fixed assets in a phased manner. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.

c) According to the information and explanations given to us and based on the documents and records produced before us, the title deeds of immovable properties are held in the name of the Company.

ii) The Management has conducted physical verification of inventory (excluding stocks lying with third parties) at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between physical stock and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.

iii) The Company has granted unsecured loans and an interest free shareholders' deposit to a jointly controlled entity covered in the register maintained under section 189 of the Companies Act.

(a) The terms and conditions of the grant of such loans are not prima facie prejudicial to the Company's interest;

(b) The principal amount of the loans and shareholder's deposit and interest thereon have not been repaid as due and the Company has made adequate provision against the same.

(c) The loans and shareholder's deposit and interest aggregating to INR 151.93 crore are overdue for more than ninety days. The Company is taking strategic steps to mitigate any further losses from the joint venture and has made adequate provision against the same.

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

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

vi) We have broadly reviewed the books of accounts and records maintained by the Company in respect of manufacture of products covered under the Rules made by the Central Government for maintenance of cost records, under section 148 (1) of the Companies Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii) a) According to the information and explanation given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues, including dues pertaining to provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities, wherever applicable and there are no such outstanding dues as at March 31, 2018, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and the records of the Company examined by us, dues of income tax, sales tax, service tax, customs duty and excise duty not deposited on account of dispute are as follows:

No.	Name of the statute	Nature of dues	Amount (INR in crore)	Period to which the amount relates	Forum where dispute is pending
1	Sales Tax and Value Added Tax	Sales tax	0.09	1999-2000	Deputy Commissioner Appeal – II
		MVAT	0.38	2009-10	Maharashtra Sales Tax Tribunal
		CST	19.41	2008-09	Joint Commissioner of Sales tax (Appeals), Mumbai
		CST	1.80	2009-10	Maharashtra Sales Tax Tribunal
		CST	1.52	2009-10	Assistant Commissioner of sales tax, New Delhi
		CST	2.74	2011-12	Assistant Commissioner of sales tax, New Delhi
		CST	0.50	2012-13	Joint Commissioner of Sales Tax (Appeals), Mumbai
		CST	2.97	2012-13	Joint Commissioner of Sales Tax (Appeals), New Delhi
		CST	0.16	2013-14	Joint Commissioner of Sales Tax (Appeals), Kerala
		CST	1.56	2013-14	Joint Commissioner of Sales Tax (Appeals), Mumbai
		CST	0.14	2014-15	Joint Commissioner of Sales Tax (Appeals), West Bengal
2	Income Tax Act, 1961	Income tax	0.05	2009-10	Income Tax Appellate Tribunal
		Income tax	0.36	2010-11	Income Tax Appellate Tribunal
		Income tax	0.09	2011-12	Income Tax Appellate Tribunal
		Income tax	0.13	2012-13	Commissioner of Income-tax (Appeals)
		Income tax	18.09	2013-14	Commissioner of Income-tax (Appeals)
		Income tax	1.10	2014-15	Commissioner of Income-tax (Appeals)
		Income tax	25.44	2014-15	Commissioner of Income-tax (Appeals)
3	The Customs Act, 1962	Interest on customs duty	0.95	1995-2012	Commissioners of Customs (Appeals), Mumbai
4	The Central Excise Act, 1944	Excise Duty	0.16	1989-90 to 1995-96	Commissioners of Central Excise (Appeals), Mumbai
		Excise Duty	0.62	1995-96 to 1996-97	Deputy Commissioner of Central Excise
		Excise Duty	0.03	1997-1998	Deputy Commissioner of Central Excise
		Service Tax	0.76	2003-04 to 2005-06	Commissioner of Service Tax, Mumbai Tribunal
		Interest on excise duty	0.20	2002-2006	Bombay High Court
5	Municipal Corporation of Greater Mumbai Octroi Rules, 1965	Octroi	2.16	2007-2008	Deputy Assessor & Collector (Octroi)

viii) According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of loans or borrowings to financial institutions or banks. There were no loans or borrowings taken from the government during the year. The Company has not issued any debentures.

ix) The Company has not raised moneys either by way of initial public offer or further public offer (including debt instruments). The monies raised by way of term loans were applied for the purposes for which those were raised.

x) Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud by the Company or fraud on the Company by its officers or employee has been noticed or reported during the year.

xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

The remuneration paid to the Managing Director during the year March 31, 2017 was in excess of the limits prescribed under Section 197 of the Companies Act by INR 4.29 crore. The Company has received an approval from the Central Government dated June 21, 2017, for payment of remuneration amounting to INR 2.12 crore only. The Company has made a fresh application to the Central Government with a request to reconsider the amount approved. Pending such representation, no adjustments have been made in the accounts for the year ended March 31, 2017 and the excess amount is held by the Managing Director in trust for the Company.

xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, the provision of clause 3(xii) of the Order is not applicable.

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

xiv) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable.

xv) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provision of clause 3(xv) of the Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the provision of clause 3(xvi) of the Order is not applicable.

For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No. 104607W/W100166

Anil A. Kulkarni
Partner
M. No.: 047576

Mumbai: May 14, 2018

Annexure B to the Independent Auditor's Report

Referred to in paragraph 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED on the Standalone financial statements for the year ended March 31, 2018.

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 financial statements of THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED ("the Company") as of March 31, 2018 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 controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that

a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system with reference to financial statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements , including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal controls with reference to financial statements criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No. 104607W/W100166

Anil A. Kulkarni
Partner
M. No.: 047576

Mumbai: May 14, 2018

BALANCE SHEET as at 31st March, 2018

(₹ in crores)

	NOTES	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	4	552.17	567.76	584.62
(b) Capital work-in-progress	5	74.04	74.67	72.41
(c) Investment Property	6	3.68	3.75	3.82
(d) Intangible assets	7	0.11	0.61	1.87
(e) Investment in associates and joint venture	8	0.90	0.90	2.49
(f) Financial Assets				
(i) Investments	9	949.34	772.43	494.50
(ii) Loans	10	0.13	0.14	20.25
(iii) Other financial assets	11	42.26	836.05	521.37
(g) Other non-current assets	12	6.32	8.41	7.02
Total Non-current assets		**1,628.95**	**2,264.72**	**1,708.35**
Current assets				
(a) Inventories	13	409.00	420.82	323.55
(b) Financial Assets				
(i) Trade receivables	14	212.36	137.87	238.15
(ii) Cash and cash equivalents	15	14.15	60.84	25.18
(iii) Bank balances other than (ii) above	16	119.23	101.46	95.02
(iv) Loans	17	1.86	243.39	25.69
(v) Other financial assets	18	1,512.20	87.30	188.66
(c) Current Tax Assets (Net)	19	54.85	17.75	37.24
(d) Other current assets	20	103.36	92.80	109.68
(e) Assets held for sale	21	-	210.74	222.73
Total Current assets		**2,427.01**	**1,372.97**	**1,265.90**
TOTAL ASSETS		**4,055.96**	**3,637.69**	**2,974.25**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share capital	22	41.31	41.31	41.31
(b) Other Equity	23	595.34	293.57	(150.49)
Total Equity		**636.65**	**334.88**	**(109.18)**
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	24	2,230.32	940.89	1,207.06
(ii) Other financial liabilities	25	15.16	14.46	10.42
(b) Long-term provisions	26	16.22	16.61	14.92
Total Non-current liabilities		**2,261.70**	**971.96**	**1,232.40**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	27	414.83	1,216.85	842.00
(ii) Trade payables	28	351.11	357.74	309.10
(iii) Other financial liabilities	29	93.11	406.33	400.85
(b) Short-term Provisions	30	46.77	51.58	29.09
(c) Other current liabilities	31	251.79	298.35	269.99
Total Current liabilities		**1,157.61**	**2,330.85**	**1,851.03**
TOTAL EQUITY AND LIABILITIES		**4,055.96**	**3,637.69**	**2,974.25**
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-67			

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

For and on behalf of the Board of Directors

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

Nusli N. Wadia	*Chairman*	
Jehangir N. Wadia	*Managing Director*	
Vishnu Peruvemba	*Chief Financial Officer*	
Sanjive Arora	*Company Secretary*	

Mumbai, 14th May, 2018

R. A. Shah
S. S. Kelkar
S. Ragothaman
A. K. Hirjee
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2018

(₹ in crores)

		NOTES	Year Ended 31st March, 2018	Year Ended 31st March, 2017
	INCOME			
I	Revenue from operations	32	2,692.75	2,028.01
II	Other Income	33	51.25	72.59
III	**Total Income (I + II)**		**2,744.00**	**2,100.60**
IV	**EXPENSES**			
	Cost of materials consumed	34	968.27	889.38
	Purchases of Stock-in-Trade	35	164.52	230.20
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	36	12.03	(87.34)
	Excise duty		30.43	104.30
	Employee benefits expense	37	87.31	88.58
	Finance costs	38	412.51	368.45
	Depreciation and amortization expense	39	29.88	31.66
	Impairment of non financial assets	21	-	2.43
	Other expenses	40	848.61	524.13
	Total Expenses (IV)		**2,553.56**	**2,151.79**
V	**Profit /(Loss) before exceptional items and tax (III-IV)**		**190.44**	**(51.19)**
VI	Exceptional items	41	153.25	67.48
VII	**Profit /(Loss) before tax (V-VI)**		**37.19**	**(118.67)**
VIII	Tax expense:			
	Current tax		-	29.57
	Tax provision in respect of earlier years		2.78	-
	Total Tax expenditure (VIII)		**2.78**	**29.57**
IX	**Profit /(Loss) for the year (VII-VIII)**		**34.41**	**(148.24)**
X	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of defined benefit plans		5.36	(1.43)
	- Net gain/(loss) on fair valuation of equity securities		280.54	605.86
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.14)	0.30
	Total Other comprehensive income for the year (X= i+ii)		**284.76**	**604.73**
XI	**Total comprehensive income for the year (IX+X)**		**319.17**	**456.49**
XII	Earnings per equity share of nominal value ₹ 2 each	56		
	(i) Basic (in ₹)		1.67	(7.18)
	(ii) Diluted (in ₹)		1.67	(7.18)
	NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-67		

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

For and on behalf of the Board of Directors

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

Nusli N. Wadia	*Chairman*
Jehangir N. Wadia	*Managing Director*
Vishnu Peruvemba	*Chief Financial Officer*
Sanjive Arora	*Company Secretary*

Mumbai, 14th May, 2018

R. A. Shah
S. S. Kelkar
S. Ragothaman
A. K. Hirjee
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala
Directors

STATEMENT OF CASH FLOWS for the year ended 31st March, 2018

(₹ in crores)

			Year Ended 31st March, 2018	Year Ended 31st March, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEM AND TAX		190.44	(51.19)
	Adjustments for :			
	Depreciation and amortisation expense		29.88	31.66
	Impairment of non financial assets		-	2.43
	Unrealised foreign exchange (gain) /loss (net)		(0.95)	5.92
	Unclaimed balances /excess provisions written back		(1.56)	(1.95)
	Interest income		(42.92)	(29.70)
	Loss on disposal of property, plant and equipment		3.56	0.10
	Dividend Income		(1.72)	(1.59)
	Interest expense and other finance costs		412.51	368.45
	Allowance for doubtful debts/advances		4.52	9.50
	Allowance for diminuition in value of investments		0.31	-
	Incidental expenses written off		9.46	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**603.53**	**333.63**
	Adjustments for changes in			
	Inventories		11.82	(97.27)
	Trade receivables		(77.49)	90.09
	Other current and non-current financial assets		(786.53)	(246.65)
	Other current and non-current assets		(10.40)	15.19
	Trade payables		(14.53)	47.57
	Other current and non-current financial liabilities		(3.82)	2.31
	Other current and non-current liabilities		(46.54)	28.89
	Current and non-current provisions		(5.20)	24.18
	CASH (USED IN) / GENERATED FROM OPERATIONS		**(329.16)**	**197.94**
	Direct taxes paid (Net)		(39.88)	(10.08)
	CASH FLOW BEFORE EXCEPTIONAL ITEM		**(369.04)**	**187.86**
	EXCEPTIONAL ITEM			
	Voluntary Retirement benefits to workmen at Ranjangaon plant		-	(18.82)
	NET CASH (USED IN) /FROM OPERATING ACTIVITIES	**(A)**	**(369.04)**	**169.04**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**			
	Purchase of Property,Plant and Equipment		(12.92)	(15.95)
	Proceeds from disposal of Property,Plant and Equipment		207.26	8.77
	Purchase of equity shares in subsidiary		-	(12.59)
	Inter-corporate deposits placed		(27.57)	(242.17)
	Inter-corporate deposits received back		269.16	24.40
	Bank deposits with maturity greater than three months		(12.00)	14.55
	Deposits under lien and in escrow accounts		(45.35)	(40.39)
	Earmarked balances with banks		42.71	19.17
	Dividend received from non current investments		1.72	1.59
	Interest received		32.32	25.48
	CASH FLOW BEFORE EXCEPTIONAL ITEM		**455.33**	**(217.14)**
	EXCEPTIONAL ITEMS			
	Proceeds from sale of surplus property		-	9.38
	Proceeds from sale of non-current investments		103.30	328.26
	NET CASH FROM INVESTING ACTIVITIES	**(B)**	**558.63**	**120.50**

STATEMENT OF CASH FLOWS for the year ended 31st March, 2018

(₹ in crores)

			Year Ended 31st March, 2018	Year Ended 31st March, 2017
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**			
	Proceeds from borrowings		2,347.12	898.40
	Repayment of borrowings		(1,563.76)	(845.58)
	Proceeds from inter-corporate borrowings		810.68	1,449.81
	Repayment of matured inter-corporate borrowings		(1,333.73)	(1,107.76)
	Repayment of demand loan, cash credit from bank		(74.54)	(209.43)
	Interest and other finance charges paid		(404.65)	(426.89)
	Dividend paid (including corporate dividend tax)		(17.40)	(12.43)
	NET CASH USED IN FINANCING ACTIVITIES	**(C)**	**(236.28)**	**(253.88)**
	NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(A+B+C)**	**(46.69)**	**35.66**
	CASH AND CASH EQUIVALENTS AT THE COMMENCEMENT OF THE YEAR (Refer Note 15)		60.84	25.18
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note 15)		14.15	60.84

Notes:

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

2 Figures in brackets are outflows/ deductions.

3 Previous years figures have been regrouped where necessary.

As per our report attached

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

For and on behalf of the Board of Directors

Nusli N. Wadia	*Chairman*	R. A. Shah S. S. Kelkar S. Ragothaman A. K. Hirjee S. M. Palia Ness N. Wadia V. K. Jairath Keki M. Elavia Minnie Bodhanwala
Jehangir N. Wadia	*Managing Director*	
Vishnu Peruvemba	*Chief Financial Officer*	
Sanjive Arora	*Company Secretary*	

Directors

Mumbai, 14th May, 2018

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2018

(A) EQUITY SHARE CAPITAL

(₹ in crores)

	Note No	Balance
As at April 1, 2016		**41.31**
Changes in equity share capital during the year	22	-
As at March 31, 2017		**41.31**
Changes in equity share capital during the year	22	-
As at March 31, 2018		**41.31**

(B) OTHER EQUITY (REFER NOTE 23)

(₹ in crores)

Particulars	Reserves & Surplus					Items of Other Comprehensive income		Total
	Capital Reserve	Securities Premium Reserve	Investment Reserve	General Reserve	Retained Earnings	Remeasurement of net defined benefit plans	Equity instruments through other comprehensive income	
Balance at April 1, 2016	**28.60**	**133.57**	**1.31**	**155.81**	**(911.02)**	**-**	**441.24**	**(150.49)**
Profit for the year	-	-	-	-	(148.24)	-	-	(148.24)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(1.13)	605.86	604.73
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(148.24)**	**(1.13)**	**605.86**	**456.49**
Realised gain on sale of equity shares reclassified to retained earnings	-	-	-	-	311.57	-	(311.57)	-
Dividend on Equity Shares	-	-	-	-	(10.33)	-	-	(10.33)
Dividend Distribution Tax	-	-	-	-	(2.10)	-	-	(2.10)
Balance at March 31, 2017	**28.60**	**133.57**	**1.31**	**155.81**	**(760.12)**	**(1.13)**	**735.53**	**293.57**
Profit for the year	-	-	-	-	34.41	-	-	34.41
Other comprehensive income for the year, net of income tax	-	-	-	-	-	4.22	280.54	284.76
Total comprehensive income for the year	-	-	-	-	34.41	4.22	280.54	319.17
Realised gain on sale of equity shares reclassified to retained earnings	-	-	-	-	98.83	-	(98.83)	-
Dividend on Equity Shares	-	-	-	-	(14.46)	-	-	(14.46)
Dividend Distribution Tax	-	-	-	-	(2.94)	-	-	(2.94)
Balance at March 31, 2018	**28.60**	**133.57**	**1.31**	**155.81**	**(644.28)**	**3.09**	**917.24**	**595.34**

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

For and on behalf of the Board of Directors

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

Nusli N. Wadia	*Chairman*	
Jehangir N. Wadia	*Managing Director*	
Vishnu Peruvemba	*Chief Financial Officer*	
Sanjive Arora	*Company Secretary*	
	Mumbai, 14th May, 2018	

R. A. Shah
S. S. Kelkar
S. Ragothaman
A. K. Hirjee
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

NOTES to the financial statements for the year ended 31st March 2018

GENERAL INFORMATION ABOUT THE COMPANY

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

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

These financial statements for the year ended March 31, 2018 are the first the Company has prepared under Ind AS and the date of transition to Ind AS is April 1, 2016. For all periods up to and including the year ended March 31, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under section 133 of Act, read with the Companies (Accounts) Rules, 2014 ("Previous GAAP"). The financial statements for the year ended March 31, 2017 and the opening Balance Sheet as at April 31, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliation and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note.

The aforesaid financial statements have been approved by the Board of Directors and authorised for issue in the meeting held on May 14, 2018.

(b) Basis of Preparation & Presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 'Leases' ("Ind AS 17") and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 'Inventories' ("Ind AS 2") or value in use in Ind AS 36 'Impairment of Assets' ("Ind AS 36").

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered and the time between the rendering of the services and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities.

All the Indian Accounting Standards ("Ind AS") issued and notified by the Ministry of Corporate Affairs are effective and considered for the significant accounting policies to the extent relevant and applicable for the Company.

The financial statements are presented in INR and all values are rounded to the nearest crores upto two decimals, except when otherwise indicated.

(c) Key Accounting Estimates and Judgements

In the course of applying the policies outlined in all notes under Note 2 above, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

NOTES to the financial statements for the year ended 31st March 2018

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period, if the revision affects current and future period.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are:

i) Evaluation of percentage completion

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined.

ii) Useful Lives of property , plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

iii) Provisions, liabilities and contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgments to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre – tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

iv) Fair Value Measurements

When the fair value of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured at the quoted price in the active markets, their fair value is measured using the valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values, judgments includes consideration of inputs such as liquidity risk , credit risk and volatility.

v) Recognition and Measurement of defined benefit obligation

The obligation arising from defined benefit plans is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Critical accounting Judgments

Merger of archway on the morning hours of the transition date i.e. 01st April, 2016

During the year 2016-17, the Company's wholly owned subsidiary Archway Investments Company Limited, a Non-Banking Finance Company, has been amalgamated with the Company in terms of the scheme of amalgamation ('Scheme') sanctioned by the National Company Law Tribunal (NCLT) vide its Order dated June 20, 2017.

The Scheme became effective on June 28, 2017 with appointed date of April 1, 2016 when the sanction of the NCLT was received and certified copy of the same filed with the Registrar of Companies. The Scheme has been accounted for under the 'Pooling of Interests Method' as prescribed in Appendix C of Ind AS 103 for business combinations of entities under common control.

(d) Recent Accounting Developments

Standards issued but not yet effective

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining

NOTES to the financial statements for the year ended 31st March 2018

the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, MCA has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties and other direct costs incurred for bringing the asset to the condition of its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

Depreciation on property, plant and equipment other than furniture & fixtures and motor vehicles, is provided on the straight-line method, pro-rata to the period of use, over their useful life. Depreciation on furniture & fixtures and motor vehicles is provided on the written down value method, pro rata to the period of use, over their useful life. The estimated useful lives and residual values are as prescribed in Schedule II to the Companies Act, 2013 except for movable site offices and assets of retail shops (including leasehold improvements), which are based on technical evaluation of useful life by the management.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Asset	Useful Life	Asset	Useful Life
Buildings	30 to 60 Years	Computers	3 to 6 Years
Movable site offices	10 Years	Furniture and fixture	10 Years
Plant and Machinery	15 to 25 Years	Office equipment	5 Years
Assets of retail shops including leasehold improvements	6 Years	Vehicles	8 Years

The PSF manufacturing plant at Patalganga is treated as a Continuous process plants based on technical assessment.

An item of property, plant and equipment is derecognized 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 recognized in statement of profit and loss.

Transition to Ind AS

For transition to Ind AS, the Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. April 01, 2016.

(f) Investment Property

Investment properties are properties held to earn rentals and/ or for capital appreciation. Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes purchase price, taxes and duties and other direct costs incurred for bringing the asset to the condition of its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

NOTES to the financial statements for the year ended 31st March 2018

Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

Depreciation on investment property is provided on the straight-line method, pro-rata to the period of use, over the useful life as prescribed in Schedule II to the Companies Act, 2013

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit and loss in the period in which the property is derecognized.

Transition to Ind AS

For transition to Ind AS, the Company has elected to measure all its investment property at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. April 1, 2016.

(g) Intangible assets

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is recognized on a straight-line basis over their estimated useful lives.

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses.

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in statement of profit and loss when the asset is de-recognized.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

Estimated useful lives of the finite-life intangible assets are as follows:

Asset	Useful Life
Computer Software	5 years
Technical know-how	10 years

An intangible asset having indefinite useful life is not amortized but is tested for impairment annually. Indefinite life intangibles mainly consist of brands/trademarks. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

The estimated useful life and amortization 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.

Transition to Ind AS

For transition to Ind AS, the Company has elected to measure all its intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. April 1, 2016.

(h) Impairment of tangible assets and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in statement of profit and loss. An impairment loss recognized for goodwill is not reversed in a subsequent period.

NOTES to the financial statements for the year ended 31st March 2018

(i) Investments in Subsidiaries, Joint Venture and Associates:

Investments in subsidiaries, joint venture and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, joint venture and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries, joint ventures and associates at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2016.

(j) Inventories

Inventories are valued at lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost is determined as follows:

i. Raw materials, stores & spares, finished goods and stock-in-trade on a weighted average method.

ii. Work-in-progress

PSF division

Material cost included in the valuation is determined on the basis of the weighted average rate and cost of conversion and other costs are determined on the basis of average cost of conversion of the preceding month.

iii. Real estate under development

Real estate under development comprises cost of land, premium for development rights, rates & taxes, construction costs, borrowing costs, overheads and expenses incidental to the projects undertaken by the Company. Cost of land and construction / development costs are charged to Statement of Profit and Loss proportionate to area sold and at the time when corresponding revenue is recognized.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks and other short term highly liquid investments, which are readily convertible into cash and which are subject to an insignificant risk of change in value and have original maturities of three months or less.

(l) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

Financial Assets:

On initial recognition, a financial asset is recognised at fair value. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments:

Debt instruments are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition, on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive

income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

(c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair

NOTES to the financial statements for the year ended 31st March 2018

value with all changes in fair value recognised in the Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Derivative financial instruments

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in statement of profit and loss immediately. The Company has not designated any derivative instruments as a hedging instrument.

(m) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(n) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and similar allowances.

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales.

Income from export incentives such as duty drawback and premium on sale of import licenses, and lease license fee are recognised on accrual basis.

Rendering of services

Revenue from contract to provide services is recognized by reference to the stage of completion of the contract. The stage of

NOTES to the financial statements for the year ended 31st March 2018

completion of the contract is determined as the proportion of the total time expected to complete the service that has elapsed at the end of reporting period.

Income from Real Estate Activity

Revenue from real estate activity is recognized to the extent that it is probable that the economic benefits will flow to the Company, all significant risks and rewards of ownership are transferred to the customers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

Revenue from real estate development activity is recognized in accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) issued by the institute of Chartered Accountants of India. Accordingly, where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue is recognized on the 'Percentage of Completion Method'. Revenue is recognized in relation to the sold areas, on the basis of percentage of actual cost incurred to the total estimated cost of project.

In accordance with the Guidance Note, revenues from real estate projects are recognized only when:

i. all critical approvals necessary for commencement of the project have been obtained, and

ii. the actual construction and development cost incurred is at least 25% of the total construction and development cost (excluding cost of land), and

iii. at least 10% of the sales consideration is realized, and

iv. at least 25% of the total saleable area of the project is secured by contracts or agreements with buyers.

Cost of Construction / Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to area sold and the balance cost is carried over under Inventory as part of Development Work-in-Progress. Cost of construction / development includes all costs directly related to the Project and other expenditure as identified by the management which are reasonably allocable to the project.

Unbilled revenue disclosed under other non-current and other current assets represents revenue recognized over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognized profits to date on projects under construction are disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, relating to the percentages of completion, costs to completion, the expected revenues from the project and the foreseeable losses to completion.

The estimates of saleable area and cost of construction are reviewed periodically by the management and the effect of such changes to estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Dividend and interest income

Dividend income from investments is recognized when the Company's right to receive payment has been established.

Interest income from a financial asset is recognized using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(o) Cost recognition

Costs and expenses are recognized when incurred and are classified according to their nature.

(p) Employee Benefits

Post-employment benefits

Contributions to **defined contribution schemes** are recognised as an expense when employees have rendered service entitling them to the contributions.

a. Provident and Family Pension Fund

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund and pension fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company has no further obligations beyond making the contribution, except that any shortfall in the fund assets based on the Government specified minimum rates of return in respect of provident fund set up by the Company. The Company does not expect a shortfall in the fund assets in the near term and has consequently classified the scheme as a defined contribution scheme and is committed to recognise such contributions and shortfall, if any, as an expense in the year it is incurred.

NOTES to the financial statements for the year ended 31st March 2018

b. Superannuation

The eligible employees of the Company are entitled to receive post-employment benefits in respect of superannuation fund in which the Company makes annual contribution at a specified percentage of the employees' eligible salary (currently 10% or 15 % of employees' eligible salary). The contributions are made to the Superannuation fund set up as irrevocable trust by the Company. Superannuation is classified as Defined Contribution Plan as the Company has no further obligations beyond making the contribution. The Company's contribution to Defined Contribution Plan is charged to Statement of Profit and Loss as incurred.

For **defined benefit retirement plans**, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The company has the following Defined Benefit Plans:

a. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days or 30 days salary payable for each completed year of service. Ves/ting occurs upon completion of five years of service. The Contributions are made to the Gratuity Fund set up as irrevocable trust by the Company.

b. Other long-term employee benefits - compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The leave accumulated to the credit of the employees up to Dec 31, 2014 is available for carry forward and encashment on separation. The Company makes provision for such compensated absences based on an actuarial valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method. Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the Statement of Profit and Loss.

Post 2014, leave earned during the year has to be utilized by the employees within the following year. Such leave is a short term employee benefit and is provided at the undiscounted amount in the period in which it is incurred.

c. Termination Benefits

The Company provides for compensation payable as part of termination benefits when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Termination benefits falling due more than twelve months after the balance sheet date are provided on the basis of an actuarial valuation by an independent actuary as at the year-end using Project Unit Credit Method.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

NOTES to the financial statements for the year ended 31st March 2018

(q) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(r) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

(s) Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in statement of profit and loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the balance sheet and transferred to statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in statement of profit and loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(t) Foreign Currency Transactions

The management of the Company has determined Indian rupee ("INR") as the functional currency of the Company. In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency ("foreign currencies") are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(u) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(v) Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

NOTES to the financial statements for the year ended 31st March 2018

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against those deductible temporary differences which can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(w) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(x) Segment Reporting

Ind AS 108 establishes standards for the way that public enterprises report information about operating segments and related disclosures about products, services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the company is required to present information in the manner which the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources. The analysis is generally based on an analysis of various performance indicators by business segments.

The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the relevant applicable accounting policies above. Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment.

Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses. Inter-segment transfers are accounted at prevailing market prices.

NOTES to the financial statements for the year ended 31st March 2018

3 First Time Adoption of Ind AS

Transition to Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2017, with a transition date of 1st April, 2016.These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended and the provisions of the Act. (Previous GAAP) .

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

The exceptions and certain optional exemptions availed by the Company in accordance with the guidance provided in Ind AS 101, First Time Adoption of Indian Accounting Standards , and reconciliation of equity and total comprehensive income from previously reported GAAP to Ind AS are detailed below :

A. Exceptions and Exemptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS Mandatory Exceptions

A.1.1 Estimates

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL or FVOCI; and
- Impairment of financial assets based on expected credit loss model.

A.1.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.1.3 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

A.2 Ind AS Optional Exemptions

A.2.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

NOTES to the financial statements for the year ended 31st March 2018

A.2.2 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity instruments other than investments in subsidiaries, associates and joint ventures.

A.2.3 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures.

A.2.4 Deemed Cost for Investments in associates and joint ventures

Ind AS 101 permits a first time adopter to continue previous GAAP carrying value for investment in equity instruments of subsidiaries, associates and joint venture. Accordingly, the Company has elected to apply the said exemption.

B Reconciliations between previous GAAP and Ind AS.

Ind AS requires an entity to reconcile equity, total comprehensive income and cash flows for the period before the reporting period. The following tables represents the reconciliation from previous GAAP to Ind AS

I. Reconciliation of Total Equity as at March 31, 2017 and April 1, 2016

II. Reconciliation of Total Comprehensive income for the year ended March 31, 2017

III. Adjustments to Statement of Cash Flows for the year ended March 31, 2017

I Reconciliation of total equity as at March 31, 2017 and April 01, 2016: (₹ in crores)

PARTICULARS	NOTES	As at 31st March, 2017	As at 1st April, 2016
Total equity (shareholder's funds) under previous GAAP		**1,223.97**	**1,270.81**
- Impact of merger of Archway		**-**	**2.35**
Ind AS adjustments			
- Reversal of revaluation reserve	(a)	(861.83)	(934.42)
- Impact on account of change in measurement of revenue from real estate development (net of cost) as per new guidance note on real estate.	(a)	(975.66)	(1,057.76)
- Financial element in sale price recorded separately	(b)	156.86	115.76
- Reversal of proposed Dividend & tax thereon	(c)	17.40	12.43
- Fair Valuation of Investments in Equity Shares	(d)	735.19	441.24
- Reversal of Hedging Reserve	(e)	-	(0.92)
- Allowance for credit loss	(f)	(2.90)	-
- Remeasurement on defined benefit plans (net of tax)	(g)	0.30	-
- Other Ind AS adjustments	(h)	0.24	0.02
Total adjustment to equity		(930.40)	(1,423.65)
Total equity (shareholder's funds) under Ind AS		293.57	(150.49)

NOTES to the financial statements for the year ended 31st March 2018

II Reconciliation of total comprehensive income for the year ended March 31, 2017: (₹ in crores)

PARTICULARS	Notes	Year ended 31st March, 2017
Profit after tax as per previous GAAP		41.71
Adjustments :		
- Net increase in revenue from real estate development (net of cost) as per new guidance note on real estate	(a)	123.18
- Reversal of gain on sale of equity investment (FVTOCI)	(d)	(311.90)
- Increase in allowance for credit loss	(f)	(2.90)
- Actuarial loss on employee defined benefits transferred to OCI	(g)	1.43
- Others (net)	(h)	0.24
- Fair value gain on revaluation of Corporate Guarantees given	(i)	2.29
- Allowance for doubtful corporate guarantee commission given		(2.29)
Total adjustments		(189.95)
Loss under Ind AS		**(148.24)**
Other comprehensive income under Ind AS, net of tax		
- Fair Value changes of investments in equity shares		605.86
- Actuarial loss on employee defined benefit		(1.43)
- Tax impact on employee defined benefits adjustment		0.30
Total comprehensive income under Ind AS		**456.49**

III Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2017: (₹ in crores)

PARTICULARS	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	56.01	113.02	169.04
Net cash flows from investing activities	326.04	(205.54)	120.50
Net cash flows from financing activities	(354.60)	100.72	(253.88)
Net increase in cash and cash equivalents	27.45	8.20	35.66
Cash and cash equivalents as on April 1, 2016	18.75	-	18.75
Amount transferred on amalgamation of subsidiary	14.64	(8.21)	6.43
Cash and cash equivalents as on March 31, 2017	60.84	-	60.84

The Ind AS adjustments are either non cash adjustments or are regrouping in the cash flows between operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended March 31, 2017 as compared with the previous GAAP.

Notes to the above reconciliations

a) Under previous GAAP, revenue from real estate development was recognized in accordance with Guidance note on Recognition of Revenue by Real Estate Developers [GN(A)23 (Issued 2006)] issued by ICAI as the project had commenced before April 1, 2012. The Company had converted freehold land for its ONE & TWO ICC Projects from Property, plant and equipment to Stock in trade at market value and the difference between the market value and cost had been credited to Revaluation Reserve. The revalued cost of the land was considered as part of the Budgeted & Actual cost incurred for calculation of Percentage Completion. Under Ind AS, the stock in trade needs to be carried at cost and hence, revaluation included in the stock in trade (cost of land) has been reversed resulting in changes to the Percentage of Completion of the project.

NOTES to the financial statements for the year ended 31st March 2018

b) Under previous GAAP, the premium charged by the Company on sale of apartments under the deferred payment scheme (Subvention Scheme) compared to the price charged under the normal sales scheme was also considered as part of sales consideration and was recognised as revenue under the percentage of completion method. Under Ind AS, the Company is required to record any significant financing element in the sale price as separate interest income. Hence, the premium charged under deferred payment scheme has been recognised separately and is not considered for calculation of revenue based on Percentage Of Completion Method (POCM).

c) Under previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of financial statements were considered as adjusting events. Accordingly provision for proposed dividend was recognised as a liability. Under Ind AS such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend has been reversed with corresponding adjustment to retained earnings. Consequently the total equity increased by an equivalent amount.

d) Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary diminution. Under Ind AS certain financial assets (equity investments in BBTCL, NPL and DB Realty Limited) are measured at fair value through Other Comprehensive Income which has resulted into an increase of equity by ₹ 441.24 crores as at transition date.

Since the gain on sale of such shares was considered under previous GAAP in statement of profit and loss in 2016-17 ,the same has been reversed.

e) The Company has discontinued Hedge Accounting under Ind AS. Hence, Hedging Reserve created under Indian GAAP has been reversed in the reserves as on transition date.

f) Under previous GAAP, the provision was made when the receivable turned doubtful based on management assessment on case to case basis. Under Ind AS 109, the Company is required to apply "expected credit loss" model for recognizing the allowance for credit loss against trade receivables.

g) The Company has recognised costs related to its post-employment defined benefit plan on an actuarial basis, both under Ind AS and as per previous GAAP. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit and loss. Under Ind AS 19, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets excluding amounts included in net interest on the net defined benefit liability (asset)] and their corresponding income tax effects are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income.

h) Under Indian GAAP, there are certain security deposits (refundable) taken which are carried at nominal value. Ind AS requires to measure these liabilities at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, Company recognises the difference between deposit fair value and nominal value as Advance rent received and same is being recognised as rent income on straight line basis over the lease period. Further, Company recognises notional interest expense on these deposit over the lease term.

Similarly, in case of deposits given by the Company, difference between deposit fair value and nominal value is recorded as deferred lease expenses and same is being recognised as lease expenses on straight line basis over the lease period and the Company recognises notional interest income on these deposit over the lease term.

i) Under previous GAAP, there was no accounting for fair value of financial guarantees given. Financial guarantee given was disclosed under contingent liability and commitments. Under Ind AS the financial guarantees given on behalf of Joint ventures are fair valued on the date of giving the guarantee and subsequently unwound over the period of guarantee given.

4 PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

Description of Assets	Freehold land	Leasehold Land	Buildings	Office Equipment	Computers	Vehicles	Plant and machinery	Furniture & Fixture	Total
I. Gross Block									
Balance at April 1, 2016 [Cost or Deemed Cost]	**109.00**	**0.37**	**50.83**	**0.18**	**3.32**	**3.50**	**406.01**	**11.41**	**584.62**
Additions	-	-	4.98	0.24	0.36	0.07	7.16	-	12.81
Disposals	-	-	(0.03)	-	-	-	-	-	(0.03)
Reclassified from assets held for sale	-	-	-	0.01	(0.03)	-	0.17	0.52	0.67
Balance at March 31, 2017	**109.00**	**0.37**	**55.78**	**0.43**	**3.65**	**3.57**	**413.34**	**11.93**	**598.07**
Additions	-	-	0.77	0.25	0.35	0.65	11.71	-	13.73
Disposals	-	-	-	(0.04)	(0.44)	(0.22)	(0.02)	(0.02)	(0.74)
Reclassified as held for sale	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	0.04	-	-	-	0.04
Balance at March 31, 2018	**109.00**	**0.37**	**56.55**	**0.64**	**3.60**	**4.00**	**425.03**	**11.91**	**611.10**
II. Accumulated depreciation and impairment									
Balance at April 1, 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation / amortisation expense for the year	-	0.01	1.97	0.38	1.05	0.15	23.47	3.28	30.31
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-
Balance at March 31, 2017	**-**	**0.01**	**1.97**	**0.38**	**1.05**	**0.15**	**23.47**	**3.28**	**30.31**
Depreciation / amortisation expense for the year	-	0.01	1.59	0.28	1.00	0.16	23.97	2.32	29.33
Eliminated on disposal of assets	-	-	-	(0.03)	(0.44)	(0.21)	(0.02)	(0.01)	(0.71)
Balance at March 31, 2018	**-**	**0.02**	**3.56**	**0.63**	**1.61**	**0.10**	**47.42**	**5.59**	**58.93**
III. Net block (I-II)									
Balance at March 31, 2018	**109.00**	**0.35**	**52.99**	**0.01**	**1.99**	**3.90**	**377.61**	**6.32**	**552.17**
Balance at March 31, 2017	**109.00**	**0.36**	**53.81**	**0.05**	**2.60**	**3.42**	**389.87**	**8.65**	**567.76**
Balance at April 1, 2016	**109.00**	**0.37**	**50.83**	**0.18**	**3.32**	**3.50**	**406.01**	**11.41**	**584.62**

a) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. March 31,2016 as its deemed cost on the date of transition to IND AS i.e. April 1, 2016

b) There are no adjustments to Property, Plant and Equipments on account of borrowing cost and exchange differences.

c) Certain freehold land and buildings, plant and machinery are pledged against borrowings , details relating to which have been described in Notes - 24 , 27 and 42.

5 CAPITAL WORK - IN - PROGRESS

Capital Work in Progress includes the cost incurred on WIC High Street Retail (The Plaza) ₹ 71.04 crores (March 31, 2017 ₹ 71.04 crores and April 01, 2016 ₹ 71.04 crores), the work for which has been stalled since November 2015. The Company has decided to include this work as part of the WIC Master Plan which is under finalisation. The cost incurred on the project till date is supported by a valuation from an external registered valuer, estimating the market value of the property under development at ₹ 73.19 crores as at March 31, 2018.

NOTES to the financial statements for the year ended 31st March 2018

6 INVESTMENT PROPERTY

(₹ in crores)

Description of Assets	Buildings	Total
I. Gross Block		
Balance as at April 1, 2016 [Cost or Deemed Cost]	**3.82**	**3.82**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2017	**3.82**	**3.82**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2018	**3.82**	**3.82**
II. Accumulated depreciation		
Balance as at April 1, 2016	**-**	**-**
Charge for the year	0.07	0.07
Balance as at March 31, 2017	**0.07**	**0.07**
Charge for the year	0.07	0.07
Balance as at March 31, 2018	**0.14**	**0.14**
III. Net block (I-II)		
Balance as at March 31, 2018	**3.68**	**3.68**
Balance as at March 31, 2017	**3.75**	**3.75**
Balance as at April 1, 2016	**3.82**	**3.82**
IV. Fair Value		
Balance as at March 31, 2018	**216.18**	**216.18**
Balance as at March 31, 2017	**214.06**	**214.06**
Balance as at April 1, 2016	**211.18**	**211.18**

a) The Company has given commercial premises on operating lease which form part of its premises at Neville House,Ballard Estate and C-1 Wadia International Centre, Worli. Refer note 57 for details of leasing arrangements.

b) The fair value of the investment properties as at March 31, 2018 and March 31, 2017 and April 01, 2016 has been arrived at on the basis of a valuation carried out by independent valuers registered with the authority which governs the valuers in India. All fair value estimates for investment properties are included in Level 2.

i) Reconciliation of Fair Value

(₹ in crores)

PARTICULARS	
Buildings	
Opening balance as at April 01, 2016	211.18
Fair value differences	2.88
Purchases	-
Balance as at March 31,2017	214.06
Fair value differences	2.12
Purchases	-
Closing balance as at March 31, 2018	216.18

NOTES to the financial statements for the year ended 31st March 2018

ii) **Amounts recognised in profit and loss for investment properties** (₹ in crores)

PARTICULARS	March 31, 2018	March 31, 2017
Rental income derived from investment properties	35.22	29.93
Direct operating expenses (including repairs and maintenance) generating rental income	(6.15)	(4.25)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation	**29.07**	**25.68**
Depreciation for the year	(0.07)	(0.07)
Profit arising from investment properties	**29.00**	**25.61**

7 INTANGIBLE ASSETS

(₹ in crores)

PARTICULARS	Software	Technical Know how	Total
I. Gross Block			
Balance as at April 1, 2016 [Cost or Deemed Cost]	**1.24**	**0.63**	**1.87**
Additions	-	-	-
Disposals	-	-	-
Adjustments	0.02	-	0.02
Balance as at March 31, 2017	**1.26**	**0.63**	**1.89**
Additions	0.02	-	0.02
Disposals	(0.09)	-	(0.09)
Adjustments	(0.04)	-	(0.04)
Balance as at March 31, 2018	**1.15**	**0.63**	**1.78**
II. Accumulated amortisation			
Balance as at April 1, 2016	**-**	**-**	**-**
Amortisation expense	0.86	0.42	1.28
Disposals	-	-	-
Balance as at March 31, 2017	**0.86**	**0.42**	**1.28**
Amortisation expense	0.27	0.21	0.48
Disposals	(0.09)	-	(0.09)
Balance as at March 31, 2018	**1.04**	**0.63**	**1.67**
III. Net block (I-II)			
Balance as at March 31, 2018	**0.11**	**-**	**0.11**
Balance as at March 31, 2017	**0.40**	**0.21**	**0.61**
Balance as at April 1, 2016	**1.24**	**0.63**	**1.87**

a) The Company has elected to measure all its intangibles at the previous GAAP carrying amount i.e. March 31, 2016 as its deemed cost,on the date of transition to Ind AS i.e., April 1, 2016.

b) Refer Note 42 for information on Intangible assets pledged as security by the Company.

NOTES to the financial statements for the year ended 31st March 2018

8 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

PARTICULARS	Paid up Value / Face Value	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
		No. of shares	₹ in crores	No. of shares	₹ in crores	No. of shares	₹ in crores
Investments carried at cost							
Equity Instruments - non current							
Unquoted							
Associate Companies							
Bombay Dyeing Real Estate Company Limited	₹ 10 each	20,000	0.02	20,000	0.02	20,000	0.02
Pentafil Textile Dealers Limited	₹ 100 each	88,200	0.88	88,200	0.88	88,200	0.88
			0.90		**0.90**		**0.90**
Joint ventures							
P. T. Five Star Textile Indonesia	U.S. $ 1,000 each	2,217	1.59	2,217	1.59	2,217	1.59
Less:- Provision for diminution in value of Investment			(1.59)		(1.59)		-
			-		**-**		**1.59**
TOTAL			**0.90**		**0.90**		**2.49**

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Aggregate Carrying Value of Unquoted Investments	2.49	2.49	2.49
Aggregate Provision for Impairment in the Value of Investments	1.59	1.59	-

9 INVESTMENTS - NON CURRENT

PARTICULARS	Paid up Value / Face Value	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
		No. of shares	₹ in crores	No. of shares	₹ in crores	No. of shares	₹ in crores
Investment in Equity Instruments							
At fair value through Other Comprehensive Income							
Quoted							
Bombay Burmah Trading Corporation Limited	₹ 2 each	7,538,600	882.62	8,719,290	744.06	13,038,600	478.26
National Peroxide Limited	₹ 10 each	285,000	66.60	285,000	27.94	285,000	15.81
D. B. Realty limited	₹ 10 each	25,262	0.12	25,262	0.10	25,262	0.10
Citurgia Biochemicals Limited **	₹ 10 each	15,560	-	15,560	0.02	15,560	0.02
Quoted total - A			**949.34**		**772.12**		**494.19**
Unquoted							
BDS Urban Infrastructure Pvt. Ltd.	₹ 10 each	1,900	0.01	1,900	0.01	1,900	0.01
Roha Industries Association's Co-operative Consumers Society Ltd.	₹ 25 each	100	*	100	*	100	*
Scal Services Limited	₹ 100 each	30,400	0.30	30,400	0.30	30,400	0.30
Less:- Provision for diminution in value of Investment			(0.31)		-		-
Unquoted total - B			-		0.31		0.31
TOTAL (A+B)			**949.34**		**772.43**		**494.50**

* denotes value less than ₹ 1 lakh

** Investment in Citurgia Biochemicals Ltd. is listed on BSE but trading in the script has been suspended since January, 2013 for penal reasons.

NOTES to the financial statements for the year ended 31st March 2018

a) The carrying value and market value of quoted and unquoted investments are as under : (₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Aggregate Carrying Value of Quoted Investments	949.34	772.12	494.19
Aggregate Market Value of Quoted Investments	949.34	772.10	494.17
Aggregate Carrying Value of Unquoted Investments	0.31	0.31	0.31
Aggregate Provision for Impairment in the Value of Investments	0.31	-	-

b) The Company has given a letter of comfort to Dewan Housing Finance Ltd. (DHFL) against loan extended by DHFL to SCAL Services Ltd. amounting to ₹ 650 crores (March 31, 2017 ₹ Nil) (April 1, 2016 ₹ Nil). The Company has also given an undertaking to DHFL not to dilute the Company's shareholding of 19% in SCAL Services Ltd.

10 LOANS - NON CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured			
Loans to related parties (Refer Note (a) below)			
Considered Doubtful	234.50	81.25	44.90
- Less: Allowance for doubtful advances	(234.50)	(81.25)	(24.83)
	-	-	20.07
Loans to employees	0.13	0.14	0.18
TOTAL	**0.13**	**0.14**	**20.25**
a) Loans to related party pertain to:			
P.T. Five Star Textile Indonesia (Refer Note 41)	234.50	81.25	44.90

11 OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Security deposits			
- Considered good (Refer Note (a) below)	7.35	8.53	7.34
- Considered doubtful	0.68	0.55	0.57
- Less : Allowance for doubtful deposits	(0.68)	(0.55)	(0.57)
	7.35	8.53	7.34
Industrial subsidy receivable			
- Considered good	31.01	33.46	18.89
- Considered doubtful	4.64	2.13	2.13
- Less : Allowance for doubtful receivables	(4.64)	(2.13)	(2.13)
	31.01	33.46	18.89
Unbilled revenue	-	787.02	488.29
Earmarked bank deposits with maturity greater than one year (Refer Note (b) below)	1.75	6.71	6.40
Bank deposits with maturity more than twelve months (Refer Note (c) below)	2.00	-	-
Interest accrued on deposits	0.15	0.33	0.45
TOTAL	**42.26**	**836.05**	**521.37**
(a) Security deposits given to related party :-			
The Bombay Burmah Trading Corporation Limited - Deposits	1.63	1.44	1.28

(b) Deposits with banks are under lien as security for guarantees issued on behalf of the Company.

(c) Bank deposits with maturity more than twelve months is maintained with scheduled bank to be utilised for the repayment of public deposits.

NOTES to the financial statements for the year ended 31st March 2018

12 OTHER NON CURRENT ASSETS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Capital advances	1.45	1.65	1.28
Prepaid expenses	1.06	2.63	1.51
Advances Receivable in kind			
- Considered Good	1.72	2.08	2.38
- Considered Doubtful	2.24	3.11	2.96
- Less: Allowance for doubtful advances	(2.24)	(3.11)	(2.96)
	1.72	2.08	2.38
Balances with government authorities			-
- Considered good	2.09	2.05	1.85
- Considered doubtful	1.98	1.98	1.46
- Less : Allowance for doubtful advances	(1.98)	(1.98)	(1.46)
	2.09	2.05	1.85
TOTAL	**6.32**	**8.41**	**7.02**

13 INVENTORIES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(Valued at lower of cost and net realisable value)			
Raw materials [includes in transit ₹ 42.76 crores (March 31, 2017 ₹ 38.33 crores) (April 1, 2016 ₹ 25.34 crores)]	78.92	70.98	50.50
Work-in-progress	13.18	9.92	7.82
Finished goods [includes in transit ₹ 8.39 crores (March 31, 2017 ₹ Nil) (April 1, 2016 ₹ 7.86 crore)]	59.69	79.86	64.73
Stock-in-Trade	36.34	70.33	59.78
Stores, spares and catalysts	9.62	7.89	13.46
Real estate development work-in-progress	211.25	181.84	127.26
TOTAL	**409.00**	**420.82**	**323.55**

a) The value of inventories above is stated after impairment of ₹ 9.37 crores (March 31, 2017 ₹ 8.37 crores) (April 1, 2016 ₹ 8.08 crores) for write down to net realisable value and provision for slow moving and obsolete items.

b) Real Estate development work-in-progress includes expenditure incurred by the Company on projects which are delayed or yet to be commenced. Management expects to commence these projects in the near future and does not expect any loss on this account.

c) Refer Note 42 for information on inventories pledged as security by the Company.

14 TRADE RECEIVABLES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
- Considered good	212.36	137.87	238.15
- Considered doubtful	29.91	28.23	19.89
	242.27	166.10	258.04
- Less: Allowance for credit loss	(29.91)	(28.23)	(19.89)
TOTAL	**212.36**	**137.87**	**238.15**

NOTES to the financial statements for the year ended 31st March 2018

a) In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(i) Reconciliation of credit loss allowance :

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Loss allowance at the beginning of the year	28.23	19.89
Allowance for expected credit loss	1.68	8.34
Excess provision written back	-	-
Loss allowance at the end of the year	**29.91**	**28.23**

(ii) Ageing of trade receivables and credit risk arising there from is as below:

(₹ in crores)

PARTICULARS	As at 31st March, 2018		
	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	83.25	0.11	83.14
30 days past due	15.52	0.14	15.38
31-60 days past due	37.34	0.07	37.27
61-90 days past due	6.03	0.10	5.93
91-120 days past due	2.78	-	2.78
121-180 days past due	6.53	0.04	6.49
181-360 days past due	27.37	0.61	26.76
more than 360 days past due	63.45	28.84	34.61
	242.27	**29.91**	**212.36**

(₹ in crores)

	As at 31st March, 2017		
PARTICULARS	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	38.89	0.08	38.81
30 days past due	23.64	0.09	23.56
31-60 days past due	11.61	0.05	11.56
61-90 days past due	6.08	0.07	6.01
91-120 days past due	4.99	0.47	4.52
121-180 days past due	12.75	1.48	11.26
181-360 days past due	5.15	0.45	4.70
more than 360 days past due	62.99	25.54	37.45
	166.10	**28.23**	**137.87**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

	As at 1st April, 2016		
	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	88.82	-	88.82
30 days past due	17.85	-	17.85
31-60 days past due	48.79	-	48.79
61-90 days past due	2.71	-	2.71
91-120 days past due	3.52	-	3.52
121-180 days past due	10.04	-	10.04
181-360 days past due	13.54	0.49	13.05
more than 360 days past due	72.77	19.40	53.37
	258.04	**19.89**	**238.15**

(b) Trade receivables includes ₹ 42.01 crores (March 31, 2017 ₹ 40.19 crores) (April 1, 2016 ₹ 38.41 crores) due from a customer towards part compensation for sale of property, common area maintenance charges and project related costs. The receivables are under dispute and the matter has been referred to arbitration. Pending finalisation of arbitration proceedings, the receivables are considered good.

(c) Refer Note 42 for information on receivables pledged as security by the Company.

15 CASH AND CASH EQUIVALENTS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with banks in current accounts	13.78	57.63	19.46
Cheques on hand	0.32	3.14	5.62
Cash on hand	0.05	0.07	0.10
TOTAL	**14.15**	**60.84**	**25.18**

16 OTHER BANK BALANCES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Earmarked balances with banks :			
Unpaid dividend accounts	1.30	1.13	1.05
Escrow accounts (Refer Note (a) below)	6.30	49.01	68.18
Deposits under lien and in escrow accounts (Refer Note (b) below)	101.63	51.32	11.24
Bank deposits with maturity less than twelve months (Refer Note (c) below)	10.00	-	14.55
TOTAL	**119.23**	**101.46**	**95.02**

(a) Balances with banks in escrow accounts represents amounts held in escrow in accordance with the directions of the Monitoring Committee for redevelopment of land of Cotton Textile Mills.

(b) Bank deposits include restricted deposits as under :

- Fixed deposits under lien towards security for guarantees issued on behalf of the Company ₹ 67.82 crores (March 31, 2017 ₹ 38.05 crores) (April 1, 2016 ₹ 4.76 crores).
- Short term deposits held in escrow accounts relate to amounts held under Escrow in accordance with the directions of the Monitoring Committee for redevelopment of land of Cotton Textile Mills ₹ 33.81 crores (March 31, 2017 ₹ 13.27 crores) (April 1, 2016 ₹ 6.48 crores)

(c) Bank deposits with maturity less than twelve months is maintained with scheduled bank to be utilised for the repayment of public deposits.

NOTES to the financial statements for the year ended 31st March 2018

17 LOANS - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Loans (Others)	0.01	-	-
Loans to employees	0.57	0.52	0.59
Inter Corporate Deposits (Refer note (a) below)	1.28	242.87	25.10
TOTAL	**1.86**	**243.39**	**25.69**

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Inter Corporate Deposits include deposits with related parties as under :			
Go Airlines (India) Limited	-	-	23.85
Bombay Dyeing Real Estate Company Limited	0.25	0.84	1.25
Pentafil Textile Dealers Limited	-	12.25	-
	0.25	**13.09**	**25.10**

18 OTHER FINANCIAL ASSETS - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Interest accrued on deposits	1.98	2.15	1.40
Export benefits receivable			
- Considered good	-	8.17	11.68
- Considered doubtful	-	0.35	0.35
- Less : Allowance for doubtful advances	-	(0.35)	(0.35)
	-	8.17	11.68
Unbilled revenue	1,502.13	76.68	175.45
Security deposits	2.68	0.30	0.13
Derivatives - forward exchange contracts	0.33	-	-
Receivable from post employment benefit fund	5.08	-	-
TOTAL	**1,512.20**	**87.30**	**188.66**

a) Unbilled Revenue which represents revenue recognised over and above amount due as per payment plans agreed with customers has been entirely classified as current as at 31 March, 2018 as the project is expected to be completed within twelve months.

b) Refer Note 42 for information on other financial assets pledged as security by the Company.

NOTES to the financial statements for the year ended 31st March 2018

19 CURRENT TAX ASSETS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance income-tax (net of provision for taxation)	54.85	17.75	37.24
TOTAL	**54.85**	**17.75**	**37.24**

A Components of income tax expense

(₹ in crores)

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Income tax expense recognised in the Statement of Profit and Loss:		
Current Tax:		
Current Tax on Profits for the year	-	29.57
Short Provision of tax of earlier years	2.78	-
Total Income tax expense	**2.78**	**29.57**

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Deferred Tax related to items recognised in other comprehensive Income during the year		
Tax effect on remeasurement (loss) /gain on defined benefit plans	(1.14)	0.30
Total	**(1.14)**	**0.30**

B Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate / (MAT) into income tax expense reported in the statement of profit and loss is given below.

(₹ in crores)

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit before tax from continuing operations	**37.19**	**(118.67)**
Income tax expense calculated @ 21.3416%	7.94	(25.33)
Effect of income that is exempt from taxation	(0.37)	(0.34)
Effect of expenses that are not deductible in determining taxable income / book profit	33.67	14.41
Capital Gains on Sale of shares taxable under MAT	21.09	66.56
Provision/(Write Back) for Impairment loss on assets held for sale	(3.35)	0.52
Tax on Actuarial gain/(loss) on employee defined benefits obligation	1.14	(0.30)
Adjustment to book profit as per provisions of Section 115JB (2) of I.T. Act, 1961	(60.12)	-
Effect of net increase in revenue from real estate development (net of cost) as per new guidance note on real estate.	-	(26.29)
Others	-	0.34
Tax Expense	**-**	**29.57**
Short Provision of tax of earlier years		
Adjustments recognised in the current year in relation to the current tax of prior years	2.78	-
Income tax expense recognised in statement of profit and loss	**2.78**	**29.57**

NOTES to the financial statements for the year ended 31st March 2018

C Deferred Tax Balances

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Deferred tax liabilities			
Property, plant and equipment	108.02	143.58	125.77
Intangible assets	0.52	0.55	0.35
Total Deferred tax liabilities	**108.54**	**144.13**	**126.12**
Deferred tax assets			
Defined Benefit Obligation	0.84	(0.30)	-
Provisions	90.98	42.99	20.43
Others	16.72	101.44	105.69
Total Deferred tax assets	**108.54**	**144.13**	**126.12**
Net Deferred tax (liabilities)/ Assets	**-**	**-**	**-**

In the absence of reasonable certainty regarding future taxable income, deferred tax assets relating to unabsorbed depreciation and loss under the Income Tax Act is recognised only to the extent of deferred tax liability.

D Movement of Deferred Tax

Deferred tax assets/(liabilities) in relation to the year ended March 31, 2018

(₹ in crores)

PARTICULARS	Balance as at 1st April,2017	Recognised in statement of profit and loss	Recognised in OCI	Balance as at 31st March, 2018
Defined benefit obligation	(0.30)	-	1.14	0.84
Provisions	42.99	47.99	-	90.98
Others	101.44	(83.58)	(1.14)	16.72
Property, plant and equipment	(143.58)	35.56	-	(108.02)
Intangible Assets	(0.55)	0.03	-	(0.52)
Total	-	-	-	-

Deferred tax assets/(liabilities) in relation to the year ended March 31, 2017

(₹ in crores)

PARTICULARS	Balance as at 1st April, 2016	Recognised in statement of profit and loss	Recognised in OCI	Balance as at 31st March, 2017
Defined benefit obligation	-	-	(0.30)	(0.30)
Provisions	20.43	22.56	-	42.99
Others	105.69	(4.55)	0.30	101.44
Property, plant and equipment	(125.77)	(17.81)	-	(143.58)
Intangible Assets	(0.35)	(0.20)	-	(0.55)
Total	-	-	-	-

NOTES to the financial statements for the year ended 31st March 2018

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Tax losses			
- revenue in nature	561.65	153.42	288.82
- capital in nature	0.97	0.97	0.97
Unused tax credits (refer note below)	92.99	92.99	64.30
Total	**655.61**	**247.38**	**354.09**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

As on March 31, 2018 the tax liability with respect to the dividends proposed is ₹ 4.21 crores (March 31, 2017 : ₹ 2.94 crores, April 1, 2016 : ₹ 2.11 crores)

During the year, the Company has not accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ Nil (2016-17 : ₹ 28.69 crores).The Company is not reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same.

(₹ in crores)

Tax Credit Carried Forward(FY)	As at 31st March, 2018	Expiry Date	As at 31st March, 2017	Expiry Date	As at 1st April, 2016	Expiry Date
2009-10	3.77	March 31, 2020	3.77	March 31, 2020	3.77	March 31, 2020
2010-11	5.26	March 31, 2021	5.26	March 31, 2021	5.26	March 31, 2021
2011-12	14.97	March 31, 2022	14.97	March 31, 2022	14.97	March 31, 2022
2012-13	21.40	March 31, 2023	21.40	March 31, 2023	21.40	March 31, 2023
2013-14	8.47	March 31, 2024	8.47	March 31, 2024	8.47	March 31, 2024
2014-15	10.42	March 31, 2025	10.42	March 31, 2025	10.42	March 31, 2025
2016-17	28.69	March 31, 2027	28.69	March 31, 2027	-	March 31, 2027
2017-18	-		-		-	

20 OTHER CURRENT ASSETS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Prepaid expenses	5.55	6.29	2.27
Balances with government authorities	36.45	30.79	37.62
Advances Receivable in kind			
- Considered good	60.83	55.05	68.21
- Considered doubtful	2.60	-	-
- Less: Allowance for doubtful advances	(2.60)	-	-
	60.83	**55.05**	**68.21**
Advances to related parties (Refer Note (a) below)	0.53	0.67	1.58
TOTAL	103.36	92.80	109.68

NOTES to the financial statements for the year ended 31st March 2018

a) Advances to related parties :

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Go Airlines (India) Limited	-	0.05	0.76
The Bombay Burmah Trading Corporation Limited	0.17	0.17	0.27
Britannia Industries Limited	0.36	0.45	0.55
	0.53	**0.67**	**1.58**

b) Refer Note 42 for information on other current assets pledged as security by the Company.

21 ASSETS HELD FOR SALE

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(at net realisable value)			
Reclassification from Property Plant & Equipment			
Leasehold land	-	16.64	16.64
Freehold land	-	9.35	9.35
Building	-	58.39	57.97
Plant and machinery	-	141.38	150.90
Other assets	-	0.57	1.13
Stores	-	0.10	-
Impairment loss	-	(15.69)	(13.26)
TOTAL	-	210.74	222.73

Ranjangaon MIDC Leasehold Land and Building:

The Company had entered into an Agreement for Sale of the leasehold land and building at Ranjangaon in 2016-17 for total consideration of ₹ 168.85 crores and had received advance of ₹ 90.60 crores till 31st March, 2017. The Company received balance amount of ₹ 78.25 crores and the transaction was completed during the year.

Ranjangaon Factory Plant and Machinery and Residual Spare Parts:

The Company had agreed to sell plant and machinery and spares of Ranjangaon for ₹ 41.85 crores out of which the Company had received advance of ₹ 21.14 crores in 2016-17. The balance amount of ₹ 20.71 crore was received during the year and sale of assets was recorded.

Ranjangaon Freehold Land:

During the year, the Company had sold the Freehold Land at Ranjangaon to a party for total consideration of ₹ 13.57 crores.

22 EQUITY SHARE CAPITAL

Equity Share Cpital	Number of Shares			Amount (₹ in crores)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Authorised						
530,000,000 Equity share of ₹ 2 each	530,000,000	530,000,000	530,000,000	106.00	106.00	106.00
Issued and subscribed						
206,534,900 Equity share of ₹ 2 each	206,534,900	206,534,900	206,534,900	41.31	41.31	41.31
TOTAL	**206,534,900**	**206,534,900**	**206,534,900**	**41.31**	**41.31**	**41.31**

NOTES to the financial statements for the year ended 31st March 2018

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	Number of Shares			Amount (₹ in crores)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
At the beginning of the year	206,534,900	206,534,900	206,534,900	41.31	41.31	41.31
Add: Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	**206,534,900**	**206,534,900**	**206,534,900**	**41.31**	**41.31**	**41.31**

(b) Rights, preferences and restrictions attached to Equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shareholders holding more than 5% shares in the Company

Equity shares	Number of Shares			% Holding		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Baymanco Investments Limited	47,312,000	47,312,000	-	22.91	22.91	-
The Bombay Burmah Trading Corporation Limited	31,550,713	31,550,713	25,783,320	15.28	15.28	12.48
N.W.Exports Limited	-	-	27,847,740	-	-	13.48
Sunflower Investment and Textiles Private Limited	-	-	22,139,783	-	-	10.72
	78,862,713	**78,862,713**	**75,770,843**	**38.19**	**38.19**	**36.68**

(d) Shares reserved for issue under options

Pursuant to the Employee Stock Option Scheme (ESOS) approved by the shareholders on 13th August, 2002 and as further amended by the shareholders on 07th August, 2012, the Company has granted 14,000 options, (70,000 options post sub-division) to the Ex-Joint Managing Director of the Company at an exercise price of ₹ 528.25 (₹ 105.65 post sub-division) per share. As per the terms of the ESOS, the outstanding options have lapsed during the year ended 31st March 2017 and no options were outstanding as at 31st March 2017.

(e) Information regarding issue of shares during last five years

(i) No shares were allotted pursuant to contracts without payment being received in cash.

(ii) No bonus shares have been issued.

(iii) No shares have been bought back.

(f) Shares held in Abeyance

Under orders from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992, - the allotment of 4640 shares (2016-17- 4640 shares) (2015-16- 4640 shares) of face value of ₹ 2/- each against warrants carrying rights of conversion into equity shares of the Company has been kept in abeyance in accordance with section 206A of the Companies Act, 1956, till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges.

NOTES to the financial statements for the year ended 31st March 2018

23 OTHER EQUITY

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Capital Reserve	28.60	28.60	28.60
Securities Premium Account	133.57	133.57	133.57
Investment Reserve	1.31	1.31	1.31
General Reserve	155.81	155.81	155.81
Retained Earning	(644.28)	(760.12)	(911.02)
Items of Other Comprehensive Income			
- Equity instruments through other comprehensive income	917.24	735.53	441.24
- Remeasurement of Defined Benefit plans	3.93	(1.43)	-
- Tax on remeasurement of Defined Benefit plans	(0.84)	0.30	-
TOTAL	595.34	293.57	(150.49)

Nature and purpose of reserves

a) Capital Reserve

Capital Reserves represents amounts forfeited on warrants not exercised. There is no movement in Capital Reserve during the current and previous year.

b) Capital Redemption Reserve

The same was created in accordance with provisions of the Companies Act, 1956 on the buy back of equity shares from the market. As on April 1, 2016, Capital redemption reserve amounting to ₹ 2.55 crores is adjusted in accordance with the scheme for amalgamation of subsidiary.

c) Securities premium reserve

Securities premium reserve represent premium on issue of shares on conversion of warrants. As on April 1, 2016, Securities premium reserve amounting to ₹ 7.80 crores is adjusted in accordance with the scheme for amalgamation of subsidiary. There is no movement in securities premium reserve during the current and previous year.

d) Investment Reserve

Investment Reserve represents gain or loss on sale of investments. There is no movement in Investment Reserve during the current and previous year.

e) General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. There is no movement in General Reserve during the current and previous year.

f) Equity instruments through Other comprehensive income

The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in Equity instruments through Other Comprehensive Income. On disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

g) Retained Earning

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

h) Dividends

The final dividend is recommended by the Board of Directors and is recorded in the books of account upon its approval by the shareholders. For the year ended March 31, 2017 dividend per share of ₹ 0.70/- per Equity share of ₹ 2/-each was declared and for the year ended March 31, 2018 dividend per share of ₹ 1.00/- per Equity share of ₹ 2/-each has been proposed by the Board of Directors.

NOTES to the financial statements for the year ended 31st March 2018

24 NON CURRENT BORROWINGS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured			
Term Loans			
- from banks	-	1,094.75	1,320.41
- from others	2,230.01	153.68	196.76
Unsecured			
Fixed Deposits	76.12	76.32	75.96
	2,306.13	1,324.75	1,593.13
Less : Current maturities of long term debt (included in note 29)	75.81	383.86	386.07
TOTAL	**2,230.32**	**940.89**	**1,207.06**

a) Nature of Security and terms of repayment of secured borrowing:

From Banks :

i) Term loans aggregating ₹ Nil (March 31, 2017 ₹ 185.22 crores) (April 1, 2016 ₹ 403.85 crores) were secured by first / secondary pari-passu charge over the part of land of the Company at Textile Mills at Mumbai and plant & machinery, buildings and structure thereon. Repaid during the current year.

ii) Term loan amounting to ₹ Nil (March 31, 2017 ₹ 59.16 crores) (April 1, 2016 ₹ 105.39 crores) was secured by first pari-passu charge on Company's plant and machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga and first pari-passu charge of portion of Spring Mills land & buildings and structure thereon. Repaid during the current year.

iii) Term loan amounting to ₹ Nil (March 31, 2017 ₹ 16.90 crores) (April 1, 2016 ₹ 26.10 crores) was secured by first pari-passu charge of rent receivables from premises given on lease by the Company and second charge of portion of Spring Mills land and buildings and structures thereon. Repaid during the current year.

iv) Term loan amounting to ₹ Nil (March 31, 2017 ₹ 360.00 crores) (April 1, 2016 ₹ 340.36 crores) were secured by first pari passu charge over part of land of the Company at Worli. Repaid during the current year.

v) Term loans amounting to ₹ Nil (March 31, 2017 ₹ 627.15 crores) (April 1, 2016 ₹ 567.14 crores) were secured by first pari-passu charge / escrow of receivables of One ICC and Two ICC Tower at Spring Mills, Dadar and first parsi passu charge over part of land of the Company at Textile Mills at Mumbai and buildings and structures thereon. Repaid during the current year.

vi) Term Loans aggregating Rs Nil (March 31, 2017 ₹ Nil) (April 1, 2016 ₹ 7.80 crores) were secured by first pari passu charge on the Company's existing as well as future fixed assets at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga other than fixed assets charge exclusively to term lender.

vii) Term loan amounting to ₹ Nil (March 31, 2017 ₹ Nil) (April 1, 2016 ₹ 66.53 crores) was secured by first pari-passu charge on Company's plant & machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga.

From Other Parties :

i) Term loans aggregating ₹ 829.54 crores (March 31, 2017 ₹ Nil) (April 1, 2016 ₹ Nil) are secured by way of registered mortgage of land underlying the project One ICC and Two ICC at Mumbai - along with the present and future unregistered flats thereon & exclusive charge by way of hypothecation on receivables arising out of all units from the project. Repayable in 24 equated monthly instalments commencing from November 2021.

NOTES to the financial statements for the year ended 31st March 2018

ii) Term loans aggregating ₹ 1400.47 crores (March 31,2017 ₹ Nil) (April 1,2016 ₹ Nil) are secured by way of mortgage of plot of land at Pandhurang Budhkar Marg, Worli along with the present and future development. The term loan has not been fully drawn as on March 31,2018. The repayment terms of the said loan are as under :-

Date of repayment	Amount (₹ in crores)
5th June ,2020	167.00
5th June ,2021	334.00
5th June ,2022	584.50
5th June ,2023	584.50
Total	**1670.00**

b) Terms of repayment of unsecured borrowing:

Fixed Deposits from shareholders and public are repayable over a period of two years from the date of deposit, maturing between September 2018 and September 2019.

c) There is no default in terms of repayment of principal and interest.

d) Fixed Deposits include ₹ 0.20 crores (March 31, 2017 : ₹ 0.20 crores) (April 1, 2016 : ₹ 0.10 crores) received from director.

e) The carrying amounts of financial and non financial assets covered as security for borrowings are disclosed in Note 42.

25 OTHER FINANCIAL LIABILITIES - NON CURRENT

(₹ in crores)

PARTICULARS	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016
Deposits	13.26	12.60	8.56
Trade Payables	1.90	1.86	1.86
TOTAL	**15.16**	**14.46**	**10.42**

26 LONG TERM PROVISIONS

(₹ in crores)

PARTICULARS	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
- Provision for compensated absences (Refer Note 53)	3.56	4.04	3.24
- Provision for loyalty / long service awards (Refer Note 53)	2.23	2.16	2.00
- Provision for termination benefits (Refer Note 47)	6.23	6.93	6.58
Provision for sales tax forms (Refer Note (a) below)	4.20	3.48	3.10
TOTAL	**16.22**	**16.61**	**14.92**

(a) Movement in provisions for Sales Tax Forms

PARTICULARS	**As at 31st March, 2018**	As at 31st March, 2017
Opening Balance	3.48	3.10
- Additions	1.02	0.68
- Amounts utilised	0.30	0.30
Closing Balance	**4.20**	**3.48**

NOTES to the financial statements for the year ended 31st March 2018

27 BORROWINGS - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured			
Loans repayable on demand from banks	29.83	102.31	235.49
Short term loans from banks :			
- Packing credit	-	92.81	165.86
- Short Term loans	35.00	70.93	-
- Buyer's Credit in Foreign currency	-	72.75	76.44
Intercorporate deposits	-	190.00	-
Unsecured			
Short Term loans from banks	-	5.00	-
Bills discounted with banks	-	-	2.71
Intercorporate deposits	-	333.05	255.50
Intercorporate deposits from related party (Refer Note (vi) below)	350.00	350.00	106.00
TOTAL	**414.83**	**1,216.85**	**842.00**

Nature of Security for Short term borrowings

i) Loans repayable on demand from banks is secured by first charge on entire current assets and fixed assets and by first charge over the Company's land, building and structures at C-1,Wadia International Centre and Texturising Building at Worli. As on March 31, 2017 and as on April 1, 2016, loans repayable on demand from banks were under consortium arrangement and were secured by hypothecation of present and future stocks, book debts and other current assets on pari passu basis and a second charge over part of the land of the Company at Textile Mills at Mumbai admeasuring 89,819.85 square metres and plant and machinery and buildings thereon on pari passu basis.

ii) Packing credit from bank as on March 31, 2017 and as on April 1, 2016 was secured by way of registerd mortgage on the immovable properties in Wadia International Centre (Texturising Building and Hemming Building) located at Worli, Mumbai. Additionally, as on April 1, 2016 Packing credit from bank was secured by way of current assets of the Company (excluding the real estate division) and on the Textile mill land at Worli admeasuring 89,819.85 square metres and plant and building on pari passu basis with other lenders and was secured by first pari-passu charge over part of the land of the Company at Textile Mills at Mumbai and plant and machinery, buildings and structures thereon.

iii) Short term loans from banks is secured by first charge over the Company's land, building and structures at C-1, Wadia International Centre and Texturising Building at Worli. As on March 31,2017 Short term loans from bank was secured by mortgage of the Company's property 'Jorbagh' and first pari-passu charge over part of the Company's land, building and structures at Worli.

iv) Buyer's Credit as on March 31, 2017 and as on April 1, 2016 was secured by hypothecation of present and future stocks, book debts and other current assets on pari passu basis and a second charge over part of the land of the Company at Textile Mills at Mumbai admeasuring 89,819.85 square metres and plant and machinery and buildings thereon on pari passu basis and was secured by first pari-passu charge on land of the Company at Spring Mills at Mumbai admeasuring 36,617.13 square metres.

v) Inter corporate deposits were secured by pledge of 7,538,600 equity shares of Bombay Burmah Trading Company Limited as at March 31, 2017.

vi) Inter corporate deposits from related party :

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Britannia Industries Limited	350.00	350.00	100.00
The Bombay Burmah Trading Corporation Limited	-	-	6.00
	350.00	**350.00**	**106.00**

vii) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 42.

NOTES to the financial statements for the year ended 31st March 2018

28 TRADE PAYABLES - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Dues to Micro and Small Enterprises (Refer Note (a) below)	2.02	0.11	-
Other Creditors	349.09	357.63	309.10
TOTAL	**351.11**	**357.74**	**309.10**

a) The dues payable to Micro and Small enterprises is based on the information available with the Company and takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose (Refer Note 54)

29 OTHER FINANCIAL LIABILITIES - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of long-term borrowings (Refer Note 24)	75.81	383.86	386.07
Interest accrued	15.21	4.98	4.43
Unpaid dividends (Refer Note (a) below)	1.30	1.13	1.05
Unclaimed matured deposits	0.74	0.85	1.36
Deposits	0.05	4.57	3.27
Derivatives - forward exchange contracts	-	10.94	4.67
TOTAL	**93.11**	**406.33**	**400.85**

a) During the year, the Company has transferred an amount of ₹ 0.11 crores (March 31, 2017 ₹ 0.05 crores) (April 1, 2016 ₹ 0.12 crores) to the Investor Education & Protection Fund under section 125 of the Companies Act, 2013. There is no amount due for payment to the Fund as at the year end.

30 SHORT TERM PROVISIONS - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
Provision for compensated absences (Refer Note 53)	4.67	4.87	5.30
Provision for termination benefits			
- Gratuity (Refer note 53)	-	0.48	0.47
- Others (Refer note 47)	0.63	0.60	0.59
Provision for loyalty / long service awards (Refer Note 53)	0.27	0.44	0.43
Other provisions			
Provision for litigation and disputes (Refer Note (a) below)	14.96	13.69	11.96
Provision for commercial and other matters (Refer Note (a) below)	26.24	31.50	10.34
TOTAL	**46.77**	**51.58**	**29.09**

NOTES to the financial statements for the year ended 31st March 2018

(a) Movements in each of the class of other provision during the financial year are set out below: (₹ in crores)

PARTICULARS	Commercial and other matters	Litigation and disputes
As at April 1, 2016	**10.34**	**11.96**
- Additions	21.16	1.73
- Amounts utilised	-	-
As at March 31, 2017	**31.50**	**13.69**
- Additions	3.34	1.55
- Amounts utilised	(8.60)	(0.28)
As at March 31, 2018	**26.24**	**14.96**

31 OTHER CURRENT LIABILITIES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advances from customers (including for sale of property)	40.41	123.42	24.83
Statutory dues including service tax and withholding tax	13.60	24.83	17.25
Employee benefits payable	8.20	5.51	10.52
Other liabilities	189.58	144.59	217.39
TOTAL	**251.79**	**298.35**	**269.99**

32 REVENUE FROM OPERATIONS

(₹ in crores)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Sale of products	1,502.81	1,497.65
Real estate development activity	1,110.18	447.11
Other operating revenue		
(a) Lease Rentals	30.39	27.07
(b) Subvention Income	42.34	41.10
(c) Others	7.03	15.08
Total other operating revenue (a+b+c)	79.76	83.25
TOTAL	**2,692.75**	**2,028.01**

33 OTHER INCOME

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Interest income		
- on inter-corporate deposits	17.67	14.61
- on income-tax refunds	2.20	4.35
- on fixed deposits with banks	10.49	5.88
- on others	12.56	4.86
Subsidy under Package Incentive Scheme	-	33.86
Gain on foreign currency transactions (net)	1.70	2.68
Unclaimed balances / excess provisions written back	1.56	1.95
Dividend income from non-current investments	1.72	1.59
Other non-operating income	3.35	2.81
TOTAL	**51.25**	**72.59**

NOTES to the financial statements for the year ended 31st March 2018

34 COST OF MATERIAL CONSUMED

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Inventory at the beginning of the year	70.98	50.50
- Add : Purchases	976.21	909.86
- Less: Inventory at the end of the year	(78.92)	(70.98)
TOTAL	**968.27**	**889.38**

35 PURCHASES OF STOCK-IN-TRADE

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Processed long length	107.97	47.18
Made ups	56.55	183.02
TOTAL	**164.52**	**230.20**

36 CHANGES IN INVENTORIES OF FINISHED GOODS,WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Inventories at the beginning of the year		
Finished goods	79.86	64.73
Work-in-progress	9.92	7.82
Stock-in-trade	70.33	59.78
Development work-in-progress	181.84	127.26
	341.95	**259.59**
Less: Incidental expenses written off / capitalised	9.46	4.98
	332.49	**254.61**
Inventories at the end of the year		
Finished goods	59.69	79.86
Work-in-progress	13.18	9.92
Stock-in-trade	36.34	70.33
Development work-in-progress	211.25	181.84
	320.46	341.95
Total	**12.03**	**(87.34)**

37 EMPLOYEE BENEFIT EXPENSE

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Salaries, wages and bonus	76.75	78.02
Contribution to provident and other funds	5.59	5.81
Workmen and staff welfare expenses	4.97	4.75
TOTAL	**87.31**	**88.58**

NOTES to the financial statements for the year ended 31st March 2018

38 FINANCE COSTS

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Interest on long term borrowing	255.57	184.44
Interest on short term borrowing	92.35	134.44
Ancillary borrowing costs	52.37	31.63
Unwinding of interest on financial liabilities carried at amortised cost	4.15	-
Exchange difference to the extent considered as an adjustment to borrowing costs	1.42	14.21
Others	6.65	3.73
TOTAL	**412.51**	**368.45**

39 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Depreciation on Property, plant and equipment	29.33	30.31
Depreciation on Investment property	0.07	0.07
Amortisation on Intangible assets	0.48	1.28
TOTAL	**29.88**	**31.66**

40 OTHER EXPENSES

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Manufacturing Expenses		
Stores, spare parts and catalysts	30.41	32.28
Oil and coal consumed	45.24	36.74
Electric energy (net of refund receivable on account of regulatory liability charges)	40.51	45.65
Water charges	3.38	3.28
Repairs: Buildings	1.23	0.86
Machinery	6.11	6.59
Others	3.19	1.57
	130.07	126.97
Construction Expenses		
Architect fees and technical /project related consultancy	24.36	21.69
Civil, Electrical, contracting etc..	381.05	199.71
Payment to local agencies	164.62	7.08
Compensation for rehabilitation of tenants	3.83	2.20
	573.86	230.68
Selling and Distribution Expenses		
Freight and forwarding	26.88	22.72
Advertisement expense	16.41	27.18
	43.29	49.90
Establishment Expenses		
Rent	15.07	18.62
Rates and taxes	9.69	14.87
Insurance	1.87	1.71
Incidental expenses written off	9.46	-
Allowance for doubtful advances/debts	4.52	9.50
Allowance for diminution in the value of investment	0.31	-
Expenditure incurred on Corporate Social Responsibility activities	0.04	-
Legal and Professional Fees	16.17	19.48
Retainership Fees	5.84	6.54
Loss on disposal of Property Plant and Equipment	3.56	0.10
Miscellaneous expenses	34.86	45.76
	101.39	116.58
TOTAL	**848.61**	**524.13**

NOTES to the financial statements for the year ended 31st March 2018

Payment to auditor

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
As an auditor :		
Audit Fee	0.65	0.70
Limited Review	0.41	0.41
In other capacity:		
Certification fees	0.04	0.02
Reimbursement of expenses	0.01	0.01
TOTAL	**1.11**	**1.14**

41 EXCEPTIONAL ITEMS

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Voluntary Retirement benefits to workmen at Ranjangoan Plant	-	18.82
Profit on sale of surplus property	-	(9.35)
Allowance for doubtful debts / advances to jointly controlled entity (Refer Note (a) below)	153.25	56.42
Allowance for diminution in the value of investment in jointly controlled entity	-	1.59
TOTAL	**153.25**	**67.48**

a) The Company has a joint venture (JV) in P. T. Five Star Textile, Indonesia (PTFS). Over the last few years, the Joint venture operations are running into losses and the Company has been making efforts to revive and make it a profitable operations. Despite all the efforts by the Company, the operations are not yielding desired results due to heavy competition and low cost imports from China and other parts, resulting into regular operating losses. Considering the financial risk, the chances of recovery of advances are doubtful, therefore the Company has assessed the overall exposure and has made necessary provision for its exposure in the JV. The Company has reported the provision as an exceptional items of ₹ 153.25 crores (2016-17 : ₹ 56.42 crores). The Company is taking strategic steps to mitigate any further losses from Joint Venture.

42 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in crores)

PARTICULARS	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current Assets				
Financial assets				
First charge				
Fixed deposits under lien	16	**67.82**	**38.05**	**4.76**
		67.82	38.05	4.76
Floating charge				
Trade Receivables	14	212.36	93.13	194.12
Other financial assets	18	1,510.80	8.49	11.83
Other current assets	20	5.68	23.66	42.65
		1,728.84	**125.28**	**248.60**
Non Financial Assets				
Floating charge				
Inventories	13	409.00	237.42	189.75
		409.00	**237.42**	**189.75**
Total current assets pledged as security		**2,205.66**	**400.75**	**443.11**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Non Current Assets				
First charge				
Property, Plant and Equipment	4	473.25	496.75	527.30
Intangible Assets	6	-	-	0.65
Investment	9	-	643.31	-
Fixed deposits under lien	11	1.75	6.71	6.40
Total non-currents assets pledged as security		**475.00**	**1,146.77**	**534.35**
Total assets pledged as security		**2,680.66**	**1,547.52**	**977.46**

43 CONTINGENT LIABILITIES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
A Claims against the company not acknowledged as debt.			
(a) Income-tax matters in respect of earlier years under dispute (including interest March 31, 2018-₹ 18.82 crores) [March 31, 2017 - ₹ 106.62 crores] (April 1, 2016- ₹ 5.12 crores) as follows:			
i Decided in Company's favour by appellate authorities and department in further appeal	-	-	-
ii Pending in appeal - matters decided against the Company	77.20	308.82	22.76
(b) Sales Tax, Service Tax and Excise Duties	32.84	8.81	8.29
(c) Custom Duty	0.95	0.95	0.95
(d) Other Matters (Including claims related to real estate, employees and other matters)	113.29	111.33	103.67
In respect of items (a) to (d) above, it is not possible for the Company to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/authorities.			
The Company does not expect any reimbursements in respect of the above contingent liabilities.			
The Company's pending litigations comprise of claims against the Company by certain real estate customers and disputed by the Company, of which the significant ones are matters of arbitration, and pertaining to proceedings pending with Income Tax, Excise, Custom, Sales/VAT tax and other authorities.			
B Guarantees			
1 **Counter indemnity** issued in favour of IDBI Bank Limited which in turn has guaranteed loans granted by Punjab National Bank (International) limited London and Axis Bank, UK to PTFS secured by first pari-passu charge on 36,617.13 square metres of land at Company's Spring Mill Dadar, Naigaon together with all buildings, structures and erections thereon.	81.31	189.39	193.75

NOTES to the financial statements for the year ended 31st March 2018

PARTICULARS			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	2	**Corporate guarantee** issued in favour of Bank of Bahrain & Kuwait, Bahrain for loans granted to PTFS. The Company has a pari passu charge on PTFS's assets, which would cover the aforesaid indemnity amount. As on March 31, 2018 this facility and its related charge has been closed.	-	21.72	35.27
	3	**Other Corporate Guarantees:-** Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 4.55 crores (March 31, 2017 ₹ 5.93 crores, April 1, 2016 ₹ 3.02 crores)			
			29.15	35.22	30.36
C		**Other money for which the company is contingently liable**			
		Bills Discounted	7.11	5.36	6.65
D		**Other commitments**			
	i	Estimated amount of contracts to be executed on capital account and not provided for:	0.41	105.98	99.75
	ii	Other Commitments not provided for related to construction under development:	569.33	1,031.96	1,075.12
	iii	Export obligation pending under Advance License Scheme is ₹ NIL (March 31, 2017 ₹ Nil)(April 1, 2016 ₹ 0.72 crores) and duty saved thereon.	-	-	0.17
	iv	The Company has during the year given a letter of comfort to a lender in respect of loan extended to SCAL Services Ltd. (Refer Note 9).			

44 LITIGATIONS

(a) During the year 2010-11, the Company had agreed to sell certain area in the proposed tower TWO ICC to Shaan Realtors Pvt. Ltd., (formerly Accord Holding Pvt. Ltd.) ("the claimants"). The area agreed to be sold is under dispute and the matter was referred to arbitration. The arbitrator vide order dated January 13, 2014 passed the final award directing the company to allot to the claimants and/ or its associates, friends, nominees carpet area of 1,00,000 sq. ft. less the carpet area as already allotted to them in the proposed tower TWO ICC, namely additional carpet area of 48,495 sq. ft. The Company has filed an appeal in the Bombay High Court under section 34 of the Arbitration & Conciliation Act, 1996 against the said award, for which the hearings are in progress. The Company is confident that the final award passed by the learned arbitrator will get reversed in view of the strong merits in the case. However, the requisite area has been set aside by the Company and the total area to be allotted to the claimants will be accounted on disposal of the appeal filed in the High Court. No adjustment has been made in the financial statements in view of the uncertainty involved.

(b) The Bombay High Court vide its order dated November 20, 2013 permitted the Company to surrender land at one location i.e. Wadala, as per the application made by the company under integrated development scheme. As per this order, the total of 66,651 sq. metres of land has been surrendered to MCGM and MHADA at Island City Centre, Wadala. During the year 2013-14, the Union had filed a writ petition requiring the company to surrender non textile mill land. The Bombay High Court has directed the Company to reserve additional 10,000 sq. metres of land adjacent to the land to be surrendered. The Company believes that above said writ petition filed in Bombay High Court has no impact on the development of the two towers at ICC since the reserved land of 10,000 sq. metres is different from the one where construction of the two towers is in progress.

(c) The company had during the year 2010-11 sold the building known as 'Wadia Tower A' to Axis Bank Ltd for a consideration of ₹ 782.62 crores. The purchaser has till date paid a sum of ₹ 753.69 crores and the balance ₹ 28.93 crores is still outstanding. Axis bank has claimed damages and interest for delayed handover, non completion of essential and basic amenities, failure to provide prominent signage, etc. and has not paid the common area maintenance charges amounting ₹ 13.08 crores (As on March 31, 2017: ₹ 11.26 crores)

NOTES to the financial statements for the year ended 31st March 2018

(As on April 1, 2016: ₹ 9.48 crores). Since the matter could not be amicably resolved, the same was referred to arbitration. Claims from the Bank regarding costs for work completed by the Bank on behalf of the Company and by the Company on behalf of Axis Bank are also matters under arbitration. Pending finalisation of arbitration proceedings, the receivables are considered good.

45 Merger of Archway Investments Company Limited.

The Company's wholly owned subsidiary Archway Investments Company Limited ("Archway"), a Non Banking Finance Company, has been amalgamated with the Company with effect from April 1, 2016 ("the appointed date") in terms of the scheme of amalgamation ('Scheme') sanctioned by the National Company Law Tribunal (NCLT) vide its Order dated June 20, 2017. The Scheme became effective on June 28, 2017 when the sanction of the NCLT was received and certified copy of the same filed with the Registrar of Companies. Pursuant thereto all assets, investments, debts and liabilities of Archway have been transferred to and vested in the Company retrospectively from April 1, 2016. The Scheme has been accounted for under the 'Pooling of Interests Method' as prescribed under the scheme and in Appendix C of Ind AS 103 for business combinations of entities under common control. Since the subsidiary amalgamated was a wholly owned subsidiary of the Company, there was no exchange of shares to effect the amalgamation. The difference between the amounts recorded as investments of the Company and the amount of share capital and reserves of the aforesaid amalgamating subsidiary of ₹ 10.35 crores has been adjusted in the reserves.

46 During the year 2000-01, pursuant to the scheme of amalgamation between Scal Investments Limited (SIL) and the Company, sanctioned by the jurisdictional court on April 20 , 2001, the assets, liabilities and reserves of SIL had been transferred to and vested in the Company with effect from October 1, 2000. The titles in respect of certain immovable properties amalgamated into the Company are still in the process of transfer.

47 The Company vide notice dated January 8, 2013 notified the closure of its textile mills manufacturing undertaking at Worli, pursuant to which some of the textile workers accepted alternate employment in the company and the remaining workers accepted closure of the undertaking and consequent termination of services under the memorandum of agreement signed by the Company with the workers union. In accordance with the agreement, the Company has paid / provided to such employees the terminal dues, closure compensation and ex-gratia compensation. Whilst some workers have accepted lump sum compensation, others have opted for a monthly payment up to age 63 or till demise, whichever is earlier. As at the time of the previous voluntary retirement schemes, the initial cost relating to ex-gratia compensation was added to the development cost of land. The liability in respect of the monthly payments as actuarially determined is as under:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(a) The liability in respect of the monthly payments that has been actuarially determined as on the Balance sheet date by the independent actuary	6.86	7.53	7.17
(b) The actuarial (gain)/loss for the year recorded in the Statement of Profit and Loss.	(0.10)	0.93	0.48

48 Recognition of income and expenses on on-going real estate project under long term contracts is based on actual sales; estimated costs and work completion status. Determination of profits/ losses, the percentage of completion, costs to completion and realisability of the construction work in progress & unbilled revenues necessarily involves making estimates by the Company, some of which being of a technical nature. The effect of changes to such estimates is recognised in the period such estimates are determined. Profit from these contracts and valuation of construction work in progress / unbilled revenue is based on such estimates.

49 The company has agreed to sell several apartments in the proposed residential towers being constructed at Island City Centre to SCAL Services Ltd, in terms of various Memorandum of Understanding (MOUs) entered between the companies till March 31, 2018. Based on the method of accounting (percentage of completion) followed by company, net revenue of ₹ 445.58 crores (2016-17: ₹ 209.49 crores) and resultant profit before tax of ₹ 257.04 crores (2016-17: ₹ 223.26 crores) has been recognised during the year ended March 31, 2018 in respect of sales to SCAL. The company, had pursuant to SCAL's request and considering the facts and circumstances including delays in construction, that led to SCAL's inability to sell the flats, had granted SCAL deferment of milestone payments till June 2017 or till the sale of all unsold flats and also considering that SCAL was bulk customer who had purchased large number of flats and had not received the discounts given to other bulk purchaser, the Company reduced the advance consideration payable by SCAL to 10% (2016-17: 10%). Accordingly, progress payments have not been billed to SCAL during the year.

NOTES to the financial statements for the year ended 31st March 2018

50 Pursuant to the Order of the Supreme Court dated August 2, 2013 and the Order of the Bombay High Court dated November 20, 2013 permitting the Company to surrender land at one location i.e. Spring Mills, Wadala, under the Integrated Development Scheme for consolidating handover obligation, the Company had in December 2014 given advance possession of 32,829.02 square metres of land to MCGM and 33,822.89 square metres of land to MHADA at Spring Mills, Wadala after completion of necessary boundary wall, and internal filling/ levelling, SWD, etc. as per the provisions of DCR 58 (6) read with DCR 58 (1) (a) & (b). Both MCGM and MHADA have taken advance possession of the said lands, pending completion of certain administrative formalities, which as per the company's architect are routine.

As per the provisions of DCR 54 and as certified by the Company's Architects, the Company is entitled to Development Rights (FSI) of 43,661.11 square metres generated in lieu of lands earmarked and handed over to MCGM for utilization by the owners on the said land and to Transferable Development Rights (TDR) of 44,984.44 square metres in lieu of lands earmarked and handed over to MHADA under the Integrated Development Scheme as per the provisions of DCR 58.

Since physical possession of the earmarked lands is handed over and Advance Possession Receipts obtained from MCGM and MHADA, the Company had during 2014-15 recognized the entitlement of additional Development Rights (FSI) available for its own use and accordingly converted the same into stock in trade at cost. The Transferable Development Rights (TDR) will be recognised on receipt of TDR certificates.

51 Disclosure in respect of Guidance note issued by Institute of Chartered Accountant of India on "Accounting for Real Estate Transaction (Ind AS)"

(₹ in crores)

PARTICULARS	2018	2017
Amount of project revenue recognized as revenue during the year ended March 31	1,110.18	447.11
Aggregate amount of costs incurred and profits recognised till March 31	2,768.45	1,658.28
Amount of advance received till March 31	29.64	13.38
Amount of work-in-progress and value of inventories till March 31	207.68	178.27
Excess of revenue recognized over actual bills raised (unbilled revenue) till March 31	1,502.13	863.70

52 a) The remuneration paid to Managing Director amounting to ₹ 6.81 crores for the year ended March 31, 2018 is within the limits laid down in section 197 of the Companies Act, 2013.

b) The remuneration paid to the Managing Director for the year ended March 31, 2017 is in excess of the limits laid down in section 197 of the Companies Act, 2013 by ₹ 4.29 crore. The Company had applied to the Central Government under sections 196, 197, 198 & 200 read with Schedule V to the Companies Act, 2013 for permission to pay remuneration in excess of the prescribed limits. The Company has received an approval from the Central Government dated June 21, 2017, for payment of remuneration amounting to ₹ 2.12 crores only as against ₹ 6.41 crore applied for. The Company has made a fresh application to the Central Government with a request to reconsider the amount approved. Pending such representation, the excess amount is held by the Managing Director in trust for the Company.

53 Employee Benefits

A Defined Contribution Plan

Provident Fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company, post contribution of amount specified under the law to Employee Provident Fund Organisation on account of employee pension scheme.

Superannuation Fund

The Company has a superannuation plan for the benefit of some of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The contributions are recognised as an expense as and when incurred and the Company does not have any further obligations beyond this contribution.

NOTES to the financial statements for the year ended 31st March 2018

The Company has recognized the following amounts in the statement of profit and loss under contribution to provident and other funds as under:

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Employer's contribution to Provident Fund	3.02	3.44
Employer's contribution to Family Pension Fund	0.49	0.47
Employer's contribution to Superannuation Fund	0.28	0.28

B Defined benefit Plan

Retirement Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts or insurance companies. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

i) Gratuity-As per actuarial valuation as on 31st March 2018

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Actuarial Assumptions		
Expected Return on Plan Assets	7.71%	6.82%
Rate of Discounting	7.71%	6.82%
Rate of Salary Increase	8.50%	8.50%
Rate of Employee Turnover	For service 4 years and below 23.00% p.a., thereafter 3.00% p.a.	For service 4 years and below 23.00% p.a., thereafter 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	21.12	19.43
Interest Cost	1.44	1.53
Current Service Cost	1.76	1.58
Benefit Paid Directly by the Employer	(1.64)	(2.46)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	0.02
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(1.00)	1.36
Actuarial (Gains)/Losses on Obligations - Due to Experience	(4.42)	(0.34)
Present Value of Benefit Obligation at the End of the year	**17.26**	**21.12**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Change in the Fair Value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the year	20.64	18.96
Interest Income	1.41	1.49
Contributions by the Employer	0.48	0.47
Return on Plan Assets, Excluding Interest Income	(0.19)	(0.28)
Fair Value of Plan Assets at the End of the year	**22.34**	**20.64**

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	(17.26)	(21.12)
Fair Value of Plan Assets at the end of the year	22.34	20.64
Funded Status Surplus/ (Deficit)	5.08	(0.48)
Net (Liability)/Asset Recognized in the Balance Sheet	**5.08**	**(0.48)**

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Expenses Recognized in the Statement of Profit or Loss		
Current Service Cost	1.76	1.58
Net Interest Cost	0.03	0.04
Expenses Recognized	**1.79**	**1.62**

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Amount Recognized in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation	(5.42)	1.04
Return on Plan Assets, Excluding Interest Income	0.19	0.28
Net (Income)/Expense Recognized in OCI	**(5.23)**	**1.32**

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Category of Assets		
Government of India Assets	8.89	8.59
State Government Securities	10.53	9.75
Corporate Bonds	2.27	0.99
Cash And Cash Equivalents	0.36	1.07
Other	0.29	0.24
Total	**22.34**	**20.64**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Other Details		
Weighted Average Duration of the Projected Benefit Obligation	9.84	7.72
Prescribed Contribution For Next Year (12 Months)	-	2.24

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Maturity Analysis of the Benefit Payments: From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	2.49	2.22
2nd Following Year	1.00	1.46
3rd Following Year	2.09	2.12
4th Following Year	1.90	2.33
5th Following Year	2.14	2.24
Sum of Years 6 To 10	6.56	8.83
Sum of Years 11 and above	15.83	18.24

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(1.00)	(1.33)
Delta Effect of -1% Change in Rate of Discounting	1.13	1.51
Delta Effect of +1% Change in Rate of Salary Increase	1.11	1.47
Delta Effect of -1% Change in Rate of Salary Increase	(1.00)	(1.32)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.09)	(0.18)
Delta Effect of -1% Change in Rate of Employee Turnover	0.09	0.19

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Qualitative Disclosures

- **Characteristics of defined benefit plan**

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

NOTES to the financial statements for the year ended 31st March 2018

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy."

- **Risks associated with defined benefit plan**
- Gratuity is a defined benefit plan and Company is exposed to the Following Risks:

  Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

  Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

  Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

  Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

  Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk."
- During the year, there were no plan amendments, curtailments and settlements.
- A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

i) Long Service Benefit-As per actuarial valuation as on 31st March 2018

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Actuarial Assumptions		
Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	7.71%	6.82%
Rate of Salary Increase	8.50%	8.50%
Rate of Employee Turnover	For service 4 years and below 23.00% p.a. & For service 5 years and above 3.00% p.a.	For service 4 years and below 23.00% p.a. & For service 5 years and above 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	2.57	2.43
Interest Cost	0.18	0.19
Current Service Cost	0.11	0.11
(Benefit Paid Directly by the Employer)	(0.23)	(0.27)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.07)	0.06
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.06)	0.05
Present Value of Benefit Obligation at the End of the year	**2.50**	**2.57**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	(2.50)	(2.57)
Fair Value of Plan Assets at the end of the year	-	-
Funded Status Surplus/ (Deficit)	(2.50)	(2.57)
Net (Liability)/Asset Recognized in the Balance Sheet	**(2.50)**	**(2.57)**

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Expenses Recognized in the Statement of Profit or Loss		
Current Service Cost	0.11	0.11
Net Interest Cost	0.18	0.19
Expenses Recognized	**0.29**	**0.30**

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Amount Recognized in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation For the year	(0.13)	0.11
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income)/Expense Recognized in OCI	**(0.13)**	**0.11**

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Other Details		
Weighted Average Duration of the Projected Benefit Obligation	7.73	7.95
Prescribed Contribution For Next Year (12 Months)	-	-

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Maturity Analysis of the Benefit Payments: From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.26	0.29
2nd Following Year	0.11	0.23
3rd Following Year	0.29	0.13
4th Following Year	0.36	0.29
5th Following Year	0.33	0.35
Sum of Years 6 To 10	1.22	1.26
Sum of Years 11 and above	2.24	2.24

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(0.07)	(0.05)
Delta Effect of -1% Change in Rate of Discounting	0.08	0.10
Delta Effect of +1% Change in Rate of Salary Increase	0.08	0.10
Delta Effect of -1% Change in Rate of Salary Increase	(0.07)	(0.05)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.00)	0.02
Delta Effect of -1% Change in Rate of Employee Turnover	0.00	0.03

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Qualitative Disclosures

- **Characteristics of defined benefit plan**

The Company has a defined benefit Long Service Benefit plan in India (unfunded). The company's defined benefit Long Service Benefit plan is a final salary plan for employees.

Long Service Benefit is paid from company as and when it becomes due and is paid as per company scheme for Long Service Benefit.

- **Risks associated with defined benefit plan**

Long Service Benefit is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

- During the year, there were no plan amendments, curtailments and settlements.
- Long Service Benefit plan is unfunded.

C Other long term benefits-

Amount recognised as a liability in respect of compensated leave absences as per the actuarial valuation / management estimate as on March 31, 2018 is ₹ 8.23 crores [As on March 31, 2017 - ₹ 8.91 crores] [As on April 1, 2016: ₹ 8.54 crores].

54 CURRENT LIABILITIES

The amount of dues owed to Micro, Small and Medium Enterprises as on March 31, 2018 amounted to ₹ 2.02 crores (March 31, 2017- ₹ 0.11 crores). This amount has been outstanding for more than 45 days at the Balance Sheet date. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTES to the financial statements for the year ended 31st March 2018

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Company has sought confirmation from vendors whether they fall in the category of Micro, Small and Medium Enterprises. Based on the information available the required disclosure under Micro, Small and Medium Enterprises Development Act, 2006 is given below:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	2.02	0.11	-
Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	-	-	-
Interest paid	-	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	26.59	4.72	0.49
Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	0.61	0.02	0.02
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	0.61	0.02	0.02
Amount of further interest remaining due and payable in succeeding year	0.61	0.02	-

55 The Company had introduced the Employee Stock Option Scheme (ESOS) as approved by the shareholders at the Annual General Meeting held on August 13, 2002. The scheme was amended by the shareholders at the Annual General Meeting held on July 23, 2004 to incorporate the amendments under The Stock Option Guidelines vide SEBI circular dated June 30, 2003. The scheme was further amended by the shareholders at the Annual General Meeting held on August 7, 2012 wherein the exercise price shall be based on the market price as defined in the SEBI (Employee Stock Option Scheme) Guidelines 1999 i.e. at the latest available closing market price on the stock exchange having highest trading volume prior to the date of the meeting of the Board of Directors or Remuneration / Compensation Committee in which options were granted.

As per the Scheme, the Remuneration / Compensation Committee grants options to the employees and Whole-time Directors of the Company. The vesting period of the option is one year from the date of grant. Options granted under the Scheme can be exercised within a period of three years from the date of vesting. Vesting of an option is subject to continued employment.

On August 7, 2012, the Board of Directors had granted 14,000 stock options (70,000 stock options post sub-division) to the Ex - Joint Managing Director of the Company at an exercise price of ₹ 528.25 (₹ 105.65 post subdivision) per share for the years 2011-12 and 2012-13 which options have vested on August 7, 2013. Consequent upon the sub-division of shares on and from October 31, 2012, the number of options and the exercise price have been appropriately adjusted. The said options have lapsed on August 7, 2016.

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017	Year Ended 1st April, 2016
Movement in the options under the Scheme:			
Options outstanding at the beginning of the year	NIL	70000	70000
Options granted during the year	NIL	NIL	NIL
Options vested during the year	NIL	NIL	NIL
Options exercised during the year	NIL	NIL	NIL
Options lapsed during the year	NIL	70000	NIL
Unexercised option outstanding as at the end of the year	NIL	NIL	70000
Options exercisable at the end of the year	NIL	NIL	70000
Weighted average price per option (₹)	NA	NA	105.65

NOTES to the financial statements for the year ended 31st March 2018

Method used for accounting of share based payment plan:

Options have been valued based on Fair Value Method of accounting as described under Guidance Note on Accounting for Employee Share-based Payments using Black-Scholes valuation option-pricing model, using the market values of the Company's shares as quoted on the National Stock Exchange. On the basis of the calculation of the stock based compensation as per the Fair Value method prescribed by Securities and Exchange Board of India, the total cost to be recognised in the financial statements as on April 1, 2016 and for the period April 1, 2016 to August 7, 2016 is Nil.

The key assumptions used in Black-Scholes model for calculating fair value of options under the Scheme as on the date of grant are as follows:

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017	Year Ended 1st April, 2016
No. of option granted	-	70000	70000
Date of grant	-	07th August, 2012	07th August, 2012
Vesting period (years)	-	1	1
Expected life of option (years)	-	3	3
Expected volatility	NA	NA	NA
Risk free rate	NA	NA	NA
Expected dividends	NA	NA	NA

Weighted Average share price of Options exercised during the year - No options exercised during the year.

56 EARNINGS PER EQUITY SHARE

PARTICULARS		Year Ended 31st March, 2018	Year Ended 31st March, 2017
(i)	**Profit computation for both basic and diluted earnings per equity share of ₹ 2 each:**		
	Net profit / (loss) after tax as per Statement of profit and loss available for equity shareholders (₹ in crores)	34.41	(148.24)
(ii)	**Number of Equity Shares**		
	Number of Equity Shares at the beginning of the year	206,534,900	206,534,900
	Add:- Shares allotted during the year	-	-
	Number of Equity Shares at the end of the year	206,534,900	206,534,900
	Weighted average number of equity shares		
	(a) For basic earnings	206,534,900	206,534,900
	(b) For diluted earnings	206,534,900	206,534,900
	Face value per Equity Shares (In ₹)	2.00	2.00
(iii)	**Earning per equity share**		
	Basic (in ₹)	1.67	(7.18)
	Diluted (in ₹)	1.67	(7.18)

57 OPERATING LEASE

(a) The Company has taken certain motor vehicles, retail shops and godown on operating lease. The particulars in respect of such leases are as follows:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Lease rent expenses		
(i) Total of minimum lease payments for a period:		
- not later than one year	10.89	8.21
- later than one year but not later than five years	35.20	26.32
- later than five years	0.20	2.17
(ii) Lease payments recognised in the statement of profit and loss for the year	14.18	18.08

NOTES to the financial statements for the year ended 31st March 2018

(iii) The lease agreements are for a period of four years for vehicles, for a period of one to nine years for retail shops including further periods for which the Company has the option to continue the lease of retail shops with the condition of increase in rent and for a period of five years for godowns.

(b) The Company has given commercial space on operating lease. The lease agreements are for a period of one to four years. The particulars in respect of such leases are as follows:-

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Lease rental income		
Total of lease rent income for a period:		
- not later than one year	24.66	30.43
- later than one year but not later than five years	23.44	66.60
- later than five years	-	-

58 CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR)

The Company was required to spend ₹ Nil (2016-17 ₹ 0.04 crores) towards CSR during the year in accordance with the provisions of Section 135 of the Companies Act, 2013. The Company has spent ₹ 0.04 crores (2016-17: ₹ Nil) on CSR activities during the year.

59 FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. Financial assets and financial liabilities such as cash and cash equivalents, other bank balances, trade receivables, loans, trade payables and unpaid dividends of which the carrying amount is a reasonable approximation of fair value due to their short term nature, are disclosed at carrying value.

(₹ in crores)

As at 31st March, 2018	Carrying amount / Fair Value				Fair Value Hierarchy		
PARTICULARS	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	949.34	-	949.34	949.34	-	-
– Cash and Cash Equivalent	-	-	14.15	14.15	-	-	-
– Other bank balances	-	-	119.23	119.23	-	-	-
– Trade receivables	-	-	212.36	212.36	-	-	-
– Loans	-	-	1.99	1.99	-	-	-
– Derivative financial assets	0.33	-	-	0.33	-	0.33	-
– Other financial assets	-	-	1,554.13	1,554.13	-	-	-
	0.33	**949.34**	**1,901.86**	**2,851.53**	**949.34**	**0.33**	**-**
Financial liabilities							
Measured at Amortised Cost							
– Borrowings	-	-	2,721.70	2,721.70	-	-	-
– Trade payable	-	-	351.11	351.11	-	-	-
– Other financial liabilities	-	-	31.72	31.72	-	-	-
	-	**-**	**3,104.53**	**3,104.53**	**-**	**-**	**-**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

As at 31st March, 2017	Carrying amount / Fair Value				Fair Value Hierarchy		
PARTICULARS	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	772.12	0.31	772.43	772.12	-	-
– Cash and Cash Equivalent	-	-	60.84	60.84	-	-	-
– Other bank balances	-	-	101.46	101.46	-	-	-
– Trade receivables	-	-	137.87	137.87	-	-	-
– Loans	-	-	243.53	243.53	-	-	-
– Other financial assets	-	-	923.35	923.35	-	-	-
	-	**772.12**	**1,467.36**	**2,239.48**	**772.12**	**-**	**-**
Financial liabilities							
Measured at Amortised Cost							
– Borrowings	-	-	2,542.45	2,542.45	-	-	-
– Trade payable	-	-	357.74	357.74	-	-	-
– Derivative financial liabilities	10.94	-	-	10.94	-	10.94	-
– Other financial liabilities	-	-	25.14	25.14	-	-	-
	10.94	**-**	**2,925.33**	**2,936.27**	**-**	**10.94**	**-**

(₹ in crores)

As at 1st April, 2016	Carrying amount / Fair Value				Fair Value Hierarchy		
PARTICULARS	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	494.19	0.31	494.50	494.19	-	-
– Cash and Cash Equivalent	-	-	25.18	25.18	-	-	-
– Other bank balances	-	-	95.02	95.02	-	-	-
– Trade receivables	-	-	238.15	238.15	-	-	-
– Loans	-	-	45.94	45.94	-	-	-
– Other financial assets	-	-	710.03	710.03	-	-	-
	-	**494.19**	**1,114.63**	**1,608.82**	**494.19**	**-**	**-**
Financial liabilities							
Measured at Amortised Cost							
– Borrowings	-	-	2,436.49	2,436.49	-	-	-
– Trade payable	-	-	309.10	309.10	-	-	-
– Derivative financial liabilities	4.67	-	-	4.67	-	4.67	-
– Other financial liabilities	-	-	19.17	19.17	-	-	-
	4.67	**-**	**2,764.76**	**2,769.43**	**-**	**4.67**	**-**

NOTES to the financial statements for the year ended 31st March 2018

B. Fair Value Hierarchy

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1 : quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs)

C. Measurement of Fair Values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments are measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter - relationship between significant unobservable inputs and fair value measurements
Investments in equity instruments	Current bid price (quoted price)	NA	NA
Derivative financial instruments	MTM from Banks	NA	NA

60 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

i) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

(a) Foreign Currency Exchange Risk

The Company's functional currency is Indian Rupees (INR). The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. Volatility in exchange rates affects the Company's revenue from exports markets and the costs of imports, primarily in relation to raw materials with respect to the US-dollar.

Adverse movements in the exchange rate between the Rupee and the relevant foreign currency results in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt.

In order to minimize adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge foreign currency exchange risk. All hedging activities are carried out in accordance with the Company's internal Forex Risk Management Policy, as approved by the management, and in accordance with the applicable regulations where the Company operates.

NOTES to the financial statements for the year ended 31st March 2018

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR (₹in crores) are as follows

PARTICULARS	As at 31st March, 2018			As at 31st March, 2017			As at 1st April, 2016		
	USD	EURO	JPY	USD	EURO	JPY	USD	EURO	JPY
Financial assets									
Trade receivables	27.45	1.61	-	11.40	2.19	34.57	6.97	0.80	-
Derivative assets									
Foreign exchange forward contracts									
Sell foreign currency	(10.32)	(3.13)	-	-	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**17.13**	**(1.52)**	**-**	**11.40**	**2.19**	**34.57**	**6.97**	**0.80**	**-**
Financial Liabilities									
Foreign Currency loan	-	-	-	74.26	-	-	76.75	-	-
Trade payables	152.82	-	-	167.15	0.27	-	118.17	-	-
Derivatives liabilities									
Foreign exchange forward contracts									
Buy foreign currency	(136.15)	-	-	(258.99)	-	-	(213.99)	-	-
Net exposure to foreign currency risk (liabilities)	**16.67**	**-**	**-**	**(17.58)**	**0.27**	**-**	**(19.07)**	**-**	**-**

At the end of the reporting period the total notional amount of outstanding foreign currency contracts that the Company has committed to are as below :

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Foreign currency forwards - Buy			
- USD	20,932,604	39,943,900	32,259,410
Foreign currency forwards - Sell			
- USD	1,586,826	-	-
- EURO	388,000	-	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in crores)

PARTICULARS	As at 31st March, 2018		Year ended 31st March , 2017	
	5% strengthening	5% weakening	5% strengthening	5% weakening
USD	6.27	(6.27)	11.50	(11.50)
EURO	(0.08)	0.08	(0.10)	0.10
JPY	-	-	(1.73)	1.73

NOTES to the financial statements for the year ended 31st March 2018

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Variable rate borrowing	2,294.84	1,592.23	1,997.67
Fixed rate borrowing	426.86	950.22	438.82
Total Borrowings	2,721.70	2,542.45	2,436.49

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. If, the interest rates had been 100 basis points higher/ lower and all other variables were held constant, the Company's profit for the year ended March 31, 2018 would (decrease)/ increase by ₹ 27.22 crores (for the year ended 31 March 2017: (decrease)/ increase by ₹ 25.42 crores).

(c) Price risk

Exposure

The Company is exposed to equity price risks arising from equity investments. Equity investments were held for strategic rather than trading purposes. The Company does not actively trade in these investments.

Sensitivity

Following is the sensitivity analysis as a result of the changes in fair value of equity investments measured at FVTOCI, determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/ lower, other comprehensive income would increase/ (decrease) as follows for:

The year ended March 31, 2018 : by ₹ 47.47 crores

The year ended March 31, 2017 : by ₹ 38.61 crores

ii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral viz security deposit or bank guarantee, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, investments, cash & cash equivalents, derivative financial instruments and financial guarantees.

a) Trade receivables:

Customer credit risk is managed by the Company and is subject to established policy, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring the credit worthiness of the customers to which the Company extends the credit in the normal course of the business. Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

NOTES to the financial statements for the year ended 31st March 2018

In determining the allowances for credit losses of trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

b) Loans and investments:

The Company's centralised treasury function manages the financial risks relating to the Business. The treasury function focuses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. Counterparty credit limits are reviewed and approved by the Finance Committee of the Company. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counterparty's potential failure to make payments.

c) Cash and cash equivalents, derivative financial instruments and financial guarantees:

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counterparties. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

iii) Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents, marketable securities and short term and long term borrowings provide liquidity. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity risk management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposures as at 31st March, 2018 (₹ in crores)

PARTICULARS	< 1 year	1-5 years	> 5 years	Total
Financial liabilities				
Borrowings including interest obligations	506.59	2,230.32	-	2,736.91
Trade payables	351.11	-	-	351.11
Other financial liabilities	16.51	-	-	16.51
Total financial liabilities	**874.21**	**2,230.32**	**-**	**3,104.53**

NOTES to the financial statements for the year ended 31st March 2018

Liquidity exposures as at 31st March, 2017 (₹ in crores)

PARTICULARS	< 1 year	1-5 years	> 5 years	Total
Financial liabilities				
Borrowings including interest obligations	1606.54	940.89	-	2,547.43
Trade payables	357.74	-	-	357.74
Other financial liabilities	20.16	-	-	20.16
Total financial liabilities	**1,984.44**	**940.89**	**-**	**2,925.33**

Liquidity exposures as at 1st April, 2016 (₹ in crores)

PARTICULARS	< 1 year	1-5 years	> 5 years	Total
Financial liabilities				
Borrowings including interest obligations	1,233.86	1,207.06	-	2,440.92
Trade payables	309.10	-	-	309.10
Other financial liabilities	14.74	-	-	14.74
Total financial liabilities	**1,557.70**	**1,207.06**	**-**	**2,764.76**

61 The Company is engaged in the business of Real Estate, Polyester and Retail / Textile. In accordance with Ind AS 108 "Operating Segments", the Company has presented segment information in the consolidated financial statements, which form part of this report and therefore no seperate disclosure on segment information is given in these financial statements.

62 (A) List of Related Parties where control exists:

Name of the Related Party		Principal Place of Business	% Shareholding and Voting Power		
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
i)	**Joint Venture**				
	P.T. Five Star Textile	Indonesia	33.89	33.89	33.89
ii)	Associates				
	Pentafil Textile Dealers Limited	India	49.00	49.00	49.00
	Bombay Dyeing Real Estate Company Limited	India	40.00	40.00	40.00

Key Managerial Personnel :	**Relationship**
Mr. Jehangir N. Wadia - Managing Director	Key Managerial Personnel (KMP)
Mr. Vishnu Peruvemba - Chief Financial Officer (w.e.f. January 5, 2018)	Key Managerial Personnel (KMP)
Mr. Pushpamitra Das - Chief Financial Officer (w.e.f. April 4, 2016- June 30, 2017)	Key Managerial Personnel (KMP)
Mr. Sanjive Arora - Company Secretary (w.e.f. July 11, 2016)	Key Managerial Personnel (KMP)
Mr. K.Subharaman - Company Secretary & Compliance Officer (upto April 30, 2016)	Key Managerial Personnel (KMP)
Mr. Nusli N. Wadia - Chairman	Relative of KMP (Father of Managing Director)
Mr. Ness N. Wadia - Director	Relative of KMP (Brother of Managing Director)
Mrs. Maureen N. Wadia	Relative of KMP (Mother of Managing Director)

NOTES to the financial statements for the year ended 31st March 2018

Entities over which KMP and relatives exercise significant influence :	The Bombay Burmah Trading Corporation Ltd. Britannia Industries Ltd. Baymanco Investments Ltd. Go Airlines (India) Limited Crawford Bayley & Co. Gladrags Media Ltd.
Non-Executive Directors :	Dr.(Mrs.) Sheela Bhide (upto January 5, 2017) Dr. (Mrs.) Minnie Bodhanwala (w.e.f. March 29, 2017)
Independent Directors :	Mr. R. A. Shah Mr. S. S. Kelkar Mr. S. Ragothaman Mr. A. K. Hirjee Mr. S. M. Palia Mr. V. K. Jairath Mr. Keki M. Elavia (w.e.f. May 22, 2017) Mr. Ishaat Hussain (upto August 10, 2017)
Post- Employment Benefits Trust where reporting entities exercise significant influence :	The Bombay Dyeing and Manufacturing Company Limited Employees Provident Fund The Bombay Dyeing Superannuation and Group Insurance Scheme The Bombay Dyeing and Manufacturing Company Limited Staff Gratuity Fund

62 (B) The related party transactions are as under :

(₹ in crores)

NATURE OF TRANSACTIONS		Joint Venture		Associate		Other related party		Key Management Personnel and Relatives		Non-Executive Directors		Independent Directors		Post Employment Benefit Trust		Total	
		Year Ended 31st March, 2018	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017
(i)	Interest income on ICD/Advance	8.65	1.12	1.30	0.50	-	2.72	-	-	-	-	-	-	-	-	9.95	4.34
(ii)	Interest paid on ICD/Advance	-	-	-	0.26	39.31	22.19	-	-	-	-	-	-	-	-	39.31	22.45
(iii)	Dividend Paid	-	-	-	-	2.20	1.49	0.15	0.10	-	-	-	-	-	-	2.35	1.59
(iv)	Lease Rent income	-	-	-	-	4.08	3.47	-	-	-	-	-	-	-	-	4.08	3.47
(v)	Sale of Property	-	-	-	-	182.42	9.40	-	-	-	-	-	-	-	-	182.42	9.40
(vi)	Sale of Plant & Equipment	-	-	-	-	5.60	-	-	-	-	-	-	-	-	-	5.60	-
(vii)	Property related expenses recovered for adjustment against advances received	-	-	-	-	-	-	-	0.90	-	-	-	-	-	-	-	0.90
(viii)	Reduction in the cost of flat delivered unfurnished	-	-	-	-	-	-	-	1.57	-	-	-	-	-	-	-	1.57
(ix)	Dividend Income	-	-	-	-	0.75	1.30	-	-	-	-	-	-	-	-	0.75	1.30
(x)	Inter-Corporate Deposits/Advances given	137.44	40.44	-	12.25	-	-	-	-	-	-	-	-	-	-	137.44	52.69
(xi)	Inter-Corporate Deposits/Advances taken	-	-	-	6.00	450.00	350.00	-	-	-	-	-	-	-	-	450.00	356.00
(xii)	Repayment received against ICD/Advances	-	12.46	12.70	0.55	-	23.85	-	-	-	-	-	-	-	-	12.70	36.86
(xiii)	Repayment of ICD/Advances taken	-	-	-	6.00	450.00	106.00	-	-	-	-	-	-	-	-	450.00	112.00
(xiv)	Expenses incurred by related parties on behalf of Company (reimbursable)	-	-	-	-	0.30	0.26	-	-	-	-	-	-	-	-	0.30	0.26
(xv)	Expenses incurred on the behalf of related parties (reimbursable)	7.16	7.23	-	-	4.62	2.10	-	-	-	-	-	-	-	-	11.78	9.33
(xvi)	Legal and Professional expenses	-	-	-	-	0.23	0.12	-	-	-	-	-	-	-	-	0.23	0.12
(xvii)	Contribution during the year (including the Employee's share)	-	-	-	-	-	-	-	-	-	-	-	-	4.25	4.88	4.25	4.88
(xviii)	Directors sitting fees	-	-	-	-	-	-	0.14	0.13	0.04	0.04	0.81	0.67	-	-	0.99	0.84
(xix)	Commission to Directors		-	-	-	-	-	0.64	-	0.05	-	0.81	-			1.50	-
(xx)	Fixed Deposits received		-	-	-	-	-	-	-	-	-	-	0.10	-	-	-	-
(xxi)	Interest paid on Fixed Deposits		-	-	-	-	-	--	-	-	-	0.02	0.02	-	-	-	-
(xxii)	Guarantee and collaterals given / (expired) (net)	(129.80)	(17.98)	-	-	-	-	-	-	-	-	-	-	-	-	(129.80)	(17.98)
(xxiii)	Allowance for doubtful advances	153.25	56.42	-	-	-	-	-	-	-	-	-	-	-	-	153.25	56.42
(xxiv)	Provision for diminution in the value of investment in P.T. Five Star Textile (Indonesia)	-	1.59	-	-	-	-	-	-	-	-	-	-	-	-	-	1.59
(xxv)	Short Term Employee Benefits	-	-	-	-	-	-	7.57	7.46	-	-	-	-	-	-	7.57	7.46
(xxvi)	Post Employee Benefits	-	-	-	-	-	-	0.45	0.47	-	-	-	-	-	-	0.45	0.47
(xxvii)	Other Long Term Benefits	-	-	-	-	-	-	(0.05)	0.14	-	-	-	-	-	-	(0.05)	0.14
(xxviii)	Termination Benefits	-	-	-	-	-	-	0.01	0.16	-	-	-	-	-	-	0.01	0.16

62 (C) Outstanding Balance

(₹ in crores)

Particulars	Receivables			Payables			Shareholders' deposit given			Deposit given			Guarantees and collaterals given			Advances received for purchase of flats			Advances received against the sale of asset		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016
Joint Venture	219.28	66.03	29.68	–	–	–	15.22	15.22	15.22	–	–	–	81.31	211.11	229.02	–	–	–	–	–	–
Associate	0.25	13.09	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other related party	1.00	1.64	25.48	353.54	352.79	107.16	–	–	–	1.63	1.44	1.28	–	–	–	–	–	–	–	90.60	–
Key Management Personnel and Relatives	–	–	–	0.64	0.28	–	–	–	–	–	–	–	–	–	–	–	–	0.85	–	–	–
Non-Executive Directors	–	–	–	0.05	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Independent Directors	–	–	–	1.01	0.20	0.10	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Post employment benefit trust	5.08	–	–	0.27	0.81	0.80	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

NOTES to the financial statements for the year ended 31st March 2018

63 Additional disclosure as required by the amended clause 34 and 53 of the listing agreements and section 186 of the Companies Act, 2013

(₹ in crores)

Sr. No	NAME	NATURE OF TRANSACTION	Balance as at 31st March, 2018	Maximum amount outstanding during the year	No. of shares of the Company held by the loanees as at 31st March, 2018
A.	Investments and Loans and advances in associates				
1	Pentafil Textile Dealers Ltd.	Investment in equity shares	0.88	0.88	-
			[0.88]	*[0.88]*	*[-]*
		Inter corporate deposit placed	-	12.25	-
			[12.25]	*[12.25]*	*[-]*
2	Bombay Dyeing Real Estate				
	Company Ltd.	Investment in equity shares	0.02	0.02	-
			[0.02]	*[0.02]*	*[-]*
		Inter corporate deposit placed	0.25	0.84	-
		(Short term funding requirements at interest rates of 12%-13%)	*[0.84]*	*[1.39]*	*[-]*
			1.15	13.99	-
			[13.99]	*[14.54]*	*[-]*
B.	Loans and advances in the nature of loans to jointly controlled entity				
1	PT. Five Star Textile Indonesia	Interest free Shareholders' Deposit	15.22	15.22	-
			[15.22]	*[15.22]*	*[-]*
		Loans & Advances	219.28	219.28	-
		(Technical fees and expenses recoverable)	*[66.03]*	*[66.03]*	*[-]*
			234.50	234.50	-
			[81.25]	*[81.25]*	*[-]*
C.	Loans and advances in the nature of loans where there is: (i) repayment beyond seven years or (ii) no interest or interest below section 186 of the Companies Act, 2013, other than referred in A2 and B1 above.				
	Employee Loans		0.15	0.20	-
			[0.20]	*[0.26]*	*[-]*
D.	Guarantees given:				
	Guarantees are provided to a bank which has in turn provided guarantees to lender banks and also to a lender bank of jointly controlled entity for availing long term loans (Refer Note 43).				

NOTES to the financial statements for the year ended 31st March 2018

64 Dividend

The Board of Directors of the Company have recommended a dividend of 50% (₹ 1.00/- per equity share of ₹ 2 each) for the financial year ended March 31, 2018.

65 Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

66 The financial statements were authorised for issue by the Board of Directors on May 14, 2018.

67 General

a) All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore upto two decimals as per the requirements of Schedule III, unless otherwise stated.

b) Figures for the previous year have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our report attached

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

For and on behalf of the Board of Directors

Nusli N. Wadia	*Chairman*	R. A. Shah S. S. Kelkar S. Ragothaman A. K. Hirjee S. M. Palia Ness N. Wadia V. K. Jairath Keki M. Elavia Minnie Bodhanwala
Jehangir N. Wadia	*Managing Director*	
Vishnu Peruvemba	*Chief Financial Officer*	
Sanjive Arora	*Company Secretary*	

Directors

Mumbai, 14th May, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED** (hereinafter referred to as "the Holding Company") and its associate companies and jointly controlled entity (the Holding Company and its associate companies and jointly controlled entity together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2018 and of the consolidated financial position of the Group, as at March 31, 2018, their consolidated financial performance including other comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

i. Note 49 to the consolidated financial statements regarding agreements to sell certain apartments in the proposed residential towers being constructed at Island City Centre to SCAL Services Limited, in terms of various MOUs entered between the companies till March 2018. The Group has during the year recognised net revenues of INR 445.58 crore (2016-17 INR 209.49 crore) and resultant profit before tax of INR 257.04 crore (2016-17 INR 223.26 crore) on sale of said apartments to SCAL.

ii. Note 52 (b) to the consolidated financial statements regarding the remuneration paid to the Managing Director for the year ended March 31, 2017 in excess of the limits prescribed under section 197 read with Schedule V of the Act by INR 4.29 crore. The Group has received an approval from the Central Government dated June 21, 2017, for payment of remuneration amounting to INR 2.12 crore only. The Group has made a fresh application to the Central Government with a request to reconsider the amount approved, which is pending.

Our opinion is not modified in respect of the above matters.

Other Matters

The consolidated financial statements include the Group's share of net loss of INR 3.45 crore in respect of a jointly controlled entity and the Group's share of net profit of INR. 0.16 crore in respect of two

associate companies, for the year ended March 31, 2018, as considered in the consolidated financial statements, whose financial statements have not been audited by us. Those financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the jointly controlled entity and associate companies and our report in terms of the sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity and associate companies is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements, below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder.

e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the other auditors of the associate companies incorporated in India, none of the Directors of the Group's companies incorporated in India, is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls with reference to financial statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's report of jointly controlled entity and associate companies:

   i) The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements - Refer Note 44 to the consolidated financial statements.

   ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts requiring provision under the applicable law or accounting standards.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No. 104607W/W100166

Anil A. Kulkarni
Partner
M. No.: 047576

Mumbai: May 14, 2018

Annexure A to the Independent Auditor's Report

Referred to in paragraph (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED** on the Consolidated Financial Statements for the year ended March 31, 2018.

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 financial statements of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED** (hereinafter referred to as "the Holding Company"), its associate companies incorporated in India as of March 31, 2018 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its associate companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Holding Company and its associate companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Group'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 internal financial controls with reference to financial statements of the Holding Company's and its associate companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls system with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 and the audit evidence obtained by the other auditors referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system with reference to financial statements of the Holding Company and its associate companies incorporated in India.

Meaning of Internal Financial Controls With Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its associate companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal controls with reference to financial statements criteria established by the Holding Company and its associate companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143 (3) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to two associate companies, incorporated in India, is based on the corresponding reports of the auditors of such companies.

For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No. 104607W/W100166

Anil A. Kulkarni
Partner
M. No.: 047576

Mumbai: May 14, 2018

CONSOLIDATED BALANCE SHEET as at 31st March, 2018

(₹ in crores)

	NOTES	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	4	552.17	567.76	584.62
(b) Capital work-in-progress	5	74.04	74.67	72.41
(c) Investment Property	6	3.68	3.75	3.82
(d) Intangible assets	7	0.11	0.61	1.87
(e) Investment in associates and joint venture	8	1.13	0.36	0.31
(f) Financial Assets				
(i) Investments	9	949.34	772.43	494.50
(ii) Loans	10	0.13	0.14	0.17
(iii) Other financial assets	11	42.26	836.05	521.37
(g) Other non-current assets	12	6.32	8.41	7.02
Total Non-current assets		**1,629.18**	**2,264.18**	**1,686.09**
Current assets				
(a) Inventories	13	409.00	420.82	323.55
(b) Financial Assets				
(i) Trade receivables	14	212.36	137.87	238.15
(ii) Cash and cash equivalents	15	14.15	60.84	25.18
(iii) Bank balances other than (ii) above	16	119.23	101.46	95.02
(iv) Loans	17	1.86	243.39	25.69
(v) Other financial assets	18	1,512.20	87.30	188.66
(c) Current Tax Assets (Net)	19	54.85	17.75	37.24
(d) Other current assets	20	103.36	92.80	109.68
(e) Assets classified as held for sale	21	-	210.74	222.73
Total Current assets		**2,427.01**	**1,372.97**	**1,265.90**
TOTAL ASSETS		**4,056.19**	**3,637.15**	**2,951.99**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share capital	22	41.31	41.31	41.31
(b) Other Equity				
Equity attributable to the owner of the parent	23	595.57	293.03	(172.75)
Non controlling interest		-	-	-
Total Equity		**636.88**	**334.34**	**(131.44)**
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	24	2,230.32	940.89	1,207.06
(ii) Other financial liabilities	25	15.16	14.46	10.42
(b) Long-term provisions	26	16.22	16.61	14.92
Total Non-current liabilities		**2,261.70**	**971.96**	**1,232.40**
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	27	414.83	1,216.85	842.00
(ii) Trade payables	28	351.11	357.74	309.10
(iii) Other financial liabilities	29	93.11	406.33	400.85
(b) Short-term Provisions	30	46.77	51.58	29.09
(c) Other current liabilities	31	251.79	298.35	269.99
Total Current liabilities		**1,157.61**	**2,330.85**	**1,851.03**
TOTAL EQUITY AND LIABILITIES		**4,056.19**	**3,637.15**	**2,951.99**
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS	1-69			

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

For and on behalf of the Board of Directors

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

Nusli N. Wadia	*Chairman*	R. A. Shah S. S. Kelkar S. Ragothaman A. K. Hirjee S. M. Palia Ness N. Wadia V. K. Jairath Keki M. Elavia Minnie Bodhanwala
Jehangir N. Wadia	*Managing Director*	
Vishnu Peruvemba	*Chief Financial Officer*	
Sanjive Arora	*Company Secretary*	
	Mumbai, 14th May, 2018	*Directors*

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2018

(₹ in crores)

		NOTES	Year Ended 31st March, 2018	Year Ended 31st March, 2017
	INCOME			
I	Revenue from operations	32	2,692.75	2,028.01
II	Other Income	33	51.25	72.59
III	**Total Income (I + II)**		**2,744.00**	**2,100.60**
IV	**EXPENSES**			
	Cost of materials consumed	34	968.27	889.38
	Purchases of Stock-in-Trade	35	164.52	230.20
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	36	12.03	(87.34)
	Excise duty		30.43	104.30
	Employee benefits expense	37	87.31	88.58
	Finance costs	38	412.51	368.45
	Depreciation and amortization expense	39	29.88	31.66
	Impairment of non financial assets	21	-	2.43
	Other expenses	40	848.61	524.13
	Total Expenses (IV)		**2,553.56**	**2,151.79**
V	**Profit /(Loss) before exceptional items and tax (III-IV)**		**190.44**	**(51.19)**
VI	Exceptional items	41	153.25	45.81
VII	**Profit /(Loss) before tax (V-VI)**		**37.19**	**(97.00)**
VIII	Share of Profit of Equity Accounted Investees (net of Income Tax)		0.77	0.05
IX	**Profit /(Loss) before tax (VII+VIII)**		**37.96**	**(96.95)**
X	Tax expense:			
	Current tax		-	29.57
	Tax provision in respect of earlier years		2.78	-
	Total Tax expenditure (X)		2.78	29.57
XI	**Profit /(Loss) for the year (IX-X)**		**35.18**	**(126.52)**
XII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of defined benefit plans		5.36	(1.43)
	- Net gain/(loss) on fair valuation of equity securities		280.54	605.86
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.14)	0.30
	Total Other comprehensive income for the year (XII= i+ii)		**284.76**	**604.73**
XIII	**Total comprehensive income for the year (XI+XII)**		**319.94**	**478.21**
	Profit attributable to:			
	Owners of the Company		35.18	(126.52)
	Non-controlling interests		-	-
	Other Comprehensive Income attributable to:			
	Owners of the Company		284.76	604.73
	Non-controlling interests		-	-
	Total Comprehensive Income attributable to:			
	Owners of the Company		319.94	478.21
	Non-controlling interests		-	-
XIV	Earnings per equity share of nominal value ₹ 2 each	56		
	(i) Basic (in ₹)		1.70	(6.13)
	(ii) Diluted (in ₹)		1.70	(6.13)
	NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS	1-69		

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

For and on behalf of the Board of Directors

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Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

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Jehangir N. Wadia	*Managing Director*	
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Mumbai, 14th May, 2018

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Minnie Bodhanwala
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CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31st March, 2018

(₹ in crores)

			Year Ended 31st March, 2018	Year Ended 31st March, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEM AND TAX		190.44	(51.19)
	Adjustments for :			
	Depreciation and amortisation expense		29.88	31.66
	Impairment of non financial assets		-	2.43
	Unrealised foreign exchange (gain) /loss (net)		(0.95)	5.92
	Unclaimed balances /excess provisions written back		(1.56)	(1.95)
	Interest income		(42.92)	(29.70)
	Loss on disposal of property, plant and equipment		3.56	0.10
	Dividend Income		(1.72)	(1.59)
	Interest expense and other finance costs		412.51	368.45
	Allowance for doubtful debts/advances		4.52	9.50
	Allowance for diminution in value of investments		0.31	-
	Incidental expenses written off		9.46	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**603.53**	**333.63**
	Adjustments for changes in			
	Inventories		11.82	(97.27)
	Trade receivables		(77.49)	90.09
	Other current and non-current financial assets		(786.53)	(246.65)
	Other current and non-current assets		(10.40)	15.19
	Trade payables		(14.53)	47.57
	Other current and non-current financial liabilities		(3.82)	2.31
	Other current and non-current liabilities		(46.54)	28.89
	Current and non-current provisions		(5.20)	24.18
	CASH (USED IN) / GENERATED FROM OPERATIONS		**(329.16)**	**197.94**
	Direct taxes paid (Net)		(39.88)	(10.08)
	CASH FLOW BEFORE EXCEPTIONAL ITEM		**(369.04)**	**187.86**
	EXCEPTIONAL ITEM			
	Voluntary Retirement benefits to workmen at Ranjangaon plant		-	(18.82)
	NET CASH (USED IN) /FROM OPERATING ACTIVITIES	**(A)**	**(369.04)**	**169.04**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**			
	Purchase of Property,Plant and Equipment		(12.92)	(15.95)
	Proceeds from disposal of Property,Plant and Equipment		207.26	8.77
	Purchase of equity shares in subsidiary		-	(12.59)
	Inter-corporate deposits placed		(27.57)	(242.17)
	Inter-corporate deposits received back		269.16	24.40
	Bank deposits with maturity greater than three months		(12.00)	14.55
	Deposits under lien and in escrow accounts		(45.35)	(40.39)
	Earmarked balances with banks		42.71	19.17
	Dividend received from non current investments		1.72	1.59
	Interest received		32.32	25.48
	CASH FLOW BEFORE EXCEPTIONAL ITEM		**455.33**	**(217.14)**
	EXCEPTIONAL ITEMS			
	Proceeds from sale of surplus property		-	9.38
	Proceeds from sale of non-current investments		103.30	328.26
	NET CASH FROM INVESTING ACTIVITIES	**(B)**	**558.63**	**120.50**

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31st March, 2018

(₹ in crores)

			Year Ended 31st March, 2018	Year Ended 31st March, 2017
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**			
	Proceeds from borrowings		2,347.12	898.40
	Repayment of borrowings		(1,563.76)	(845.58)
	Proceeds from inter-corporate borrowings		810.68	1,449.81
	Repayment of matured inter-corporate borrowings		(1,333.73)	(1,107.76)
	Repayment of demand loan, cash credit from bank		(74.54)	(209.43)
	Interest and other finance charges paid		(404.65)	(426.89)
	Dividend paid (including corporate dividend tax)		(17.40)	(12.43)
	NET CASH USED IN FINANCING ACTIVITIES	**(C)**	**(236.28)**	**(253.88)**
	NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(A+B+C)**	**(46.69)**	**35.66**
	CASH AND CASH EQUIVALENTS AT THE COMMENCEMENT OF THE YEAR (Refer Note 15)		60.84	25.18
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note 15)		14.15	60.84

Notes:

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

2 Figures in brackets are outflows/ deductions.

3 Previous years figures have been regrouped where necessary.

As per our report attached

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

For and on behalf of the Board of Directors

Nusli N. Wadia	*Chairman*	
Jehangir N. Wadia	*Managing Director*	
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Mumbai, 14th May, 2018

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2018

(A) EQUITY SHARE CAPITAL

(₹ in crores)

	Note No	Balance
As at April 1, 2016		**41.31**
Changes in equity share capital during the year	22	-
As at March 31, 2017		**41.31**
Changes in equity share capital during the year	22	-
As at March 31, 2018		**41.31**

(B) OTHER EQUITY (REFER NOTE 23)

(₹ in crores)

Particulars	Reserves & Surplus					Items of Other Comprehensive income		Total
	Capital Reserve	Securities Premium Reserve	Investment Reserve	General Reserve	Retained Earnings	Remeasurement of net defined benefit plans	Equity instruments through other comprehensive income	
Balance at April 1, 2016	**28.60**	**133.57**	**1.31**	**155.81**	**(933.28)**	**-**	**441.24**	**(172.75)**
Profit for the year	-	-	-	-	(126.52)	-	-	(126.52)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(1.13)	605.86	604.73
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(126.52)**	**(1.13)**	**605.86**	**478.21**
Realised gain on sale of equity shares reclassified to retained earnings	-	-	-	-	311.57	-	(311.57)	-
Dividend on Equity Shares	-	-	-	-	(10.33)	-	-	(10.33)
Dividend Distribution Tax	-	-	-	-	(2.10)	-	-	(2.10)
Balance at March 31, 2017	**28.60**	**133.57**	**1.31**	**155.81**	**(760.66)**	**(1.13)**	**735.53**	**293.03**
Profit for the year	-	-	-	-	35.18	-	-	35.18
Other comprehensive income for the year, net of income tax	-	-	-	-	-	4.22	280.54	284.76
Total comprehensive income for the year	-	-	-	-	35.18	4.22	280.54	319.94
Realised gain on sale of equity shares reclassified to retained earnings	-	-	-	-	98.83	-	(98.83)	-
Dividend on Equity Shares	-	-	-	-	(14.46)	-	-	(14.46)
Dividend Distribution Tax	-	-	-	-	(2.94)	-	-	(2.94)
Balance at March 31, 2018	**28.60**	**133.57**	**1.31**	**155.81**	**(644.05)**	**3.09**	**917.24**	**595.57**

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

For and on behalf of the Board of Directors

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
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Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

Nusli N. Wadia	*Chairman*	
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	Mumbai, 14th May, 2018	

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Directors

NOTES to the financial statements for the year ended 31st March 2018

1. GENERAL INFORMATION ABOUT THE COMPANY

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

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

These consolidated financial statements for the year ended March 31, 2018 are the first the Group has prepared under Ind AS and the date of transition to Ind AS is April 1, 2016. For all periods up to and including the year ended March 31, 2017, the Group had prepared its consolidated financial statements in accordance with the accounting standards notified under section 133 of Act, read with the Companies (Accounts) Rules, 2014 as amended ("Previous GAAP"). The consolidated financial statements for the year ended March 31, 2017 and the opening Consolidated Balance Sheet as at April 1, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Group's Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Statement of Cash Flows are provided in note.

The aforesaid consolidated financial statements have been approved by the Board of Directors and authorised for issue in the meeting held on May 14, 2018.

(b) Basis of Preparation & Presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 'Leases' ("Ind AS 17") and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 'Inventories' ("Ind AS 2") or value in use in Ind AS 36 'Impairment of Assets' ("Ind AS 36").

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, Level 2 or Level 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which is described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as Current and Non-Current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered and the time between the rendering of the services and their realisation in cash and cash equivalent, the Grouphas ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of assets and liabilities.

All the Indian Accounting Standards ("Ind AS") issued and notified by the Ministry of Corporate Affairs are effective and considered for the significant accounting policies to the extent relevant and applicable for the Group.

The consolidated financial statements are presented in INR and all values are rounded to the nearest crores upto two decimals, except when otherwise indicated.

(c) Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the

NOTES to the financial statements for the year ended 31st March 2018

Company and its subsidiaries (together "the Group"). Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduces the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying

NOTES to the financial statements for the year ended 31st March 2018

amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

(d) Key Accounting Estimates and Judgments:

In the course of applying the policies outlined in all notes under Note 2 above, the Group is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period, if the revision affects current and future period.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are:

i) Evaluation of percentage completion

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any to estimates is recognized in the consolidated financial statements for the period in which such changes are determined.

ii) Useful Lives of property , plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

iii) Provisions, liabilities and contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgments to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre – tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

iv) Fair Value Measurements

When the fair value of financial assets or financial liabilities recorded or disclosed in the consolidated financial statements cannot be measured at the quoted price in the active markets, their fair value is measured using the valuation techniques including the DCF model. The

NOTES to the financial statements for the year ended 31st March 2018

inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values, judgments includes consideration of inputs such as liquidity risk , credit risk and volatility.

v) **Recognition and Measurement of defined benefit obligation**

The obligation arising from defined benefit plans is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(e) Critical accounting Judgments

Merger of archway on the morning hours of the transition date i.e. April 1, 2016

During the year 2016-17, the Group's wholly owned subsidiary Archway Investments Company Limited, a Non-Banking Finance Company, has been amalgamated with the Group in terms of the scheme of amalgamation ('Scheme') sanctioned by the National Company Law Tribunal (NCLT) vide its Order dated June 20, 2017.

The Scheme became effective on June 28, 2017 with appointed date of April 1, 2016 when the sanction of the NCLT was received and certified copy of the same filed with the Registrar of Companies. The Scheme has been accounted for under the 'Pooling of Interests Method' as prescribed in Appendix C of Ind AS 103 for business combinations of entities under common control.

(f) Recent Accounting Developments

Standards issued but not yet effective

Appendix B to Ind AS 21, foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, MCA has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Group will adopt the standard on April 1, 2018.

(g) Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in consolidated statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' ("Ind AS 12") and Ind AS 19 'Employee Benefits' ("Ind AS 19") respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Group determines where there exists clear evidence of the underlying reasons for classifying the business combination

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as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognizes the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in consolidated statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed off.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' ("Ind AS 37") and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 18 'Revenue' ("Ind AS 18").

(h) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties and other direct costs incurred for bringing the asset to the condition of its intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognized in consolidated statement of profit and loss as incurred. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalized as part of the cost of the asset.

Depreciation on property, plant and equipment other than furniture & fixtures and motor vehicles, is provided on the straight-line method, pro-rata to the period of use, over their useful life. Depreciation on furniture & fixtures and motor vehicles is provided on the written down value method, pro rata to the period of use, over their useful life. The estimated useful lives and residual values are as prescribed in Schedule II to the Companies Act, 2013 except for movable site offices and assets of retail shops (including leasehold improvements), which are based on technical evaluation of useful life by the management.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Asset	Useful Life	Asset	Useful Life
Buildings	30 to 60 Years	Computers	3 to 6 Years
Movable site offices	10 Years	Furniture and fixture	10 Years
Plant and Machinery	15 to 25 Years	Office equipment	5 Years
Assets of retail shops including leasehold improvements	6 Years	Vehicles	8 Years

The PSF manufacturing plant at Patalganga is treated as a Continuous process plants based on technical assessment.

An item of property, plant and equipment is derecognized 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 recognized in consolidated statement of profit and loss.

Transition to Ind AS

For transition to Ind AS, the Group has elected to measure all its property, plant and equipment at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. April 1, 2016.

(i) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes purchase price, taxes and duties and other direct costs incurred for bringing the asset to the condition of its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item

NOTES to the financial statements for the year ended 31st March 2018

can be measured reliably. All other repair and maintenance costs are recognized in consolidated statement of profit and loss as incurred. Borrowing costs attributable to the acquisition or construction of a qualifying asset is also capitalised as part of the cost of the asset.

Depreciation on investment property is provided on the straight-line method, pro-rata to the period of use, over the useful life as prescribed in Schedule II to the Companies Act, 2013

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in consolidated statement of profit and loss in the period in which the property is derecognized.

Transition to Ind AS

For transition to Ind AS, the Group has elected to measure all its investment property at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. April 1, 2016.

(j) Intangible assets

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is recognized on a straight-line basis over their estimated useful lives.

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses.

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognized in consolidated statement of profit and loss when the asset is de-recognized.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their expected useful lives.

Estimated useful lives of the finite-life intangible assets are as follows:

Asset	Useful Life
Computer Software	5 years
Technical know-how	10 years

An intangible asset having indefinite useful life is not amortized but is tested for impairment annually. Indefinite life intangibles mainly consist of brands/trademarks. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

The estimated useful life and amortization 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.

Transition to Ind AS

For transition to Ind AS, the Group has elected to measure all its intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. April 1, 2016.

(k) Impairment of tangible assets and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in consolidated statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in

NOTES to the financial statements for the year ended 31st March 2018

consolidated statement of profit and loss. An impairment loss recognized for goodwill is not reversed in a subsequent period.

(l) Inventories

Inventories are valued at lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost is determined as follows:

i. Raw materials, stores & spares, finished goods and stock-in-trade on a weighted average method.

ii. Work-in-progress

PSF division

Material cost included in the valuation is determined on the basis of the weighted average rate and cost of conversion and other costs are determined on the basis of average cost of conversion of the preceding month.

iii. Real estate under development

Real estate under development comprises cost of land, premium for development rights, rates & taxes, construction costs, borrowing costs, overheads and expenses incidental to the projects undertaken by the Group. Cost of land and construction / development costs are charged to consolidated statement of profit and loss proportionate to area sold and at the time when corresponding revenue is recognized.

(m) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks and other short term highly liquid investments, which are readily convertible into cash and which are subject to an insignificant risk of change in value and have original maturities of three months or less.

(n) Financial Instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in consolidated statement of profit and loss.

Financial Assets:

On initial recognition, a financial asset is recognised at fair value. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments:

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition, on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortized cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any, is recognized in the consolidated statement of profit and loss.

(b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the consolidated Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the consolidated Statement of Profit and Loss.

(c) Measured at fair value through profit or loss: A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest

income and dividend income if any, recognized in the consolidated statement of profit and loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value. The Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognized in the consolidated statement of profit and loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the consolidated statement of profit and loss. Dividend income on the investments in equity instruments are recognized in the consolidated statement of profit and loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

For financial assets other than trade receivables, as per Ind AS 109, the Group recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at fair value through profit or loss account are measured at fair value with all changes in fair value recognized in the consolidated statement of profit and loss. Interest expense are included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

NOTES to the financial statements for the year ended 31st March 2018

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

Derivative financial instruments

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in consolidated statement of profit and loss immediately. The Group has not designated any derivative instruments as a hedging instrument.

(o) 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 discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(p) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and similar allowances.

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Group retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales.

Income from export incentives such as duty drawback and premium on sale of import licenses, and lease license fee are recognised on accrual basis.

Rendering of services

Revenue from contract to provide services is recognized by reference to the stage of completion of the contract. The stage of completion of the contract is determined as the proportion of the total time expected to complete the service that has elapsed at the end of reporting period.

Income from Real Estate Activity

Revenue from real estate activity is recognized to the extent that it is probable that the economic benefits will flow to the Group, all significant risks and rewards of ownership are transferred to the customers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

Revenue from real estate development activity is recognized in accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) issued by the institute of Chartered Accountants of India. Accordingly, where the Group still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue is recognized on the 'Percentage of Completion Method'.

NOTES to the financial statements for the year ended 31st March 2018

Revenue is recognized in relation to the sold areas, on the basis of percentage of actual cost incurred to the total estimated cost of project.

In accordance with the Guidance Note, revenues from real estate projects are recognized only when:

i. all critical approvals necessary for commencement of the project have been obtained, and

ii. the actual construction and development cost incurred is at least 25% of the total construction and development cost (excluding cost of land), and

iii. at least 10% of the sales consideration is realized, and

iv. At least 25% of the total saleable area of the project is secured by contracts or agreements with buyers.

Cost of Construction / Development (including cost of land) incurred is charged to the consolidated statement of profit and loss proportionate to area sold and the balance cost is carried over under Inventory as part of Development Work-in-Progress. Cost of construction / development includes all costs directly related to the Project and other expenditure as identified by the management which are reasonably allocable to the project.

Unbilled revenue disclosed under other non-current and other current financial assets represents revenue recognized over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognized profits to date on projects under construction are disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Group, relating to the percentages of completion, costs to completion, expected revenues from the project and the foreseeable losses to completion.

The estimates of saleable area and cost of construction are reviewed periodically by the management and the effect of such changes to estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Dividend and interest income

Dividend income from investments is recognized when the Group's right to receive payment has been established.

Interest income from a financial asset is recognized using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(q) Cost recognition

Costs and expenses are recognized when incurred and are classified according to their nature.

(r) Employee Benefits

Post-employment benefits

Contributions to **defined contribution schemes** are recognised as an expense when employees have rendered service entitling them to the contributions.

a. Provident and Family Pension Fund

The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Group make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund and pension fund set up as irrevocable trust by the Group or to respective Regional Provident Fund Commissioner. The Group has no further obligations beyond making the contribution, except that any shortfall in the fund assets based on the Government specified minimum rates of return in respect of provident fund set up by the Group. The Group does not expect a shortfall in the fund assets in the near term and has consequently classified the scheme as a defined contribution scheme and is committed to recognise such contributions and shortfall, if any, as an expense in the year it is incurred.

b. Superannuation

The eligible employees of the Group are entitled to receive post-employment benefits in respect of superannuation fund in which the Group makes annual contribution at a specified percentage of the employees' eligible salary (currently 10% or 15 % of employees' eligible salary). The contributions are made to the Superannuation fund set up as irrevocable trust by the Group. Superannuation is classified as Defined Contribution Plan as the Group has no further obligations beyond making the contribution. The Group's contribution to Defined Contribution Plan is charged to consolidated statement of profit and loss as incurred.

For **defined benefit retirement plans**, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling

NOTES to the financial statements for the year ended 31st March 2018

(if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to consolidated statement of profit or loss. Past service cost is recognised in consolidated statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The group has the following Defined Benefit Plans:

a. Gratuity

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days or 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Contributions are made to the Gratuity Fund set up as irrevocable trust by the Group.

b. Other long-term employee benefits - compensated absences

The Group provides for encashment of leave or leave with pay subject to certain rules. The leave accumulated to the credit of the employees up to Dec 31, 2014 is available for carry forward and encashment on separation. The Group makes provision for such compensated absences based on an actuarial valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method. Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the consolidated statement of profit and loss.

Post 2014, leave earned during the year has to be utilized by the employees within the following year. Such leave is a short term employee benefit and is provided at the undiscounted amount in the period in which it is incurred.

c. Termination Benefits

The Group provides for compensation payable as part of termination benefits when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Termination benefits falling due more than twelve months after the balance sheet date are provided on the basis of an actuarial valuation by an independent actuary as at the year-end using Project Unit Credit Method.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

(s) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in consolidated statement of profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

NOTES to the financial statements for the year ended 31st March 2018

(t) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

(u) Government Grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in consolidated statement of profit and loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in consolidated statement of profit and loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(v) Foreign Currency Transactions

The management of the Group has determined Indian rupee ("INR") as the functional currency of the Group. In preparing the consolidated financial statements of the Group, transactions in currencies other than the Group's functional currency ("foreign currencies") are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(w) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(x) Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against those deductible temporary differences which can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

NOTES to the financial statements for the year ended 31st March 2018

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(y) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Group as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(z) Segment Reporting

Ind AS 108 establishes standards for the way that public enterprises report information about operating segments and related disclosures about products, services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the Group is required to present information in the manner which the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources. The analysis is generally based on an analysis of various performance indicators by business segments.

The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the relevant applicable accounting policies above. Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment.

Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses. Inter-segment transfers are accounted at prevailing market prices.

NOTES to the financial statements for the year ended 31st March 2018

3 First Time Adoption of Ind AS

Transition to Ind AS

The Group has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2017, with a transition date of April 1, 2016. These are the Group's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the consolidated financial statements for the year ended March 31, 2018, the comparative information presented in these consolidated financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the Group's date of transition). In preparing its opening consolidated Ind AS balance sheet, the Group has adjusted the amounts reported previously in consolidated financial statements prepared in accordance with the accounting standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended and the provisions of the Act, (Previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. The Group has prepared the opening consolidated balance sheet as per Ind AS as of April 1, 2016 by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. The resulting difference between the carrying values of the assets and liabilities in the consolidated financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Group in restating its consolidated financial statements prepared under previous GAAP, including the Balance Sheet as at April 1, 2016 and the consolidated financial statements as at and for the year ended March 31, 2017.

The exceptions and certain optional exemptions availed by the Group in accordance with the guidance provided in Ind AS 101, First Time Adoption of Indian Accounting Standards, and reconciliation of equity and total comprehensive income from previously reported GAAP to Ind AS are detailed below :

A. Exceptions and Exemptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS Mandatory Exceptions

A.1.1 Estimates

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL or FVOCI; and
- Impairment of financial assets based on expected credit loss model.

A.1.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.1.3 Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

A.2 Ind AS Optional Exemptions

A.2.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the

NOTES to the financial statements for the year ended 31st March 2018

date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

A.2.2 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Group has elected to apply this exemption for its investment in equity instruments other than investments in subsidiaries, associates and joint ventures.

A.2.3 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Group has applied same exemption for investment in associates and joint ventures.

A.2.4 Deemed Cost for Investments in associates and joint ventures

Ind AS 101 permits a first time adopter to continue previous GAAP carrying value for investment in equity instruments of associates and joint venture. Accordingly, the Group has elected to apply the said exemption.

A.2.5 Accounting for Jointly controlled entity

P.T. Five Star Textile Indonesia was accounted for using the proportionate consolidation method under previous GAAP whereas it needs to be accounted using the equity method under Ind AS. Therefore, as required by Ind AS 101, the Group has:-

- On the transition date, recognised investment in P.T. Five Star Textile Indonesia by measuring it at the aggregate of the carrying amount of the assets and liabilities that the Group had proportionately consolidated under previous GAAP as of the transition date;
- This investment amount has been deemed to be the cost of investment at initial recognition;

  The Group has tested the investment in P.T. Five Star Textile Indonesia for impairment as of the transition date and impairment has been done in F.Y 2016-17 amounting to ₹ 1.59 crores;
- After initial recognition at the transition date, the Group has accounted for P.T. Five Star Textile Indonesia using the equity method in accordance with Ind AS 28.

B Reconciliations between previous GAAP and Ind AS.

Ind AS requires an entity to reconcile equity, total comprehensive income and cash flows for the period before the reporting period. The following tables represents the reconciliation from previous GAAP to Ind AS

I. Reconciliation of Total Equity as at March 31, 2017 and April 1, 2016

II. Reconciliation of Total Comprehensive income for the year ended March 31, 2017

III. Adjustments to Statement of Cash Flows for the year ended March 31, 2017

NOTES to the financial statements for the year ended 31st March 2018

I Reconciliation of total equity as at March 31, 2017 and April 01, 2016: (₹ in crores)

PARTICULARS	NOTES	As at 31st March, 2017	As at 1st April, 2016
Total equity (shareholder's funds) under previous GAAP		**1,182.40**	**1,244.89**
- Impact of merger of Archway		**-**	**2.35**
Ind AS adjustments			
- Reversal of revaluation reserve	(a)	(861.83)	(934.42)
- Impact on account of change in measurement of revenue from real estate development (net of cost) as per new guidance note on real estate.	(a)	(975.66)	(1,057.76)
- Financial element in sale price recorded separately	(b)	156.86	115.76
- Reversal of proposed Dividend & tax thereon	(c)	17.40	12.43
- Fair Valuation of Investments in Equity Shares	(d)	735.19	441.24
- Reversal of Hedging Reserve	(e)	-	(0.92)
- Allowance for credit loss	(f)	(2.90)	-
- Remeasurement on defined benefit plans (net of tax)	(g)	0.30	-
- Net change in Share of profit or losses of Jointly Controlled Entity and Associates		41.03	3.66
- Other Ind AS adjustments	(h)	0.24	0.02
Total adjustment to equity		(889.37)	(1,419.99)
Total equity (shareholder's funds) under Ind AS		293.03	(172.75)

II Reconciliation of total comprehensive income for the year ended March 31, 2017: (₹ in crores)

PARTICULARS	Notes	Year ended 31st March, 2017
Profit after tax as per previous GAAP		57.41
Adjustments :		
- Net increase in revenue from real estate development (net of cost) as per new guidance note on real estate	(a)	123.18
- Reversal of gain on sale of equity investment(FVTOCI)	(d)	(311.90)
- Increase in allowance for credit loss	(f)	(2.90)
- Actuarial loss on employee defined benefits transferred to OCI	(g)	1.43
- Others (net)	(h)	0.24
- Fair value gain on revaluation of Corporate Guarantees given	(i)	2.29
- Allowance for doubtful corporate guarantee commission given		(2.29)
- Net change in share of profit for Jointly Controlled Entity and Associates		6.02
Total adjustments		**(183.93)**
Loss under Ind AS		**(126.52)**
Other comprehensive income under Ind AS, net of tax		
- Fair Value changes of investments in equity shares		605.86
- Actuarial loss on employee defined benefit		(1.43)
- Tax impact on employee defined benefits adjustment		0.30
Total comprehensive income under Ind AS		**478.21**

NOTES to the financial statements for the year ended 31st March 2018

III Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2017: (₹ in crores)

PARTICULARS	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	44.28	124.76	169.04
Net cash flows from investing activities	329.81	(209.31)	120.50
Net cash flows from financing activities	(348.01)	94.13	(253.88)
Net increase in cash and cash equivalents	26.08	9.58	35.66
Cash and cash equivalents as on April 1, 2016	26.47	(7.72)	18.75
Amount transferred on amalgamation of subsidiary	9.50	(3.07)	6.43
Cash and cash equivalents as on March 31, 2017	**62.05**	**(1.21)**	**60.84**

The Ind AS adjustments are either non cash adjustments or are regrouping in the cash flows between operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended March 31, 2017 as compared with the previous GAAP.

Notes to the above reconciliations

a) Under previous GAAP, revenue from real estate development was recognized in accordance with Guidance note on Recognition of Revenue by Real Estate Developers [GN(A)23 (Issued 2006)] issued by ICAI as the project had commenced before 1 April, 2012. The Group had converted freehold land for its ONE & TWO ICC Projects from Property, Plant and Equipment to Stock in trade at market value and the difference between the market value and cost had been credited to Revaluation Reserve. The revalued cost of the land was considered as part of the Budgeted & Actual cost incurred for calculation of Percentage Completion. Under Ind AS, the stock in trade needs to be carried at cost and hence, revaluation included in the stock in trade (cost of land) has been reversed resulting in changes to the Percentage of Completion of the project.

b) Under previous GAAP, the premium charged by the Group on sale of apartments under the deferred payment scheme (Subvention Scheme) compared to the price charged under the normal sales scheme was also considered as part of sales consideration and was recognised as revenue under the percentage of completion method. Under Ind AS, the Group is required to record any significant financing element in the sale price as separate interest income. Hence, the premium charged under deferred payment scheme has been recognised separately and is not considered for calculation of revenue based on Percentage Of Completion Method (POCM).

c) Under previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of financial statements were considered as adjusting events. Accordingly provision for proposed dividend was recognised as a liability. Under Ind AS such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend has been reversed with corresponding adjustment to retained earnings. Consequently the total equity increased by an equivalent amount.

d) Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary diminution. Under Ind AS certain financial assets (equity investments in BBTCL, NPL and DB Realty Limited) are measured at fair value through Other Comprehensive Income which has resulted into an increase of equity by ₹ 441.24 crores as at transition date.

Since the gain on sale of such shares was considered under previous GAAP in statement of profit and loss in 2016-17 ,the same has been reversed.

e) The Group has discontinued Hedge Accounting under Ind AS. Hence, Hedging Reserve created under Indian GAAP has been reversed in the reserves as on transition date.

f) Under previous GAAP, the provision was made when the receivable turned doubtful based on management assessment on case

NOTES to the financial statements for the year ended 31st March 2018

to case basis. Under Ind AS 109, the Group is required to apply "expected credit loss" model for recognizing the allowance for credit loss against trade receivables.

g) The Group has recognised costs related to its post-employment defined benefit plan on an actuarial basis, both under Ind AS and as per previous GAAP. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit and loss. Under Ind AS 19, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets excluding amounts included in net interest on the net defined benefit liability (asset)] and their corresponding income tax effects are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income.

h) Under Indian GAAP, there are certain security deposits (refundable) taken which are carried at nominal value. Ind AS requires to measure these liabilities at fair value at inception and subsequently these assets are measured at amortized cost. At inception date, the Group recognises the difference between deposit fair value and nominal value as Advance rent received and same is being recognised as rent income on straight line basis over the lease period. Further, the Group recognises notional interest expense on these deposit over the lease term.

Similarly, in case of deposits given by the Group, difference between deposit fair value and nominal value is recorded as deferred lease expenses and same is being recognised as lease expenses on straight line basis over the lease period and the Group recognises notional interest income on these deposit over the lease term.

i) Under previous GAAP, there was no accounting for fair value of financial guarantees given. Financial guarantee given was disclosed under contingent liability and commitments. Under Ind AS the financial guarantees given on behalf of Joint ventures are fair valued on the date of giving the guarantee and subsequently unwound over the period of guarantee given.

4 PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

DESCRIPTION OF ASSETS	Freehold land	Leasehold Land	Buildings	Office Equipment	Computers	Vehicles	Plant and machinery	Furniture & Fixture	Total
I. Gross Block									
Balance at April 1, 2016 [Cost or Deemed Cost]	**109.00**	**0.37**	**50.83**	**0.18**	**3.32**	**3.50**	**406.01**	**11.41**	**584.62**
Additions	-	-	4.98	0.24	0.36	0.07	7.16	-	12.81
Disposals	-	-	(0.03)	-	-	-	-	-	(0.03)
Reclassified from assets held for sale	-	-	-	0.01	(0.03)	-	0.17	0.52	0.67
Balance at March 31, 2017	**109.00**	**0.37**	**55.78**	**0.43**	**3.65**	**3.57**	**413.34**	**11.93**	**598.07**
Additions	-	-	0.77	0.25	0.35	0.65	11.71	-	13.73
Disposals	-	-	-	(0.04)	(0.44)	(0.22)	(0.02)	(0.02)	(0.74)
Reclassified as held for sale	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	0.04	-	-	-	0.04
Balance at March 31, 2018	**109.00**	**0.37**	**56.55**	**0.64**	**3.60**	**4.00**	**425.03**	**11.91**	**611.10**
II. Accumulated depreciation and impairment									
Balance at April 1, 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation / amortisation expense for the year	-	0.01	1.97	0.38	1.05	0.15	23.47	3.28	30.31
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-
Balance at March 31, 2017	**-**	**0.01**	**1.97**	**0.38**	**1.05**	**0.15**	**23.47**	**3.28**	**30.31**
Depreciation / amortisation expense for the year	-	0.01	1.59	0.28	1.00	0.16	23.97	2.32	29.33
Eliminated on disposal of assets	-	-	-	(0.03)	(0.44)	(0.21)	(0.02)	(0.01)	(0.71)
Balance at March 31, 2018	**-**	**0.02**	**3.56**	**0.63**	**1.61**	**0.10**	**47.42**	**5.59**	**58.93**
III. Net block (I-II)									
Balance at March 31, 2018	**109.00**	**0.35**	**52.99**	**0.01**	**1.99**	**3.90**	**377.61**	**6.32**	**552.17**
Balance at March 31, 2017	**109.00**	**0.36**	**53.81**	**0.05**	**2.60**	**3.42**	**389.87**	**8.65**	**567.76**
Balance at April 1, 2016	**109.00**	**0.37**	**50.83**	**0.18**	**3.32**	**3.50**	**406.01**	**11.41**	**584.62**

a) The Group has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. March 31, 2016 as its deemed cost on the date of transition to IND AS i.e. April 1, 2016

b) There are no adjustments to Property, Plant and Equipment on account of borrowing cost and exchange differences.

c) Certain freehold land and buildings, plant and machinery are pledged against borrowings , details relating to which have been described in Notes - 24 , 27 and 42.

5 CAPITAL WORK - IN - PROGRESS

Capital Work in Progress includes WIC High Street Retail (The Plaza) ₹ 71.04 crores (March 31, 2017 ₹ 71.04 crores and April 1, 2016 ₹ 71.04 crores),the work for which has been stalled since November 2015. The Group has decided to include this work as part of the WIC Master Plan which is under finalisation. The cost incurred on the project till date is supported by a valuation from an external registered valuer, estimating the market value of the property under development at ₹ 73.19 crores as at March 31, 2018.

NOTES to the financial statements for the year ended 31st March 2018

6 INVESTMENT PROPERTY

(₹ in crores)

DESCRIPTION OF ASSETS	Buildings	Total
I. Gross Block		
Balance as at April 1, 2016 [Cost or Deemed Cost]	**3.82**	**3.82**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2017	**3.82**	**3.82**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2018	**3.82**	**3.82**
II. Accumulated depreciation		
Balance as at April 1, 2016	**-**	**-**
Charge for the year	0.07	0.07
Balance as at March 31, 2017	**0.07**	**0.07**
Charge for the year	0.07	0.07
Balance as at March 31, 2018	**0.14**	**0.14**
III. Net block (I-II)		
Balance as at March 31, 2018	**3.68**	**3.68**
Balance as at March 31, 2017	**3.75**	**3.75**
Balance as at April 1, 2016	**3.82**	**3.82**
IV. Fair Value		
Balance as at March 31, 2018	**216.18**	**216.18**
Balance as at March 31, 2017	**214.06**	**214.06**
Balance as at April 1, 2016	**211.18**	**211.18**

a) The Group has given commercial premises on operating lease which form part of its premises at Neville House,Ballard Estate and C-1 Wadia International Centre, Worli. Refer note 57 for details of leasing arrangements.

b) The fair value of the investment properties as at March 31, 2018 and March 31, 2017 and April 1, 2016 has been arrived at on the basis of a valuation carried out by independent valuers registered with the authority which governs the valuers in India. All fair value estimates for investment properties are included in Level 2.

i) Reconciliation of Fair Value

(₹ in crores)

PARTICULARS	
Buildings	
Opening balance as at April 1, 2016	211.18
Fair value differences	2.88
Purchases	-
Opening balance as at April 1, 2017	214.06
Fair value differences	2.12
Purchases	-
Closing balance as at March 31, 2018	216.18

NOTES to the financial statements for the year ended 31st March 2018

ii) Amounts recognised in profit and loss for investment properties (₹ in crores)

PARTICULARS	March 31, 2018	March 31, 2017
Rental income derived from investment properties	35.22	29.93
Direct operating expenses (including repairs and maintenance) generating rental income	(6.15)	(4.25)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation	**29.07**	**25.68**
Depreciation for the year	(0.07)	(0.07)
Profit arising from investment properties	**29.00**	**25.61**

7 INTANGIBLE ASSETS

(₹ in crores)

PARTICULARS	Software	Technical Know how	Total
I. Gross Block			
Balance as at April 1, 2016 [Cost or Deemed Cost]	**1.24**	**0.63**	**1.87**
Additions	-	-	-
Disposals	-		-
Adjustments	0.02		0.02
Balance as at March 31, 2017	**1.26**	**0.63**	**1.89**
Additions	0.02		0.02
Disposals	(0.09)		(0.09)
Adjustments	(0.04)		(0.04)
Balance as at March 31, 2018	**1.15**	**0.63**	**1.78**
II. Accumulated amortisation			
Balance as at April 1, 2016	**-**	**-**	**-**
Amortisation expense	0.86	0.42	1.28
Disposals	-	-	-
Balance as at March 31, 2017	**0.86**	**0.42**	**1.28**
Amortisation expense	0.27	0.21	0.48
Disposals	(0.09)	-	(0.09)
Balance as at March 31, 2018	**1.04**	**0.63**	**1.67**
III. Net block (I-II)			
Balance as at March 31, 2018	**0.11**	**-**	**0.11**
Balance as at March 31, 2017	**0.40**	**0.21**	**0.61**
Balance as at April 1, 2016	**1.24**	**0.63**	**1.87**

a) The Group has elected to measure all its intangibles at the previous GAAP carrying amount i.e. March 31, 2016 as its deemed cost ,on the date of transition to Ind AS i.e., April 1, 2016.

b) Refer Note 42 for information on intangible assets pledged as security by the Group.

NOTES to the financial statements for the year ended 31st March 2018

8 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

PARTICULARS	Paid up Value / Face Value	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
		No. of shares	₹ in crores	No. of shares	₹ in crores	No. of shares	₹ in crores
Investments carried at cost Equity Investments - non current							
Unquoted							
Associate Companies							
Bombay Dyeing Real Estate Company Limited	₹ 10 each	20,000	*	20,000	*	20,000	0.04
Pentafil Textile Dealers Limited	₹ 100 each	88,200	1.13	88,200	0.36	88,200	0.27
			1.13		**0.36**		**0.31**
Joint ventures							
P. T. Five Star Textile Indonesia	U.S. $ 1,000 each	2,217	-	2,217	-	2,217	-
TOTAL			**1.13**		**0.36**		**0.31**

* denotes value less than ₹ 1 lakh

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Aggregate Carrying Value of Unquoted Investments	1.13	0.36	0.31
Aggregate Provision for Impairment in the Value of Investments	-	-	-

9 INVESTMENTS - NON CURRENT

PARTICULARS	Paid up Value / Face Value	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
		No. of shares	₹ in crores	No. of shares	₹ in crores	No. of shares	₹ in crores
Investment in Equity Instruments							
At fair value through Other Comprehensive Income							
Quoted							
Bombay Burmah Trading Corporation Limited	₹ 2 each	7,538,600	882.62	8,719,290	744.06	13,038,600	478.26
National Peroxide Limited	₹ 10 each	285,000	66.60	285,000	27.94	285,000	15.81
D. B. Realty limited	₹ 10 each	25,262	0.12	25,262	0.10	25,262	0.10
Citurgia Biochemicals Limited **	₹ 10 each	15,560	-	15,560	0.02	15,560	0.02
Quoted total - A			**949.34**		**772.12**		**494.19**
Unquoted							
BDS Urban Infrastructure Pvt. Ltd	₹ 10 each	1,900	0.01	1,900	0.01	1,900	0.01
Roha Industries Association's Co-operative Consumers Society Ltd.	₹ 25 each	100	*	100	*	100	*
Scal Services Ltd.	₹ 100 each	30,400	0.30	30,400	0.30	30,400	0.30
Less:- Provision for diminution in value of Investment			(0.31)		-		-
Unquoted total - B			**-**		**0.31**		**0.31**
TOTAL (A+B)			**949.34**		**772.43**		**494.50**

* denotes value less than ₹ 1 lakh

**Investment in Citurgia Biochemicals Limited is listed on BSE but trading in the script has been suspended since January, 2013 for penal reasons.

NOTES to the financial statements for the year ended 31st March 2018

a) The carrying value and market value of quoted and unquoted investments are as under : (₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Aggregate Carrying Value of Quoted Investments	949.34	772.12	494.19
Aggregate Market Value of Quoted Investments	949.34	772.10	494.17
Aggregate Carrying Value of Unquoted Investments	0.31	0.31	0.31
Aggregate Provision for Impairment in the Value of Investments	0.31	-	-

b) The Group has given a letter of comfort to Dewan Housing Finance Ltd. (DHFL) against loan extended by DHFL to SCAL Services Ltd. amounting to ₹ 650 crores (March 31,2017 ₹ Nil) (April 1,2016 ₹ Nil).The Group has also given an undertaking to DHFL not to dilute the Group's shareholding of 19% in SCAL Services Ltd.

10 LOANS - NON CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured			
Loans to related parties (Refer Note (a) below)			
Considered Doubtful	214.43	61.18	24.83
- Less: Allowance for doubtful advances	(214.43)	(61.18)	(24.83)
	-	-	-
Loans to employees	0.13	0.14	0.17
TOTAL	**0.13**	**0.14**	**0.17**
a) Loans to related party pertain to:			
P.T. Five StarTextile Indonesia (Refer Note 41)	214.43	61.18	24.83

11 OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Security deposits			
- Considered good (Refer Note (a) below)	7.35	8.53	7.34
- Considered doubtful	0.68	0.55	0.57
- Less : Allowance for doubtful deposits	(0.68)	(0.55)	(0.57)
	7.35	8.53	7.34
Industrial subsidy receivable			
- Considered good	31.01	33.46	18.89
- Considered doubtful	4.64	2.13	2.13
- Less : Allowance for doubtful receivables	(4.64)	(2.13)	(2.13)
	31.01	**33.46**	**18.89**
Unbilled revenue	-	787.02	488.29
Earmarked bank deposits with maturity greater than one year (Refer Note (b) below)	1.75	6.71	6.40
Bank deposits with maturity more than twelve months (Refer Note (c) below)	2.00	-	-
Interest accrued on deposits	0.15	0.33	0.45
TOTAL	**42.26**	**836.05**	**521.37**
(a) Security deposits given to related party :-			
The Bombay Burmah Trading Corporation Limited - Deposits	1.63	1.44	1.28

(b) Deposits with banks are under lien as security for guarantees issued on behalf of the Group.

(c) Bank deposits with maturity more than twelve months is maintained with scheduled bank to be utilised for the repayment of public deposits.

NOTES to the financial statements for the year ended 31st March 2018

12 OTHER NON CURRENT ASSETS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Capital advances	1.45	1.65	1.28
Prepaid expenses	1.06	2.63	1.51
Advances Receivable in kind			
- Considered Good	1.72	2.08	2.38
- Considered Doubtful	2.24	3.11	2.96
- Less: Allowance for doubtful advances	(2.24)	(3.11)	(2.96)
	1.72	2.08	2.38
Balances with government authorities			-
- Considered good	2.09	2.05	1.85
- Considered doubtful	1.98	1.98	1.46
- Less : Allowance for doubtful advances	(1.98)	(1.98)	(1.46)
	2.09	2.05	1.85
TOTAL	**6.32**	**8.41**	**7.02**

13 INVENTORIES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(Valued at lower of cost and net realisable value)			
Raw materials [includes in transit ₹ 42.76 crores (March 31, 2017 ₹ 38.33 crores) (April 1, 2016 ₹ 25.34 crores)]	78.92	70.98	50.50
Work-in-progress	13.18	9.92	7.82
Finished goods [includes in transit ₹ 8.39 crores (March 31, 2017 ₹ Nil) (April 1, 2016 ₹ 7.86 crore)]	59.69	79.86	64.73
Stock-in-Trade	36.34	70.33	59.78
Stores, spares and catalysts	9.62	7.89	13.46
Real estate development work-in-progress	211.25	181.84	127.26
TOTAL	**409.00**	**420.82**	**323.55**

a) The value of inventories above is stated after impairment of ₹ 9.37 crores (March 31, 2017 :₹ 8.37 crores) (April 1, 2016: ₹ 8.08 crores) for write down to the net realisable value and provision for slow moving and obsolete items.

b) Real Estate development work - in - progress includes expenditure incurred by the Group on projects which are delayed or yet to be commenced. Management expects to commence these projects in near future and does not expect any loss on this account.

c) Refer Note 42 for information on inventories pledged as security by the Group.

14 TRADE RECEIVABLES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
- Considered good	212.36	137.87	238.15
- Considered doubtful	29.91	28.23	19.89
	242.27	166.10	258.04
- Less: Allowance for credit loss	(29.91)	(28.23)	(19.89)
TOTAL	**212.36**	**137.87**	**238.15**

NOTES to the financial statements for the year ended 31st March 2018

a) In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(i) Reconciliation of credit loss allowance :

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Loss allowance at the beginning of the year	28.23	19.89
Allowance for expected credit loss	1.68	8.34
Excess provision written back	-	-
Loss allowance at the end of the year	**29.91**	**28.23**

(ii) Ageing of trade receivables and credit risk arising there from is as below:

(₹ in crores)

PARTICULARS	As at 31st Mar, 2018		
	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	83.25	0.11	83.14
30 days past due	15.52	0.14	15.38
31-60 days past due	37.34	0.07	37.27
61-90 days past due	6.03	0.10	5.93
91-120 days past due	2.78	-	2.78
121-180 days past due	6.53	0.04	6.49
181-360 days past due	27.37	0.61	26.76
more than 360 days past due	63.45	28.84	34.61
	242.27	**29.91**	**212.36**

(₹ in crores)

	As at 31st Mar, 2017		
PARTICULARS	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	38.89	0.08	38.81
30 days past due	23.64	0.09	23.56
31-60 days past due	11.61	0.05	11.56
61-90 days past due	6.08	0.07	6.01
91-120 days past due	4.99	0.47	4.52
121-180 days past due	12.75	1.48	11.26
181-360 days past due	5.15	0.45	4.70
more than 360 days past due	62.99	25.54	37.45
	166.10	**28.23**	**137.87**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	As at 1st April, 2016		
	Gross credit risk	Allowance for credit loss	Net credit risk
Amount not due	88.82	-	88.82
30 days past due	17.85	-	17.85
31-60 days past due	48.79	-	48.79
61-90 days past due	2.71	-	2.71
91-120 days past due	3.52	-	3.52
121-180 days past due	10.04	-	10.04
181-360 days past due	13.54	0.49	13.05
more than 360 days past due	72.77	19.40	53.37
	258.04	**19.89**	**238.15**

(b) Trade receivables includes ₹ 42.01 crores (March 31, 2017 ₹ 40.19 crores) (April 1, 2016 ₹ 38.41 crores) due from a customer towards part compensation for sale of property, common area maintenance charges and project related costs. The receivables are under dispute and the matter has been referred to arbitration. Pending finalisation of arbitration proceedings, the receivables are considered good.

(c) Refer Note 42 for information on receivables pledged as security by the Group.

15 CASH AND CASH EQUIVALENTS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with banks in current accounts	13.78	57.63	19.46
Cheques on hand	0.32	3.14	5.62
Cash on hand	0.05	0.07	0.10
TOTAL	**14.15**	**60.84**	**25.18**

16 OTHER BANK BALANCES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Earmarked balances with banks :			
Unpaid dividend accounts	1.30	1.13	1.05
Escrow accounts (Refer Note (a) below)	6.30	49.01	68.18
Deposits under lien and in escrow accounts (Refer Note (b) below)	101.63	51.32	11.24
Bank deposits with maturity less than twelve months (Refer Note (c) below)	10.00	-	14.55
TOTAL	**119.23**	**101.46**	**95.02**

(a) Balances with banks in escrow accounts represents amounts held in escrow in accordance with the directions of the Monitoring Committee for redevelopment of land of Cotton Textile Mills.

(b) Bank deposits include restricted deposits as under :

- Fixed deposits under lien towards security for guarantees issued on behalf of the Group ₹ 67.82 crores (March 31, 2017 ₹ 38.05 crores) (April 1, 2016 ₹ 4.76 crores).
- Short term deposits held in escrow accounts relate to amounts held under Escrow in accordance with the directions of the Monitoring Committee for redevelopment of land of Cotton Textile Mills ₹ 33.81 crores (March 31, 2017 ₹ 13.27 crores) (April 1, 2016 ₹ 6.48 crores)

(c) Bank deposits with maturity less than twelve months is maintained with scheduled bank to be utilised for the repayment of public deposits.

NOTES to the financial statements for the year ended 31st March 2018

17 LOANS - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Loans (Others)	0.01	-	-
Loans to employees	0.57	0.52	0.59
Inter Corporate Deposits (Refer note (a) below)	1.28	242.87	25.10
TOTAL	**1.86**	**243.39**	**25.69**

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Inter Corporate Deposits include deposits with related parties as under :			
Go Airlines (India) Limited	-	-	23.85
Bombay Dyeing Real Estate Company Limited	0.25	0.84	1.25
Pentafil Textile Dealers Limited	-	12.25	-
	0.25	**13.09**	**25.10**

18 OTHER FINANCIAL ASSETS - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Interest accrued on deposits	1.98	2.15	1.40
Export benefits receivable			
- Considered good	-	8.17	11.68
- Considered doubtful	-	0.35	0.35
- Less : Allowance for doubtful advances	-	(0.35)	(0.35)
	-	8.17	11.68
Unbilled revenue	1,502.13	76.68	175.45
Security deposits	2.68	0.30	0.13
Derivatives - forward exchange contracts	0.33	-	-
Receivable from post employment benefit fund	5.08	-	-
TOTAL	**1,512.20**	**87.30**	**188.66**

(a) Unbilled Revenue which represents revenue recognised over and above amount due as per payment plans agreed with customers has been entirely classified as current as at March 31, 2018 as the project is expected to be completed within twelve months.

(b) Refer Note 42 for information on other financial assets pledged as security by the Group.

NOTES to the financial statements for the year ended 31st March 2018

19 CURRENT TAX ASSETS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance income-tax (net of provision for taxation)	54.85	17.75	37.24
TOTAL	**54.85**	**17.75**	**37.24**

A Components of income tax expense

(₹ in crores)

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Income tax expense recognised in the Statement of Profit and Loss:		
Current Tax:		
Current Tax on Profits for the year	-	29.57
Short Provision of tax of earlier years	2.78	-
Total Income tax expense	**2.78**	**29.57**

(₹ in crores)

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Deferred Tax related to items recognised in other comprehensive Income during the year		
Tax effect on remeasurement (loss) /gain on defined benefit plans	(1.14)	0.30
Total	**(1.14)**	**0.30**

B Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate / (MAT) into income tax expense reported in the statement of profit and loss is given below.

(₹ in crores)

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit before tax from continuing operations	**37.19**	**(118.67)**
Income tax expense calculated @ 21.3416%	7.94	(25.33)
Effect of income that is exempt from taxation	(0.37)	(0.34)
Effect of expenses that are not deductible in determining taxable income / book profit	33.67	14.41
Capital Gains on Sale of shares taxable under MAT	21.09	66.56
Provision/(Write Back) for Impairment loss on assets held for sale	(3.35)	0.52
Tax on Actuarial gain/(loss) on employee defined benefits obligation	1.14	(0.30)
Adjustment to book profit as per provisions of Section 115JB (2) of I.T. Act, 1961	(60.12)	-
Effect of net increase in revenue from real estate development (net of cost) as per new guidance note on real estate.	-	(26.29)
Others	-	0.34
Tax Expense	**-**	**29.57**
Short Provision of tax of earlier years		
Adjustments recognised in the current year in relation to the current tax of prior years	2.78	-
Income tax expense recognised in statement of profit and loss	**2.78**	**29.57**

NOTES to the financial statements for the year ended 31st March 2018

C Deferred Tax Balances

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Deferred tax liabilities			
Property, plant and equipment	108.02	143.58	125.77
Intangible assets	0.52	0.55	0.35
Total Deferred tax liabilities	**108.54**	**144.13**	**126.12**
Deferred tax assets			
Defined Benefit Obligation	0.84	(0.30)	-
Provisions	90.98	42.99	20.43
Others	16.72	101.44	105.69
Total Deferred tax assets	**108.54**	**144.13**	**126.12**
Net Deferred tax (liabilities)/ Assets	**-**	**-**	**-**

In the absence of reasonable certainty regarding future taxable income, deferred tax assets relating to unabsorbed depreciation and loss under the Income Tax Act is recognised only to the extent of deferred tax liability.

D Movement of Deferred Tax

Deferred tax assets/(liabilities) in relation to the year ended March 31, 2018

(₹ in crores)

PARTICULARS	Balance as at 1st April,2017	Recognised in statement of profit and loss	Recognised in OCI	Balance as at 31st March, 2018
Defined benefit obligation	(0.30)	-	1.14	0.84
Provisions	42.99	47.99	-	90.98
Others	101.44	(83.58)	(1.14)	16.72
Property, plant and equipment	(143.58)	35.56	-	(108.02)
Intangible Assets	(0.55)	0.03	-	(0.52)
Total	-	-	-	-

Deferred tax assets/(liabilities) in relation to the year ended March 31, 2017

(₹ in crores)

PARTICULARS	Balance as at 1st April, 2016	Recognised in statement of profit and loss	Recognised in OCI	Balance as at 31st March, 2017
Defined benefit obligation	-	-	(0.30)	(0.30)
Provisions	20.43	22.56	-	42.99
Others	105.69	(4.55)	0.30	101.44
Property, plant and equipment	(125.77)	(17.81)	-	(143.58)
Intangible Assets	(0.35)	(0.20)	-	(0.55)
Total	-	-	-	-

NOTES to the financial statements for the year ended 31st March 2018

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Tax losses			
- revenue in nature	561.65	153.42	288.82
- capital in nature	0.97	0.97	0.97
Unused tax credits (refer note below)	92.99	92.99	64.30
Total	**655.61**	**247.38**	**354.09**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

As on March 31, 2018 the tax liability with respect to the dividends proposed is ₹ 4.21 crores (March 31, 2017 : ₹ 2.94 crores, April 1, 2016 : ₹ 2.11 crores)

During the year, the Group has not accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ Nil (2016-17 : ₹ 28.69 crores). The Group is not reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same."

(₹ in crores)

Tax Credit Carried Forward(FY)	As at 31st March, 2018	Expiry Date	As at 31st March, 2017	Expiry Date	As at 1st April, 2016	Expiry Date
2009-10	3.77	March 31, 2020	3.77	March 31, 2020	3.77	March 31, 2020
2010-11	5.26	March 31, 2021	5.26	March 31, 2021	5.26	March 31, 2021
2011-12	14.97	March 31, 2022	14.97	March 31, 2022	14.97	March 31, 2022
2012-13	21.40	March 31, 2023	21.40	March 31, 2023	21.40	March 31, 2023
2013-14	8.47	March 31, 2024	8.47	March 31, 2024	8.47	March 31, 2024
2014-15	10.42	March 31, 2025	10.42	March 31, 2025	10.42	March 31, 2025
2016-17	28.69	March 31, 2027	28.69	March 31, 2027	-	March 31, 2027
2017-18	-		-		-	

20 OTHER CURRENT ASSETS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good unless otherwise stated			
Prepaid expenses	5.55	6.29	2.27
Balances with government authorities	36.45	30.79	37.62
Advances Receivable in kind			
- Considered good	60.83	55.05	68.21
- Considered doubtful	2.60	-	-
- Less: Allowance for doubtful advances	(2.60)	-	-
	60.83	**55.05**	**68.21**
Advances to related parties (Refer to Note (a) below)	0.53	0.67	1.58
TOTAL	103.36	92.80	109.68

NOTES to the financial statements for the year ended 31st March 2018

a) Advances to related parties :

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Go Airlines (India) Limited	-	0.05	0.76
The Bombay Burmah Trading Corporation Limited	0.17	0.17	0.27
Britannia Industries Limited	0.36	0.45	0.55
	0.53	**0.67**	**1.58**

b) Refer Note 42 for information on other current assets pledged as security by the Company.

21 ASSETS HELD FOR SALE

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(at net realisable value)			
Reclassification from Property, Plant & Equipment			
Leasehold land	-	16.64	16.64
Freehold land	-	9.35	9.35
Building	-	58.39	57.97
Plant and machinery	-	141.38	150.90
Other assets	-	0.57	1.13
Stores	-	0.10	-
Impairment loss	-	(15.69)	(13.26)
TOTAL	**-**	**210.74**	**222.73**

Ranjangaon MIDC Leasehold Land and Building:

The Group had entered into an Agreement for Sale of the leasehold land and building at Ranjangaon in 2016-17 for total consideration of ₹ 168.85 crores and had received advance of ₹ 90.60 crores till March 31, 2017. The Group received balance amount of ₹ 78.25 crores and the transaction was completed during the year.

Ranjangaon Factory Plant and Machinery and Residual Spare Parts:

The Group had agreed to sell plant and machinery and spares of Ranjangaon for ₹ 41.85 crores out of which the Group had received advance of ₹ 21.14 crores in 2016-17 . The balance amount of ₹ 20.71 crores was received during the year and sale of assets was recorded .

Ranjangaon Freehold Land:

During the year, the Group had sold the Freehold Land at Ranjangaon to a party for total consideration of ₹ 13.57 crores."

22 EQUITY SHARE CAPITAL

Equity Share Cpital	Number of Shares			Amount (₹ in crores)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Authorised						
530,000,000 Equity share of ₹ 2 each	530,000,000	530,000,000	530,000,000	106.00	106.00	106.00
Issued and subscribed						
206,534,900 Equity share of ₹ 2 each	206,534,900	206,534,900	206,534,900	41.31	41.31	41.31
TOTAL	**206,534,900**	**206,534,900**	**206,534,900**	**41.31**	**41.31**	**41.31**

NOTES to the financial statements for the year ended 31st March 2018

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	Number of Shares			Amount (₹ in crores)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
At the beginning of the year	206,534,900	206,534,900	206,534,900	41.31	41.31	41.31
Add: Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	**206,534,900**	**206,534,900**	**206,534,900**	**41.31**	**41.31**	**41.31**

(b) Rights, preferences and restrictions attached to Equity shares

The Group has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shareholders holding more than 5% shares in the Company

Equity shares	Number of Shares			% Holding		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Baymanco Investments Limited	47,312,000	47,312,000	-	22.91	22.91	-
The Bombay Burmah Trading Corporation Limited	31,550,713	31,550,713	25,783,320	15.28	15.28	12.48
N.W.Exports Limited	-	-	27,847,740	-	-	13.48
Sunflower Investment and Textiles Private Limited	-	-	22,139,783	-	-	10.72
	78,862,713	**78,862,713**	**75,770,843**	**38.19**	**38.19**	**36.68**

(d) Shares reserved for issue under options

Pursuant to the Employee Stock Option Scheme (ESOS) approved by the shareholders on August 13, 2002 and as further amended by the shareholders on August 7, 2012, the Group has granted 14,000 options, (70,000 options post sub-division) to the Ex-Joint Managing Director of the Group at an exercise price of ₹ 528.25 (₹ 105.65 post sub-division) per share. As per the terms of the ESOS, the outstanding options have lapsed during the year ended March 31, 2017 and no options were outstanding as at March 31, 2017.

(e) Information regarding issue of shares during last five years

(i) No shares were allotted pursuant to contracts without payment being received in cash.

(ii) No bonus shares have been issued.

(iii) No shares have been bought back.

(f) Shares held in Abeyance

Under orders from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992, - the allotment of 4640 shares (March 31, 2017- 4640 shares) (April 1, 2016- 4640 shares) of face value of ₹ 2/- each against warrants carrying rights of conversion into equity shares of the Group has been kept in abeyance in accordance with section 206A of the Companies Act, 1956, till such time as the title of the bona fide owner is certified by the concerned Stock Exchanges.

NOTES to the financial statements for the year ended 31st March 2018

23 OTHER EQUITY

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Capital Reserve	28.60	28.60	28.60
Securities Premium Account	133.57	133.57	133.57
Investment Reserve	1.31	1.31	1.31
General Reserve	155.81	155.81	155.81
Retained Earning	(644.05)	(760.66)	(933.28)
Items of Other Comprehensive Income			
- Equity instruments through other comprehensive income	917.24	735.53	441.24
- Remeasurement of Defined Benefit plans	3.93	(1.43)	-
- Tax on remeasurement of Defined Benefit plans	(0.84)	0.30	-
TOTAL	595.57	293.03	(172.75)

Nature and purpose of reserves

a) Capital Reserve

Capital Reserves represents amounts forfeited on warrants not exercised. There is no movement in Capital Reserve during the current and previous year.

b) Capital Redemption Reserve

The same was created in accordance with provision of the Companies Act,1956 on the buy back of equity shares from the market. As on April 1, 2016, Capital redemption reserve amounting to ₹ 2.55 crores is adjusted in accordance with the scheme for amalgamation of subsidiary.

c) Securities premium reserve

Securities premium reserve represent premium on issue of shares on conversion of warrants. As on April 1, 2016, Securities premium reserve amounting to ₹ 7.80 crores is adjusted in accordance with the scheme for amalgamation of subsidiary. There is no movement in securities premium reserve during the current and previous year.

d) Investment Reserve

Investment Reserve represents gain or loss on sale of investments. There is no movement in Investment Reserve during the current and previous year.

e) General Reserve

The Group has transferred a portion of the net profit of the Group before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.There is no movement in General Reserve during the current and previous year.

f) Equity instruments through Other comprehensive income

The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in Equity instruments through Other Comprehensive Income. On disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

g) Retained Earning

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

h) Dividends

The final dividend is recommended by the Board of Directors and is recorded in the books of account upon its approval by the shareholders .For the year ended March 31, 2017 dividend per share of ₹ 0.70/- per Equity share of ₹ 2/-each was declared and for the year ended March 31, 2018 dividend per share of ₹ 1.00/- per Equity share of ₹ 2/-each has been proposed by the Board of Directors.

NOTES to the financial statements for the year ended 31st March 2018

24 NON CURRENT BORROWINGS

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured			
Term Loans			
- from banks	-	1,094.75	1,320.41
- from others	2,230.01	153.68	196.76
Unsecured			
Fixed Deposits	76.12	76.32	75.96
	2,306.13	1,324.75	1,593.13
Less : Current maturities of long term debt (included in note 29)	75.81	383.86	386.07
TOTAL	**2,230.32**	**940.89**	**1,207.06**

a) Nature of Security and terms of repayment of secured borrowing:

From Banks :

i) Term loans aggregating ₹ Nil (March 31, 2017 ₹ 185.22 crores) (April 1, 2016 ₹ 403.85 crores) were secured by first / secondary pari-passu charge over the part of land of the Group at Textile Mills at Mumbai and plant & machinery, buildings and structure thereon. Repaid during the current year.

ii) Term loan amounting to ₹ Nil (March 31, 2017 ₹ 59.16 crores) (April 1, 2016 ₹ 105.39 crores) was secured by first pari-passu charge on Group's plant and machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga and first pari-passu charge of portion of Spring Mills land & buildings and structure thereon. Repaid during the current year.

iii) Term loan amounting to ₹ Nil (March 31, 2017 ₹ 16.90 crores) (April 1, 2016 ₹ 26.10 crores) was secured by first pari-passu charge of rent receivables from premises given on lease by the Group and second charge of portion of Spring Mills land and buildings and structures thereon. Repaid during the current year.

iv) Term loan amounting to ₹ Nil (March 31, 2017 ₹ 360.00 crores) (April 1, 2016 ₹ 340.36 crores) were secured by first pari passu charge over part of land of the Group at Worli. Repaid during the current year.

v) Term loans amounting to ₹ Nil (March 31, 2017 ₹ 627.15 crores) (April 1, 2016 ₹ 567.14 crores) were secured by first pari-passu charge / escrow of receivables of One ICC and Two ICC Tower at Spring Mills, Dadar and first parsi passu charge over part of land of the Group at Textile Mills at Mumbai and buildings and structures thereon. Repaid during the current year.

vi) Term Loans aggregating ₹ Nil (March 31, 2017 ₹ Nil) (April 1, 2016 ₹ 7.80 crores) were secured by first pari passu charge on the Group's existing as well as future fixed assets at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga other than fixed assets charge exclusively to term lenders.

vii) Term loan amounting to ₹ Nil (March 31, 2017 ₹ Nil) (April 1, 2016 ₹ 66.53 crores) was secured by first pari-passu charge on Group's plant & machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga.

From Other Parties :

i) Term loans aggregating ₹ 829.54 crores (March 31, 2017 ₹ Nil) (April 1, 2016 ₹ Nil) are secured by way of registered mortgage of land underlying the project One ICC and Two ICC at Mumbai - along with the present and future unregistered flats thereon & exclusive charge by way of hypothecation on receivables arising out of all units from the project. Repayable in 24 equated monthly instalments commencing from November 2021.

NOTES to the financial statements for the year ended 31st March 2018

ii) Term loans aggregating ₹ 1400.47 crores (March 31, 2017 ₹ Nil) (April 1,2016 ₹ Nil) are secured by way of mortgage of plot of land at Pandhurang Budhkar Marg, Worli along with the present and future development. The term loan has not been fully drawn as on March 31, 2018. The repayment terms of the said loan are as under :-

Date of repayment	Amount (₹ in crores)
5th June, 2020	167.00
5th June, 2021	334.00
5th June, 2022	584.50
5th June, 2023	584.50
Total	**1670.00**

b) Terms of repayment of unsecured borrowing:

Fixed Deposits from shareholders and public are repayable over a period of two years from the date of deposit, maturing between September 2018 and September 2019.

c) There is no default in terms of repayment of principal and interest.

d) Fixed Deposits include ₹ 0.20 crores (March 31, 2017 : ₹ 0.20 crores) (April 1, 2016 : ₹ 0.10 crores) received from director.

e) The carrying amounts of financial and non - financial assets covered as security for borrowings are disclosed in Note 42.

25 OTHER FINANCIAL LIABILITIES - NON CURRENT

(₹ in crores)

PARTICULARS	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016
Deposits	13.26	12.60	8.56
Trade Payables	1.90	1.86	1.86
TOTAL	**15.16**	**14.46**	**10.42**

26 LONG TERM PROVISIONS

(₹ in crores)

PARTICULARS	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
- Provision for compensated absences (Refer Note 53)	3.56	4.04	3.24
- Provision for loyalty / long service awards (Refer Note 53)	2.23	2.16	2.00
- Provision for termination benefits (Refer Note 47)	6.23	6.93	6.58
Provision for sales tax forms (Refer Note (a) below)	4.20	3.48	3.10
TOTAL	**16.22**	**16.61**	**14.92**

(a) Movement in provisions for Sales Tax Forms

(₹ in crores)

PARTICULARS	**As at 31st March, 2018**	As at 31st March, 2017
Opening Balance	3.48	3.10
- Additions	1.02	0.68
- Amounts utilised	0.30	0.30
Closing Balance	**4.20**	**3.48**

NOTES to the financial statements for the year ended 31st March 2018

27 BORROWINGS - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured			
Loans repayable on demand from banks	29.83	102.31	235.49
Short term loans from banks :			
- Packing credit	-	92.81	165.86
- Short Term loans	35.00	70.93	-
- Buyer's Credit in Foreign currency	-	72.75	76.44
Intercorporate deposits	-	190.00	-
Unsecured			
Short Term loans from banks	-	5.00	-
Bills discounted with banks	-	-	2.71
Intercorporate deposits	-	333.05	255.50
Intercorporate deposits from related party (Refer Note (vi) below)	350.00	350.00	106.00
TOTAL	**414.83**	**1,216.85**	**842.00**

Nature of Security for Short term borrowings

i) Loans repayable on demand from banks is secured by first charge on entire current assets and fixed assets and by first charge over the Group's land, building and structures at C-1,Wadia International Centre and Texturising Building at Worli. As on March 31,2017 and as on April 1, 2016 Loans repayable on demand from banks were under consortium arrangement and were secured by hypothecation of present and future stocks, book debts and other current assets on pari passu basis and a second charge over part of the land of the Group at Textile Mills at Mumbai admeasuring 89,819.85 square metres and plant and machinery and buildings thereon on pari passu basis.

ii) Packing credit from bank as on March 31, 2017 and as on April 1, 2016 was secured by way of registered mortgage on the immovable properties in Wadia International Centre (Texturising Building and Hemming Building) located at Worli, Mumbai. Additionally, as on April 1, 2016 Packing credit from bank was secured by way of current assets of the Group (excluding the real estate division) and on the Textile mill land at Worli admeasuring 89,819.85 square metres and plant and building on pari passu basis with other lenders and was secured by first pari-passu charge over part of the land of the Group at Textile Mills at Mumbai and plant and machinery, buildings and structures thereon.

iii) Short term loans from banks is secured by first charge over the Group's land, building and structures at C-1, Wadia International Centre and Texturising Building at Worli. As on March 31, 2017 Short term loans from bank was secured by mortgage of the Group's property 'Jorbagh' and first pari-passu charge over part of the Group's land, building and structures at Worli.

iv) Buyer's Credit as on March 31, 2017 and as on April 1, 2016 was secured by hypothecation of present and future stocks, book debts and other current assets on pari passu basis and a second charge over part of the land of the Group at Textile Mills at Mumbai admeasuring 89,819.85 square metres and plant and machinery and buildings thereon on pari passu basis and was secured by first pari-passu charge on land of the Group at Spring Mills at Mumbai admeasuring 36,617.13 square metres.

v) Inter corporate deposits were secured by pledge of 7,538,600 equity shares of Bombay Burmah Trading Company Limited as at March 31, 2017

vi) Inter corporate deposits from related party :

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Britannia Industries Limited	350.00	350.00	100.00
The Bombay Burmah Trading Corporation Limited	-	-	6.00
	350.00	**350.00**	**106.00**

vii) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 42.

NOTES to the financial statements for the year ended 31st March 2018

28 TRADE PAYABLES - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Dues to Micro and Small Enterprises (Refer Note (a) below)	2.02	0.11	-
Other Creditors	349.09	357.63	309.10
TOTAL	**351.11**	**357.74**	**309.10**

a) The dues payable to Micro and Small enterprises is based on the information available with the Group and takes into account only those suppliers who have responded to the enquiries made by the Group for this purpose (Refer Note 54).

29 OTHER FINANCIAL LIABILITIES - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of long-term borrowings (Refer Note 24)	75.81	383.86	386.07
Interest accrued	15.21	4.98	4.43
Unpaid dividends (Refer Note (a) below)	1.30	1.13	1.05
Unclaimed matured deposits	0.74	0.85	1.36
Deposits	0.05	4.57	3.27
Derivatives - forward exchange contracts	-	10.94	4.67
TOTAL	**93.11**	**406.33**	**400.85**

a) During the year, the Group has transferred an amount of ₹ 0.11 crores (March 31, 2017 ₹ 0.05 crores) (April 1, 2016 ₹ 0.12 crores) to the Investor Education & Protection Fund under section 125 of the Companies Act, 2013. There is no amount due for payment to the Fund as at the year end.

30 SHORT TERM PROVISIONS - CURRENT

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
Provision for compensated absences (Refer Note 53)	4.67	4.87	5.30
Provision for termination benefits			
- Gratuity (Refer note 53)	-	0.48	0.47
- Others (Refer note 47)	0.63	0.60	0.59
Provision for loyalty / long service awards (Refer Note 53)	0.27	0.44	0.43
Other provisions			
Provision for litigation and disputes (Refer Note (a) below)	14.96	13.69	11.96
Provision for commercial and other matters (Refer Note (a) below)	26.24	31.50	10.34
TOTAL	**46.77**	**51.58**	**29.09**

NOTES to the financial statements for the year ended 31st March 2018

(a) Movements in each of the class of other provision during the financial year are set out below: (₹ in crores)

PARTICULARS	Commercial and other matters	Litigation and disputes
As at April 1, 2016	**10.34**	**11.96**
- Additions	21.16	1.73
- Amounts utilised	-	-
As at March 31, 2017	**31.50**	**13.69**
- Additions	3.34	1.55
- Amounts utilised	(8.60)	(0.28)
As at March 31, 2018	**26.24**	**14.96**

31 OTHER CURRENT LIABILITIES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advances from customers (including for sale of property)	40.41	123.42	24.83
Statutory dues including service tax and withholding tax	13.60	24.83	17.25
Employee benefits payable	8.20	5.51	10.52
Other liabilities	189.58	144.59	217.39
TOTAL	**251.79**	**298.35**	**269.99**

32 REVENUE FROM OPERATIONS

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Sale of products	1,502.81	1,497.65
Real estate development activity	1,110.18	447.11
Other operating revenue		
(a) Lease Rentals	30.39	27.07
(b) Subvention Income	42.34	41.10
(c) Others	7.03	15.08
Total other operating revenue (a+b+c)	79.76	83.25
TOTAL	**2,692.75**	**2,028.01**

33 OTHER INCOME

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Interest income		
-on inter corporate deposits	17.67	14.61
-on income tax refunds	2.20	4.35
-on fixed deposits with banks	10.49	5.88
-on others	12.56	4.86
Subsidy under Package Incentive Scheme	-	33.86
Gain on foreign currency transactions (net)	1.70	2.68
Unclaimed balances / excess provisions written back	1.56	1.95
Dividend income from non-current investments	1.72	1.59
Other non-operating income	3.35	2.81
TOTAL	**51.25**	**72.59**

NOTES to the financial statements for the year ended 31st March 2018

34 COST OF MATERIAL CONSUMED

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Inventory at the beginning of the year	70.98	50.50
- Add : Purchases	976.21	909.86
- Less: Inventory at the end of the year	(78.92)	(70.98)
TOTAL	**968.27**	**889.38**

35 PURCHASES OF STOCK-IN-TRADE

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Processed long length	107.97	47.18
Made ups	56.55	183.02
TOTAL	**164.52**	**230.20**

36 CHANGES IN INVENTORIES OF FINISHED GOODS,WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Inventories at the beginning of the year		
Finished goods	79.86	64.73
Work-in-progress	9.92	7.82
Stock-in-trade	70.33	59.78
Development work-in-progress	181.84	127.26
	341.95	**259.59**
Less: Incidental expenses written off / capitalised	9.46	4.98
	332.49	**254.61**
Inventories at the end of the year		
Finished goods	59.69	79.86
Work-in-progress	13.18	9.92
Stock-in-trade	36.34	70.33
Development work-in-progress	211.25	181.84
	320.46	**341.95**
Total	**12.03**	**(87.34)**

37 EMPLOYEE BENEFIT EXPENSE

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Salaries, wages and bonus	76.75	78.02
Contribution to provident and other funds	5.59	5.81
Workmen and staff welfare expenses	4.97	4.75
TOTAL	**87.31**	**88.58**

NOTES to the financial statements for the year ended 31st March 2018

38 FINANCE COSTS

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Interest on long term borrowing	255.57	184.44
Interest on short term borrowing	92.35	134.44
Ancillary borrowing costs	52.37	31.63
Unwinding of interest on financial liabilities carried at amortised cost	4.15	-
Exchange difference to the extent considered as an adjustment to borrowing costs	1.42	14.21
Others	6.65	3.73
TOTAL	**412.51**	**368.45**

39 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Depreciation on Property, Plant and Equipment	29.33	30.31
Depreciation on Investment Property	0.07	0.07
Amortisation on Intangible Assets	0.48	1.28
TOTAL	**29.88**	**31.66**

40 OTHER EXPENSES

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Manufacturing Expenses		
Stores, spare parts and catalysts	30.41	32.28
Oil and coal consumed	45.24	36.74
Electric energy (net of refund receivable on account of regulatory liability charges)	40.51	45.65
Water charges	3.38	3.28
Repairs: Buildings	1.23	0.86
Machinery	6.11	6.59
Others	3.19	1.57
	130.07	126.97
Construction Expenses		
Architect fees and technical /project related consultancy	24.36	21.69
Civil, Electrical, contracting etc.	381.05	199.71
Payment to local agencies	164.62	7.08
Compensation for rehabilitation of tenants	3.83	2.20
	573.86	230.68
Selling and Distribution Expenses		
Freight and forwarding	26.88	22.72
Advertisement expense	16.41	27.18
	43.29	49.90

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Establishment Expenses		
Rent	15.07	18.62
Rates and taxes	9.69	14.87
Insurance	1.87	1.71
Incidental expenses written off	9.46	-
Allowance for doubtful advances/debts	4.52	9.50
Allowance for diminution in the value of investment	0.31	-
Expenditure incurred on Corporate Social Responsibility activities	0.04	-
Legal and Professional Fees	16.17	19.48
Retainership Fees	5.84	6.54
Loss on disposal of Property Plant and Equipment	3.56	0.10
Miscellaneous expenses	34.86	45.76
	101.39	116.58
TOTAL	**848.61**	**524.13**

41 EXCEPTIONAL ITEMS

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Voluntary Retirement benefits to workmen at Ranjangoan Plant	-	18.82
Profit on sale of surplus property	-	(9.35)
Allowance for doubtful debts / advances to jointly controlled entity (Refer Note (a) below)	153.25	36.34
TOTAL	**153.25**	**45.81**

a) The Group has a joint venture (JV) in P. T. Five Star Textile, Indonesia (PTFS). Over the last few years, the Joint venture operations are running into losses and the Group has been making efforts to revive and make it a profitable operations. Despite all the efforts by the Group, the operations are not yielding desired results due to heavy competition and low cost imports from China and other parts, resulting into regular operating losses. Considering the financial risk, the chances of recovery of advances are doubtful, therefore the Group has assessed the overall exposure and has made necessary provision for its exposure in the JV. The Group has reported the provision as an exceptional items of ₹ 153.25 crores (2016-17 : ₹ 36.34 crores). The Group is taking strategic steps to mitigate any further losses from Joint Venture.

42 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in crores)

PARTICULARS	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current Assets				
Financial assets				
First charge				
Fixed deposits under lien	16	**67.82**	**38.05**	**4.76**
		67.82	38.05	4.76
Floating charge				
Trade Receivables	14	212.36	93.13	194.12
Other financial assets	18	1,510.80	8.49	11.83
Other current assets	20	5.68	23.66	42.65
		1,728.84	**125.28**	**248.60**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Non Financial Assets				
Floating charge				
Inventories	13	409.00	237.42	189.75
		409.00	**237.42**	**189.75**
Total current assets pledged as security		**2,205.66**	**400.75**	**443.11**
Non Current Assets				
First charge				
Property, Plant and Equipment	4	473.25	496.75	527.30
Intangible Assets	6	-	-	0.65
Investment	9	-	643.31	-
Fixed deposits under lien	11	1.75	6.71	6.40
Total non-currents assets pledged as security		**475.00**	**1,146.77**	**534.35**
Total assets pledged as security		**2,680.66**	**1,547.52**	**977.46**

43 CONTINGENT LIABILITIES

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
A Claims against the company not acknowledged as debt.			
(a) Income-tax matters in respect of earlier years under dispute (including interest March 31, 2018-₹ 18.82 crores) [March 31, 2017 - ₹ 106.62 crores] (April 1, 2016- ₹ 5.12 crores) as follows:			
i Decided in Company's favour by appellate authorities and department in further appeal	-	-	-
ii Pending in appeal - matters decided against the Company	77.20	308.82	22.76
(b) Sales Tax, Service Tax and Excise Duties	32.84	8.81	8.29
(c) Custom Duty	0.95	0.95	0.95
(d) Other Matters (Including claims related to real estate, employees and other matters)	113.29	111.33	103.67
In respect of items (a) to (d) above, it is not possible for the Group to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/authorities.			
The Group does not expect any reimbursements in respect of the above contingent liabilities.			
The Group's pending litigations comprise of claims against the Group by certain real estate customers and disputed by the Group, of which the significant ones are matters of arbitration, and pertaining to proceedings pending with Income Tax, Excise, Custom, Sales/VAT tax and other authorities.			

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
B	**Guarantees**				
	1	**Counter indemnity** issued in favour of IDBI Bank Limited which in turn has guaranteed loans granted by Punjab National Bank (International) limited London and Axis Bank, UK to PTFS secured by first pari-passu charge on 36,617.13 square metres of land at Group's Spring Mill Dadar, Naigaon together with all buildings, structures and erections thereon.	81.31	189.39	193.75
	2	**Corporate guarantee** issued in favour of Bank of Bahrain & Kuwait, Bahrain for loans granted to PTFS. The Group has a pari passu charge on PTFS's assets, which would cover the aforesaid indemnity amount. As on March 31, 2018 this facility and its related charge has been closed.	-	21.72	35.27
	3	**Other Corporate Guarantees:-** Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 4.55 crores (March 31, 2017 ₹ 5.93 crores, April 1, 2016 ₹ 3.02 crores)	29.15	35.22	30.36
C	**Other money for which the company is contingently liable**				
	Bills Discounted		7.11	5.36	6.65
D	**Other commitments**				
	i	Estimated amount of contracts to be executed on capital account and not provided for:	0.41	105.98	99.75
	ii	Other Commitments not provided for related to construction under development:	569.33	1,031.96	1,075.12
	iii	Export obligation pending under Advance License Scheme is ₹ NIL (March 31, 2017 ₹ Nil)(April 1, 2016 ₹ 0.72 crores) and duty saved thereon.	-	-	0.17
	iv	The Group has during the year given a letter of comfort to a lender in respect of loan extended to SCAL Services Ltd. (Refer Note 9).			

44 LITIGATIONS

(a) During the year 2010-11, the Group had agreed to sell certain area in the proposed tower TWO ICC to Shaan Realtors Pvt. Ltd., (formerly Accord Holding Pvt. Ltd.) ("the claimants"). The area agreed to be sold is under dispute and the matter was referred to arbitration. The arbitrator vide order dated January 13, 2014 passed the final award directing the Group to allot to the claimants and/ or its associates, friends, nominees carpet area of 1,00,000 sq. ft. less the carpet area as already allotted to them in the proposed tower TWO ICC, namely additional carpet area of 48,495 sq. ft. The Group has filed an appeal in the Bombay High Court under section 34 of the Arbitration & Conciliation Act, 1996 against the said award, for which the hearings are in progress. The Group is confident that the final award passed by the learned arbitrator will get reversed in view of the strong merits in the case. However, the requisite area has been set aside by the Group and the total area to be allotted to the claimants will be accounted on disposal of the appeal filed in the High Court. No adjustment has been made in the financial statements in view of the uncertainty involved.

(b) The Bombay High Court vide its order dated November 20, 2013 permitted the Group to surrender land at one location i.e. Wadala, as per the application made by the Group under integrated development scheme. As per this order, the total of 66,651 sq. metres of land has been surrendered to MCGM and MHADA at Island City Centre, Wadala. During the year 2013-14, the Union had filed a writ petition requiring the Group to surrender non textile mill land. The Bombay High Court has directed the Group to reserve additional 10,000 sq. metres of land adjacent to the land to be surrendered. The Group believes that above said writ petition filed in Bombay High Court has no impact on the development of the two towers at ICC since the reserved land of 10,000 sq. metres is different from the one where construction of the two towers is in progress.

NOTES to the financial statements for the year ended 31st March 2018

(c) The Group had during the year 2010-11 sold the building known as 'Wadia Tower A' to Axis Bank Ltd for a consideration of ₹ 782.62 crores. The purchaser has till date paid a sum of ₹ 753.69 crores and the balance ₹ 28.93 crores is still outstanding. Axis bank has claimed damages and interest for delayed handover, non completion of essential and basic amenities, failure to provide prominent signage, etc. and has not paid the common area maintenance charges amounting ₹ 13.08 crores (As on March 31, 2017: ₹ 11.26 crores)(As on April 1, 2016: ₹ 9.48 crores). Since the matter could not be amicably resolved, the same was referred to arbitration. Claims from the Bank regarding costs for work completed by the Bank on behalf of the Group and by the Group on behalf of Axis Bank are also matters under arbitration. Pending finalisation of arbitration proceedings, the receivables are considered good.

45 Merger of Archway Investments Company Limited.

The Group's wholly owned subsidiary Archway Investments Company Limited ("Archway"), a Non Banking Finance Company, has been amalgamated with the Group with effect from April 1, 2016 ("the appointed date") in terms of the scheme of amalgamation ('Scheme') sanctioned by the National Company Law Tribunal (NCLT) vide its Order dated June 20, 2017. The Scheme became effective on June 28, 2017 when the sanction of the NCLT was received and certified copy of the same filed with the Registrar of Companies. Pursuant thereto all assets, investments, debts and liabilities of Archway have been transferred to and vested in the Group retrospectively from April 1, 2016. The Scheme has been accounted for under the 'Pooling of Interests Method' as prescribed under the scheme and in Appendix C of Ind AS 103 for business combinations of entities under common control. Since the subsidiary amalgamated was a wholly owned subsidiary of the Group, there was no exchange of shares to effect the amalgamation. The difference between the amounts recorded as investments of the Group and the amount of share capital and reserves of the aforesaid amalgamating subsidiary of ₹ 10.35 crores has been adjusted in the reserves.

46 During the year 2000-01, pursuant to the scheme of amalgamation between Scal Investments Limited (SIL) and the Group, sanctioned by the jurisdictional court on April 20, 2001, the assets, liabilities and reserves of SIL had been transferred to and vested in the Group with effect from October 1, 2000. The titles in respect of certain immovable properties amalgamated into the Group are still in the process of transfer.

47 The Group vide notice dated January 8, 2013 notified the closure of its textile mills manufacturing undertaking at Worli, pursuant to which some of the textile workers accepted alternate employment in the Group and the remaining workers accepted closure of the undertaking and consequent termination of services under the memorandum of agreement signed by the Group with the workers union. In accordance with the agreement, the Group has paid / provided to such employees the terminal dues, closure compensation and ex-gratia compensation. Whilst some workers have accepted lump sum compensation, others have opted for a monthly payment up to age 63 or till demise, whichever is earlier. As at the time of the previous voluntary retirement schemes, the initial cost relating to ex-gratia compensation was added to the development cost of land. The liability in respect of the monthly payments as actuarially determined is as under:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(a) The liability in respect of the monthly payments that has been actuarially determined as on the Balance sheet date by the independent actuary	6.86	7.53	7.17
(b) The actuarial (gain)/loss for the year recorded in the Statement of Profit and Loss.	(0.10)	0.93	0.48

48 Recognition of income and expenses on on-going real estate project under long term contracts is based on actual sales; estimated costs and work completion status. Determination of profits/ losses, the percentage of completion, costs to completion and realisability of the construction work in progress & unbilled revenues necessarily involves making estimates by the Group, some of which being of a technical nature. The effect of changes to such estimates is recognised in the period such estimates are determined. Profit from these contracts and valuation of construction work in progress / unbilled revenue is based on such estimates.

49 The Group has agreed to sell several apartments in the proposed residential towers being constructed at Island City Centre to SCAL Services Ltd, in terms of various Memorandum of Understanding (MOUs) entered between the companies till March 31, 2018. Based on the method of accounting (percentage of completion) followed by Group, net revenue of ₹ 445.58 crores (2016-17: ₹ 209.49 crores) and resultant profit before tax of ₹ 257.04 crores (2016-17: ₹ 223.26 crores) has been recognised during the year ended March 31, 2018 in respect of sales to SCAL. The Group, had pursuant to SCAL's request and considering the facts and circumstances including delays in construction, that led to SCAL's inability to sell the flats, had granted SCAL deferment of milestone payments till June 2017 or till the sale of all unsold flats and also

NOTES to the financial statements for the year ended 31st March 2018

considering that SCAL was bulk customer who had purchased large number of flats and had not received the discounts given to other bulk purchaser, the Group reduced the advance consideration payable by SCAL to 10% (2016-17: 10%). Accordingly, progress payments have not been billed to SCAL during the year.

50 Pursuant to the Order of the Supreme Court dated August 2, 2013 and the Order of the Bombay High Court dated November 20, 2013 permitting the Group to surrender land at one location i.e. Spring Mills, Wadala, under the Integrated Development Scheme for consolidating handover obligation, the Group had in December 2014 given advance possession of 32,829.02 square metres of land to MCGM and 33,822.89 square metres of land to MHADA at Spring Mills, Wadala after completion of necessary boundary wall, and internal filling/ levelling, SWD, etc. as per the provisions of DCR 58 (6) read with DCR 58 (1) (a) & (b). Both MCGM and MHADA have taken advance possession of the said lands, pending completion of certain administrative formalities, which as per the Group's architect are routine.

As per the provisions of DCR 54 and as certified by the Group's Architects, the Group is entitled to Development Rights (FSI) of 43,661.11 square metres generated in lieu of lands earmarked and handed over to MCGM for utilization by the owners on the said land and to Transferable Development Rights (TDR) of 44,984.44 square metres in lieu of lands earmarked and handed over to MHADA under the Integrated Development Scheme as per the provisions of DCR 58.

Since physical possession of the earmarked lands is handed over and Advance Possession Receipts obtained from MCGM and MHADA, the Group had during 2014-15 recognized the entitlement of additional Development Rights (FSI) available for its own use and accordingly converted the same into stock in trade at cost. The Transferable Development Rights (TDR) will be recognised on receipt of TDR certificates.

51 Disclosure in respect of Guidance note issued by Institute of Chartered Accountant of India on "Accounting for Real Estate Transaction (Ind AS)

(₹ in crores)

PARTICULARS	2018	2017
Amount of project revenue recognized as revenue during the year ended March 31	1,110.18	447.11
Aggregate amount of costs incurred and profits recognised till March 31	2,768.45	1,658.28
Amount of advance received till March 31	29.64	13.38
Amount of work-in-progress and value of inventories till March 31	207.68	178.27
Excess of revenue recognized over actual bills raised (unbilled revenue) till March 31	1,502.13	863.70

52 a) The remuneration paid to Managing Director amounting to ₹ 6.81 crores for the year ended March 31, 2018 is within the limits laid down in section 197 of the Companies Act, 2013.

b) The remuneration paid to the Managing Director for the year ended March 31, 2017 is in excess of the limits laid down in section 197 of the Companies Act, 2013 by ₹ 4.29 crore. The Group had applied to the Central Government under sections 196, 197, 198 & 200 read with Schedule V to the Companies Act, 2013 for permission to pay remuneration in excess of the prescribed limits. The Group has received an approval from the Central Government dated June 21, 2017, for payment of remuneration amounting to ₹ 2.12 crores only as against ₹ 6.41 crore applied for. The Group has made a fresh application to the Central Government with a request to reconsider the amount approved. Pending such representation, the excess amount is held by the Managing Director in trust for the Group.

53 Employee Benefits

A Defined Contribution Plan

Provident Fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Group, post contribution of amount specified under the law to Employee Provident Fund Organisation on account of employee pension scheme.

NOTES to the financial statements for the year ended 31st March 2018

Superannuation Fund

The Group has a superannuation plan for the benefit of some of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The contributions are recognised as an expense as and when incurred and the Group does not have any further obligations beyond this contribution.

The Group has recognized the following amounts in the statement of profit and loss under contribution to provident and other funds as under:

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Employer's contribution to Provident Fund	3.02	3.44
Employer's contribution to Family Pension Fund	0.49	0.47
Employer's contribution to Superannuation Fund	0.28	0.28

B Defined benefit Plan

Retirement Gratuity

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group makes annual contributions to gratuity funds established as trusts or insurance companies. The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

i) Gratuity-As per actuarial valuation as on 31st March 2018

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Actuarial Assumptions		
Expected Return on Plan Assets	7.71%	6.82%
Rate of Discounting	7.71%	6.82%
Rate of Salary Increase	8.50%	8.50%
Rate of Employee Turnover	For service 4 years and below 23.00% p.a., thereafter 3.00% p.a.	For service 4 years and below 23.00% p.a., thereafter 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	21.12	19.43
Interest Cost	1.44	1.53
Current Service Cost	1.76	1.58
Benefit Paid Directly by the Employer	(1.64)	(2.46)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	0.02
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(1.00)	1.36
Actuarial (Gains)/Losses on Obligations - Due to Experience	(4.42)	(0.34)
Present Value of Benefit Obligation at the End of the year	**17.26**	**21.12**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Change in the Fair Value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the year	20.64	18.96
Interest Income	1.41	1.49
Contributions by the Employer	0.48	0.47
Return on Plan Assets, Excluding Interest Income	(0.19)	(0.28)
Fair Value of Plan Assets at the End of the year	**22.34**	**20.64**

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	(17.26)	(21.12)
Fair Value of Plan Assets at the end of the year	22.34	20.64
Funded Status Surplus/ (Deficit)	5.08	(0.48)
Net (Liability)/Asset Recognized in the Balance Sheet	**5.08**	**(0.48)**

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Expenses Recognized in the Statement of Profit or Loss		
Current Service Cost	1.76	1.58
Net Interest Cost	0.03	0.04
Expenses Recognized	**1.79**	**1.62**

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Amount Recognized in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation	(5.42)	1.04
Return on Plan Assets, Excluding Interest Income	0.19	0.28
Net (Income)/Expense Recognized in OCI	**(5.23)**	**1.32**

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Category of Assets		
Government of India Assets	8.89	8.59
State Government Securities	10.53	9.75
Corporate Bonds	2.27	0.99
Cash And Cash Equivalents	0.36	1.07
Other	0.29	0.24
Total	**22.34**	**20.64**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Other Details		
Weighted Average Duration of the Projected Benefit Obligation	9.84	7.72
Prescribed Contribution For Next Year (12 Months)	-	2.24

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Maturity Analysis of the Benefit Payments: From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	2.49	2.22
2nd Following Year	1.00	1.46
3rd Following Year	2.09	2.12
4th Following Year	1.90	2.33
5th Following Year	2.14	2.24
Sum of Years 6 To 10	6.56	8.83
Sum of Years 11 and above	15.83	18.24

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(1.00)	(1.33)
Delta Effect of -1% Change in Rate of Discounting	1.13	1.51
Delta Effect of +1% Change in Rate of Salary Increase	1.11	1.47
Delta Effect of -1% Change in Rate of Salary Increase	(1.00)	(1.32)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.09)	(0.18)
Delta Effect of -1% Change in Rate of Employee Turnover	0.09	0.19

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Qualitative Disclosures

- **Characteristics of defined benefit plan**

The Group has a defined benefit gratuity plan in India (funded). The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

NOTES to the financial statements for the year ended 31st March 2018

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy."

- **Risks associated with defined benefit plan**
- Gratuity is a defined benefit plan and Group is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk."

- During the year, there were no plan amendments, curtailments and settlements.
- A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

ii) Long Service Benefit-As per actuarial valuation as on 31st March 2018

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Actuarial Assumptions		
Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	7.71%	6.82%
Rate of Salary Increase	8.50%	8.50%
Rate of Employee Turnover	For service 4 years and below 23.00% p.a. & For service 5 years and above 3.00% p.a.	For service 4 years and below 23.00% p.a. & For service 5 years and above 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the year	2.57	2.43
Interest Cost	0.18	0.19
Current Service Cost	0.11	0.11
(Benefit Paid Directly by the Employer)	(0.23)	(0.27)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.07)	0.06
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.06)	0.05
Present Value of Benefit Obligation at the End of the year	**2.50**	**2.57**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	(2.50)	(2.57)
Fair Value of Plan Assets at the end of the year	-	-
Funded Status Surplus/ (Deficit)	(2.50)	(2.57)
Net (Liability)/Asset Recognized in the Balance Sheet	**(2.50)**	**(2.57)**

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Expenses Recognized in the Statement of Profit or Loss		
Current Service Cost	0.11	0.11
Net Interest Cost	0.18	0.19
Expenses Recognized	**0.29**	**0.30**

(₹ in crores)

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Amount Recognized in the Other Comprehensive Income (OCI) for the year		
Actuarial (Gains)/Losses on Obligation For the year	(0.13)	0.11
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income)/Expense Recognized in OCI	**(0.13)**	**0.11**

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Other Details		
Weighted Average Duration of the Projected Benefit Obligation	7.73	7.95
Prescribed Contribution For Next Year (12 Months)	-	-

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Maturity Analysis of the Benefit Payments: From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.26	0.29
2nd Following Year	0.11	0.23
3rd Following Year	0.29	0.13
4th Following Year	0.36	0.29
5th Following Year	0.33	0.35
Sum of Years 6 To 10	1.22	1.26
Sum of Years 11 and above	2.24	2.24

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Sensitivity Analysis		
Delta Effect of +1% Change in Rate of Discounting	(0.07)	(0.05)
Delta Effect of -1% Change in Rate of Discounting	0.08	0.10
Delta Effect of +1% Change in Rate of Salary Increase	0.08	0.10
Delta Effect of -1% Change in Rate of Salary Increase	(0.07)	(0.05)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.00)	0.02
Delta Effect of -1% Change in Rate of Employee Turnover	0.00	0.03

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Qualitative Disclosures

- **Characteristics of defined benefit plan**

The Group has a defined benefit Long Service Benefit plan in India (unfunded). The Group's defined benefit Long Service Benefit plan is a final salary plan for employees.

Long Service Benefit is paid from the Group as and when it becomes due and is paid as per Group scheme for Long Service Benefit.

- **Risks associated with defined benefit plan**

Long Service Benefit is a defined benefit plan and the Group is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. The Group has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

- During the year, there were no plan amendments, curtailments and settlements.
- Long Service Benefit plan is unfunded.

C Other long term benefits-

Amount recognised as a liability in respect of compensated leave absences as per the actuarial valuation / management estimate as on March 31, 2018 is ₹ 8.23 crores [As on March 31, 2017 - ₹ 8.91 crores][As on April 1, 2016: ₹ 8.54 crores].

54 CURRENT LIABILITIES

The amount of dues owed to Micro, Small and Medium Enterprises as on March 31, 2018 amounted to ₹ 2.02 crores (March 31, 2017- ₹ 0.11 crores). This amount has been outstanding for more than 45 days at the Balance Sheet date. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

NOTES to the financial statements for the year ended 31st March 2018

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Group has sought confirmation from vendors whether they fall in the category of Micro, Small and Medium Enterprises. Based on the information available the required disclosure under Micro, Small and Medium Enterprises Development Act, 2006 is given below:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	2.02	0.11	-
Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	-	-	-
Interest paid	-	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	26.59	4.72	0.49
Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	0.61	0.02	0.02
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	0.61	0.02	0.02
Amount of further interest remaining due and payable in succeeding year	0.61	0.02	-

55 The Group had introduced the Employee Stock Option Scheme (ESOS) as approved by the shareholders at the Annual General Meeting held on August 13, 2002. The scheme was amended by the shareholders at the Annual General Meeting held on July 23, 2004 to incorporate the amendments under The Stock Option Guidelines vide SEBI circular dated June 30, 2003. The scheme was further amended by the shareholders at the Annual General Meeting held on August 7, 2012 wherein the exercise price shall be based on the market price as defined in the SEBI (Employee Stock Option Scheme) Guidelines 1999 i.e. at the latest available closing market price on the stock exchange having highest trading volume prior to the date of the meeting of the Board of Directors or Remuneration / Compensation Committee in which options were granted.

As per the Scheme, the Remuneration / Compensation Committee grants options to the employees and Whole-time Directors of the Group. The vesting period of the option is one year from the date of grant. Options granted under the Scheme can be exercised within a period of three years from the date of vesting. Vesting of an option is subject to continued employment.

On August 7, 2012, the Board of Directors had granted 14,000 stock options (70,000 stock options post sub-division) to the Ex - Joint Managing Director of the Group at an exercise price of ₹ 528.25 (₹ 105.65 post subdivision) per share for the years 2011-12 and 2012-13 which options have vested on August 7, 2013. Consequent upon the sub-division of shares on and from October 31, 2012, the number of options and the exercise price have been appropriately adjusted. The said options have lapsed on August 7, 2016.

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017	Year Ended 1st April, 2016
Movement in the options under the Scheme:			
Options outstanding at the beginning of the year	NIL	70000	70000
Options granted during the year	NIL	NIL	NIL
Options vested during the year	NIL	NIL	NIL
Options exercised during the year	NIL	NIL	NIL
Options lapsed during the year	NIL	70000	NIL
Unexercised option outstanding as at the end of the year	NIL	NIL	70000
Options exercisable at the end of the year	NIL	NIL	70000
Weighted average price per option (₹)	NA	NA	105.65

NOTES to the financial statements for the year ended 31st March 2018

Method used for accounting of share based payment plan:

Options have been valued based on Fair Value Method of accounting as described under Guidance Note on Accounting for Employee Share-based Payments using Black-Scholes valuation option-pricing model, using the market values of the Group's shares as quoted on the National Stock Exchange. On the basis of the calculation of the stock based compensation as per the Fair Value method prescribed by Securities and Exchange Board of India, the total cost to be recognised in the financial statements as on April 1, 2016 and for the period April 1, 2016 to August 7, 2016 is Nil.

The key assumptions used in Black-Scholes model for calculating fair value of options under the Scheme as on the date of grant are as follows:

PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017	Year Ended 1st April, 2016
No. of option granted	-	70000	70000
Date of grant	-	07th August, 2012	07th August, 2012
Vesting period (years)	-	1	1
Expected life of option (years)	-	3	3
Expected volatility	NA	NA	NA
Risk free rate	NA	NA	NA
Expected dividends	NA	NA	NA

Weighted Average share price of Options exercised during the year - No options exercised during the year

56 EARNINGS PER EQUITY SHARE

PARTICULARS		Year Ended 31st March, 2018	Year Ended 31st March, 2017
(i)	**Profit computation for both basic and diluted earnings per equity share of ₹ 2 each:**		
	Net profit / (Loss) as per consolidated statement of profit and loss available for equity shareholders (₹ in crores)	35.18	(126.52)
(ii)	**Number of Equity Shares**		
	Number of Equity Shares at the beginning of the year	206,534,900	206,534,900
	Add:- Shares allotted during the year	-	-
	Number of Equity Shares at the end of the year	206,534,900	206,534,900
	Weighted average number of equity shares		
	(a) For basic earnings	206,534,900	206,534,900
	(b) For diluted earnings	206,534,900	206,534,900
	Face value per Equity Shares (In ₹)	2.00	2.00
(iii)	**Earning per equity share**		
	Basic (in ₹)	1.70	(6.13)
	Diluted (in ₹)	1.70	(6.13)

57 OPERATING LEASE

(a) The Company has taken certain motor vehicles, retail shops and godown on operating lease. The particulars in respect of such leases are as follows:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Lease rent expenses		
(i) Total of minimum lease payments for a period:		
- not later than one year	10.89	8.21
- later than one year but not later than five years	35.20	26.32
- later than five years	0.20	2.17
(ii) Lease payments recognised in the statement of profit and loss for the year	14.18	18.08

NOTES to the financial statements for the year ended 31st March 2018

(iii) The lease agreements are for a period of four years for vehicles, for a period of one to nine years for retail shops including further periods for which the Group has the option to continue the lease of retail shops with the condition of increase in rent and for a period of five years for godowns.

(b) The Group has given commercial space on operating lease. The lease agreements are for a period of one to four years. The particulars in respect of such leases are as follows:-

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Lease rental income		
Total of lease rent income for a period:		
- not later than one year	24.66	30.43
- later than one year but not later than five years	23.44	66.60
- later than five years	-	-

58 CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR)

The Group was required to spend ₹ Nil (2016-17 ₹ 0.04 crores) towards CSR during the year in accordance with the provisions of Section 135 of the Companies Act, 2013. The Group has spent ₹ 0.04 crores (2016-17: ₹ Nil) on CSR activities during the year.

59 FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. Financial assets and financial liabilities such as cash and cash equivalents, other bank balances, trade receivables, loans, trade payables and unpaid dividends of which the carrying amount is a reasonable approximation of fair value due to their short term nature, are disclosed at carrying value.

As at 31st March, 2018	Carrying amount / Fair Value				Fair Value Hierarchy		
PARTICULARS	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	949.34	-	949.34	949.34	-	-
– Cash and Cash Equivalent	-	-	14.15	14.15	-	-	-
– Other bank balances	-	-	119.23	119.23	-	-	-
– Trade receivables	-	-	212.36	212.36	-	-	-
– Loans	-	-	1.99	1.99	-	-	-
– Derivative financial assets	0.33	-	-	0.33	-	0.33	-
– Other financial assets	-	-	1,554.13	1,554.13	-	-	-
	0.33	**949.34**	**1,901.86**	**2,851.53**	**949.34**	**0.33**	**-**
Financial liabilities							
Measured at Amortised Cost							
– Borrowings	-	-	2,721.70	2,721.70	-	-	-
– Trade payable	-	-	351.11	351.11	-	-	-
– Other financial liabilities	-	-	31.72	31.72	-	-	-
	-	**-**	**3,104.53**	**3,104.53**	**-**	**-**	**-**

NOTES to the financial statements for the year ended 31st March 2018

As at 31st March, 2017	Carrying amount / Fair Value				Fair Value Hierarchy		
PARTICULARS	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	772.12	0.31	772.43	772.12	-	-
– Cash and Cash Equivalent	-	-	60.84	60.84	-	-	-
– Other bank balances	-	-	101.46	101.46	-	-	-
– Trade receivables	-	-	137.87	137.87	-	-	-
– Loans	-	-	243.53	243.53	-	-	-
– Other financial assets	-	-	923.35	923.35	-	-	-
	-	**772.12**	**1,467.36**	**2,239.48**	**772.12**	**-**	**-**
Financial liabilities							
Measured at Amortised Cost							
– Borrowings	-	-	2,542.45	2,542.45	-	-	-
– Trade payable	-	-	357.74	357.74	-	-	-
– Derivative financial liabilities	10.94	-	-	10.94	-	10.94	-
– Other financial liabilities	-	-	25.14	25.14	-	-	-
	10.94	**-**	**2,925.33**	**2,936.27**	**-**	**10.94**	**-**

As at 1st April, 2016	Carrying amount / Fair Value				Fair Value Hierarchy		
PARTICULARS	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets							
– Investments	-	494.19	0.31	494.50	494.19	-	-
– Cash and Cash Equivalent	-	-	25.18	25.18	-	-	-
– Other bank balances	-	-	95.02	95.02	-	-	-
– Trade receivables	-	-	238.15	238.15	-	-	-
– Loans	-	-	45.94	45.94	-	-	-
– Other financial assets	-	-	710.03	710.03	-	-	-
	-	**494.19**	**1,114.63**	**1,608.82**	**494.19**	**-**	**-**
Financial liabilities							
Measured at Amortised Cost							
– Borrowings	-	-	2,436.49	2,436.49	-	-	-
– Trade payable	-	-	309.10	309.10	-	-	-
– Derivative financial liabilities	4.67	-	-	4.67	-	4.67	-
– Other financial liabilities	-	-	19.17	19.17	-	-	-
	4.67	**-**	**2,764.76**	**2,769.43**	**-**	**4.67**	**-**

NOTES to the financial statements for the year ended 31st March 2018

B. Fair Value Hierarchy

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1 : quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs)

C. Measurement of Fair Values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments are measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter - relationship between significant unobservable inputs and fair value measurements
Investments in equity instruments	Current bid price (quoted price)	NA	NA
Derivative financial instruments	MTM from Banks	NA	NA

60 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

i) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

(a) Foreign Currency Exchange Risk

The Group's functional currency is Indian Rupees (₹). The Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. Volatility in exchange rates affects the Group's revenue from exports markets and the costs of imports, primarily in relation to raw materials with respect to the US-dollar.

Adverse movements in the exchange rate between the Rupee and the relevant foreign currency results in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt.

In order to minimize adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge foreign currency exchange risk. All hedging activities are carried out in accordance with the Group's internal Forex Risk Management Policy, as approved by the management, and in accordance with the applicable regulations where the Group operates.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

NOTES to the financial statements for the year ended 31st March 2018

Foreign currency risk exposure:

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR (₹ in crores) are as follows

PARTICULARS	As at 31st March, 2018			As at 31st March, 2017			As at 1st April, 2016		
	USD	EURO	JPY	USD	EURO	JPY	USD	EURO	JPY
Financial assets									
Trade receivables	27.45	1.61	-	11.40	2.19	34.57	6.97	0.80	-
Derivative assets									
Foreign exchange forward contracts									
Sell foreign currency	(10.32)	(3.13)	-	-	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**17.13**	**(1.52)**	**-**	**11.40**	**2.19**	**34.57**	**6.97**	**0.80**	**-**
Financial Liabilities									
Foreign Currency loan	-	-	-	74.26	-	-	76.75	-	-
Trade payables	152.82	-	-	167.15	0.27	-	118.17	-	-
Derivatives liabilities									
Foreign exchange forward contracts									
Buy foreign currency	(136.15)	-	-	(258.99)	-	-	(213.99)	-	-
Net exposure to foreign currency risk (liabilities)	**16.67**	**-**	**-**	**(17.58)**	**0.27**	**-**	**(19.07)**	**-**	**-**

At the end of the reporting period the total notional amount of outstanding foreign currency contracts that the Company has committed to are as below :

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Foreign currency forwards - Buy			
- USD	20,932,604	39,943,900	32,259,410
Foreign currency forwards - Sell			
- USD	1,586,826	-	-
- EURO	388,000	-	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in crores)

PARTICULARS	As at 31st March, 2018		Year ended 31st March, 2017	
	5% strengthening	5% weakening	5% strengthening	5% weakening
USD	6.27	(6.27)	11.50	(11.50)
EURO	(0.08)	0.08	(0.10)	0.10
JPY	-	-	(1.73)	1.73

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

NOTES to the financial statements for the year ended 31st March 2018

Interest rate risk exposure

The Group's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Variable rate borrowing	2,294.84	1,592.23	1,997.67
Fixed rate borrowing	426.86	950.22	438.82
Total Borrowings	**2,721.70**	**2,542.45**	**2,436.49**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. If, the interest rates had been 100 basis points higher/ lower and all other variables were held constant, the Group's profit for the year ended March 31, 2018 would (decrease)/ increase by ₹ 27.22 crores (for the year ended 31 March 2017: (decrease)/ increase by ₹ 25.42 crores).

(c) Price risk

Exposure

The Group is exposed to equity price risks arising from equity investments. Equity investments were held for strategic rather than trading purposes. The Group does not actively trade in these investments.

Sensitivity

Following is the sensitivity analysis as a result of the changes in fair value of equity investments measured at FVTOCI, determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/ lower, other comprehensive income would increase/ (decrease) as follows for:

The year ended March 31, 2018 : by ₹ 47.47 crores

The year ended March 31, 2017 : by ₹ 38.61 crores

ii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral viz security deposit or bank guarantee, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Group's credit risk arises principally from the trade receivables, loans, investments, cash & cash equivalents, derivative financial instruments and financial guarantees.

a) Trade receivables:

Customer credit risk is managed by the Group and is subject to established policy, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring the credit worthiness of the customers to which the Group extends the credit in the normal course of the business. Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

NOTES to the financial statements for the year ended 31st March 2018

b) Loans and investments:

The Group's centralised treasury function manages the financial risks relating to the Business. The treasury function focuses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. Counterparty credit limits are reviewed and approved by the Finance Committee of the Group. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counterparty's potential failure to make payments.

c) Cash and cash equivalents, derivative financial instruments and financial guarantees:

Credit risks from balances with banks and financial institutions are managed in accordance with the Group policy. For derivative financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks and other counterparties. The Group's maximum exposure in this respect is the maximum amount the Group would have to pay if the guarantee is called upon.

iii) Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds for short term operational needs as well as for long term capital expenditure growth projects. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents, marketable securities and short term and long term borrowings provide liquidity. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity risk management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Liquidity exposures as at 31st March, 2018 (₹ in crores)

PARTICULARS	< 1 year	1-5 years	> 5 years	Total
Financial liabilities				
Borrowings including interest obligations	506.59	2,230.32	-	2,736.91
Trade payables	351.11	-	-	351.11
Other financial liabilities	16.51	-	-	16.51
Total financial liabilities	**874.21**	**2,230.32**	**-**	**3,104.53**

Liquidity exposures as at 31st March, 2017 (₹ in crores)

PARTICULARS	< 1 year	1-5 years	> 5 years	Total
Financial liabilities				
Borrowings including interest obligations	1606.54	940.89	-	2,547.43
Trade payables	357.74	-	-	357.74
Other financial liabilities	20.16	-	-	20.16
Total financial liabilities	**1,984.44**	**940.89**	**-**	**2,925.33**

NOTES to the financial statements for the year ended 31st March 2018

Liquidity exposures as at 1st April, 2016 (₹ in crores)

PARTICULARS	< 1 year	1-5 years	> 5 years	Total
Financial liabilities				
Borrowings including interest obligations	1,233.86	1,207.06	-	2,440.92
Trade payables	309.10	-	-	309.10
Other financial liabilities	14.74	-	-	14.74
Total financial liabilities	**1,557.70**	**1,207.06**	**-**	**2,764.76**

61 Segment Reporting

1 Description of segments and principal activities:

The Group has determined following reporting segments based on the information reviewed by the Group's Chief Operating Decision Maker ('CODM'):

- Segment-1, Real Estate
- Segment-2, Polyster
- Segment-3, Retail/Textile

The above business segments have been identified considering :

a) the nature of products and services

b) the differing risks and returns

c) the internal organisation and management structure, and

d) the internal financial reporting system

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and profit as the performance indicator for all of the operating segments.

The group is primarily engaged in the business of Real Estate, Polyster Staple fiber and Retail/Textiles

(₹ in crores)

	PARTICULARS	Year ended 31st March, 2018			Year ended 31st March, 2017		
		External	Internal Segments	Total	External	Internal Segments	Total
1	**Segment Revenue**						
	Real Estate	1182.91	-	1182.91	515.28	-	515.28
	Polyester	1251.95	-	1251.95	1,214.45	-	1,214.45
	Retail/Textile	257.89	-	257.89	298.28	-	298.28
	Total	**2,692.75**	**-**	**2,692.75**	**2,028.01**	**-**	**2,028.01**
	Eliminations	-		-	-	-	-
	Revenue from Operations (consolidated)	**2,692.75**	**-**	**2,692.75**	**2,028.01**	**-**	**2,028.01**
2	**Segment Results**						
	Real Estate	586.43	-	586.43	283.73	-	283.73
	Polyester	39.68	-	39.68	81.93	-	81.93
	Retail/Textile	(14.40)	-	(14.40)	(29.50)	-	(29.50)
	Total	**611.71**	**-**	**611.71**	**336.16**	**-**	**336.16**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	Year ended 31st March, 2018			Year ended 31st March, 2017		
	External	Internal Segments	Total	External	Internal Segments	Total
Eliminations	-	-	-			-
Consolidated Total			**611.71**			**336.16**
Unallocated (corporate expense) net unallocated income			(51.68)			(48.60)
Profit before Interest and Taxation			**560.03**			**287.56**
Interest income			42.92			29.70
Finance costs			(412.51)			(368.45)
Exceptional Items			(153.25)			(45.81)
Share of Profit of Equity Accounted Investees (net of income tax)			0.77			0.05
Profit Before Tax			**37.96**			**(96.95)**
Tax Expense			(2.78)			(29.57)
Profit After Tax			**35.18**			**(126.52)**

3 Other Informations

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Segment Assets			
Real Estate	2,187.39	1,520.82	1,339.05
Polyester	657.49	657.49	651.06
Retail/Textile	70.49	339.25	354.54
less : Intersegment Eliminations	-	-	-
	2,915.37	**2,517.56**	**2,344.65**
Add:Unallocable Assets	1,140.82	1,119.59	607.34
Total Assets	**4,056.19**	**3,637.15**	**2,951.99**
Segment Liabilities			
Real Estate	280.19	222.40	258.70
Polyester	358.91	345.73	333.72
Retail/Textile	55.43	201.19	154.59
less : Intersegment Eliminations	-	-	-
	694.53	**769.32**	**747.01**
Add: Unallocable Liabilities	2,724.78	2,533.47	2,336.42
Total Liabilities	**3,419.31**	**3,302.79**	**3,083.43**

NOTES to the financial statements for the year ended 31st March 2018

(₹ in crores)

PARTICULARS	Year ended 31st March, 2018			Year ended 31st March, 2017		
	Capital Expenditure	Non-Cash Expenditure other than depreciation	Depreciation & Amortization	Capital Expenditure	Non-Cash Expenditure other than depreciation	Depreciation & Amortization
Real Estate	0.15	-	3.57	5.03	-	5.09
Polyester	13.13	-	24.11	7.31	-	23.80
Retail/Textile	0.04	-	1.49	0.15	-	2.09
Segment Total	**13.32**	**-**	**29.17**	**12.49**	**-**	**30.98**
Unallocated	0.43	-	0.71	0.32	-	0.68
Total	**13.75**	**-**	**29.88**	**12.81**	**-**	**31.66**

Additional Information by Geographies

(₹ in crores)

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Revenue by geographical segment		
India	2,407.15	1,741.69
Outside India	285.60	286.32
	2,692.75	**2,028.01**

(₹ in crores)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carrying amount of segment assets			
India	2,886.24	2,500.18	2,329.95
Outside India	29.13	17.38	14.70
	2,915.37	**2,517.56**	**2,344.65**

(₹ in crores)

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Cost incurred during the year to acquire fixed assets		
India	9.32	12.49
Outside India	4.00	-
	13.32	**12.49**

The Group has presented segment information on the basis of consolidated financial statements in accordance with Ind AS 108 "Operating Segments",

NOTES to the financial statements for the year ended 31st March 2018

62 (A) List of Related Parties where control exists:

Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power		
		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
i) Joint Venture				
P.T. Five Star Textile	Indonesia	33.89	33.89	33.89
ii) Associates				
Pentafil Textile Dealers Limited	India	49.00	49.00	49.00
Bombay Dyeing Real Estate Company Limited	India	40.00	40.00	40.00

Key Managerial Personnel :	**Relationship**
Mr. Jehangir N. Wadia - Managing Director	Key Managerial Personnel (KMP)
Mr. Vishnu Peruvemba - Chief Financial Officer (w.e.f. January 5, 2018)	Key Managerial Personnel (KMP)
Mr. Pushpamitra Das - Chief Financial Officer (w.e.f. April 4, 2016- June 30, 2017)	Key Managerial Personnel (KMP)
Mr. Sanjive Arora - Company Secretary (w.e.f. July 11, 2016)	Key Managerial Personnel (KMP)
Mr. K.Subharaman - Company Secretary & Compliance Officer (upto April 30, 2016)	Key Managerial Personnel (KMP)
Mr. Nusli N. Wadia - Chairman	Relative of KMP (Father of Managing Director)
Mr. Ness N. Wadia - Director	Relative of KMP (Brother of Managing Director)
Mrs. Maureen N. Wadia	Relative of KMP (Mother of Managing Director)

Entities over which KMP and relatives exercise significant influence :	The Bombay Burmah Trading Corporation Ltd. Britannia Industries Ltd. Baymanco Investments Ltd. Go Airlines (India) Limited Crawford Bayley & Co. Gladrags Media Ltd.
Non-Executive Directors :	Dr.(Mrs.) Sheela Bhide (upto January 5, 2017) Dr. (Mrs.) Minnie Bodhanwala (w.e.f. March 29, 2017)
Independent Directors :	Mr. R. A. Shah Mr. S. S. Kelkar Mr. S. Ragothaman Mr. A. K. Hirjee Mr. S. M. Palia Mr. V. K. Jairath Mr. Keki M. Elavia (w.e.f. May 22, 2017) Mr. Ishaat Hussain (upto August 10, 2017)
Post- Employment Benefits Trust where reporting entities exercise significant influence :	The Bombay Dyeing and Manufacturing Company Limited Employees Provident Fund The Bombay Dyeing Superannuation and Group Insurance Scheme The Bombay Dyeing and Manufacturing Company Limited Staff Gratuity Fund

62 (B) The related party transactions are as under :

(₹ in crores)

Nature of Transactions	Joint Venture		Associate		Other related party		Key Management Personnel and Relatives		Non-Executive Directors		Independent Directors		Post Employment Benefit Trust		Total	
	Year Ended 31st March, 2018	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017	**Year Ended 31st March, 2018**	Year Ended 31st March, 2017
(i) Interest income on ICD/Advance	8.65	1.12	1.30	0.50	-	2.72	-	-	-	-	-	-	-	-	9.95	4.34
(ii) Interest paid on ICD/Advance	-	-	-	0.26	39.31	22.19	-	-	-	-	-	-	-	-	39.31	22.45
(iii) Dividend Paid	-	-	-	-	2.20	1.49	0.15	0.10	-	-	-	-	-	-	2.35	1.59
(iv) Lease Rent income	-	-	-	-	4.08	3.47	-	-	-	-	-	-	-	-	4.08	3.47
(v) Sale of Property	-	-	-	-	182.42	9.40	-	-	-	-	-	-	-	-	182.42	9.40
(vi) Sale of Plant & Equipment	-	-	-	-	5.60	-	-	-	-	-	-	-	-	-	5.60	-
(vii) Property related expenses recovered for adjustment against advances received	-	-	-	-	-	-	-	0.90	-	-	-	-	-	-	-	0.90
(viii) Reduction in the cost of flat delivered unfurnished	-	-	-	-	-	-	-	1.57	-	-	-	-	-	-	-	1.57
(ix) Dividend Income	-	-	-	-	0.75	1.30	-	-	-	-	-	-	-	-	0.75	1.30
(x) Inter Corporate Deposits/Advances given	137.44	40.44	-	12.25	-	-	-	-	-	-	-	-	-	-	137.44	52.69
(xi) Inter Corporate Deposits/Advances taken	-	-	-	6.00	450.00	350.00	-	-	-	-	-	-	-	-	450.00	356.00
(xii) Repayment received against ICD/Advances	-	12.46	12.70	0.55	-	23.85	-	-	-	-	-	-	-	-	12.70	36.86
(xiii) Repayment of ICD/Advances taken	-	-	-	6.00	450.00	106.00	-	-	-	-	-	-	-	-	450.00	112.00
(xiv) Expenses incurred by related parties on behalf of Company (reimbursable)	-	-	-	-	0.30	0.26	-	-	-	-	-	-	-	-	0.30	0.26
(xv) Expenses incurred on the behalf of related parties (reimbursable)	7.16	7.23	-	-	4.62	2.10	-	-	-	-	-	-	-	-	11.78	9.33
(xvi) Legal and Professional expenses	-	-	-	-	0.23	0.12	-	-	-	-	-	-	-	-	0.23	0.12
(xvii) Contribution during the year (including the Employee's share)	-	-	-	-	-	-	-	-	-	-	-	-	4.25	4.88	4.25	4.88
(xviii) Directors sitting fees	-	-	-	-	-	-	0.14	0.13	0.04	0.04	0.81	0.67	-	-	0.99	0.84
(xix) Commission to Directors	-	-	-	-	-	-	0.64	-	0.05	-	0.81	-	-	-	1.50	-
(xx) Fixed Deposits received	-	-	-	-	-	-	-	-	-	-	-	0.10	-	-	-	-
(xxi) Interest paid on Fixed Deposits	-	-	-	-	-	-	-	-	-	-	0.02	0.02	-	-	-	-
(xxii) Guarantee and collaterals given / (expired) (net)	(129.80)	(17.98)	-	-	-	-	-	-	-	-	-	-	-	-	(129.80)	(17.98)
(xxiii) Allowance for doubtful advances	153.25	36.34	-	-	-	-	-	-	-	-	-	-	-	-	153.25	36.34
(xxiv) Short Term Employee Benefits	-	-	-	-	-	-	7.57	7.46	-	-	-	-	-	-	7.57	7.46
(xxv) Post Employee Benefits	-	-	-	-	-	-	0.45	0.47	-	-	-	-	-	-	0.45	0.47
(xxvi) Other Long Term Benefits	-	-	-	-	-	-	(0.05)	0.14	-	-	-	-	-	-	(0.05)	0.14
(xxvii) Termination Benefits	-	-	-	-	-	-	0.01	0.16	-	-	-	-	-	-	0.01	0.16

62 (C) Outstanding Balance

(₹ in crores)

PARTICULARS	Receivables			Payables			Shareholders' deposit given			Deposit given			Guarantees and collaterals given			Advances received for purchase of flats			Advances received against the sale of asset		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016
Joint Venture	199.21	45.96	9.61	-	-	-	15.22	15.22	15.22	-	-	-	81.31	211.11	229.02	-	-	-	-	-	-
Associate	0.25	13.09	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other related party	1.00	1.64	25.48	353.54	352.79	107.16	-	-	-	1.63	1.44	1.28	-	-	-	-	-	-	-	90.60	-
Key Management Personnel and Relatives	-	-	-	0.64	0.28	-	-	-	-	-	-	-	-	-	-	-	-	0.85	-	-	-
Non-Executive Directors	-	-	-	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Directors	-	-	-	1.01	0.20	0.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post employment benefit trust	5.08	-	-	0.27	0.81	0.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NOTES to the financial statements for the year ended 31st March 2018

63 Additional disclosure as required by the amended clause 34 and 53 of the listing agreements and section 186 of the Companies Act, 2013

(₹ in crores)

Sr. No	NAME	NATURE OF TRANSACTION	Balance as at 31st March, 2018	Maximum amount outstanding during the year	No. of shares of the Company held by the loanees as at 31st March, 2018
A.	Investments and Loans and advances in associates				
1	Pentafil Textile Dealers Ltd.	Investment in equity shares	0.88	0.88	-
			[0.88]	*[0.88]*	*[-]*
		Inter corporate deposit placed	-	12.25	-
			[12.25]	*[12.25]*	*[-]*
2	Bombay Dyeing Real Estate				
	Company Ltd.	Investment in equity shares	0.02	0.02	-
			[0.02]	*[0.02]*	*[-]*
		Inter corporate deposit placed	0.25	0.84	-
		(Short term funding requirements at interest rates of 12%-13%)	*[0.84]*	*[1.39]*	*[-]*
			1.15	13.99	-
			[13.99]	*[14.54]*	*[-]*
B.	Loans and advances in the nature of loans to jointly controlled entity				
1	PT. Five Star Textile Indonesia	Interest free Shareholders' Deposit	15.22	15.22	-
			[15.22]	*[15.22]*	*[-]*
		Loans & Advances	219.28	219.28	-
		(Technical fees and expenses recoverable)	*[66.03]*	*[66.03]*	*[-]*
			234.50	234.50	-
			[81.25]	*[81.25]*	*[-]*
C.	Loans and advances in the nature of loans where there is: (i) repayment beyond seven years or (ii) no interest or interest below section 186 of the Companies Act, 2013, other than referred in A2 and B1 above.				
	Employee Loans		0.15	0.20	-
			[0.20]	*[0.26]*	*[-]*
D.	Guarantees given:				
	Guarantees are provided to a bank which has in turn provided guarantees to lender banks and also to a lender bank of jointly controlled entity for availing long term loans - refer Note 43.				

NOTES to the financial statements for the year ended 31st March 2018

64 Joint Venture / Associates

Details of the Group's material joint venture at the end of the reporting period is as follows:-

NAME	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the group		
		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Joint Venture				
P.T. Five Star Textile	Indonesia	33.89%	33.89%	33.89%
Associates				
Bombay Dyeing Real Estate Company Limited	India	40.00%	40.00%	40.00%
Pentafil Textile Dealers Ltd.	India	49.00%	49.00%	49.00%

a) Above listed entities are non-quoted industries hence no quoted prices are available.

b) The above joint venture and associates are accounted for using the equity method in these consolidated financial statements.

c) In case of joint venture, P.T. Five Star Textile, the financial statements as of December 31, 2017 have been used while applying the equity method for preparation of consolidated financial statements.

Aggregate carrying amount of immaterial joint venture and associates (₹ in crores)

PARTICULARS	**As at 31st March, 2018**	As at 31st March, 2017	As at 1st April, 2016
Carrying amount of immaterial joint ventures	-	-	-
Carrying amount of immaterial associates	1.13	0.36	0.31
Total	**1.13**	**0.36**	**0.31**

Unrecognized share of losses (₹ in crores)

PARTICULARS	**2018**	2017
Joint Venture - P.T. Five Star Textile		
As at 1st April	(24.38)	(15.03)
For the year	(2.69)	(9.35)
As at 31st March	**(27.07)**	**(24.38)**
Associate - Bombay Dyeing Real Estate Company Limited		
As at 1st April	-	-
For the year	-	(0.02)
As at 31st March	**-**	**(0.02)**

NOTES to the financial statements for the year ended 31st March 2018

65 Additional information as required under schedule III to the companies Act, 2013 of enterprise consolidated as subsidiary, associates and Joint Venture

PARTICULARS	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets"	Amount (₹ in crores)	As % of consolidated profits"	Amount (₹ in crores)	As % of consolidated profits	Amount (₹ in crores)	As % of consolidated profits	Amount (₹ in crores)
(I) Parent								
The Bombay dyeing and Manufacturing Company Ltd	100%	636.88	98%	34.41	100%	284.76	100%	319.17
(II) Associates (Investment accounted as per Equity method)								
Indian								
Pentafil Textile Dealers Limited	0%	-	2%	0.77	-	-	0%	0.77
Bombay Dyeing Real Estate Company Limited	0%	-	0%	-	-	-	0%	-
(III) Joint Venture (Investment accounted as per Equity method)								
Foreign								
P.T. Five Star Textile	0%	-	-	-	-	-	-	-
TOTAL	**100%**	**636.88**	**100%**	**35.18**	**100%**	**284.76**	**100%**	**319.94**

64 Dividend

The Board of Directors have recommended a dividend of 50% (₹ 1.00/- per equity share of ₹ 2 each) for the financial year ended March 31, 2018.

65 Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

66 The financial statements were authorised for issue by the Board of Directors on May 14, 2018.

67 General

a) All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore upto two decimals as per the requirements of Schedule III, unless otherwise stated.

b) Figures for the previous year have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our report attached

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

For and on behalf of the Board of Directors

Nusli N. Wadia	*Chairman*	R. A. Shah S. S. Kelkar S. Ragothaman A. K. Hirjee S. M. Palia Ness N. Wadia V. K. Jairath Keki M. Elavia Minnie Bodhanwala
Jehangir N. Wadia	*Managing Director*	
Vishnu Peruvemba	*Chief Financial Officer*	
Sanjive Arora	*Company Secretary*	

Directors

Mumbai, 14th May, 2018

FORM AOC -1

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / LIMITED LIABILITY PARTNERSHIPS / ASSOCIATES / JOINT VENTURES AS PER THE COMPANIES ACT, 2013

Part "A" : Subsidiaries/Limited Liability Partnerships

The Group does not have any subsidiary / Limited Liability Partnership during the financial year ending March 31, 2018

Part "B" : Associates / Joint Ventures

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

(₹ in crores)

Sr. No.	Name of Joint Ventures / Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures / Associates held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year	
			No. of Shares	Amount of Investment in Associate /Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Pentafil Textile Dealers Limited	31.03.2018	88,200	0.88	49.00%	through % of holding	NA	3.01	0.77	0.79
2	Bombay Dyeing Real Estate Company Limited	31.03.2018	20,000	0.02	40.00%	through % of holding	NA	(0.09)	#0.03	0.04
3	P.T. Five Star Textile	31.12.2017	2,117	1.59	33.89%	through % of holding	*	(34.71)	-	(7.93)

*Since the share of accumulated loss in joint venture exceeds total investment cost, amount of share of profit/(loss) of joint venture considered in consolidation for year ending March 31, 2018 is Nil

The profit for the year has been set off against the negative value of investment to the extent of ₹ 0.03 crore

As per our report attached

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Anil A. Kulkarni
Partner
Membership No.047576

Mumbai, 14th May, 2018

For and on behalf of the Board of Directors

Nusli N. Wadia	*Chairman*	R. A. Shah S. S. Kelkar S. Ragothaman A. K. Hirjee S. M. Palia Ness N. Wadia V. K. Jairath Keki M. Elavia Minnie Bodhanwala
Jehangir N. Wadia	*Managing Director*	
Vishnu Peruvemba	*Chief Financial Officer*	
Sanjive Arora	*Company Secretary*	

Directors

Mumbai, 14th May, 2018

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Bombay Dyeing

Corporate Office: C-1, Wadia International Center (WIC),
Pandurang Budhkar Marg, Worli, Mumbai - 400 025
Phone: +91 22 66620000 | **Website:** www.bombaydyeing.com

PSF Plant: A-1, Patalganga Industrial Area,
Dist. Raigad, Tal. Khalapur, Maharashtra.
Phone: +91 2192 251096/103 | **Fax:** +91 2192 250263

Bombay Realty

Sales Office: The Island City Center (ICC),
G.D. Ambekar Marg, Dadar (E), Mumbai - 400 014
Phone: +91 22 61912345 | **Email:** sales@bombayrealty.in
Website: www.bombayrealty.in



THE WADIA GROUP

The Group has scaled great heights in innovation and entrepreneurship, inspired by the centuries-old legacy of goodwill and trust. The British Coat of Arms, granted to Nowrosjee Wadia, symbolises this legacy and the Wadia Group's commitment to advancement and innovation.

The crest is a representation of the Group, its philosophy, beliefs and businesses.

The crest and base of the shield represent the family origins in the shipbuilding industry during the 1700s. The middle and upper parts of the shield depict the Group's interests in cotton growing and its links with England in the form of the Lancastrian rose. The hand holding the hammer atop the shield signifies industriousness, together with workmanship and skill. The sun that surrounds the hand stands for global recognition and merit.

The motto, IN DEO FIDE ET PERSEVERANTIA means 'Trust in God and Perseverance'.

AFTER 282 YEARS, OUR BRANDS:

FLY SMART 90 — SINCE 2005

Bombay Dyeing — SINCE 1879

BRITANNIA — Eat Healthy. Think Better — SINCE 1918

NPL — SINCE 1954

Bombay Burmah — SINCE 1863

BOMBAY REALTY — A BETTER LIFE — SINCE 2011

Home & You — SINCE 2015

www.wadiagroup.com

The Bombay Dyeing and Manufacturing Company Limited

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

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED
(CIN: L17120MH1879PLC000037)
Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.
Corporate Office: C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai-400 025.
Email: grievance_redressal_cell@bombaydyeing.com **Phone:** (91) (22) 66620000; **Fax:** (91) (22) 66620069; **Website:** www.bombaydyeing.com

ATTENDANCE SLIP

138TH ANNUAL GENERAL MEETING - 7TH AUGUST, 2018

Serial No.

Name and Address of the Shareholder :

Registered Folio No./DP ID & Client ID :

No. of shares held :

I certify that I am a registered Member/Proxy for the registered Member of the Company. I hereby record my presence at the 138th Annual General Meeting of the Company to be held at Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021, on Tuesday, 7th August, 2018, at 3.45 p.m.

_____ Name of the Member/Proxy

_____ Signature of Member/Proxy

NOTE:

1. Members/Proxy holders are requested to bring this Attendance Slip to the Meeting and hand over the same at the entrance duly signed.
2. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

ELECTRONIC VOTING PARTICULARS

EVSN	USER ID	# DEFAULT PAN/ SEQUENCE NUMBER

If you have not registered / updated your PAN with the Company / Depository Participant, please use the number mentioned in above column under PAN field to login for e-Voting.

* Please use your actual PAN, if you have already registered / updated your PAN with the Company / Depository Participant

Note: Please turn over for detailed e-voting instructions.

The instructions for shareholders voting electronically are as under:

The voting period begins on Saturday, 4th August, 2018 at 9.00 a.m. and ends on Monday, 6th August, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 31st July, 2018, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter.

I **The process and manner for remote e-voting is as under:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EVSN NO. USER ID PASSWORD

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

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

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

IV You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication.

V The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 31st July, 2018.

VI Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 31st July, 2018, may obtain the User ID and password in the manner as mentioned below:

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

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

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

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

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL : MYEPWD <SPACE> 1402345612345678

Example for Physical : MYEPWD <SPACE> XXXX1234567890

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED
(CIN: L17120MH1879PLC000037)
Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.
Corporate Office: C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai-400 025.
Email: grievance_redressal_cell@bombaydyeing.com **Phone:** (91) (22) 66620000; **Fax:** (91) (22) 66620069; **Website:** www.bombaydyeing.com

Form MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Serial No.

Name and Address of the Shareholder(s) :

E-mail Id :

Registered Folio No./DP ID & Client ID :

No. of shares held :

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

1. Name: _____ of _____

   _____ E-mail: _____ Signature _____ or failing him/her

2. Name: _____ of _____

   _____ E-mail: _____ Signature _____ or failing him/her

3. Name: _____ of _____

   _____ E-mail: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 138th Annual General Meeting of the Company to be held on Tuesday, 7th August, 2018 at 3.45 p.m at Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For	Against
Ordinary Business			
1	To receive, consider and adopt (a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2018, together with the Reports of the Board of Directors and the Auditors thereon. (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2018, together with the Report of the Auditors thereon.		
2	Declaration of Dividend on Equity Shares.		

Resolution No.	Resolutions	For	Against
Ordinary Business			
3	To appoint a Director in place of Mr. Nusli N. Wadia (DIN: 00015731), who retires by rotation and being eligible, offers himself for re-appointment.		
4	To appoint M/s. Bansi S. Mehta & Co., Chartered Accountants, as Statutory Auditors of the Company.		
Special Business			
5	Approval for continuation of holding office of Non- Executive Director of the Company, by Mr. Nusli N. Wadia (DIN: 00015731) under Regulation 17(1A) of the SEBI (LODR) Regulations, 2015.		
6	Approval for continuation of holding office of Non- Executive Director of the Company, by Mr. R. A. Shah (DIN- 00009851) under Regulation 17(1A) of the SEBI (LODR) Regulations, 2015.		
7	Approval for continuation of holding office of Non- Executive Director of the Company, by Mr. A. K. Hirjee (DIN: 00044765) under Regulation 17(1A) of the SEBI (LODR) Regulations, 2015.		
8	Approval of the Remuneration of the Cost Auditors.		
9	Approval for revision in remuneration payable to Mr. Jehangir N Wadia (DIN: 00088831), Managing Director		

Signed this _____ day of _____ 2018

Affix Revenue Stamp

_____
Signature of the Shareholder(s)

_____
Signature of Proxy

Notes:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

(2) Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.