MORARJEE

ASHOK PIRAMAL GROUP

Corporate Relations Department
BSE Limited
1st Floor, New Trading Wing
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai 400 001
Security Code: 532621
Fax Nos : 22723121 / 22722041

The Market Operations Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No C/1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai 400 051
Symbol: MORARJEE
Fax Nos : 26598237 / 38

Date: 7th August, 2019

Dear Sir/Madam,

Sub: Annual General Meeting and Book Closure

Please note that the 24th Annual General Meeting of the Company will be held on Tuesday, 3rd September, 2019 at 3:00 p.m. at 'Hall of Culture', Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400018.

It is further intimated pursuant to Regulation 29 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), that the Company intends to raise funds upto Rs. 150 Crores by issuing Non-Convertible Debentures (NCDs) in one or more tranches on private placement basis and approval of the Shareholders is accordingly sought at the AGM to be held on 3rd September, 2019.

Further, pursuant to Regulation 34 of the Listing Regulations, please find enclosed herewith the Annual Report of the Company for the FY 2018-19 along with notice of AGM. The Company has commenced the dispatch of the Annual Report to the shareholders by permitted modes on 7th August, 2019.

The Register of Members and Share Transfer Books of the Company shall remain closed as mentioned hereunder:

Security Code	Type of Security	Book Closure		Cut - off Date	Purpose
		From	To		
BSE:532621 NSE: MORARJEE	Equity	Saturday, 24th August, 2019	Tuesday, 3rd September, 2019	23rd August, 2019	Annual General Meeting
		both days inclusive			

Yours Faithfully,
For **Morarjee Textiles Limited**

MORARJEE TEXTILES LTD.

Tanmay Bhat
Company Secretary

Cc: Central Depository Services (India) Limited
National Securities Depository Limited
Freedom Registry Limited, Share Transfer Agent

Encl: As Above

ASHOK PIRAMAL GROUP

TWENTY FOURTH ANNUAL REPORT 2018-2019

MORARJEE TEXTILES LTD.

High speed Warping machine

Air jet loom

Corporate Information

BOARD OF DIRECTORS

Ms. Urvi A. Piramal, Chairperson
Mr. Harsh A. Piramal, Executive Vice Chairman
Mr. R. K. Rewari, Managing Director
Mr. Mahesh S. Gupta, Non-Executive Director
Mr. Ranjan Sanghi, Independant Director (ceased to be Director w.e.f. 8th April, 2019)
Mr. Shobhan Thakore, Independant Director
Mr. Aditya Mangaldas, Independant Director
Mr. Ranjan Pant, Independant Director
Lt. Gen. A. K. Singh (Retd.), Independant Director

GROUP CFO

Mr. Dinesh Jain

CHIEF FINANCIAL OFFICER

Mr. S. C. Kashimpuria

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Sanjeev Singh Sengar (Resigned w.e.f. 20th March, 2019)
Mr. Tanmay Bhat (Appointed w.e.f. 8th May, 2019)

STATUTORY AUDITORS

M/s. Haribhakti & Co. LLP
Chartered Accountants

BANKERS

Allahabad Bank
The Saraswat Co-op. Bank Limited
IDBI Bank Limited
ICICI Bank Limited
Kotak Mahindra Bank Limited
Federal Bank Limited
Axis Bank Limited
Tata Capital Financial Services Limited

REGISTERED OFFICE

Peninsula Spenta,
Mathuradas Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013

CIN : L52322MH1995PLC090643
Website : www.morarjee.com
Email : corporatesecretarial@ashokpiramalgroup.com

PLANT

Plot No.G1, G2- M.I.D.C. Industrial Estate
Post: Salai Dhaba, Butibori, Nagpur - 441122

SHARE TRANSFER AGENT (STA)

Freedom Registry Limited
Registered Office:
Plot No. 101/102, 19th Street, MIDC Area,
Satpur, Nasik - 422 007
Email : support@freedomregistry.in
Website : www.freedomregistry.in

Mumbai Liasioning Office
104, Bayside Mall,
35/C, M.M. Malviya Marg,
Tardeo Road, Haji Ali,
Mumbai 400 034.

24TH ANNUAL GENERAL MEETING

Day: Tuesday

Date: 3rd September, 2019 at 3.00 p.m.

Venue: Hall of Culture, Nehru Centre,
Dr. Annie Besant Road, Worli,
Mumbai - 400 018

Contents

Page Nos.

Notice 2
Directors' Report 13
Corporate Governance 33
Management Discussion & Analysis 55
Independant Auditor's Report 58
Standalone Balance Sheet 64
Standalone Statement of Profit and Loss 65
Notes to Standalone Financial Statements 67
Standalone Statement of Cash Flows 98
Consolidated Financials 99
Financial Highlights 140

Notice

Notice is hereby given that the 24th Annual General Meeting ("AGM") of Morarjee Textiles Limited will be held on Tuesday, 3rd September, 2019, at 3.00 p.m. at "Hall of Calture", Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400018 to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt:

   i. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and the Auditors thereon; and

   ii. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 and the Report of the Auditors thereon.

2. To appoint a director in place of Mr. Mahesh S. Gupta (DIN: 00046810), Non-Executive Director, who retires by rotation and being eligible, has offered himself for re-appointment.

Special Business:

3. To consider and if thought fit, pass the following Resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modifications or re-enactments thereof, for the time being in force, the Company hereby ratifies the remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only), (exclusive of the applicable taxes) to M/s. Phatak Paliwal & Co., Cost Accountants (Firm Registration Number 000105), appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of cost records of the Company for the Financial Year ended 31st March, 2020;

   RESOLVED FURTHER THAT any of the Directors of the Company and/ or the Key Managerial Personnel of the Company be and is hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To consider and if thought fit, pass the following Resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to revise the terms of remuneration of Mr. Harshvardhan A. Piramal (DIN: 00044972), Whole-time Director designated as Executive Vice-Chairman, to provide him a rent free furnished accommodation, the perquisite value of which as per Income Tax Act, 1961 shall not exceed ₹ 25 lakhs per year, with effect from 1st January, 2019 till 31st March, 2020, in addition to the remuneration approved by the members of the Company by way of a special resolution in the Annual General Meeting of the Company held on 22nd August, 2017 and all the other terms and conditions of his remuneration shall remain unchanged;

   RESOLVED FURTHER THAT any of the directors and/ or the Company Secretary be and is hereby authorized severally to obtain the required approvals, to sign, execute and file the necessary documents, writings, undertakings, intimations to Ministry of Corporate Affairs, Stock Exchanges or to such other Statutory Authorities as may be necessary and further to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable or expedient in this regard."

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

   "RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. R. K. Rewari (DIN: 00619240) as the Managing Director of the Company to hold office for a period of three years w.e.f. 1st February, 2019.

   RESOLVED FURTHER THAT during the tenure of Mr. R. K. Rewari as the Managing Director, he shall be paid remuneration as per the provisions of Section – II of the Schedule V of the Companies Act, 2013, w.e.f. 1st

February, 2019, with the authority to the Nomination and Remuneration Committee of the Board to alter and vary the remuneration as it may deem fit and to fix the quantum, composition and periodicity of the remuneration payable to Mr. R. K. Rewari including the payment of commission as may be determined, however the annual remuneration including commission shall not exceed the limit mentioned hereinafter and that the following perquisites shall not be included in the computation of the ceiling on remuneration prescribed under Schedule V of the Companies Act, 2013;

a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; and

b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of tenure.

a)	**Salary**	
i.	Basic Salary	In the scale of ₹ 4,50,000/- to ₹ 7,50,000/- per month
ii.	Special Allowance	₹ 4,50,000/- per month
iii.	Performance Linked Variable Pay	As per the policy of the Company (Subject to a maximum of ₹ 24,00,000/- per annum)
iv.	Commission	As may be determined by the Board
b)	**Perquisites**	
i.	Leave Travel Allowance	Upto ₹ 2,50,000/- per annum for self and family
ii.	Reimbursement of Medical Expenses	₹ 15,000/- per annum for self and family
iii.	Children Education Allowance	₹ 2,400/- per annum
iv.	Contribution to Provident Fund, Super Annuation Fund, Gratuity and Leave encashment.	As per the Rules of the Company

c) Furnished Accommodation or HRA equivalent thereto and electricity, company maintained car with driver and reimbursement of fuel expenses for official use, reimbursement of expense being telephone at residence and mobile for official use and such other perquisites other than those quantified above in accordance with Company's Rules, the monetary value of such perquisites to be determined in accordance with Income Tax Rules, 1962, be restricted to ₹ 25,00,000/- per annum.

RESOLVED FURTHER THAT the term of office of Mr. R. K. Rewari shall be subject to retirement by rotation;

RESOLVED FURTHER THAT any of the Directors of the Company or the Company Secretary be and is hereby severally authorized to do all such acts, deeds, matters and things, including but not limited to filing of necessary Forms and returns with the Registrar of Companies or any other statutory or regulatory authorities, as may be required to give effect to the foregoing resolution."

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

"RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications or re-enactments thereof, for the time being in force and the recommendation of Nomination and Remuneration Committee, Mr. Shobhan Thakore (DIN: 00031788), who holds office as an Independent Director and whose current term of appointment expires on 28th September, 2019, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company with effect from 29th September, 2019 **AND THAT** his appointment shall continue on him attaining the age of 75 years on 3rd July, 2022 upto the conclusion of his term;

RESOLVED FURTHER THAT any of the Directors or the Key Managerial Personnel of the Company be and are hereby severally authorized to do necessary filings with the Ministry of Corporate Affairs and Stock Exchanges and to take all steps, action as may be necessary to give effect to the above resolution."

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

"RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications

or re-enactments thereof, for the time being in force and the recommendation of Nomination and Remuneration Committee, Mr. Ranjan Pant (DIN: 00005410) who holds office as an Independent Director and whose current term of appointment expires on 28th September, 2019, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company with effect from 29th September, 2019;

RESOLVED FURTHER THAT any of the Directors or the Key Managerial Personnel of the Company be and are hereby severally authorized to do necessary filings with the Ministry of Corporate Affairs and Stock Exchanges and to take all steps, action as may be necessary to give effect to the above resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and subject to rules/ regulations/ guidelines issued by Securities and Exchange Board of India or any other appropriate/ statutory authorities and pursuant to the provisions of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to make offer(s) of Non-Convertible Debentures to be issued and alloted in one or more series within a period of one year, on private placement basis to such persons as may be identified by the Board of Directors (including any Committee of the Company authorized by the Board of Directors in this regard), upto an overall amount of ₹ 150 Crores (Rupees One Hundred & Fifty Crores only) on such terms and conditions as may be decided by the Board or a Committee of the Board, as the case may be, from time to time;

RESOLVED FURTHER THAT any of the Directors or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, things and to execute all such documents, undertaking as may be necessary for giving effect to the foregoing resolution."

On behalf of the Board
For **Morarjee Textiles Limited**

Sd/-
Tanmay Bhat
Company Secretary

Place: Mumbai
Date: 8th May, 2019

NOTES:

1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2) Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

3) MEMBER/PROXY SHOULD BRING THE ATTENDANCE SLIP SENT HEREWITH, DULY FILLED IN, FOR ATTENDING THE MEETING.

4) The proxy shall not have the right to speak at the meeting.

5) An Explanatory Statement required under Section 102(1) of the Companies Act, 2013 in respect of the Special Businesses to be transacted at the meeting is annexed hereto.

6) Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Directors proposed to be appointed in this AGM are annexed to this notice.

7) The Register of Members and Share Transfer Books of the Company will remain closed from 24th August, 2019 to 3rd September, 2019 (both days inclusive).

8) Members desirous of obtaining any information in respect of audited financial statement and operations of the company are requested to write to the company at least one week before the meeting to enable to the company to make available the required information at the meeting.

9) All relevant documents referred to in the Explanatory Statement shall be open for inspection, upto two days prior to the said meeting, at the Registered Office of the

Company on all working days during 12.00 PM to 02.00 PM and at the meeting.

10) Members holding shares in physical form are requested to address all their correspondence including change of address, mandates etc. to the Share Transfer Agents (STA) viz. M/s. Freedom Registry Limited, Plot No. 101/102, 19th Street, MIDC Area, Satpur, Nashik - 422007 and the Members holding shares in dematerialized form should approach their respective Depository Participants for the same.

11) SEBI has mandated the transfer of securities of the listed entities, only in demat form with effect from 1st April, 2019. Members are therefore requested to dematarialise their physical share certificates as soon as possible in order to avoid inconvinience in future.

12) The shareholders who are holding shares in demat form and have not yet registered their email IDs, are requested to register their email IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically. Shareholders holding shares in physical form may register their email IDs with the STA by sending an email at support@freedomregistry.in. The Annual Report of the Company and other documents proposed to be sent through email will also be made available on the Company's website at i.e. www.morarjee.com

13) Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants. The nomination form can be downloaded from the Company's website www.morarjee.com

14) **E-Voting:**

i) In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the e-voting (remote e-voting) facility to its members and the business set out in the notice may be transacted through remote e-voting.

ii) The Company also offers the facility for voting by way of physical ballot at the AGM. The Members attending the meeting should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote at the AGM through ballot for all businesses specified in the notice. However, the Members who have exercised their right to vote by remote e-voting may attend the AGM but shall not be entitled to vote at the AGM.

iii) Voting rights of the members (for remote e-voting and voting at AGM) shall be reckoned on shares registered in the name of the members and in proportion to their shares in the equity share capital of the Company as on the cut-off date 23rd August, 2019. A person who is not a Member on the cut-off date should treat this notice for information purposes only.

iv) The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.

v) The Board of Directors has appointed Ms. Kala Agarwal, Practicing Company Secretary, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner and she has communicated her willingness to be appointed for the said purpose.

vi) The Scrutinizer will, after scrutinizing the votes cast at the meeting and through remote e-voting, not later than 48 hours of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson/ Managing Director or any person authorised by the Chairperson who shall declare the results. The results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company viz. www.morarjee.com and on the website of CDSL viz. www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

The instructions for shareholders voting electronically are as under:

i) The voting period begins on 31st August, 2019 at 10.00 a.m. and ends on 2nd September, 2019 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd August, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 3rd September, 2019.

iii) Shareholders who have already voted prior to the meeting date shall not be entitled to vote at the meeting venue.

iv) The shareholders should log on to the e-voting website i.e. www.evotingindia.com and follow the below procedure:

a. Click on shareholders.

b. Now Enter your User ID
   - For CDSL: 16 digits beneficiary ID,
   - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   - Members holding shares in Physical Form should enter Folio Number registered with the Company.

v) Enter the Image Verification as displayed and Click on Login.

vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat or Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. The sequence number is printed on the address label affixed to the Annual Report and will also be mentioned in the email which will be sent to the Shareholders whose email ID's are registered with the Company.
	• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

viii) After entering these details appropriately, click on "SUBMIT" tab.

ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item No. 3

Your Company is required to appoint a Cost Auditor to conduct the audit of the cost records of the Company as per Section 148 of the Companies Act, 2013. On the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 8th May, 2019 appointed M/s. Phatak Paliwal & Co., as the Cost Auditors of the Company for the financial year 2019-20 at a remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only), exclusive of the applicable taxes. M/s. Phatak Paliwal & Co., have given their consent and eligibility letter for the said appointment.

The aforesaid remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) is subject to ratification by the members as per Section 148(3) of the Act and Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

Board of Directors of the Company recommends the resolution appearing under the Item No. 3 of the accompanying Notice for its ratification by **Ordinary Resolution**.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, is in any way concerned or interested, in the Resolution set out at No. 3 of the Notice.

Item No 4

Pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and rules made thereunder, the Shareholders of the Company by way of a Special Resolution at their meeting held on 22nd August, 2017, had approved the terms of remuneration of Mr. Harsh A. Piramal, Whole-time Director designated as Executive Vice-Chairman, for a period of 3 years with effect from 1st April, 2017.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 4th February, 2019 approved the revised terms of the remuneration of Mr. Harsh A. Piramal to provide him a rent free furnished accommodation, the perquisite value of which as per Income Tax Act, 1961 shall not exceed ₹ 25 lakhs per year, with effect from 1st January, 2019, in addition to the approved remuneration. All the other terms of his remuneration shall remain unchanged. Details of his existing remuneration as approved by the shareholders in the AGM of the Company held on 22nd August, 2017 are given below:

Salary	
Basic Salary	In the scale of ₹ 1,50,00,000/- to ₹ 2,40,00,000/- p.a.
Perquisites	
LTA	As per the Rules of the Company
Medical Reimbursement	At actuals
Medical Insurance	As per Rules of the Company
Accident Insurance	As per Rules of the Company
Reimbursement of Car & Telephone expenses	As per Rules of the Company
Leave encashment	At the end of Tenure
Gratuity	As per the Rules of the Company
Provident Fund	As per the Rules of the Company
Superannuation Fund	Nil
Commission	As may be determined by the Board

Pursuant to the provisions of Section 196, 197 and Schedule V of the Act and Regulation 17 of the Listing Regulations, the approval of the members is sought by way of Special Resolution to approve the revised terms of remuneration of Mr. Harsh A. Piramal.

The Information as required to be annexed to the Explanatory Statement as per the second proviso to para (B) (iv) of Part II of Schedule V of the Companies Act, 2013 is given after Item No. 5.

Accordingly, the Board recommends the resolution appearing under the Item No. 4 of the accompanying Notice for the approval of the members by the way of **Special Resolution.**

Except for Mr. Harsh Piramal & Ms. Urvi Piramal, none of the Directors, Key Managerial Personnel of the Company or their

respective relatives, is in any way concerned or interested, in the Resolution set out at No. 4 of the Notice.

Item 5

On the recommendations of the Nomination and Remuneration Committee and pursuant to the provision of Section 196, 197 and 203 of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and the rules made thereunder, the Board of Directors of the Company at its meeting held on 3rd November, 2018 approved the re-appointment Mr. R. K. Rewari (DIN: 00619240) as the Managing Director of the Company, subject to approval of members, for a further period of 3 (Three) years with effect from 1st February, 2019.

The terms and conditions of re-appointment of Mr. R. K. Rewari and remuneration payable to him are specified in the Item no. 5 of the notice.

Pursuant to the provisions of Section 196, 197 and Section II of Part II of schedule V of the Act, the approval of the members is sought by way of Special Resolution for the re-appointment of Mr. R. K. Rewari as the Managing Director of the Company and for the remuneration payable to him.

Accordingly, the Board recommends the passing of the resolution set out in Item No. 5 of the notice as the **Special Resolution.**

Except for Mr. R. K. Rewari, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5

The Information as required to be annexed to the Explanatory Statement as per the second proviso to para (B) (iv) of Part II of Schedule V of the Companies Act, 2013 for Mr. Harsh A. Piramal and Mr. R. K. Rewari:

I. General Information

1) **Nature of Industry** : Textiles

2) **Date or expected date of commencement of commercial production** : Not Applicable as the Company is already in Operations

3) **In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus** : Not Applicable.

4) **Financial performance based on given indicators:**

(₹ in lakhs)

Particulars	For the FY March 2019	For the FY March 2018	For the FY March 2017	For the FY March 2016	For the FY March 2015
	IND AS			GAAP	
Total Income	35,025.31	36,750.91	38,485.95	33,963.93	36,781.24
Profit/ (Loss) before Tax	(3,439.03)	81.76	1,032.84	2,360.04	3,239.95
Profit/ (Loss) after Tax	(2,448.44)	40.49	1,179.74	1,651.62	2,071.60
Other Comprehensive Income	14.96	(18.88)	(14.83)	–	–
Total Comprehensive Income for the year	(2433.48)	21.61	1,164.91	1,651.62	2,071.60

5) **Foreign Investments or collaborations, if any:**

The Company has not entered into any foreign collaboration. As per the shareholding pattern as on March 31, 2019, foreign investments in the Company is as under:

Category	No of shareholders	No of Shares	% of shareholding
Foreign Institutional Investors	1	258	0.00
Overseas Corporate Bodies	147	9,80,328	2.70
Non-Resident Indian	94	4,22,672	1.16

II. Information about the appointee

1) **Background Details:**

Mr. Harsh A. Piramal

Mr. Harsh A. Piramal is the executive Vice-Chairman of Morarjee Textiles Limited. He is also the Vice-Chairman of Piramal Renewable Energy which is also a part of Ashok Piramal Group.

Mr. Piramal began his career as an analyst at venture capital firm, Indocean Chase Capital Partners (subsequently part of JP Morgan Chase). After completing his MBA, he founded Thundercloud Technologies (India) Private Limited, an IT Company in May 2000. In August 2001, he was appointed COO – Allied Pharma Businesses at Nicholas Piramal India Limited (now Piramal Enterprises Limited), where he was responsible for the turnaround

and robust growth of all divisions under his leadership. He was in this position till April 2004, when he took up his current position.

Mr. Piramal holds a Bachelor of Science (Physics) degree from Kings College London and a MBA (specializing in Finance and Strategy) from the London Business School.

Mr. R. K. Rewari

Mr. Rajendar Kumar Rewari heads the textiles business at the Ashok Piramal Group. As the MD, Mr. Rewari oversees all aspects of the textile business from strategy to yarn & fabric manufacturing to exporting the finished fabric.

Mr. Rewari took over the reigns at Morarjee Textiles nine years ago. He has been associated with the textiles sector for 3 decades. Mr. Rewari is a Science Graduate and has done his Post-Graduate Degree in Business Management from Kurukshetra University in Haryana. He has also done Management Education Programme (MEP) from IIM, Ahmedabad.

Prior to this, he was associated with the Vardhman Group since 1981. As the Chief Executive (Marketing), he shouldered the responsibility of establishing Vardhman globally as a supplier of finished fabrics.

Besides this, he is also associated with various associations of the textile industry. He is the Chairman of the Mill Owner's Association (MOA) and a Committee Member of Confederation of Indian Textile Industry (CITI).

2) **Remuneration proposed and Past Remuneration**

The remuneration proposed to be paid during the remaining tenure of their directorships is detailed in the respective Resolutions and explanatory statement. Remuneration paid in the past is as under:

Mr. Harsh Piramal

(₹ in Lakhs)

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Salary and Allowances	140.62	140.61	136.92
Perquisites	14.70	4.28	-
Total	**155.32**	**144.89**	**136.92**

Mr. R. K. Rewari

(₹ in Lakhs)

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Salary and Allowances	143.44	144.39	151.69
Perquisites	0.79	0.72	0.68
Total	**144.23**	**145.11**	**152.37**

3) **Recognition or Awards -** Not Applicable

4) **Job profile and suitability**

Mr. Harsh A. Piramal spearheads the textiles business of the Ashok Piramal Group. Mr. Piramal leverages his in-depth understanding of the business to enhance the growth of the Company. Mr. Piramal leads a strong team of managers with a mission of delivering premium value to all stakeholders. Under his leadership, the Company undertook a backward integration project to integrate the manufacturing processes and to reduce dependence on vendors of yarn and weaved fabric.

His implicit sense of business has enabled Morarjee Textiles Limited to carve a niche for itself in the Textiles sector.

Mr. R. K. Rewari has been associated with the textiles sector for 3 decades. He is the Managing Director of the Company since 2010. Mr. Rewari has helped the Company achieve its goals. He oversees all aspects of Textiles business from strategy to yarn & fabric manufacturing to exporting the finished fabric. Under his stewardship, the Company formulated an aggressive plan which has seen the businesses grow.

5) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

The proposed remuneration is comparable and competitive, considering the industry, size of the Company, the academic accolades, experience and expertise offered by the managerial persons.

6) **Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel:**

Besides the remuneration and perquisites as stated above:

Mr. Harsh A. Piramal holds 16,522 equity shares in the Company and he is son of Ms. Urvi A. Piramal – Non-Executive Chairperson of the Company. He has no other direct or indirect pecuniary relationship with the Company.

Mr. R. K Rewari holds 100 shares in the Company. He has no other direct or indirect pecuniary relationship with the Company.

III. Other Information

1) Reasons of Loss and Inadequate Profits

The political & economic instability coupled with lack of acceptable banking facilities, the Company's exports

(Voils) to key exports markets - Sudan & Yemen have come down sharply. The economic sanctions by US have crippled both these countries and the products sold by the Company in these markets are market specific & don't have much acceptability in other markets. Further, the domestic market also witnessed the downfall during the FY 2018-19 and has affected the profits of the Company.

2) Steps taken or proposed to be taken for improvement

The company is making all efforts to fill the drop of sales in Sudan and Yemen by increasing presence in readymade garment segment space and alternative markets. The company is exploring strategic alliances with large domestic and international brands to boost sales on sustainable basis. As strategy we have expanded our customer base in Bangladesh which is emerging as a major hub for textiles trade globally.

3) Expected Increase in Productivity and profits in measurable terms

With improving domestic market and new strategic initiatives, the Company is hopeful for better performance in the next financial year.

Item No 6 & 7

In terms of the provisions of Companies Act, 2013, Members of the Company, at their 19th Annual General Meeting held on 29th September, 2014, had approved the appointment of Mr. Shobhan Thakore and Mr. Ranjan Pant as Independent Directors of the Company, whose terms are due to expire on 28th September, 2019.

As per the Section 149(10) of the Act, an independent director shall hold office for a term of five consecutive years and shall be eligible for re-appointment for a second term of five years on passing of a special resolution by the Company.

On the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at their meeting held on 8th May, 2019 considered and approved the re-appointment of the above Independent Directors of the Company for the second term of five years i.e. upto 28th September, 2024. The Company has also received consent letters from Mr. Shobhan Thakore and Mr. Ranjan Pant for their re-appointment.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Act and the Rules made thereunder and listing regulations, for appointment as Independent Directors.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of above directors as Independent Directors is now being placed before the Members in general meeting for their approval.

Further, in terms of Regulation 17 of the Listing Regulations, a non-executive director who attains the age of seventy-five years, shall not continue his directorship as a non-executive director, unless such appointment is approved by the members by special resolution. Mr. Shobhan Thakore shall attain the age of seventy-five years on 3rd July, 2022 and accordingly the approval of the members is also sought for continuation of his appointment on attaining the age of seventy five years.

Accordingly, the Board recommends the passing of the resolution set out in Item No. 6 and 7 of the notice as the **Special Resolutions**.

Mr. Shobhan Thakore and Mr. Ranjan Pant are interested in the resolutions set out respectively at Item Nos. 6 and 7 of the Notice with regard to their respective re-appointments.

Save and except the above, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the Resolutions mentioned in Item No. 6 and 7.

Item No 8

In view of the existing and future financial requirements of the Company to support its business operations, the Company is in need of additional funds. As an alternative means of funding, your Company may raise funds through offer and issue of Non-Convertible Debentures ("NCDs") on a Private Placement basis.

Further, as per the provisions of Section 42 of the Companies Act, 2013 and Rules made thereunder, the prior approval of shareholders through Special Resolution shall be valid for all the offers or invitations for such NCDs during one year. Accordingly, the approval of the shareholders is sought for the fresh offer of NCDs on a Private Placement basis upto a limit of ₹ 150 Crores for a period of one year commencing immediately from the date of passing of this resolution.

The Board of Directors of the Company recommends the passing of the resolution set out in Item No. 8 of the notice as the Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution set out in the Item No. 8 of the Notice.

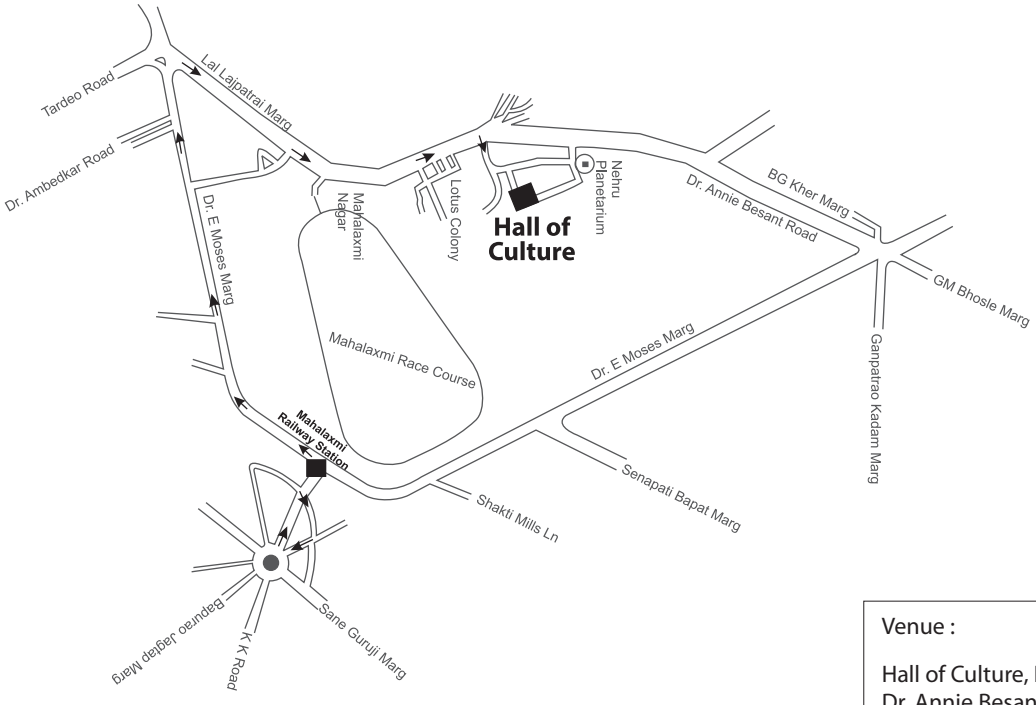
Annexure-I

Details of the Directors Seeking appointment/ Re-appointment in the forthcoming Annual General Meeting (Pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Name of the Director	Mr. Mahesh Gupta	Mr. R. K. Rewari
Age	62	62
Qualifications, experience, brief resume of the Director & Nature of his expertise	Brief resume with qualifications, experience and nature of expertise of Mr. Mahesh Gupta is stated in the Directors' Profile section of the Corporate Governance Report	Brief resume with qualifications, experience and nature of expertise of Mr. R. K. Rewari is stated in the Directors' Profile section of the Corporate Governance Report
Relationship with other directors and Key Managerial Personnel	NA	NA
Names of the Listed entities in which the director holds directorships	• Morarjee Textiles Limited • Peninsula Land Limited • RPG Life Sciences Limited • CEAT Limited • Shree Digvijay Cement Co. Limited	• Morarjee Textiles Limited • Integra Garments and Textiles Limited
Chairman/ Member of the Committees of the Board of Listed entities as on March 31, 2019	**Morarjee Textiles Limited** • Stakeholders Relationship Committee - Member • Risk Management Committee - Member **Peninsula Land Limited** • Stakeholders Relationship Committee - Member • Risk Management Committee - Member **RPG Life Sciences Limited** • Stakeholders Relationship Committee - Chairman • Audit Committee - Member • Risk Management Committee - Member **CEAT Limited** • Audit Committee – Chairman • Nomination and Remuneration Committee - Chairman • Stakeholders Relationship Committee - Member • Risk Management Committee - Chairman **Shree Digvijay Cement Co. Limited** • Audit Committee – Member • Nomination and Remuneration Committee - Chairman	**Integra Garments And Textiles Limited** • Stakeholder Relationship Committee – Member **Morarjee Textiles Limited** • Stakeholders Relationship Committee – Member
Number of Board meetings attended during FY 2018-19	4 out of 4	4 out of 4
Date of first appointment on the Board of the Company	19.01.2006	01.02.2010
Shareholding in the Company as on 31.03.2019	1,16,000 (Joint shareholding of Ms. Sunita Gupta and Mr. Mahesh Gupta)	100

Name of the Director	Mr. Shobhan Thakore	Mr. Ranjan Pant
Age	71	59
Qualifications, experience, brief resume of the Director & Nature of his expertise	Brief resume with qualifications, experience and nature of expertise of Mr. Shobhan Thakore is stated in the Directors' Profile section of the Corporate Governance Report	Brief resume with qualifications, experience and nature of expertise of Mr. Ranjan Pant is stated in the Directors' Profile section of the Corporate Governance Report
Relationship with other directors and Key Managerial Personnel	NA	NA

Names of the Listed entities in which the director holds directorships	• Morarjee Textiles Limited • Alkyl Amines Chemicals Limited • Bharat Forge Limited • Prism Johnson Limited • Sharda Cropchem Limited	• Morarjee Textiles Limited • Schneider Electric Infrastructure Limited
Chairman/ Member of the Committees of the Board of Listed entities as on March 31, 2019	**Morarjee Textiles Limited** • Audit Committee - Chairman • Stakeholders Relationship Committee - Chairman • Nomination and Remuneration Committee – Member • Corporate Social Responsibility Committee - Member **Alkyl Amines Chemicals Limited** • Audit Committee - Member • Stakeholders Relationship Committee - Chairman • Nomination and Remuneration Committee - Member • Finance Committee - Chairman **Bharat Forge Limited** • Audit Committee - Member • Nomination and Remuneration Committee – Member **Prism Johnson Limited** • Audit Committee – Member **Sharda Cropchem Limited** • Stakeholders Relationship Committee – Member	**Schneider Electric Infrastructure Limited** • Audit Committee - Member • Stakeholder Relationship Committee - Member • Nomination and Remuneration Committee - Member • Corporate Social Responsibility Committee - Member • Risk Management Committee - Member
Number of Board meetings attended during FY 2018-19	4 out of 4	4 out of 4
Date of first appointment on the Board of the Company	23.08.2006	01.08.2014
Shareholding in the Company as on 31.03.2019	Nil	Nil



Route Map

Venue :

Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting their 24th Annual Report and the Audited Financial Statement for the Financial Year ended 31st March, 2019.

1) Financial Results

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	Current Year 31st March, 2019	Previous Year 31st March, 2018	Current Year 31st March, 2019	Previous Year 31st March, 2018
Total Income	35,025	36,751	35,025	36,751
EBIDTA	4,276	7,505	4,276	7,505
Interest and Finance Expenses	5,394	5,139	5,394	5,139
Depreciation	2,321	2,284	2,321	2,284
Profit/ (Loss) before tax	(3,439)	82	(3,439)	82
Current tax (MAT)	-	123	-	123
Deferred Tax (Net of MAT credit Entitlement)	(985)	(82)	(985)	(82)
MAT of earlier period	(6)	-	(6)	-
Profit/ (Loss) After Tax	(2,448)	41	(2,448)	41
Share in Profit/ (Loss) of Joint Venture	-	-	(7)	9
Profit/ (Loss) for the year	(2,448)	41	(2,455)	50
Other Comprehensive Income (Net of Tax)	15	(19)	15	(19)
Total Comprehensive Income	(2,433)	22	2,440	31

2) Review of operations

On Standalone basis, the total Income from operations of the Company was ₹ 35,025 lakhs as against ₹ 36,751 lakhs in the previous year. The EBIDTA of the Company for current year was ₹ 4,276 lakhs as against ₹ 7,505 lakhs in previous year. The Company incurred a loss of ₹ 3,439 lakhs from ordinary activities before tax in the current year as against a profit of ₹ 82 lakhs in the previous year. After providing for tax, the Company reported a Total Comprehensive Income of ₹ (2,433) lakhs for the year ended 31st March, 2019 as against that of ₹ 22 lakhs for the Financial Year ended 31st March, 2018.

On Consolidated basis, the total Income from operations of the Company was ₹ 35,025 lakhs as against ₹ 36,751 lakhs for the previous year. The Company has incurred a loss before tax of ₹ 3,439 lakhs, from ordinary activities before tax in the current year as against a profit of ₹ 82 lakhs previous year. After providing for tax and after share in loss of Joint Ventures, the Company reported a Total Comprehensive Income of ₹ (2,440) lakhs for the Financial Year ended 31st March, 2019 as against that of ₹ 31 lakhs for the Financial Year ended 31st March, 2018.

3) Performance of Joint Venture Companies

The Company has following Joint Ventures:

(i) Morarjee Castiglioni (India) Private Limited (50%)
(ii) Just Textiles Limited (49%)

A Statement containing the salient features of the Financial Statements of said Joint Ventures is annexed in the prescribed Form AOC-1 to this Report as **"Annexure -1".**

A policy on material subsidiaries has been formulated and hosted on the website of the Company at www.morarjee.com.

4) Share Capital

During the financial year 2018-19, the authorized share capital of the company was re-classified and increased from ₹ 56,50,00,000/- (Rupees Fifty Six Crores and Fifty Lakhs only) divided into 4,50,00,000 Equity Shares of ₹ 7/- each and 25,00,000 Preference Shares of ₹100/- each to ₹ 60,55,00,000/- (Rupees Sixty Crores and Fifty Five Lakhs only) divided into 3,65,00,000 Equity Shares of ₹7/- each and 35,00,000 Preference Shares of ₹100/- each.

5) Dividend and Reserve

In view of losses incurred, your Directors do not recommend any dividend for the year under review. The details of reserves and surplus are provided in Note No. 15 of the notes to the standalone financial statements.

6) Deposits / Loans from Directors

The Company has neither accepted nor renewed any deposits during the year. Your Company has not accepted any deposit from the directors during the year under review.

7) Particulars of Loans, Guarantee or Investments

During the year under review, the Company has not made any investments, advanced any loans or provided any guarantee falling under Section 186 of the Companies Act, 2013 ("the Act").

8) State of Company's Affairs and business Review

The details of the Company's affairs including its operations are more specifically given in the Management Discussion and Analysis Report, which is given in this Annual Report.

The Board is pleased to informed that the Company has been awarded the "Best Fabric Partner" by Laguna Clothing. This award is given considering aspects such as quality, delivery and overall service.

9) Corporate Social Responsibility ("CSR")

Company undertakes its CSR activities through Urvi Ashok Piramal Foundation which is currently executing various projects on Health and Environment programmes and these projects are in accordance with Schedule VII of the Act and the Company's CSR policy.

The detailed Report on CSR activities is annexed as **Annexure – 2** and forms an integral part of this Report.

The constitution of the CSR Committee and its terms of reference are more particularly stated in the Corporate Governance Report which forms a part of this Annual Report. CSR Policy of the Company is available on Company's website at www.morarjee.com.

10) Business Risk Management

The Company has formulated and implemented a Risk Management policy in accordance with the provisions of the Act and Regulation 17(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in order to address the business risks associated with the Company. The Company periodically reviews the risk management practices and actions deployed by the management with respect to the identification, impact assessment, monitoring, mitigation and reporting of key risks while trying to achieve its business objectives.

11) Internal Control System and their adequacy

Your Company has an Internal Control System commensurate with the size, scale and complexity of its operations and well-documented procedures for various processes which are periodically reviewed for changes warranted due to business needs. The Internal Auditor continuously monitors the efficiency of the internal controls/ compliance with the objective of providing to Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and governance processes. This system of internal control facilitates effective compliance of Section 138 of the Act and the Listing Regulations.

To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor monitors and evaluates the efficiency and adequacy of the internal control system with reference to the Financial Statement. Based on the report of internal auditor, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee. During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

12) Vigil Mechanism/ Whistle Blower Policy

The Vigil Mechanism/Whistle Blower Policy has been put in place for the Directors and Employees to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against the victimization of directors and employees who avail of the mechanism. Directors and employees may make protected disclosure under the policy to the Compliance Committee constituted by the Company to administer the internal code of business conduct. In exceptional cases, directors and employees have direct access to the Chairman of the Audit Committee. Further no personnel have been denied access to the Compliance Committee/ Chairman of the Audit Committee, as the case may be.

No complaints were received under whistle blower mechanism during the year under review.

13) Directors and Key Managerial Personnel

Mr. Ranjan Sanghi has resigned as a Non-Executive Independent Director with effect from 8th April, 2019. The Board places on records its appreciation towards valuable contribution made by him during his tenure as director of the Company.

Mr. Mahesh S. Gupta (DIN: 00046810), non-executive Director of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment to the shareholders at the ensuing AGM.

Pursuant to Section 196, 197 and 203 of the Act and the rules made thereunder read with Schedule V of the Act and on the recommendation of the Nomination and Remuneration Committee, Mr. R. K. Rewari (DIN: 00619240) was re-appointed as the Managing Director of the Company at the Board meeting held on 3rd November, 2018 for a period of 3 years with effect from 1st February, 2019. The re-appointment of Mr. R. K. Rewari is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting ("AGM"). The Board recommends his appointment to the shareholders at the ensuing AGM.

Mr. Shobhan Thakore (DIN: 00031788) and Mr. Ranjan Pant (DIN: 00005410), Independent Directors will complete their first term of 5 consecutive years as the Independent Directors of the Company on 28th September, 2019. Board recommends their re-appointment for a second term of 5 consecutive years in terms of section 149(10) of Companies Act, 2013 and regulation 25(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires the approval of members by way of special resolution.

Mr. Sanjeev Singh Sengar has resigned as the Company Secretary and Compliance Officer with effect from 20th March, 2019 and Mr. Tanmay Bhat was appointed as the Company Secretary and Compliance Officer with effect from 8th May, 2019.

All the Independent Directors of your company have given declarations that they meet the criteria of Independence laid down under Section 149(6) of the Act and the Listing Regulations.

The Company has complied with the requirements of having Key Managerial Personnel as per the provisions of Section 203 of the Act.

14) Remuneration Policy

In compliance with Section 178(3) of the Act and Regulation 19(3) of the Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board framed a Policy relating to the selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The Policy includes criteria for determining qualifications, positive attributes and independence of a director and other matters. The functions of the Nomination and Remuneration Committee are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

The policy on the appointment of person as Director and evaluation of Director and Senior Management Personnel of the Company is available on Company's website at www.morarjee.com.

15) Performance Evaluation

Pursuant to Regulation 17 of the Listing Regulations read with Schedule IV of the Act, a formal evaluation of Board's performance and that of its Committees and individual directors had been done. The evaluation process was externally facilitated and conducted by M/s. Hrcraft, a professional business consulting firm specialized in feedback exercises engaged for carrying out evaluation process in a fair and transparent manner. Directors were circulated structured performance evaluation forms on various heads and they have provided their inputs on the same. Based on feedback, an evaluation Report was prepared and forwarded to the Chairperson and the respective Director to maintain the confidentiality of the Report.

The Independent Directors at their meeting held on 5th March, 2019, evaluated performance of the Chairperson, non-independent directors of the Company and the performance of the Board as a whole based on the evaluation report provided by the M/s. Hrcraft.

The Directors expressed their satisfaction with the evaluation process.

16) Meetings of the Board

Four meetings of the Board of Directors were held during the financial year 2018-19 and the gap between two consecutive board meetings was within the statutory limit. The details of the number of meetings held and attended by each Director are provided in the Corporate Governance Report, which forms part of this Annual Report.

17) Committees of the Board

The details of all the Committees of the Board along with their terms of reference, composition and meetings held during the year, are provided in the Report on Corporate Governance which forms part of this Annual Report.

18) Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, we hereby state that:

i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, in any;

ii) your directors have selected such accounting policies and applied them consistently and made

judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and its loss for the year ended on that date;

iii) your directors have taken proper and sufficient care towards 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;

iv) your directors have prepared the annual accounts for the year ended 31st March, 2019 on a going concern basis;

v) your directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi) your directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19) Related Party Transactions ("RPTs")

The RPTs entered into by the Company during the Financial Year 2018-19 were on an arm's length basis and in the ordinary course of business and none of them was material. The Form AOC-2 for RPTs is enclosed as **"Annexure - 3".**

All the RPTs were placed before the Audit Committee for its approval and the Committee had granted its prior approval/omnibus approvals, as the case may be, for all RPTs considering their nature. The Audit Committee reviewed, on a quarterly basis, RPTs entered into by the Company to which omnibus approval was granted by the Committee. The Company has framed a policy on RPTs for the purpose of identification, approval and monitoring of such transactions.

The policy on RPTs is hosted on the Company's website at www.morarjee.com.

20) Auditors and their reports

A. Statutory Auditors & Auditors Report

The members of the Company have appointed M/s. Haribhakti & Co. LLP as statutory auditors of the Company for a period of 5 years and they will remain in office until the conclusion of 27th AGM. The Auditor's Report on the Standalone and Consolidated Financial Statements of the Company for the Financial Year 2018-19 as submitted by M/s. Haribhakti & Co. LLP, did not contain any qualifications, reservations or adverse remarks and is self-explanatory.

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

B. Cost Auditors

Pursuant to Section 148 of the Act and on the recommendation of the Audit Committee, M/s. Phatak Paliwal & Co., Cost Accountants (Firm Registration Number 000105), were appointed by the Board as the Cost Auditors of the Company for the financial year 2019-20 at a remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand only), exclusive of applicable taxes subject to ratification by the members at the AGM. The requisite resolution for ratification of remuneration of Cost Auditors by the shareholders has been set out in the Notice of AGM. M/s. Phatak Paliwal & Co. provided a certificate to the Company certifying their independence and arm's length relationship with the Company in accordance with the provisions of the Act.

C. Secretarial Audit

Pursuant to Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has obtained the Secretarial Audit Report for the financial year ended 31st March, 2019 from M/s. Kala Agarwal, Company Secretary in practice and same is annexed as **Annexure - 4** to this Report. The Secretarial Audit Report does not contain any qualification, reservations or adverse remarks.

21) Corporate Governance Report and Management Discussion and Analysis Report

The Corporate Governance Report on compliance of the conditions of Corporate Governance as stipulated in the Listing Regulations and the Management Discussion & Analysis Report forms an integral part of this annual report.

22) Corporate Governance details as required under Schedule V of the Companies Act, 2013

The disclosures to be mentioned in pursuance of Section II of Part II of Schedule V of the Act have been mentioned in the Corporate Governance Report.

23) Compliance of Secretarial Standards

The Company has complied with the applicable Secretarial Standards during the year.

24) Particulars of Employees

The information required pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided on request. In terms of Section 136 of the Act, the reports and accounts are being sent to the shareholders and others entitled thereto, excluding the said information which will be made available for inspection by the shareholders at the Registered Office of the company during business hours on any working days of the Company upto the date of the ensuing Annual General Meeting. If any shareholder is interested in inspecting the same, such shareholders may write to the Company Secretary in advance.

Members who are interested in obtaining these particulars may write to the Company Secretary at the registered office of the Company.

25) Energy Conservation and Technology absorption, Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy and technology absorption as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **"Annexure - 5 "** to this report.

The total Foreign Exchange Inflow was ₹ 11,842.30 lakhs and Outflow was ₹ 1,030.31 lakhs during the year under review.

26) Significant and Material Orders

There were no significant and material orders passed by any Regulators or Courts or Tribunals during the year ended 31st March, 2019 impacting the going concern status and Company's operations in future.

27) Prevention of Sexual Harassment of Women at workplace

The Company has zero tolerance towards sexual harassment at workplace and has adopted a policy to abide by letter and spirit requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company has Internal Complaints Committee (ICC) at Group level to redress the complaints of sexual harassment. During the year, Company has not received any complaint of sexual harassment.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

number of complaints filed during the financial year	Nil
number of complaints disposed of during the financial year	Nil
number of complaints pending as on end of the financial year	Nil

28) Maintenance of Cost Records

The provisions of sub-section (1) of Section 148 of the Companies Act, 2013 pertaining to the maintenance of cost records are applicable to the Company and accordingly such accounts and records are made and maintained by the Company.

29) Material Changes and Commitments affecting the financial position of the company

There has been no material change/commitment affecting the financial position of the Company during the period from the end of the financial year on 31st March, 2019 to the date of this Report. There has been no change in the nature of business of the Company.

30) Extract of Annual Return

Pursuant to the provisions of Sections 134(3)(a) and 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2019, in prescribed Form No. MGT-9 is given in **Annexure '6'** to this Report.

31) Acknowledgements

Your directors gratefully acknowledge the support and cooperation received from various departments of the Central and State governments, members, business associates, analysts, banks, financial institutions, customers, distributors and suppliers, business partners and other stakeholders of the Company and also convey a sense of high appreciation to all the employees of the Company for their hard work, dedication, continued commitment and contribution.

On behalf of the Board
For **Morarjee Textiles Limited**
Sd/-
Urvi A. Piramal
Chairperson
DIN 00044954

Date: 8th May, 2019
Place: Mumbai

Annexure - 1

AOC - 1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A - Subsidiaries

Sr. No.	Name of the subsidiary	Reporting Period	Reporting currency	Share capital / Contribution	Reserves & surplus	Total assets	Total Liabilities (Excluding Share capital and Reserves & Surplus)	Investments	Turnover (Includes Other Income)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share holding	Remarks
Not Applicable															

Notes :

1. Names of the Subsidiaries which are yet to commence operations: NIL
2. Names of Subsidiaries which have been liquidated or sold during the year: NIL

Part B: Associates and Joint Ventures

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

(₹ in lakhs)

Sr. No.	Name of Associates/Joint Ventures	Latest audited balance sheet	Shares of Associate/Joint Ventures 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		Remarks
			No. of Shares	Amount of Investment in Associates /Joint Venture	Extent of Holding %				Considered in Consolidation	Not Considered in Consolidation	
1	Morarjee Castiglioni (India) Private Ltd.	31-Mar-19	1,000,000	64.10	50%	Shareholding	-	54.98	(1.72)	-	Joint Venture
2	Just Textiles Limited @	31-Mar-19	795,560	429.86	49%	Shareholding	-	463.87	(5.05)	-	Joint Venture

@ Unaudited

Notes :

1. Names of the Associates or Joint ventures which are yet to commence operations: NIL
2. Names of Associates or Joint ventures which have been liquidated or sold during the year: NIL

For and on behalf of Board of Directors

Urvi A. Piramal
(DIN 00044954)
Chairperson

Harsh A. Piramal
(DIN 00044972)
Executive Vice Chairman

R. K. Rewari
(DIN 00619240)
Managing Director

Mahesh S. Gupta
(DIN 00046810)
Director

Shobhan Thakore
(DIN 00031788)
Director

S. C. Kashimpuria
Chief Financial Officer

Tanmay Bhat
Company Secretary

Place : Mumbai
Date : May 8, 2019

Annexure - 2

Annual Report on the CSR Activities of the Company

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	CSR activities at Morarjee Textiles Limited are carried out through Urvi Ashok Piramal Foundation. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and rules made thereunder and the same is placed on the Company's website and the web link for the same is www.morarjee.com.
2	The composition of the CSR Committee	Ms. Urvi A. Piramal – Chairperson Mr. Harsh A. Piramal – Member Mr. Ranjan Sanghi – Member (ceased to be a member w.e.f. 8th April, 2019) Mr. Shobhan Thakore – Member (appointed as a member w.e.f. 25th April, 2019)
3	Average Net profit of the Company for the last three financial years	₹ 1566 lakhs
4	Prescribed CSR Expenditure (two per cent of the amount as mentioned in item 3 above)	₹ 31.32 lakhs
5	Details of the CSR Expenditure incurred during the financial year:	
	• Total Amount spent during the Financial Year ended 31st March, 2019.	₹ 35 lakhs
	• Amount unspent, if any;	Nil
	• Manner in which the amount is spent during 1st April, 2018 to 31st March, 2019	Given below

(₹ in lakhs)

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programswise	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period -March 2019	Amount Spent: Direct or through implementing agency
1)	Health	Mobile Health Unit -1	Dist: Nagpur State: Maharashtra	10.00	3.59	3.59	Urvi Ashok Piramal Foundation (UAPF)
		Mobile Health Unit -2	Dist: Nagpur State: Maharashtra	10.00	3.31	3.31	
		Mobile Health Unit -3	Dist: Nagpur State: Maharashtra	10.00	3.28	3.28	
		Mobile Health Unit -1	Dist: Raigad State: Maharashtra	10.00	3.67	3.67	
		Mobile Health Unit -2	Dist: Raigad State: Maharashtra	5.00	2.20	2.20	
		Mobile Health Unit -3	Dist: Raigad State: Maharashtra	10.00	3.11	3.11	
2)	Environment	Conservation of Wildlands	Pench, Madhya Pradesh and Maharashtra	40.00	15.00	15.00	
3)	Administration			5.00	0.85	0.85	
	Total			100.00	35.00	35.00	

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR Objectives and Policy of the Company.

Urvi A. Piramal
Chairperson of CSR Committee

Harsh A. Piramal
Executive Vice Chairman / Member of CSR Committee

CSR Annual Report 2018-19

CSR at a Glance: 2018-19

Even after 72 years of attaining independence, a significant number of our rural/ tribal population has to run from pillar to post to get primary health services. Inspite of walking and travelling long hours to Primary Health Centres (PHC), often to their dismay either the doctor is not present or there are no primary medicines. Understanding the criticality of the need for affordable healthcare for the poor in our country, UAPF with its strong operational knowledge of running Mobile Health Units (MHUs) since the last 9 years has extended its health services for people living in the forests too. Resources are utilized to a great extent each year to reach out to as many marginalized groups as possible.

The total MHUs managed currently are 10, Nagpur has four MHUs, Raigad and Shahapur District has two each, one in Pench and an Ophthalmology van at Jhunjhunu District. The MHU in Bor and Umred Karandala forest cover 24 villages respectively every week. The other two MHUs are in Butibori and Hingna Taluka. Along with primary health services, the foundation periodically conducts mega health camps wherein overall screening, HB and sugar testing is also undertaken. More specific camps like Orthopedic, Gynecology etc are also organized with the support of Gram Panchayat and forest department.

In the last FY 2018-19 in all 38,334 patients were examined and treated in the various locations at Nagpur.

Ophthalmology for Construction workers:

The foundation tries to reach as many marginalized groups as possible with the preeminent aim of providing affordable and quality health care at the door step.

Camps held: 11

People screened: 659

Spectacles distributed: 371

Referred to base hospital: 35

Cataract surgeries: 2

Almost 60 % Construction Workers needed glasses.

23% have been identified with other eye related problems.

Rural Eye Health at Jhunjhunu District (2015-2019)

UAPF along with Sight Savers International launched a project three years back, Ophthalmology service for the entire District of Jhunjhunu. The project is in its final stage now, it will be terminated with a dissemination programme wherein, a report will be published on the key mile stones achieved by during the last three years. At the local level, the information will be shared with the District Chief Medical officer, Collector, representatives of NGO and private hospitals functioning in that region. The work will be continued by the base hospital that has been the service provider during the entire duration of the project.

- Total population: 21,39,658
- 8 Blocks, 301 Panchayats
- People Screened : 42,616
- Spectacles distributed : 12,673
- Surgeries conducted : 4,300

Health Services at Tribal Residential Ashram Schools

The Government of Maharashtra along with UAPF undertook the initiative of providing Primary Health services in the Tribal Ashram Schools. A resolution in this direction was passed three years back and for the first time a District model was adopted to start the health services on a daily basis with the help of Mobile vans. Today, approximately 16,000 children from 32 residential Ashram schools benefit from our weekly health services at Shahapur/ Murbad at Thane District and all schools of Raigad District. Along with curative services, foundation stresses a lot on prevention of diseases. The focus through all these efforts is to prevent diseases, promote healthy habits and bring in discipline in their daily life. The foundation also provides sanitary napkins at very subsidized rates; all vans are stocked with sanitary napkin packets, the girls are very comfortable in buying it from the MHU team.

Supplementary Nutrition Programme

Many of the children at the tribal schools are weak and malnourished, after assessing their HB levels, the foundation identified 150 children from three schools, and they have been provided with fortified supplementary nutrition, (Healthy Laddoos). The staff has been trained to make the premix laddoos hygienically and it is then given to the children. If their HB levels show improvement, the aim is to make government implement this programme in all the tribal schools.

School Adoption: Infrastructure Development

UAPF has adopted Chafewadi Ashram School, Neral, Raigad District. There are about 350 children, both day scholars and boarders. To begin with, three RO plants have been set up and the maintenance of the machines is also taken care by the foundation, the children now get potable water. The girl's dormitory has been extended, newly painted and additional fans have been fitted. The room which had a very pathetic look has now been given a face lift. The standard VII children did not have a classroom, class was conducted in one tiny dormitory and the foundation converted a store room into a beautiful classroom, which now has wall to wall tiles, bright colour and good ventilation. The foundation is developing an indoor games room, this has been fitted

on a vacant plot in the school premises, and the work is in progress to develop this.

Sustainable livelihoods:

Hand block printing as an initiative started just over two years back, it has now become a source of livelihood for rural women. The women are involved in printing, product development and also participate in the exhibitions to market the products. All women have now been registered under the Government of India Handicraft Board; they have received artisan cards, which will enable them to participate in government sponsored exhibitions across India.

- Printed 8000 meters, participated in 4 exhibitions in Mumbai and Nagpur.
- Rekh is the brand name of the products.

Annexure - 3

Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1.	Details of contracts or arrangements or transactions not at arm's length basis:		NOT APPLICABLE
	(a)	Name(s) of the related party and nature of relationship	
	(b)	Nature of contracts/arrangements/transactions	
	(c)	Duration of the contracts / arrangements/transactions	
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e)	Justification for entering into such contracts or arrangements or transactions	
	(f)	Date(s) of approval by the Board	
	(g)	Amount paid as advances, if any	
	(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	
2.	Details of material contracts or arrangement or transactions at arm's length basis:		NOT APPLICABLE
	(a)	Name(s) of the related party and nature of relationship	
	(b)	Nature of contracts/arrangements/transactions	
	(c)	Duration of the contracts / arrangements/transactions	
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e)	Date(s) of approval by the Board, if any	
	(f)	Amount paid as advances, if any	

For and on behalf of
Morarjee Textiles Limited

Sd/-
Urvi A. Piramal
Chairperson

Annexure - 4

Form No. MR-3

Secretarial Audit Report
For The Financial Year Ended On 31st March, 2019

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

To,
The Members,
Morarjee Textiles Limited
Peninsula Spenta, Mathuradas Mills Compound
Senapati Bapat Marg, Lower Parel, Mumbai – 400013.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Morarjee Textiles 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 and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

A. The Companies Act, 2013 (the Act) and the rules made there under;

B. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;

C. The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;

D. 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;

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

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable during the FY 2018-19);

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable during the FY 2018-19);

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable during the FY 2018-19);

(g) 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;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the FY 2018-19); and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable during the FY 2018-19).

F. Other applicable acts,

1. Contract Labour (Regulation and Abolition) Act, 1970
2. Maharashtra Fire Prevention and Life Safety Measures Act, 2006
3. Private Security Agencies (Regulation) Act, 2005
4. The Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act, 1981
5. The Maharashtra Shops & Establishment Act, 1948
6. Contract Labour (Regulation and Abolition) Central Rules, 1971
7. Maharashtra Contract Labour (Regulation and Abolition) Rules, 1971
8. Income Tax Act, 1961
9. Hank Yarn Packing Notification, 2000
10. Air (Prevention and Control of Pollution) Act, 1981
11. Batteries (Management and Handling) Rules, 2001
12. E-waste (Management and Handling) Rules, 2011
13. Environment (Protection) Act, 1986
14. Environment (Protection) Rules, 1986

15. Environment (Protection) second Amendment Rules, 2002 – Diesel Generator (DG) Sets Rules
16. Hazardous wastes (Management, Handling and Transboundary Movement) Rules, 2008
17. Maharashtra Air (Prevention and Control of Pollution) Rules, 1983
18. Maharashtra Plastic Carry Bags Rules, 2006
19. Maharashtra Water (Prevention and Control of Pollution) Rules, 1983
20. Manufacture, Storage and import of Hazardous Chemical Rules, 1981
21. Pollution Control Consent
22. Water (Prevention and Control of Pollution)Act, 1974
23. Water (Prevention and Control of Pollution) Cess Rules, 1978
24. Master Circular on Direct Investment by Residents in Joint Venture (JV) / Wholly Owned Subsidiary (WOS) Abroad (Master Circular Number 11/ 2013-2014)
25. Boiler Act, 1923
26. Boiler Regulation, 1950
27. Explosives Act, 1884
28. Explosives Rules, 2008
29. Gas Cylinder Rules, 2004
30. Indian Electricity Rules, 1956
31. Legal Metrology Act, 2009
32. Maharashtra Fire Prevention and Life Safety Measures Act, 2006
33. Petroleum Act, 1934
34. Petroleum Rules, 2002
35. The Solvent, Raffinate and Slop (Acquisition, sale, storage and Prevention of use in Automobile) Order, 2000
36. Trade Marks Act, 1999
37. Apprentices Act, 1961
38. Child labour (Prohibition and Regulation) Act, 1986
39. Employees' State Insurance Act, 1948
40. The Employees' Compensation Act, 1923
41. Employees' State Insurance (General) Regulations, 1950
42. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
43. Equal Remuneration Act, 1976
44. Factories Act, 1948
45. Maharashtra Factories Rules, 1963
46. Maharashtra Labour Welfare Fund Act, 1953
47. Maharashtra State Tax on Professions, Trades, Calling and Employments Rules, 1975.
48. Maharashtra Workmen's Minimum House Rent Allowance Act, 1983
49. Maternity Benefit Act, 1961
50. Minimum Wages Act, 1948
51. Payment of Bonus Act, 1965
52. The Employees' Provident Fund Scheme, 1952
53. The Payment of Bonus Rules, 1975
54. The Payment of Gratuity Act, 1972
55. Weekly Holidays Act, 1942
56. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
57. The Central Goods And Services Tax Act, 2017
58. Maharashtra Goods and Services Tax Act, 2017

We have also examined compliance of Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

Majority of the decisions being carried through were captured and recorded as part of the minutes.

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.

Kala Agarwal
Practising Company Secretary
COP No.: 5356

Date: 08/05/2019

Place: Mumbai

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

Annexure A

To,
The Members,
Morarjee Textiles Limited
Peninsula Spenta,
Mathuradas Mills Compound
Senapati Bapat Marg,
Lower Parel, Mumbai – 400013.

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

Kala Agarwal
Practising Company Secretary
COP No.: 5356

Date: 08/05/2019
Place: Mumbai

Annexure - 5

Conservation of Energy & Technology absorption

A. Conservation of Energy :

(i) The steps taken or impact on conservation of energy
- Installation of VFD to control fan speed of Zimmer -1 Printing resulting in power saving.
- Optimization of Supply Fan, Return fan & Spray pump flow of Humidification system for savings in Energy.
- Steam Pipe line insulation is enhanced to reduce heat losses thereby savings in Thermal Energy.

(ii) The Steps taken by the company for utilizing alternate sources of energy.
- Recycling the heat energy of hot water generated from the Caustic Recovery Plant.

(iii) Total energy consumption
As per Form A attached

B. Technology absorption :-

(i) The efforts made towards technology absorption:
- In yarn dyeing old controllers are replaced by new generation Controllers to enhance the performance
- Main drive system technology upgradation at Kuster Padder machine is done resulting into the increase in system reliability, power quality & precise control.

(ii) The benefit derived as a result of above efforts.

- Improvement in quality and productivity.
- Cost reduction
- Water and Energy conservation.

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

a.	**Technology Imported**	Year of Import
1.	Reverse Osmosis Recovery Plant	2016-17
2.	Autoconer Automatic Package Winder	2016-17
3.	Laser Engraver	2016-17
4.	OHTC Travelling Cleaner	2016-17
5.	Selvedge Printing Machine	2016-17
6.	Bobbins Automatic Transport System	2016-17
7.	Uster AFIS Pro 2 Equipment	2016-17
8.	Uster Classimate 5	2016-17
9.	Uster HVI1000 Equipment	2016-17
10.	Uster Tenssrapid 4	2016-17
11.	Uster Tester 6 UT6 – S800 /SA	2016-17
b.	**Whether the technology is fully absorbed**	Yes
c.	**If not fully absorbed, areas where absorption has not taken place, and reasons thereof.**	N.A.

C. The expenditure incurred on Research and Development

		Amount ₹ in lakhs
(a)	Capital	0.00
(b)	Recurring	71.36
(c)	Total	71.36
(d)	Total R&D expenditure as a percentage of total turnover	0.20%

FORM - A

Form of disclosure of particulars with respect to conservation of energy

			Units	31.03.2019	31.03.2018
A)	**Power & Fuel**				
1	Electricity				
	a)	Purchased Units	Lakhs Kwhs.	577.19	646.78
		Total Cost	₹ Lakhs	3,261.59	3,211.5
		Rate/Unit	₹	5.65	4.97
	b)	Own Generation			
	I)	Through Diesel Generator			
		Units	Lakhs Kwhs.	0.24	0.52
		Unit per ltr.of Diesel oil	Kwhs.	1.61	2.80
		Cost/Unit (Diesel Oil Only)	₹	38.56	16.64
		Total Cost of Diesel	₹ Lakhs	9.21	8.61
2	Coal (slack coal for Boiler)				
		Quantity	M.T.	20,916.58	21,864.50
		Total Cost	₹ Lakhs	907.60	1,024.80
		Average rate per M.T.	₹	4,339.15	4,687.05

B) Consumption per unit of Production

In view of composite nature of its Textile Business,it is not possible to express the consumption of power & fuel per unit of production.

Annexure - 6

Form No. MGT-9

Extract of Annual Return

As on the financial year ended on 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	L52322MH1995PLC090643
ii)	Registraion Date:-	14th July, 1995
iii)	Name of the Company	Morarjee Textiles Limited
iv)	Category / Sub-Category of the Company:-	Company limited by Shares
v)	Address of Registered Office and Contact details:-	Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013. Tel: (+91 22) 66154651 Email: corporatesecretarial@ashokpiramalgroup.com
vi)	Whether Listed Company:-	Yes
vii)	Name, address and contact details of the Registrar and Transfer Agent, if any:-	Freedom Registry Limited (Share Transfer Agent) Plot No: 101/102, 19th Street, MIDC Area, Satpur, Nashik 422007 Telephone: (0253)-2354032 Fax No: (0253)-2351126 Email Id: support@freedomregistry.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main Product/Service	NIC Code of the Product/Service	% of total turnover of the company
1	Cotton Fabrics	17115	95% approx.

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY -

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate Company	% of Shares Held	Applicable Section
1	Morarjee Castiglioni (india) Private Limited Peninsula Spenta, Mathuradas Mills Compound Senapati Bapat Marg, Lower Parel Mumbai MH 400013 IN	U17110MH1997PTC110278	Associate Company	50%	2(6)
2	Just Textiles Limited Flat No. 25, 5th Floor, Aryan Mahal, Plot No. 43, PM Shukla Marg, C Road, Churchgate, Mumbai 400 020	U17100MH1987PLC044296	Associate Company	49%	2(6)

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

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 year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Promoters									
Indian									
Individual/HUF	1,04,551	0	1,04,551	0.29	1,04,551	0	1,04,551	0.29	0.00
Central Govt	0	0	0	0.00	0	0	0	0.00	0.00

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 year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other									
Ashok Piramal Group Textiles Trust through its Trustee Ms Urvi A Piramal	2,15,90,112	0	2,15,90,112	59.42	2,15,90,112	0	2,15,90,112	59.42	0.00
Morarjee Goculdas Spinning & Weaving Co. ltd Senior Employee Stock Option Scheme through its trustee Urvi Piramal & Mahesh Gupta (D)	15,11,994	0	15,11,994	4.16	15,11,994	0	15,11,994	4.16	0.00
Sub-total (A) (1):-	**2,32,06,657**	**0**	**2,32,06,657**	**63.87**	**2,32,06,657**	**0**	**2,32,06,657**	**63.87**	**0.00**
Foreign									
NRIs- Individuals	0	0	0	0.00	0	0	0	0	0.00
Other- Individuals	0	0	0	0.00	0	0	0	0	0.00
Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
Banks/ FI	0	0	0	0.00	0	0	0	0	0.00
Any Other	0	0	0	0.00	0	0	0	0	0.00
Sub-total (A) (2):-	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0**	**0.00**
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	**2,32,06,657**	**0**	**2,32,06,657**	**63.87**	**2,32,06,657**	**0**	**2,32,06,657**	**63.87**	**0.00**
Public Shareholding									
Institutions									
Mutual Funds	0	1,010	1,010	0.00	0	1,010	1,010	0.00	0.00
Banks / FI	1,765	1,817	3582	0.01	1,040	1,817	2,857	0.01	0.00
Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	17,09,644	0	17,09,644	4.71	17,09,644	0	17,09,644	4.71	0.00
FIIs	0	258	258	0.00	0	258	258	0.00	0.00
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Others (specify)	0	0.0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1):	**17,11,409**	**3,085**	**17,14,494**	**4.72**	**17,10,684**	**3,085**	**17,13,769**	**4.72**	**0.00**
Non-Institutions									
Bodies Corporate	13,06,636	41,320	13,47,956	3.71	14,61,387	30,905	14,92,292	4.11	0.40

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 year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Individuals									
Individual Shareholders holding nominal share capital upto ₹ 1 lakh	55,64,990	2,67,364	58,32,354	16.05	51,98,123	2,53,536	54,51,659	15.00	-1.05
Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	37,94,098	27,736	3,821,834	10.52	38,26,390	27,736	38,54,126	10.61	0.09
Others									
Clearing Member	15,270	0	15,270	0.04	1,28,138	0	1,28,138	0.35	0.31
NRIs	1,62,418	1,68,330	3,30,748	0.91	2,55,116	1,67,556	4,22,672	1.16	0.25
IEPF Authority	63,036	0	63,036	0.17	63,036	0	63,036	0.17	0.00
Sub-Total (B)(2):	**1,09,06,448**	**5,04,750**	**1,14,11,198**	**31.41**	**1,09,32,190**	**479733**	**1,14,11,923**	**31.41**	**0.00**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**1,26,17,857**	**5,07,835**	**1,31,25,692**	**36.13**	**1,26,42,874**	**4,82,818**	**1,31,25,692**	**36.13**	**0.00**
Shares held by Custodian for GDRs & ADRs (C)	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	**3,58,24,514**	**5,07,835**	**3,63,32,349**	**100.00**	**3,58,49,531**	**4,82,818**	**3,63,32,349**	**100.00**	**0.00**

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	
Urvi A Piramal	49,566	0.14	0	49,566	0.14	0	0
Harsh A. Piramal	16,522	0.05	0	16,522	0.05	0	0
Rajeev A. Piramal	16,522	0.05	0	16,522	0.05	0	0
Nandan A. Piramal	16,522	0.05	0	16,522	0.05	0	0
Kalpana Singhania	5,419	0.01	0	5,419	0.01	0	0
Ashok Piramal Group Textiles Trust through its trustee Ms.Urvi A Piramal	2,15,90,112	59.42	0	2,15,90,112	59.42	0	0
Morarjee Goculdas Spinning & Weaving Co. Ltd. Senior Employee Stock Option Scheme through its trustee Urvi Piramal & Mahesh Gupta	15,11,994	4.16		15,11,994	4.16156412		
Total	**2,32,06,657**	**63.87**	**0**	**2,32,06,657**	**63.87**	**0**	**0**

iii) Change in Promoters' Shareholding

There was no change in the promoter shareholding during the year

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Date	Transaction	Shareholding at the Beginning of the year - 1st April, 2018		Cumulative Shareholding during the year - 31st March 2019	
				No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Ruchit Bharat Patel	-	-	18,33,361	5.05	18,33,361	5.05
2	Life Insurance Corporation of India	-	-	15,18,358	4.18	15,18,358	4.18
3	Shrikrishna Finvest and Capital Management Private Limited	-	-	6,17,651	1.70	6,17,651	1.70
4	Santosh Murarilal Gupta	01-04-2018	-	3,38,600	0.93	3,38,600	0.93
		29-06-2018	Market Sale	-45	0.00	3,38,555	0.93
		03-08-2018	Market Sale	-5,000	-0.01	3,33,555	0.92
		10-08-2018	Market Sale	-3,000	-0.01	3,30,555	0.91
		31-08-2018	Market Sale	-2,555	-0.01	3,28,000	0.90
		07-09-2018	Market Sale	-1,000	0.00	3,27,000	0.90
		14-09-2018	Market Sale	-500	0.00	3,26,500	0.90
		05-10-2018	Market Sale	-1,628	0.00	3,24,872	0.89
		12-10-2018	Market Sale	-1,372	0.00	3,23,500	0.89
		26-10-2018	Market Sale	-1,000	0.00	3,22,500	0.89
		02-11-2018	Market Sale	-2,604	-0.01	3,19,896	0.88
		16-11-2018	Market Sale	-1,247	0.00	3,18,649	0.88
		23-11-2018	Market Sale	-1,100	0.00	3,17,549	0.87
		07-12-2018	Market Sale	-500	0.00	3,17,049	0.87
		14-12-2018	Market Sale	-468	0.00	3,16,581	0.87
		08-03-2019	Market Sale	-581	0.00	3,16,000	0.87
		15-03-2019	Market Sale	-1,000	0.00	3,15,000	0.87
5	The Oriental Insurance Company Limited	-	-	1,91,286	0.53	1,91,286	0.53
6	Lal Tolani	01-04-2018	-	1,83,831	0.51	1,83,831	0.51
		13-04-2018	Market Purchase	1,227	0.00	1,85,058	0.51
		20-04-2018	Market Purchase	450	0.00	1,85,508	0.51
		18-05-2018	Market Purchase	2,000	0.01	1,87,508	0.52
		08-06-2018	Market Purchase	4,442	0.01	1,91,950	0.53
		22-06-2018	Market Purchase	2,173	0.01	1,94,123	0.53
		29-06-2018	Market Purchase	2,000	0.01	1,96,123	0.54
		06-07-2018	Market Purchase	4,000	0.01	2,00,123	0.55
		20-07-2018	Market Purchase	256	0.00	2,00,379	0.55
		27-07-2018	Market Purchase	144	0.00	2,00,523	0.55
		03-08-2018	Market Purchase	22	0.00	2,00,545	0.55
		17-08-2018	Market Purchase	407	0.00	2,00,952	0.55
		24-08-2018	Market Purchase	4,000	0.01	2,04,952	0.56
		31-08-2018	Market Purchase	4,000	0.01	2,08,952	0.58
		07-09-2018	Market Purchase	2,000	0.01	2,10,952	0.58
		14-09-2018	Market Purchase	2,000	0.01	2,12,952	0.59
		29-09-2018	Market Purchase	6,603	0.02	2,19,555	0.60
		05-10-2018	Market Purchase	37,333	0.10	2,56,888	0.71
		26-10-2018	Market Purchase	3,929	0.01	2,60,817	0.72
		16-11-2018	Market Purchase	299	0.00	2,61,116	0.72

Sr. No.	Name of the Shareholder	Date	Transaction	Shareholding at the Beginning of the year - 1st April, 2018		Cumulative Shareholding during the year - 31st March 2019	
				No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		30-11-2018	Market Purchase	11,104	0.03	2,72,220	0.75
		07-12-2018	Market Purchase	653	0.00	2,72,873	0.75
		14-12-2018	Market Purchase	2,002	0.01	2,74,875	0.76
		21-12-2018	Market Purchase	1,613	0.00	2,76,488	0.76
		04-01-2019	Market Purchase	2,000	0.01	2,78,488	0.77
		11-01-2019	Market Purchase	3,035	0.01	2,81,523	0.77
		18-01-2019	Market Purchase	4,201	0.01	2,85,724	0.79
		25-01-2019	Market Purchase	3,895	0.01	2,89,619	0.80
		01-02-2019	Market Purchase	1,208	0.00	2,90,827	0.80
		08-02-2019	Market Purchase	4,719	0.01	2,95,546	0.81
		15-02-2019	Market Purchase	2,481	0.01	2,98,027	0.82
7	Sunita M. Gupta	01-04-2018	-	1,16,000	0.32	1,16,000	0.32
8	Jashwanti Maganlal Desai	01-04-2018	-	1,00,000	0.28	1,00,000	0.28
9	Bharat Jayantilal Patel	01-04-2018	-	92,697	0.26	92,697	0.26
10	Nila Anilkumar Desai	-	-	71,000	0.20	71,000	0.20
11	Mitali Hitesh Javeri	01-04-2018	-	6,0110	0.17	60,110	0.17
		12-10-2018	Market Purchase	23,867	0.07	83,977	0.23
		30-11-2018	Market Purchase	1,223	0.00	85,200	0.23
		07-12-2018	Market Purchase	4,000	0.01	89,200	0.25
		14-12-2018	Market Purchase	12,700	0.03	1,01,900	0.28
12	Ami Hitesh Javeri	01-04-2018	-	51,500	0.14	51,500	0.14
		12-10-2018	Market Purchase	25,000	0.07	76,500	0.21
		30-11-2018	Market Purchase	8,700	0.02	85,200	0.23
		07-12-2018	Market Purchase	5,519	0.02	90,719	0.25
		14-12-2018	Market Purchase	1,806	0.00	92,525	0.25
		21-12-2018	Market Purchase	10,033	0.03	1,02,558	0.28

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	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
Urvi A Piramal	49,566	0.14	49,566	0.14
Harshvardhan Piramal	16,522	0.05	16,522	0.05
*Mahesh S. Gupta	1,16,000	0.32	1,16,000	0.32
R. K. Rewari	100	0.00	100	0.00
**Ranjan Sanghi	4,000	0.01	4,000	0.01
Shobhan Thakore	0	0.00	0	0.00
Aditya Mangaldas	0	0.00	0	0.00
Lt. Gen A.K. Singh	0	0.00	0	0.00
Ranjan Pant	0	0.00	0	0.00
S. C. Kashimpuria	850	0.00	850	0.00
***Sanjeev Singh Sengar	1	0.00	1	0.00
**** Tanmay Bhat	1	0.00	1	0.00

**Joint shareholding of Ms. Sunita M. Gupta and Mr. Mahesh S. Gupta.*
*** Resigned as the Director of the Company w.e.f 8th April, 2019.*
** **Resigned as Company Secretary w.e.f 20th March, 2019.*
*****Appointed as Company Secretary w.e.f. 8th May, 2019.*

vi) Indebtedness

Indebteness of the Company including interest outstanding/accrued but not due for payment

(₹ in lakhs)

Sr. No	Particulars	*Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
A	**Indebtedness at the beginning of the financial year**				
i.	Principal Amount	24,066.54	28,046.21	-	**52,112.75**
ii.	Interest due but not paid	-	-	-	**-**
iii.	Interest accrued but not due	231.28	172.13	-	**403.41**
	Total (i+ii+iii)	**24,297.82**	**28,218.34**	**-**	**52,516.16**
B	**Change in Indebtedness during the financial year**				
	Addition	15,291.65	-	-	**15,291.65**
	Reduction	-	(16,125.86)	-	**(16,125.86)**
	Net Change	15,291.65	(16,125.86)		**(834.21)**
C	**Indebtedness at the end of the financial year**				
i.	Principal Amount	38,890.44	12,092.48	-	**50,982.92**
ii.	Interest due but not paid	-	-	-	**-**
iii.	Interest accrued but not due	699.03	-	-	**699.03**
	Total (i+ii+iii)	**39,589.47**	**12,092.48**	**-**	**51681.95**

**The amount of Non-Convertible Preference Shares of ₹ 2476.34 Lakhs is included in Secured Loans.*

VI. Remuneration of Directors and Key Managerial Personnel

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

(₹ in lakhs)

Particulars of Remuneration	Mr. Harsh A Piramal	Mr. R K Rewari	**TOTAL**
Gross Salary			
(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	140.62	143.44	**284.06**
(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	14.7	0.79	**15.49**
(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	**0**
Stock Options	0	0	**0**
Sweat Equity	0	0	**0**
Commission	0	0	**0**
Total (A)	**155.32**	**144.23**	**299.55**
Ceiling as per the Act (As per Schedule V of the Act)	As per Schedule V of the Act		

B. Remunaration to other Directors

(₹ in lakhs)

Sr. No	Particulars of Remunaration	Ms. Urvi A Piramal	Mr. Mahesh S. Gupta	Mr. Ranjan Sanghi*	Mr. Shobhan Thakore	Mr. Aditya Mangaldas	Mr. Ranjan Pant	Lt Gen A.K. Singh	**Total Amount**
I	**INDEPENDENT DIRCTORS**								
1)	Fees For attending Board/Committee meetings	-	-	2.65	3.50	2.65	2.20	3.20	**14.20**
2)	Commission	-	-	0.00	0.00	0.00	0.00	0.00	**0.00**
3)	Others	-	-	0.00	0.00	0.00	0.00	0.00	**0.00**
	TOTAL (I)	**-**	**-**	**2.65**	**3.50**	**2.65**	**2.20**	**3.20**	**14.20**

(₹ in lakhs)

Sr. No	Particulars of Remunaration	Ms. Urvi A Piramal	Mr. Mahesh S. Gupta	Mr. Ranjan Sanghi*	Mr. Shobhan Thakore	Mr. Aditya Mangaldas	Mr. Ranjan Pant	Lt Gen A.K. Singh	**Total Amount**
II	**NON-EXECUTIVE DIRECTORS**								
1)	Fees For attending Board/Committee meetings	2.30	2.00	-	-	-	-	-	**4.30**
2)	Commission	0.00	0.00	-	-	-	-	-	**0.00**
3)	Others	0.00	0.00	-	-	-	-	-	**0.00**
	TOTAL (II)	**2.30**	**2.00**	**-**	**-**	**-**	**-**	**-**	**4.30**
	Total B (I + II)								**18.50**
	Total Managerial Remuneration (A+B)								**318.05**
	Overall Ceiling as per the Act	11% of the Net Profits of the Company read with provisions of Schedule V of the Act							

**Resigned as the Director of the Company w.e.f. 8th April, 2019*

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. S C Kashimpuria (Chief Financial Officer)	*Mr. Sanjeev Singh Sengar (Company Secretary)	**Total Amount**
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	51.57	15.40	**66.97**
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961 0.16 0.24 0.40	0	0	**0**
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	**0**
2	Stock Options	0	0	**0**
3	Sweat Equity	0	0	**0**
4	Commission	0	0	**0**
	- as % of profit	0	0	**0**
	- others,specify	0	0	**0**
5	Others, please specify	0	0	**0**
	Total	**51.57**	**15.40**	**66.97**

** Resigned as Company Secretary w.e.f 20th March, 2019.*

VII Penalties/Punishment/Compounding of Offences

There were no penalties/punishment/compounding of offences for the breach of any provisions of the Companies Act, 2013 against the Company or its Directors, or other Officers in default, during the year.

Corporate Governance

The Directors present Company's Report on Corporate Governance for the financial year ended 31st March, 2019.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The philosophy of governance has been deeply rooted in the culture of Morarjee Textiles Limited (hereinafter referred to as "the Company"). Besides complying with the mandatory provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (hereinafter referred as "Listing Regulations"), your Company adopted various practices and set responsible standards of business. Your Company endeavors to improve upon aspects like transparency, professionalism, accountability and fair disclosures, on an ongoing basis and takes necessary steps towards growth and enhancing value for its shareholders.

2. BOARD OF DIRECTORS

2.1. Composition and category of the Board

The Company has an optimum combination of Executive and Non-Executive Directors. The Board is headed by Ms. Urvi A. Piramal as the Non-Executive Chairperson and consists of personalities with expertise and experience in diversified fields of specialization.

Category	Name of the Director	Designation	No. of shares held (including joint shareholding) as on 31st March, 2019
Promoter Directors	Ms. Urvi A. Piramal	Chairperson (Non-Executive)	49,566
	Mr. Harsh A. Piramal	Vice Chairman (Executive)	16,522
Professional Executive Director	Mr. R. K. Rewari	Managing Director	100
Non-Executive Non Independent Director	Mr. Mahesh S. Gupta	Director	1,16,000*
Independent Directors	Mr. Ranjan Sanghi**	Director	4,000**
	Mr. Shobhan Thakore	Director	Nil
	Mr. Aditya Mangaldas	Director	Nil
	Mr. Ranjan Pant	Director	Nil
	Lt. Gen. A.K. Singh	Director	Nil

**Joint shareholding of Ms. Sunita Gupta and Mr. Mahesh Gupta.*
*** Ceased to be director w.e.f. 8th April, 2019*

2.2 Directors' Profile

Ms. Urvi A. Piramal

Ms. Urvi A. Piramal oversees a professionally managed conglomerate with business interest in real estate, textiles and cutting tools. She is the guiding force behind the Group's sustained and profitable growth, which is bringing the Group companies closer to realizing her vision of touching the lives of one in five people around the globe.

Ms. Piramal plays a leading role in envisioning and formulating the Group's strategies in each of the businesses.

Ms. Piramal has been a member of Technology and Quality Improvement Committee of IMC since its inception in 1994 and also the Chairperson of Supply Chain & Retail business (Internal Trade) Committee (04-05).

She has a Bachelor of Science degree and has attended the Advance Management Program at Harvard Business School.

Ms. Piramal has received a number of awards for her contribution to business. She was awarded the Qimpro Gold Standard Award for excellence in Managing Quality Improvement programmes across the Group. She has won the Outstanding Woman Industrialist Award presented by the Marine Lines Junior Chamber and the Yami Woman Award for her outstanding contribution to business. She also has to her credit the Cheminor Award from the India Institute of Materials Management. She was honoured with the Giants International Award in recognition of her outstanding contribution to business in 2015.

She is a Trustee of the Piramal Education Trust, Ashok G Piramal Trust and Urvi Ashok Piramal Foundation (UAPF) which has been set up for the underprivileged. She is on the board of Population First, an NGO working on creating awareness for the girl child.

Ms. Piramal is a wildlife enthusiast and has published two books – "My Wildside: India and Africa". She spends her leisure time reading, listening to music and traveling extensively.

Mr. Harsh Piramal

Mr. Harsh A. Piramal is the executive Vice-Chairman of Morarjee Textiles Limited. He is also the Vice-Chairman of Piramal Renewable Energy which is also a parts of Ashok Piramal Group.

Mr. Piramal began his career as an analyst at venture capital firm, Indocean Chase Capital Partners (subsequently part of JP Morgan Chase). After completing his MBA, he founded Thundercloud Technologies (India) Private Limited, an IT Company in May 2000. In August 2001, he was appointed COO – Allied Pharma Businesses at Nicholas Piramal India Limited (now Piramal Enterprises Limited), where he was responsible for the turnaround and robust growth of all divisions under his leadership. He was in this position till April 2004, when he took up his current position.

Mr. Piramal holds a Bachelor of Science (Physics) degree from Kings College London and a MBA (specializing in Finance and Strategy) from the London Business School.

Mr. Mahesh S. Gupta

Mr. Mahesh S. Gupta, Group Managing Director at Ashok Piramal Group, oversees all businesses of the Group which comprises of real estate, textiles, cutting tools and renewable energy.

Mr. Gupta has about 4 decades of professional experience in the areas of Business Management and all dimensions of finance, mergers & acquisitions.

In his current role since 2005, he formulates the Group's business strategy, steers the Group to achieve its goals and plays a significant role in guiding each business to attain profitable and sustained growth. Under his stewardship, the Group formulated an aggressive plan which has seen the businesses grow by leaps and bounds. Mr. Gupta leverages his in-depth understanding of the businesses to enhance the growth of the Group.

He had been associated with Piramal Enterprises Ltd. for about 17 years and was also on the board of several companies. He has also worked with the RPG group as Group CFO and Management Board Member.

Mr. Gupta has received a number of recognitions for his business acumen. He was awarded the CFO of the Year Award, Special Commendation for Financial Excellence (Mergers & Acquisitions Category) in 2001 by IMA (formerly known as EIU), New Delhi.

He is on the Board of several Public listed Companies such as Peninsula Land Limited, Morarjee Textiles Limited, CEAT Limited and RPG Life Sciences Limited and Shree Digvijay Cement Co. Ltd. From time to time he has also been associated with various Committees of The Institute of Chartered Accountants of India (ICAI) as co-opted member, Member Governing Council of Indian Association Corporate CFOs & Treasurers (InACT), Advisory Board of Chennai Business School.

Mr. Gupta has an Honours Degree in B.Com; LL.B (Gen). Fellow Member of The Institute of Chartered Accountants and The Institute of Company Secretaries of India. He had an outstanding academic record and has been a Third Rank Holder and a Silver Medalist in Company Secretaries Final examination.

Mr. Rajendar Kumar Rewari

Mr. Rajendar Kumar Rewari heads the textiles business at the Ashok Piramal Group. As the MD, Mr. Rewari oversees all aspects of the textile business from strategy to yarn & fabric manufacturing to exporting the finished fabric.

Mr. Rewari took over the reigns at Morarjee Textiles nine years ago. He has been associated with the textiles sector for 3 decades. Mr. Rewari is a Science Graduate and has done his Post-Graduate Degree in Business Management from Kurukshetra University in Haryana. He has also done Management Education Programme (MEP) from IIM, Ahmedabad.

Prior to this, he was associated with the Vardhman Group since 1981. As the Chief Executive (Marketing), he shouldered the responsibility of establishing Vardhman globally as a supplier of finished fabrics.

Besides this, he is also associated with various associations of the textile industry. He is the Chairman of the Mill Owner's Association (MOA) and a Committee Member of Confederation of Indian Textile Industry (CITI).

Mr. Shobhan Thakore

Mr. Shobhan Thakore, Independent Director of the Company is 72 years of age. Mr. Thakore has completed his B.A. (Politics) and Bachelor of Law from the Bombay University. He is a Solicitor of High Court, Bombay and Supreme Court of England and Wales.

Mr. Thakore is an advisor to several leading Indian Companies on corporate law matters and securities related legislations. He has also acted on behalf of leading investment banks and issuers for Indian IPO offerings and several international equity and equity linked debt issuances by Indian corporates. He has also advised on the establishment and operations of various India dedicated equity funds and domestic mutual funds. Being a solicitor for over 40 years, he has instructed leading Indian Counsel before various courts and forums including High Courts across India as well as the Supreme Court of India in various matters involving indirect tax, commercial and corporate law. He was a partner of Bhaishanker Kanga & Girdharlal, Advocates & Solicitors for more than 30 Years, until March 31, 2004 when he became a partner of AZB & Partners, until December 31, 2006. From January 01, 2007 he along with Mr. Suresh Talwar (ex-partner of Crowford Bayley & Company) founded Talwar Thakore & Associates and is currently a Senior Consultant at the firm. Mr. Thakore is also a Director in Alkyl Amines Chemicals Limited, Bharat Forge Ltd, Prism Johnson Limited (formerly known as Prism Cements Limited), Sharda Cropchem Limited, Reliance Jio Media Ltd, Uni Deritend Limited, Raheja QBE General Insurance Company Limited and Aditya Birla Sun Life Insurance Company Limited.

Mr. Aditya Mangaldas

Mr. Aditya Mangaldas an Independent Director of the Company is of 55 years of age. Mr. Mangaldas is a Mechanical Engineer from L. D. College of Engineering, Ahmedabad and has an MBA from Babson College, USA. He has been the Managing Director of the Victoria Mills Limited since 1994. He has a wide experience and has spent approximately 21 years in the Textiles Industry. Mr. Mangaldas is also involved in the real estate industry and actively involved in an organization involved in housing and caring for children with serious chronic diseases.

Mr. Ranjan Pant

Ranjan Pant is a strategy management consultant and change management expert, with 30 years experience, who advises CEO's. He is on the investment committee of a major corporate private equity entity. He is an independent director on the Boards of several companies. He is on IIM-Indore's Board of Governors. He was a partner at a leading consulting firm, where he led the worldwide utility practice. He was also director, corporate business development, at a top global conglomerate. Mr. Pant is a BITS, Pilani mechanical engineer and a Wharton School, MBA.

Lt. Gen. A. K. Singh (Retd.)

Lt. Gen. A. K. Singh (Retd.) the erstwhile Lt. Governor of the Andaman & Nicobar Islands and Puducherry, Ex GOC in C Southern Command has been an alumni of NDA, Staff College Camberley, UK, Malinovsky Tank Academy, Moscow & the Higher Command & National Defence College courses. He is one of the few officers to have trained with both the NATO & Warsaw Pact at the height of cold war. Known for his high integrity and professionalism, the General is looked upon as a role model by large numbers in the Armed Forces.

The General has commanded the 7th Cavalry, a T-90 Tank Brigade, an Armoured Division and the most powerful Strike 1 (Corps), and has the distinction of conceiving and executing some of the largest ever manoeuvres in recent times. He has teneted key Operational appointments incl Brigade Major of the Kargil Brigade, three appointments in Military operations Directorate, headed the foreign division of the army & was also the Director General Perspective Planning, where he drew up the long term perspective of the Indian Army.

After a distinguished service in the Armed Forces, Lt. Gen. A. K. Singh was entrusted with the responsibility of Administrator/Lt Governor of A&N Islands in July 2013 and later concurrently assumed the charge of Lt Governor of Puducherry in July 2014, where he made a great difference with his unique qualities of head & heart. The General is remembered in both the UTs for his high integrity, professional approach and caring attitude for the common man. Development initiatives and projects were fast tracked and many citizens refer to his tenure as the Golden period. He completed his tenure in August 2016.

He has been a member of Prime Minister's Team India, as also a member of the National Development Council and Inter State Council. The General has been decorated with numerous awards both related to defence as well as civil. The General is a frequent speaker at defence and civil forums and also contributes to the print media.

Presently he is an Independent Director and Advisor with various firms/educational institutions including O P Jindal Global University. The General is also a distinguished fellow with Centre for Land Warfare Studies (CLAWS).

2.3. Attendance at Board Meetings and last Annual General Meeting, Relationship between Directors inter-se, Number of Directorships and Committee Memberships/ Chairmanships

Details of attendance of each Director at the Board Meetings and last Annual General Meeting ("AGM") and the number of Companies and Committees where he/she is a Director/Member/Chairman/Chairperson as on March 31, 2019, are given below:

Name	Category	Relationship with other Directors	Attendance at the Board Meetings	Attendance at AGM held on 30th July, 2018	*No of other Director-ships	Committee position in India	
						Chairman	Member
Ms. Urvi A. Piramal	Non-Executive Chairperson	Mother of Mr. Harsh A. Piramal	4 out of 4	Yes	15	0	0
Mr. Harsh A. Piramal	Executive Vice-Chairman	Son of Ms. Urvi A. Piramal	4 out of 4	Yes	14	2	1
Mr. Mahesh S. Gupta	Non-Executive Non Independent Director	None	4 out of 4	Yes	7	2	4
Mr. R. K. Rewari	Managing Director	None	4 out of 4	Yes	5	1	2
Mr. Ranjan Sanghi**	Independent Director	None	3 out of 4	Yes	8	3	2
Mr. Shobhan Thakore	Independent Director	None	4 out of 4	No	9	2	8
Mr. Aditya Mangaldas	Independent Director	None	3 out of 4	Yes	4	1	3
Mr. Ranjan Pant	Independent Director	None	4 out of 4	Yes	8	0	2
Lt. Gen A.K. Singh	Independent Director	None	4 out of 4	Yes	1	0	1

** Aforesaid directorships do not include directorship held in foreign companies and companies incorporated under Section 8 of the Companies Act, 2013.*

*** Ceased to be a director w.e.f. 8th April, 2019*

None of the Directors is a Director in more than 20 companies or more than 10 public limited companies or acts as an independent director in more than 7 listed companies. Further, none of the directors is a member of more than 10 committees or is a Chairperson/ Chairman of more than 5 committees. Only Audit Committee and Stakeholders' Relationship Committee were considered for reckoning the limit of membership/ chairmanship of the committees. For this purpose, Directorship/ Chairmanship/Membership held in the Company has also been considered.

Names of listed entities (other than Morarjee Textiles Limited) where the person is a director and category of directorship:

Sr. No.	Name of the Director	Name of the Company	Category of directorship
1.	Ms. Urvi Piramal	Peninsula Land Limited	Non-Executive Non-Independent Director
2.	Mr. Harsh Piramal	Oriental Aromatics Limited	Independent Director
		Integra Garments & Textiles Limited	Non-Executive Non-Independent Director
3.	Mr. Mahesh Gupta	Peninsula Land Limited	Managing Director
		RPG Life Sciences Limited	Independent Director
		CEAT Limited	Independent Director
		Shree Digvijay Cement Company Limited	Independent Director
4.	Mr. R. K. Rewari	Integra Garments & Textiles Limited	Managing Director
5.	Mr. Ranjan Sanghi (ceased to be a director w.e.f. 8th April, 2019)	Kemp & Company Limited	Independent Director
		Bajaj Finance Limited	Independent Director
6.	Mr. Shobhan Thakore	Bharat Forge Limited	Independent Director
		Prism Johnson Limited	Independent Director
		Sharda Cropchem Limited	Independent Director
		Alkyl Amines Chemicals Limited	Independent Director
7.	Mr. Aditya Mangaldas	The Victoria Mills Limited	Managing Director
		Arrow Textiles Limited	Independent Director
8.	Mr. Ranjan Pant	Schneider Electric Infrastructure Limited	Independent Director
9.	Lt. Gen. A. K. Singh	Nil	Nil

2.4. Meetings of the Board of Directors

4 (Four) Board Meetings were held in the financial year 2018-19 on 24th May, 2018, 30th July, 2018, 3rd November, 2018 and 4th February, 2019 and the gap between any two consecutive board meetings did not exceed one hundred and twenty days.

2.5. Details of directors being appointed/ re-appointed/ resigned

Pursuant to Section 152 of the Companies Act, 2013 ("the Act"), Mr. Mahesh S. Gupta (DIN: 00046810) is retiring by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

In terms of the provisions of the Act, Members of the Company, at their 19th Annual General Meeting held on 29th September, 2014, had approved the appointment of Mr. Shobhan Thakore and Mr. Ranjan Pant as Independent Directors of the Company, whose terms as the Independent Directors of the Company shall expire on 28th September, 2019. As per the Section 149(10) of the Act, an Independent Director shall hold office for a term of five consecutive years and shall be eligible for re-appointment for second term of five years on passing of a special resolution by the Company. Accordingly, the approval of members by way of Special Resolution is sought, for the re-appointment of above Independent Directors for second term of five consecutive years.

Mr. Ranjan Sanghi, Independent Director of the Company, resigned with effect from 8th April, 2019 due to reason that he would soon be attaining the age of 75 years and he wishes to reduce his official business commitments. The confirmation was received from him stating that there were no other material reasons other than those provided in the resignation letter and the said confirmation was also forwarded to stock exchanges as per the provisions of the Listing Regulations. The Board extends its sincere appreciation for the services rendered by Mr. Ranjan Sanghi during his term as an Independent Director of the Company.

Further, all the Independent Directors have given the declaration of their Independence under Section 149 and Regulation 16 of the Listing Regulations. The Board hereby confirms that in the opinion of the Board, all the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the Management of the Company.

2.6. Familiarization program

As required under the Listing Regulations and the Act, the Company has an orientation programme upon induction of new Directors, as well as other initiatives to update Directors on a continuous basis. The Board has framed a familiarization program for the Independent Directors wherein they were acquainted with their roles, rights, responsibilities in the Company, business nature of the Company, business model etc. It aims to provide Independent Directors, the textile industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions timely. The familiarization program also seeks to update the directors on the roles, responsibilities, rights and duties under the Act, Listing Regulations and other statutes. During the year, the Company had also undertaken a programme for familiarizing directors on the key challenges in textile industry in domestic as well as the international markets, recent updates in taxes, custom duties and tariffs, expected growth in various segments of textiles industry, etc. .

The familiarization program imparted to Independent Directors is available on the Company's website viz. www.morarjee.com

2.7. List of core skills, expertize, competencies required by the Board

The Board has identified and approved the matrix setting out the list, as mentioned below, of core skills, expertise and competencies to be possessed by the Board in general and the members in particular, in the context of the Company's business in order to provide guidance for the effective functioning of the Company.

Sr. No.	List of core skills/ expertise/ competence	Availability of the core skills/ expertise/ competence as on 31st March, 2019
1.	Knowledge of the Textile Industry	✓
2.	Sales and Marketing Functions	✓
3.	Business Strategy Function	✓
4.	Planning and Sourcing	✓
5.	Risk Management	✓
6.	Strategy/M&A/Restructuring	✓
7.	Finance, Accounting and Costing	✓
8.	Legal and Regulatory compliance	✓
9.	Corporate Governance	✓
10.	Human Resource Management	✓
11.	Risk Mitigation Planning and Management	✓

2.8. Performance Evaluation

Regulation 17 of Listing Regulations read with Schedule IV and other applicable provisions of the Act, mandates a formal evaluation to be done by the Board of its own performance and that of its Committees and individual Directors. Independent Directors shall also evaluate the performance of non-independent Directors and the Chairperson of the Board.

M/s. Hrcraft, a professional business consulting firm specialized in feedback exercises, was engaged by the Company, to carry out the said performance evaluations in a fair, confidential and transparent manner. The performance evaluation forms were circulated to all the directors and they have provided their inputs on the same. A report of the evaluation was then forwarded to the Chairperson and the respective directors to maintain the confidentiality of the report.

Based on the reports provided by M/s. Hrcraft, the Independent Directors at their meeting held on 5th March, 2019 evaluated performance of the Chairperson, Non-Independent Directors and the Board as a whole.

Board has carried out formal annual evaluation of its own performance, its Committees and individual Directors. Further, the evaluation of the Independent Directors was carried out by the entire Board, excluding the director being evaluated.

The Directors were satisfied with the evaluation results which reflect the overall engagement of the Board and its Committees and on the basis of said evaluation reports, the Board recommends extension of the term of Independent Directors for a further term of 5 years w.e.f. 28th September, 2019.

Criteria for performance evaluation of Directors

The Board of Directors has approved the criteria for performance evaluation of Non-Executive Directors (including Independent Directors) as recommended by the Nomination and Remuneration Committee. The said criteria inter alia includes following:

- Attendance at the Board meetings.
- Active participation in the meetings.
- Understanding the critical issues affecting the Company.
- Prompts Board discussion on strategic issues.
- Brings relevant experience to the Board and uses it effectively.
- Understands and evaluates the risk environment of the organization.
- Conducts himself/herself in a manner that is ethical and consistent with the laws of the land.
- Maintain confidentiality wherever required.
- Communicates in an open and constructive manner.
- Seeks satisfaction and accomplishment through serving on the Board.

2.9. Separate Meeting of Independent Directors

A separate meeting of the Independent Directors of the Company was held on 5th March, 2019 as per Schedule IV of the Act and Regulation 25 of the Listing Regulations, to review the performance of all Non-Independent Directors, the Board as a whole and the performance of the Chairperson of the Company taking into account the views of other executive and non-executive directors. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees towards effective and reasonable performance and discharge of their duties. All the Independent Directors have participated in the Meeting.

3. Audit Committee

The Audit Committee of the Company is constituted under Regulation 18 of the Listing Regulations and Section 177 of the Act. The Company Secretary acts as the secretary to the committee. The Audit Committee acts as a link between the statutory auditors, internal auditors and the Board of Directors. Its purpose, amongst others, is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory, internal audit activities and related party transactions.

3.1. Composition, Meetings and Attendance

The Audit Committee comprised of Mr. Ranjan Sanghi (Chairman), Mr. Aditya Mangaldas, Mr. Shobhan Thakore, Lt. Gen. A. K. Singh and Mr. Harsh A. Piramal as members. Mr. Ranjan Sanghi was present at the Annual General Meeting held on 30th July, 2018. The Executive Vice Chairman, Managing Director, Group CFO, CFO, Company Secretary and Sr. General Manager - Group Legal are permanent invitees to the meetings.

During the financial year 2018-19, the Audit Committee met 4 (four) times on 24th May, 2018, 30th July, 2018, 3rd November, 2018 and 4th February, 2019. The gap between two consecutive meetings did not exceed 120 (one hundred and twenty) days.

The attendance details are given below:

Name of the Directors	Designation	No. of meetings attended
Mr. Ranjan Sanghi	Chairman*	3 out of 4
Mr. Shobhan Thakore	Chairman/ Member	4 out of 4
Mr. Aditya Mangaldas	Member	3 out of 4
Lt. Gen. A.K. Singh	Member	4 out of 4
Mr. Harsh A. Piramal	Member**	-

**Mr. Ranjan Sanghi resigned as an Independent Director w.e.f. 8th April, 2019.*

***Mr. Harsh A. Piramal was appointed as the member of Audit Committee on 8th May, 2019 by the Board of Directors of the Company.*

3.2. Terms of Reference

The terms of reference of the Committee are wide enough to cover the matters specified for Audit Committee under Part C of Schedule II with reference to Regulation 18 of the Listing Regulations as well as under Section 177 of the Companies Act, 2013 are as follows:

i. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
ii. recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
iii. approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
iv. reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
    a. matters required to be included in the Director's Responsibility Statement; to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Act; changes, if any, in accounting policies and practices and reasons for the same;
    b. changes, if any, in accounting policies and practices and reasons for the same;
    c. major accounting entries involving estimates based on the exercise of judgment by management;
    d. significant adjustments made in the financial statements arising out of audit findings;
    e. compliance with listing and other legal requirements relating to financial statements;
    f. disclosure of any related party transactions;
    g. modified opinion(s) in the draft audit Report;
v. reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
vi. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the Report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
vii. reviewing and monitoring the Auditor's independence & performance, and effectiveness of audit process;
viii. approval or any subsequent modification of transactions of the Company with related parties;
ix. scrutiny of inter-corporate loans and investments;
x. valuation of undertakings or assets of the Company, wherever it is necessary;
xi. evaluation of internal financial controls and risk management systems;
xii. reviewing, with the management, performance of statutory and internal Auditors, adequacy of the internal control systems;
xiii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
xiv. discussion with internal Auditors of any significant findings and follow up there on;
xv. reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
xvi. discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
xvii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
xviii. to review the functioning of the Whistle–Blower mechanism;
xix. approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
xx. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

xxi. Carrying out any other function as may be assigned to it by the board of director from time to time.

4. Nomination and Remuneration Committee

In compliance with Section 178 of the Act and Regulation 19 of Listing Regulations, the Board has constituted the Nomination and Remuneration Committee.

4.1. Composition, Meeting and Attendance

The Nomination and Remuneration Committee ("NRC") consisted of 4 (Four) Directors viz. Mr. Ranjan Sanghi (Chairman), Ms. Urvi A. Piramal, Non-Executive Director, Mr. Aditya Mangaldas, Mr. Shobhan Thakore and Lt. Gen. A. K. Singh - Independent Directors. Mr. Ranjan Sanghi was present at the Annual General Meeting held on 30th July, 2018.

The Committee met three times during the year, on 24th May, 2018, 3rd November, 2018 and 4th February, 2019 and the details of attendance areas under:

Name of the Director	Designation	No. of meetings Attended
Mr. Ranjan Sanghi	Chairman*	2 out of 3
Mr. Shobhan Thakore	Chairman/ Member	3 out of 3
Mr. Aditya Mangaldas	Member	2 out of 3
Ms. Urvi A. Piramal	Member	3 out of 3
Lt. Gen. A.K. Singh	Member**	-

**Mr. Ranjan Sanghi resigned as an Independent Director w.e.f. 8th April, 2019.*
***Lt. Gen. A.K. Singh was appointed as a committee member by the Board on 8th May, 2019.*

4.2. Terms of Reference of the Committee and the Remuneration Policy

The terms of reference of the NRC stated below are wide enough to cover the matters specified in Listing Regulations and Section 177 of the Act.

i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel ("KMP") and other employees;
ii. specification of manner and criteria for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the board or by an independent external agency and review its implementation and compliance.
iii. devising a policy on diversity of board of directors;
iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
vi. recommend to the board, all remuneration, in whatever form, payable to senior management.

4.3. Remuneration Policy

Pursuant to Section 178 of the Act, the Company has formulated a Policy on the appointment of person as director and evaluation of Directors & Senior Management Personnel (SMP). An extract of the policy covering remuneration for the Directors, KMPs and other employees is reproduced below:

i. The terms of employment and remuneration of Managing Director, Whole-time Director, KMPs and SMPs shall be competitive in order to ensure that the Company can attract and retain competent talent.
ii. The remuneration policy shall ensure that:

a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors/ KMPs and SMPs of the quality to run the Company successfully.
b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
c. Remuneration to directors, KMPs and SMPs involves a balance between fixed and variable pay reflecting short and long term performance and goals set by the Company.

iii. While determining the remuneration and incentives for the MD/WTD and KMPs, the following shall be considered:

a. Pay and employment conditions with peers/ elsewhere in the competitive market.
b. Benchmarking with industry practices.
c. Performance of the individual.
d. Company performance.

iv. For the benchmarking with industry practice, criteria of size, complexity, data transparency and geographical area shall also be given a due consideration.
v. The pay structures shall be appropriately aligned across levels in the Company.

The detailed policy on the appointment of person as director and evaluation of directors & senior management personnel of the Company is hosted on the website of the Company www.morarjee.com.

4.4. Remuneration

4.4.1. Remuneration paid to Non-Executive Directors

The Non-Executive Directors ("NED") are entitled for sitting fees, commission and reimbursement of expenses for participation in the Board/ Committee meetings as per the NRC policy of the Company. The details of sitting fees paid during the year ended 31st March, 2019 are given below:

(₹ in lakhs)

Sr. No.	Name of the Directors	Designation	Sitting Fees	**Total**
1	Ms. Urvi A. Piramal	Chairperson	2.30	**2.30**
2	Mr. Mahesh S. Gupta	Director	2.00	**2.00**
3	Mr. Ranjan Sanghi*	Director	2.65	**2.65**
4	Mr. Shobhan Thakore	Director	3.50	**3.50**
5	Mr. Aditya Mangaldas	Director	2.65	**2.65**
6	Mr. Ranjan Pant	Director	2.20	**2.20**
7	Lt. Gen. A. K. Singh	Director	3.20	**3.20**

**Ceased to be director w.e.f. 8th April, 2019.*

The Company does not have a scheme to grant stock options. The Independent Directors are not entitled for stock options.

4.4.2. Remuneration paid to the Executive Directors

The remuneration of Executive Directors is decided on the recommendation of the NRC and approved by the Board of Directors and shareholders. Any change in remuneration is also effected in the same manner and in the line with the applicable statutory approvals.

The remuneration package of the Executive Directors comprises of salary, perquisites and allowances, contribution to provident fund and superannuation fund and commission, if any. The details of remuneration paid to Executive Directors during the year are as under:

(₹ in lakhs)

Remuneration Details	Mr. Harsh A. Piramal (Executive Vice-Chairman)	Mr. Rajendar Kumar Rewari (Managing Director)	**Total**
Basic Salary -	1,40,40,000	68,40,000	**2,08,80,000**
Allowances			
HRA	--	18,00,000	**18,00,000**
Additional Allowance	--	41,66,652	**41,66,652**
Education Allowance	--	2,400	**2,400**
Leave Travel Allowance	--	1,24,000	**1,24,000**
Medical Expenses	--	15,000	**15,000**
Performance incentives	--	--	--
Perquisite			
Paid Leave Encashment	--	4,75,000	**4,75,000**
Provident Fund Contribution	21,600	8,20,800	**8,42,400**
Superannuation Fund	--	1,00,000	**1,00,000**
Drivers Salary	2,70,000	--	**2,70,000**
Electricity Bill	--	79,470	**79,470**
Rent Paid	12,00,000	--	**12,00,000**
Total	**1,55,31,600**	**1,44,23,322**	**2,99,54,922**

1. No severance pay is payable on termination of contract and the notice period is as per the terms of appointment.
2. The Company does not have a scheme to grant stock options.

5. Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Act and Listing Regulations, the Board has constituted the Stakeholders' Relationship Committee.

5.1. Composition, Meeting and Attendance

The Stakeholders' Relationship Committee comprises of 3 (three) directors of which 2 (two) are Non-Executive Directors i.e. Mr. Shobhan Thakore (Chairman, Independent Director) and Mr. Mahesh S. Gupta (Non-Executive Director) and Mr. R. K. Rewari (Executive Director). All the members except Mr. Shobhan Thakore, Chairman of the Committee were present at the Annual General Meeting held on 30th July 2018.

During the year under review, the Stakeholders' Relationship Committee met on 4th February, 2019. All the members were present at the said meeting.

5.2. Terms of Reference

The terms of reference of the Committee are:

i. To consider and resolve the grievance of all the security holders related to transfer/ transmission of shares, non-receipts of annual reports and non-receipts of declared dividends, issue of new duplicate certificates, general meetings etc.;
ii. To review the measures taken for effective exercise of voting rights by shareholders
iii. To review the adherence to service standards adopted by the company in respect of various services being rendered by the Share Transfer Agent.

iv. To review various measures and initiatives undertaken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

v. To review and act upon such other grievances as the Board of Directors delegate to the Committee from time to time.

5.3. Compliance Officer

Name and Designation of the Compliance Officer	Mr. Tanmay Bhat– Company Secretary
Address	2, Peninsula Spenta, Mathuradas Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai 400 013.
Telephone Number	+91-22-6615 4651
Fax Number	+91-22-6615 4607
E-mail	corporatesecretarial@ashokpiramalgroup.com

5.4. Details of Shareholders' Complaints

Details of investor complaints received and resolved during the year ended 31st March, 2019 are as follows:

Complaints Pending as on 01/04/2018	Complaints Received during the year	Complaints Resolved during the year	Complaints Pending as on 31/03/2019
Nil	Nil	Nil	Nil

6. Corporate Social Responsibility Committee

6.1. Composition, Meetings and Attendance:

Corporate Social Responsibility ("CSR") Committee earlier consisted of Ms. Urvi A. Piramal, Chairperson, Mr. Harsh A. Piramal and Mr. Ranjan Sanghi. After the resignation of Mr. Ranan Sanghi, it was re-constituted to include Mr. Shobhan Thakore, Independent Director of the Company. The CSR Committee met on 24th May, 2018 and 3rd November, 2018 and the details of attendance are as under.

Name of Directors	Designation	No. of meetings attended
Ms. Urvi A. Piramal	Chairperson	2 out of 2
Mr. Harsh A. Piramal	Member	2 out of 2
Mr. Ranjan Sanghi*	Member	2 out of 2
Mr. Shobhan Thakore**	Member	-

**Mr. Ranjan Sanghi resigned as an Independent Director w.e.f. 8th April, 2019.*
*** Mr. Shobhan Thakore was elected as the member of the Committee w.e.f. 25th April, 2019.*

6.2. Terms of Reference

The terms of reference to be observed by the committee are as under:

i. Formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013;

ii. Recommend the amount of expenditure to be incurred on the CSR activities;

iii. Monitor the CSR activities of the company from time to time; and

iv. Such other matters as the board may delegate from time to time.

The CSR policy is posted on Company's website at www.morarjee.com.

6.3. CSR Activities

The details of the CSR activities carried out by the Company during the year 2018-19 along with the expenditure statement are provided in Annexure-2 to the Directors' Report.

7. Risk Management Committee (Non-mandatory Committee)

Business risk evaluation and management is an ongoing process within the Company. The Company has risk management framework to identify, monitor and minimize risks and also identify business opportunities. For the identification, assessment and minimization of the risk, the Board constituted a Risk Management Committee to frame the Risk Management framework and to implement and monitor the same.

7.1. Composition

The Risk Management Committee comprises of Mr. R. K. Rewari - Managing Director as the Chairman, Mr. Harsh A. Piramal - Executive Director, Mr. Mahesh S Gupta - Director and Mr. Dinesh Jain - Group CFO and Mr. S. C. Kashimpuria - CFO as members.

7.2. Terms of Reference

- To identify potential Business Risks
- To analyze the Risk and develop Risk mitigation plans, as per the Risk Management Policy
- To monitor, ensure and take corrective measures to protect the cyber security of the Company;
- Reporting of Risk environment to the Board
- To create awareness among the employees to assess risks on a continuous basis & develop risk mitigation plans in the interest of the Company

8. General Body Meetings and Postal Ballot

8.1. Location and time, where Annual General Meeting (AGM) for the last 3 years were held:

Financial Year	AGM	Date	Time	Location
2017-18	23rd AGM	30th July, 2018	03:00 p.m.	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018
2016-17	22nd AGM	22nd August, 2017	03:00 p.m.	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018
2015-16	21st AGM	27th July, 2016	03:00 p.m.	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018

8.2. Special Resolution passed in the previous three Annual General Meetings (AGM)

AGM	Date of AGM	Special Resolution
23rd AGM	30th July, 2018	Resolution No 6 – To create, offer/invite, issue and allot 10,00,000, 7.5% Cumulative Redeemable Non- Convertible Preference Shares of ₹100/- each ("CRNPS") at par for cash aggregating to ₹ 10,00,00,000/- (Rupees Ten Crores only) on a private placement basis to M/s. Ashok Piramal Group Textile Trust on such terms and conditions as set out in the explanatory statement annexed to the notice. Resolution No 7 - To continue the appointment of Mr. Ranjan Sanghi (DIN: 00275842), as an independent director of the Company who will attain the age of 75 years on 6th May, 2019, upto the expiry of his present term, i.e. 28th September, 2019.
22nd AGM	22nd August, 2017	Resolution No. 5 – To appoint Mr. Harsh A. Piramal (DIN: 00044972) as a Whole-Time Director to be designated as Executive Vice Chairman for a period of five years w.e.f. 1st April, 2017. Resolution No. 7 – To approved and adopt revise Articles of Association in substitution of existing Articles of Association.
21st AGM	27th July, 2016	Resolution No. 5 – To re-appoint Mr. R. K. Rewari as Managing Director of the Company for a period of 3 years w.e.f. 1st February, 2016

The resolutions referred above were passed by requisite majority of members.

8.3. Postal Ballot

The Company did not conduct any postal ballot during the year nor does it porpose to pass any special resolution through postal ballot, as on the date of this report.

9. Means of Communication

The quarterly and annual results are generally published in English newspapers in Free Press Journal/ Active Times and in Marathi newspapers in Navshakti/ Mumbai Lakshadweep respectively and are simultaneously posted on the Company's website at www.morarjee.com and are also sent to the BSE Limited and National Stock Exchange of India Limited.

No presentations were made to the institutional investors and to the analysts during the FY 2018-19.

The Annual Report of the Company is also available on the website of the Company in a user friendly and downloadable form.

10. General Shareholder Information

10.1. 24th Annual General Meeting

Date	Time	Venue
3rd September, 2019	3.00 p.m.	"Hall of Calture", Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400018

10.2. Financial Year: 2018-19

10.3. Book Closure Dates: The Register of Member and Share Transfer book shall remain closed from 24th August, 2019 to 3rd September, 2019 (both days inclusive).

10.4. Listing of Equity Shares on Stock Exchanges and Stock Codes

Name and address of the Stock Exchanges	Stock Code/ID
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai Samachar Marg, Mumbai, Maharashtra - 400001	532621
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051	MORARJEE (Series EQ)
ISIN	INE161G01027

The Company has paid Annual Listing fees to the Stock Exchanges for the year 2019-20.

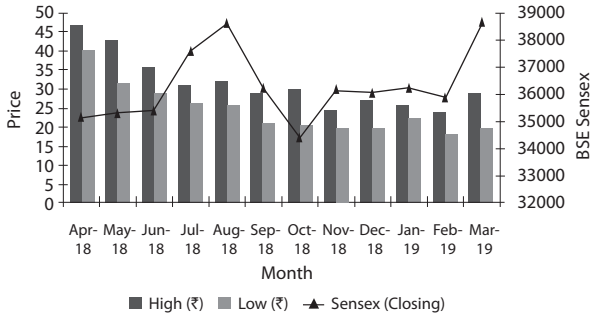
10.5. Stock Market Data and their Performance v/s S&P BSE Sensex and CNX Nifty

The high/low of the market price of the shares of the Company and the performance thereof with the BSE Sensex and CNX Nifty are given in the charts below:

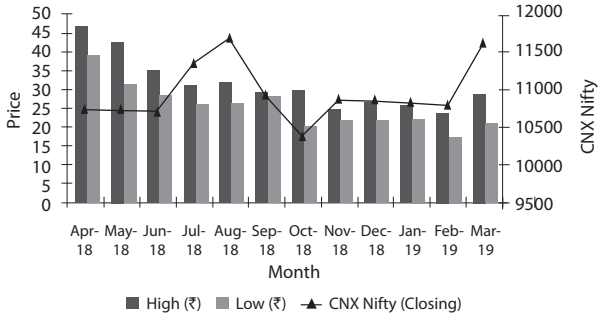
Month	BSE			NSE		
	High (₹)	Low (₹)	Sensex	High (₹)	Low (₹)	CNX Nifty
Apr-18	46.55	40	35160.36	46.8	39.2	10739.35
May-18	42.95	31.65	35322.38	42.75	31.35	10736.15
Jun-18	35.7	29	35423.48	35.3	28.65	10714.3
Jul-18	30.95	26.35	37606.58	30.95	26.05	11356.5
Aug-18	32	25.75	38645.07	31.75	26.25	11680.5
Sep-18	29	21.1	36227.14	29.5	28.4	10930.45
Oct-18	29.9	20.55	34442.05	29.9	20.2	10386.6
Nov-18	24.5	20	36194.3	24.6	21.9	10876.75
Dec-18	26.9	20	36068.33	26.95	22	10862.55
Jan-19	25.85	22.5	36256.69	25.9	22.05	10830.95
Feb-19	23.9	18.25	35867.44	23.75	17.6	10792.5
Mar-19	29.1	20	38672.91	28.8	20.95	11623.9

Sources: BSE and NSE websites

Price v/s BSE Sensex



Price v/s CNX Nifty



10.6. Distribution of shareholding as on 31st March 2019

Slab of Shareholding	No of Shareholders	% of Shareholders	Amount (₹)	% of Shares held
1 to 5000	15,713	98.34	3,27,91,087	12.89
5001 to 10000	150	0.94	77,25,487	3.04
10001 to 20000	70	0.44	71,98,170	2.83
20001 to 30000	17	0.11	29,78,696	1.17
30001 to 40000	5	0.03	11,81,390	0.46
40001 to 50000	6	0.04	19,16,978	0.75
50001 to 100000	6	0.04	31,60,906	1.24
100001 & Above	12	0.08	19,73,73,729	77.61
TOTAL	**15,979**	**100.00**	**25,43,26,443**	**100.00**

10.7. Shareholding Pattern as on 31st March 2019:

Category	No. of Shares held	% of Shares held
Promoters Holding [A]		
Indian promoters	2,16,94,663	59.71
Foreign promoters	0.00	0.00
Persons acting in concert	0.00	0.00
Sub-total A	**2,16,94,663**	**59.71**
Public Holding [B]		0.00
Institutional Investors B1		0.00
Mutual Funds	1,010	0.00
Financial Institutions/ Banks	2,857	0.01
Foreign Portfolio Investors	258	0.00
Insurance Companies	17,09,644	4.71
Sub-total B1	**17,13,769**	**4.72**
Non-Institutional Investors B2		0.00
Retail Individuals	93,05,785	25.61
IEPF	63,036	0.17
Bodies Corporate	14,55,644	4.00
Clearing Members	1,28,138	0.35
Non Resident Indians (NRI)	4,22,672	1.16
Overseas Corporate Bodies	36,648	0.10
Sub-total B2	**1,14,11,923**	**31.41**
Non-Promoter Non-Public Holding [C]	**15,11,994**	**4.16**
Grand total (A+B+C)	**3,63,32,349**	**100.00**

10.8. Share Transfer Agent

Freedom Registry Limited, Share Transfer Agent of the Company has been appointed as one point agency for dealing with shareholders. Shareholders' correspondence should be addressed to the Company's Share Transfer Agent at the address mentioned below:

Registered Office: Freedom Registry Limited Plot No. 101/102, 19th Street, MIDC Area, Satpur, Nashik 422 007 Tel (0253) – 2354 032, Fax (0253) 2351 126 E-mail : support@freedomregistry.in	Mumbai Liaisoning Office: Freedom Registry Limited 104, Bayside Mall, 35, C. M. M. Malviya Marg Tardeo Road, Haji Ali, Mumbai 400 034. Tel : (022) – 2352 5589 / 6743 2799

10.9. Share Transfers System (Physical Form)

The Board has delegated the authority for approving transfer, transmission, etc. of the Company's equity shares to a Share Transfer Committee comprising of Ms. Urvi A. Piramal, Mr. Harsh A. Piramal, Mr. R. K. Rewari, Mr. Mahesh S. Gupta and Mr. Subhash Kashimpuria. The share certificates in physical form are generally processed and returned within 15 days from the date of receipt, if the documents are clear in all respects.

For administrative convenience and to facilitate speedy approvals, authority has also been delegated to Senior Executives of the Company to approve share transfers upto specified limits.

A summary of the transfers/ transmissions so approved by the Share Transfer Committee or the authorized Executives, as the case may be, are placed at subsequent meeting of the Board of Directors of the Company.

The Certificate of Compliance obtained from the Company Secretary in practice as required under Regulation 40(9) of the Listing Regulations, confirms the compliance with the share transfer formalities within the timelines prescribed.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with Securities and Exchange Board of India (SEBI) requirements. M/s. Nilesh Shah & Co., Practicing Company Secretary appointed by the Company to conduct this audit. Reconciliation of Share Capital Audit Reports of M/s. Nilesh Shah & Co., which have been submitted to the Stock Exchanges within the stipulated period, inter alia confirms that the equity shares of the Company held in dematerialized form and in physical form tally with the issued and paid-up equity share capital of the Company.

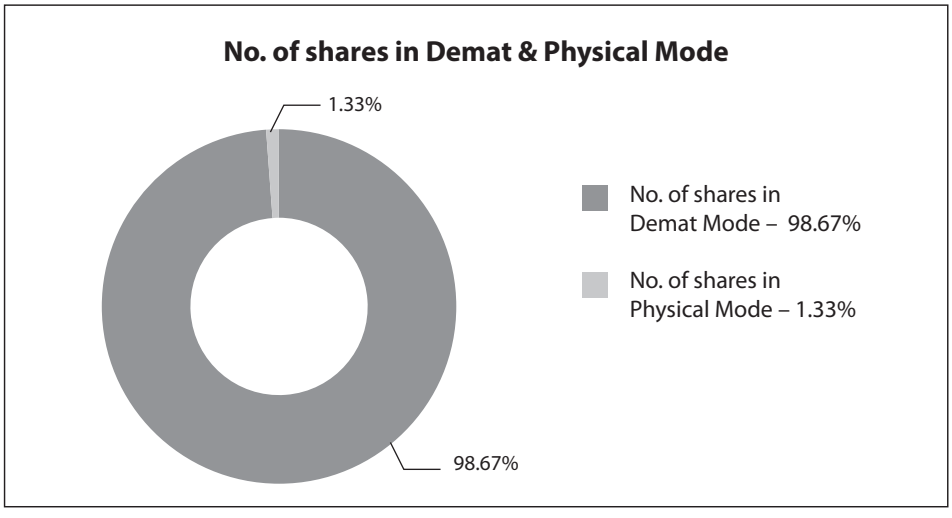
10.10. Dematerialization of shares and liquidity

As on 31st March, 2019, 3,58,49,531 Equity Shares representing 98.67% of the Company's paid-up Equity Share Capital have been dematerialized. Trading in Equity Shares of the Company on Stock Exchanges is permitted only in dematerialized form as per notification issued by SEBI. Shareholders seeking demat/ remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to the Share Transfer Agent of the Company. Upon receipt of the request and share certificates, the Share Transfer Agent will verify the same. Upon verification, the Share Transfer Agent will request National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) to confirm the demat request. The demat account of the respective shareholder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In respect of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Share Transfer Agent. The Share Transfer Agent then requests NSDL and CDSL to confirm the same. Approval of the Company is sought and equivalent number of shares are issued in physical form to the shareholder. The share certificates are dispatched within one month from the date of issue of shares.

SEBI amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, by virtue of which any transfer of Securities of a listed entity, shall be carried out only in Demat form with effect from 1st April, 2019. Stock Exchanges had directed the Companies to send letters to the shareholders and two reminders thereof, at a gap of minimum 30 days, to advise the shareholders to convert the physical shares to demat mode. Accordingly, the Company had sent the notice on 11th October, 2018 and followed by 2 reminders on 22nd January, 2019 &11th March, 2019.

Further, SEBI vide its Circular dated 20.04.2018, mandated all the listed companies to serve the notice and two reminders thereof, on those shareholders who hold shares in physical form to provide their KYC details. Accordingly, the Company had served the notice to the shareholders holding shares in physical form on 6th July, 2018. The first reminder thereto was sent on 11th October, 2018 and the second reminder letter was sent on 22nd January, 2019. The Company hereby requests the shareholders who are yet to comply with their KYC requirement, to send their KYC documents to the Company in accordance with the above mentioned circular.



10.11. There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments issued by the Company.

10.12. Commodity Price Risk, Foreign Exchange Risk and Hedging activities

The Company has a robust mechanism to manage commodity price risk. The foreign exchange risks are monitored and hedged accordingly. There has been no exposure of the Company in commodity hedging for FY2018-19. Hence, there is no disclosure to be made under SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141, dated 15th November, 2018.

10.13. Plant Location

Plot No.G1, G2- M.I.D.C. Industrial Estate Post: Salai Dhaba, Butibori Nagpur – 441122

10.14. Investor Correspondence

Shareholders can contact to the Compliance officer of the Company for Secretarial matters of the Company at corporatesecretarial@ashokpiramalgroup.com.

11. Disclosures

11.1 Details of utilization of funds raised through preferential allotment or qualified institutions placement

The Company did not raise any funds through preferential allotment or qualified institutions placement during the Financial Year 2018-19.

11.2 Total fees paid to statutory auditor for all services rendered on consolidated basis by listed entity and its subsidiaries

Total fees paid to M/s. Haribhakti & Co. LLP, Statutory Auditors of the Company are as follows:

Sr. No.	Particulars	Fees (₹)
1.	Statutory Audit	10,00,000/-
2.	Tax Audit	3,00,000/-
3.	LR Report	6,00,000/-
4.	Consolidation	1,00,000/-
5.	Other Certification	1,00,000/-
6.	Out of Pocket Expenses	73,069/-
	Total	21,73,069/-

11.3 Disclosure in relation to Sexual Harassment of Women at workplace

The details as required under this heading are furnished in the Directors' Report.

There were no instances where the recommendations made by any of the Statutory Committees were not accepted by the Board.

11.4 Materially significant related party transactions

The transactions between the Company and the Directors and Companies in which the directors are interested are disclosed in Note No. 47 of the Notes to the Financial Statement in the Annual Report in compliance with the Accounting Standard relating to "Related Party Disclosures". There is no materially significant Related Party Transaction that may have potential conflict with the interest of the Company at large. As per Regulation 23 of Listing Regulations, the Company has formulated a policy on Related Party Transactions and it is uploaded on the website of the Company at www.morarjee.com.

11.5 Details of non – compliance, penalties, strictures imposed by the Stock Exchanges or SEBI during last 3 years

Details of non–compliance	Amount of Penalty/Fine
During the financial year 2016-17, BSE imposed a penalty for delayed submission of the shareholding pattern of the Company for the quarter ended 30th September, 2016.	₹ 3.14 Lakhs

Besides above, there were no such instances and no penalties, strictures imposed by the Securities and Exchange Board of India or any other statutory authority during the last three years on any matter related to the capital markets.

11.6 Vigil mechanism/ whistle blower policy

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct. The mechanism provides for adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism. In all cases, Directors and Employees have direct access to the Compliant Committee set up for this purpose and in exceptional circumstances to the Chairman of the Audit Committee. Further no personnel have been denied access to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on Company's website at www.morarjee.com.

11.7 Disclosure of Compliance of Corporate Governance

The Company has complied with all the requirements of the Listing Regulations including the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulations (2) of Regulation 46.

11.8 Details of compliance with mandatory requirements & adoption of non mandatory requirements

The Company has complied with all the mandatory requirements as applicable to the Company and following non- mandatory requirements as specified in Part E of Schedule II of the Listing Regulations:

i) The company has separate persons as its Chairperson and the Managing Director.

ii) The non-executive Chairperson maintains her office at the Company's expense and is allowed reimbursement of expenses incurred in performance of her duties.

iii) The Company follows the regime of financial statements with unmodified audit opinion.

iv) The internal auditors of the Company report directly to the Audit Committee.

11.9 Subsidiary Company

The Company does not have any subsidiary company. However, a policy on material subsidiaries has been formulated by the Company and posted on the website of the Company at www.morarjee.com

11.10 Certificate on non-disqualification of Directors

The Certificate from Ms. Kala Agarwal, Practicing Company Secretary, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any other statutory authority, is annexed to this Report.

11.11 Unclaimed/ Unpaid Dividend

The due dates for transfer of unclaimed dividend amount to be transferred to Investor Education & Protection Fund (IEPF) are as under;

Financial Year	Date of Declaration	Date of Payment	Due Date of transfer to IEPF
31.03.2013	14.08.2013	16.08.2013	18.10.2020
31.03.2014	29.09.2014	29.09.2014	03.12.2021
31.03.2015	26.08.2015	27.08.2015	30.10.2022
31.03.2016	27.07.2016	28.07.2016	01.10.2023
31.03.2017	22.08.2017	24.08.2017	27.10.2024

The unclaimed/unpaid dividend declared for the FY 2006-07 has already been transferred to IEPF on 8th October, 2014 and no dividend was declared during FY07-08 to FY11-12.

The shareholders may claim the share and dividend from the IEPF authority upon following the procedure mentioned in the relevant Rules, which are availabe at www.iepf.gov.in.

11.12 Investor Helpdesk

Share transfers, dividend payments and all other investor related activities are attended to and processed at the office of the Share Transfer Agent, Freedom Registry Limited. For lodgment of transfer deeds and other documents or for any grievance/ complaints, shareholders/ investors may contact Share Transfer Agent, Freedom Registry Limited at the address mentioned in this report. Any queries relating to share transfers, dividend payments, annual report, etc. may also be emailed at corporatesecretarial@ashokpiramalgroup.com.

12. Details of Shares in Suspense Account

Sr. No.	Particulars	Status
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year as on 1st April, 2018	Nil
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year 2018-2019	Nil
3	Number of shareholders to whom shares were transferred from suspense account during the year 2018-2019	Nil
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year 31st March, 2019	Nil

13. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
MORARJEE TEXTILES LIMITED
Peninsula Spenta, Mathuradas Mills Compound
Senapati Bapat Marg, Lower Parel, Mumbai - 400013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MORARJEE TEXTILES LIMITED having CIN: L52322MH1995PLC090643 and having registered office at Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company (as stated below) for the Financial Year ending on 31st March, 2019 has been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1.	Ms. Urvi A. Piramal	00044954	01/02/2005
2.	Mr. Harshvardhan A. Piramal	00044972	01/06/2004
3.	Mr. Mahesh S. Gupta	00046810	19/01/2006
4.	Mr. Rajendar Kumar Rewari	00619240	01/02/2010
5.	Mr. Ranjan Pant	00005410	01/08/2014
6.	Mr. Ranjan Sanghi*	00275842	01/02/2005
7.	Mr. Shobhan Thakore	00031788	23/08/2006
8.	Mr. Aditya Mangaldas	00032233	18/02/2007
9.	Lt. Gen. Ajay Kumar Singh	07698288	08/02/2017

**Ceased to be Director of the Company w.e.f 8th April, 2019.*

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Kala Agarwal
Practising Company Secretary
COP: 5656

Place: Mumbai

Date: 8th May, 2019

14. Declaration regarding Compliance by Board Members and Senior Management Personnel with the Companies Code of Conduct.

To,
The Members of Morarjee Textiles limited

Declaration by the Managing Director under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

I, R.K. Rewari, Managing Director of Morarjee Textiles Limited, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management, for the year ended 31st March, 2019.

Sd/-
R.K. Rewari
Managing Director

Place: Mumbai
Date: 8th May, 2019

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of Morarjee Textiles Limited

1. This Certificate is issued in accordance with the terms of our engagement letter dated August 06, 2018.
2. We have examined the compliance of conditions of Corporate Governance by Morarjee Textiles Limited ('the Company'), for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

1. The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

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

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

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

Opinion

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

7. 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.

Restriction on Use

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for any event or circumstances occurring after the date of this certificate.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sd/-
Sumant Sakhardande
Partner
Membership No. 034828
Mumbai: May 08, 2019

Management Discussion & Analysis

Overview: Global Economy

Global growth is expected to remain at 3.0 per cent in 2019 and 2020, however, the steady pace of expansion in the global economy masks an increase in downside risks that could potentially exacerbate development challenges in many parts of the world, according to the World Economic Situation and Prospects 2019.

This broadly steady forecast masks marked differences between the outlook for advanced economies and EMDEs. Growth in advanced economies is projected to slow, as labour market slack diminishes and monetary policy accommodation is gradually unwinding, moving closer to subdued potential growth rates, which remain constrained by aging populations and weak productivity trends. Conversely, growth in EMDEs is expected to accelerate, reaching 4.5 percent in 2018 and an average of 4.7 percent in 2019-20. Growth in commodity importers is projected to remain stable, averaging 5.7 percent in 2018-20, as a gradual slowdown in China is offset by a pickup in some other large economies. Within the broader group of EMDEs, growth in low-income countries is projected to rise to 5.6 percent on average in 2019-20, as conditions gradually improve in oil and metals-exporting economies.

The fashion industry is going through a seismic shift, driven by massive long-term changes that serve as a backdrop for everything that is happening. These are overarching, interconnected forces that will drive and shape the trends in years to come.

The key challenges, the apparel industry will face in 2019, are not new. McKinsey Global Fashion Survey shows that the four biggest challenges are:

1. Dealing with volatility, uncertainty and shifts in the global economy;
2. Competition from online and Omni channel;
3. Value chain improvement and digitalization;
4. Decreasing foot traffic and offline retailing pressure.

One of the biggest opportunities lies in digitalization of the value chain. As an example, the use of rich data and granular customer insights to inform decisions offer business opportunities across the fashion value chain, in areas ranging from dynamic pricing to optimized product replenishment.

Indian Textile Market: Industry Structure and Development

India's textile sector is one of the mainstays of the national economy. The country continues to be the only country other than China to have the full textile chain i.e. from fibre to clothing.

Indian Textiles and Apparels Industry has gone through major Taxation reform in term of GST implementation which had short term impact in FY'19 but this will boost the organised sector.

The industry currently estimated at around US$ 100 billion, is expected to reach US$ 223 billion by 2021 has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US$ 2.41 billion during April 2000 to December 2016 and 26% of this investment came during October 2015 to December 2016 but there is reverse flow of FDI too, to competing nations like Bangladesh, Sri Lanka and Ethiopia due to Duty Free Apparels zones for EU and US.

Recovery in domestic demand continued in 2017, despite sluggish growth in the early part of the year (due to demonetisation) because of strong festive offtake and minimal impact of the GST on domestic apparel consumption. With higher economic growth expected in 2018-19, the resulting return to normalcy in consumer spending will lead to healthy domestic offtake.

Currently, per-capita expenditure on domestic clothing among Indians is less than 5% of American counterparts. The industry seems to expand at a 10-12% CAGR between 2017 and 2022. Key drivers of growth are raising income, higher penetration of organised retail and growing preference of readymade garments over tailor-made ones. Among the major segments, women's apparel is expected to outperform the industry due to the increasing number of working women, entry of branded players in the space and increased awareness of latest fashion trends.

Outlook

Indian textiles industry is a well-established Industry showing strong features and a bright future. In fact, the country is the second biggest textiles manufacturer worldwide, right after China. Similar force is demonstrated in the cotton production and consumption trend where India ranks just after China and USA. The textiles manufacturing business is a pioneer activity in the Indian manufacturing sector and it has a primordial importance in the economic life of the country, which is still predominantly based on the agro-alimentary sector. Employing around 35 million people, textiles industry stands as a major foreign currency revenue generator and further proves it in its 14% share of industrial production and the 16% of export revenues it generated.

Textiles industry is not limited to manufacture and export of garments. The success of Indian textiles lies in effective vertical integrations policies which have helped operators in taming the processes which while lying beyond simple manufacturing exercise do have a serious impact on it, for

example, raw material treatment. Thus, cotton, jute, silk or wool and even synthetic material are also produced by this industry to complement and strengthen the garments manufacturing industry. Almost one quarter of the world's spindle activities is hosted in India, again positioning itself just after China. Looming is another important element that accounts for significant activity in this industry; in fact, it takes an impressive 61% share including handlooms. The country is also significant textiles fiber and yarn manufacturer on the world scene, taking on its own a 12% share of the world's production volume. India ranks on the second place as regards in production of silk and cellulose fiber and yarn whilst standing on the fifth position when it comes to synthetic fiber and yarn.

Indians have well understood the importance of staying one step ahead of developments in the world economic environment. Industry operators are increasingly moving towards modernization and expansion as encouraged by the so-designated Textile Upgradation Fund Scheme implemented by Government.

In that view, many manufacturing companies in India are rushing towards expansion and modernization options. Manufacturers are having recourse to fund raising programmes pushing EPS to higher growth, dissolving equity on its way. Business collaborations with foreign players, creation of buying offices and Government's effort to enhance quality production and export are many visible signs of Indians coming into force on the global market.

Risk Management

Risks are inherent in all businesses. The challenge for the Company is to effectively and responsibly manage and control the risks on a sustained basis to enhance returns.

Industry Risk

The demand for textiles is perennial and major fluctuations occur largely due to changes in overall economic growth and manufacturing competitiveness.

However, the business is cyclical on the supply side considering the quantum of capital investment involved in capacity expansion. This makes it necessary for the Company to incur large capital expenditure at the right time. An error in estimation, can, therefore, affect its financial health.

Risk Mitigation

Morarjee has consistently invested funds in its manufacturing plants to bring them in line with the latest technology. This prudence is reflected in the enhanced market presence due to higher production and improved quality at a lower cost of production.

Raw Material Risk

The company is exposed to the vagaries of nature, with cotton being the principal raw material for fabric manufacturing.

Risk Mitigation

Procurement of raw cotton at right price remains crucial. The Company covers its cotton requirements from time to time through the domestic and international markets. The Company also seeks out alternative cotton varieties and blends to increase its raw material basket. Thus this enables an in built risk mitigation for cotton price fluctuation.

Product Substitution Risk

Man Made Fibres are a direct substitute for cotton textiles.

Risk Mitigation

The company specialises in producing the best quality cotton fabrics, which are at par with the highest global quality standards and has created a niche positioning with products which cater to high-end customers. The company also produces high quality printed cotton fabric for the African market.

Financial Snapshot

STANDALONE

(₹ In Lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Income	35,025	36,751
EBITDA	4,276	7,505
% to income	12.21	20.42
Interest	5394	5,139
Depreciation	2321	2,284
Profit Before Tax	(3,439)	82
Deferred Tax & MAT	(991)	41
Profit After Tax	(2,448)	41
Other Comprehensive Income (Net of Tax)	15	(19)
Total Comprehensive Income	(2,433)	22

CONSOLIDATED

(₹ In Lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Income	35,025	36,751
EBITDA	4,276	7505
% to income	12.21	20.42
Interest	5,394	5,139
Depreciation	2,321	2,284
Profit Before Tax	(3,439)	82
Deferred Tax & MAT	(991)	41
Profit After Tax	(2,448)	41
Share in Profit of Joint Ventures	(7)	9
Other Comprehensive Income (Net of Tax)	15	(19)
Total Comprehensive Income	(2,440)	31

KEY FINANCIAL RATIOS

Sr. No.	Particulars	2018-19	2017-18	Explanation for Significant change
1	Debtor Turnover Ratio (times)	8.6	6.7	Debtor Turnover ratio has increased as the Company was able to secure better payment terms
2	Inventory Turnover Ratio(times)	3.3	3.5	N/A
3	Current Ratio (times)	0.8	1.0	N/A
4	Debt Equity Ratio (times)	6.1	4.9	Debt Equity ratio is affected due to losses incurred by the Company during FY 19.
5	Interest Coverage Ratio (times)	0.8	1.5	Interest Coverage ratio has decreased due to decrease in revenue and lower margins.
6	Operating Profit Margin (%)	5.6	14.5	Operating Profit Margin has reduced due to lower revenue and lower profits. The change in product mix and geo-political disruption in one of our primary export market viz. Sudan has impacted sales and margins.
7	Net Profit Margin (%)	(7.0)	0.1	The sluggish market conditions have had an impact on the profits of the Company. As mentioned above, geo-political disruption in one of the main export market viz. Sudan has impacted sales as well as profitability. The Profit margin has also been impacted as the Company has also been selling products at intermediate stages.
8	Return on Net Worth (%)	(29.3)	0.2	Return on Net Worth is affected due to losses incurred in FY19

Internal control systems & their adequacy

The Company has proper and adequate systems of Internal Control to ensure that all the assets are safeguarded from loss, damage or disposition. Checks & balances are in place to ensure that transactions are adequately authorised and recorded and that they are reported correctly. The Board of Directors considers internal controls as adequate.

Human Resource

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business.

The company's belief is that its people are the primary source of its competitive advantage and consistently puts emphasis on Human Resource Development, which remains vital and strategic to the company. The Company is committed to nurturing, enhancing and retaining talent through Learning & Organizational Development to support the organization's growth and its sustainability in the long run.

Cordial employee relations, in keeping with tradition, are being pursued vigorously. Industrial relations have continued to be harmonious throughout the year. This has been possible by creating a performance driven culture against the backdrop of care and concern for all employees. Objective appraisal systems based on Key Result Areas (KRAs) are in place.

Cautionary Statement

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

Independent Auditor's Report

To the Members of Morarjee Textiles Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How the matter was addressed in the audit
Valuation of Inventory Total inventory valuation as on March 31, 2019 is ₹ 10,489.40 lakhs (March 31, 2018 : ₹ 10,399.37 lakhs) Inventory of Company comprises of finished goods and Work in Progress (WIP). As described in Note 8 to the accompanying standalone Ind AS financial statements, Cost of Inventory represents the costs of materials, conversion cost and related production costs at each stage till date. It is held at the lower of cost and net realisable value (NRV). Some of the finished goods and WIP (Grey Cloth) are slow moving. Considering the materiality of the amount involved and degree of management judgment in valuation, we have identified valuation of inventory as a key audit matter for the current year audit.	Our audit procedures in respect of this area included but not limited: We understood and tested the design and operating effectiveness of controls as established by the management for valuation of inventory and identifying slow moving inventory and determination of net realizable value of inventory as on date. We observed the physical inventory verification procedures carried out by the management as at the year end. We performed year end cut-off procedures to validate the actual stocks carried in the inventory as at year end. We tested the adequacy of the key assumptions and estimates used to determine cost allocation at each stage of production and consistency in such allocation including mathematical accuracy of the calculations We performed inventory movement and ageing analysis as a re-performance procedure for assessing management's ascertainment of slow moving inventory. We performed NRV testing by comparing subsequent sale/order value. We also evaluated judgment used by the management for arriving at the diminution in value of slow moving inventory. The above audit procedures enabled us to conclude on the valuation of inventory held by the company as on the date of Balance Sheet.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Corporate Governance and Directors' Report, but does not include the

standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone IndAS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone IndAS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standaloneInd AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this standalone Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

  We communicate with those charged with governance regarding, among other matters, the planned scope

and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(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, 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 Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

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

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements - Refer Note no. 37 on Contingent Liabilities to the StandaloneInd AS Financial Statements;

(ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai: May 8, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph1under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of MorarjeeTextiles Limited("the Company")on the Standalone Ind AS Financial Statements for the year ended March 31, 2019]

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the Management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

(ii) The inventory(excluding stocks lying with third parties) has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. In respect of inventory lying with third parties at the year end, it has substantially been confirmed by them.As informed, no material discrepancies were noticed on physical verification carried out during the year.

(iii) As informed, the Company has not granted any loans, secured or unsecured, to companies, firms,Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, Paragraphs 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products wherethe maintenance of cost records has been specifiedby the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that, prima facie, the prescribed accounts and records have beenmade and maintained.

(vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and services tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, delays in deposit have not been serious.

AND

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and services tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, goods and services tax, customs duty, excise duty, which have not been deposited on account of any dispute, except as follows:

Name of the Statute	Nature of Dues *	Financial Year	Amount (₹ in lakhs)	Forum where Dispute is Pending
Central Excise Act, 1944	Excise duty	1979-80 to 1985-86	6.22	Commissioner
		1990-91	0.09	
		1993-94 to 1995-96	146.49	
		1999-2000 to 2001-02	218.61	
Central Excise Act, 1944	Excise duty	1990-91 to 1991-92	2.10	CESTAT
		1995-96 to 2002-03	488.27	
Central Excise Act, 1944	Excise duty	1997-98 to 2001-02	3.19	High Court
		2008-09	22.34	

Name of the Statute	Nature of Dues *	Financial Year	Amount (₹ in lakhs)	Forum where Dispute is Pending
Central Excise Act, 1944	Excise duty	1981-84	296.14	Supreme Court
Maharashtra Value Value added tax Act, 2002	Sales tax	2006-07 to 2007-08	66.20	Joint Commissioner of Sales Tax (Appeals)

** Includes amounts of interest and penalty, where ascertainable.*

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks, as at the Balance Sheet date.As informed, the Company has not availed any loan or borrowing from any government nor has it issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, the Company has utilised the money raised by way of term loans during the year for the purposes for which they were raised.

As informed, the Company has not raised money by way of initial public issue offer / further public offer (including debt instruments).

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the Management.

(xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Standalone Ind AS Financial Statements, as required by the applicable Indian Accounting Standards. (Refer Note no. 47 to the Standalone Ind AS Financial Statements).

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.Accordingly, Paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai: May 8, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members ofMorarjee Textiles Limitedon the StandaloneInd AS Financial Statements for the year ended March 31, 2019]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Morarjee Textiles Limited("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established

by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai: May 8, 2019

Standalone Balance Sheet

as at 31st March, 2019

	Note	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
ASSETS			
1. Non-current Assets			
a) Property, Plant and Equipment	2	47,546.17	49,739.70
b) Intangible Assets	2	162.19	177.76
c) Investment in Joint Ventures	3	493.96	493.96
d) Financial Assets			
i) Investments	4	0.89	0.89
ii) Loans	5	164.51	130.86
e) Other Non-current Assets	6	53.85	68.74
f) Deferred Tax Assets (Net)	18	716.60	-
g) Non-current Tax Assets	7	47.48	42.61
		49,185.65	50,654.52
2. Current Assets			
a) Inventories	8	10,489.40	10,399.37
b) Financial Assets			
i) Trade Receivables	9	4,075.02	5,365.37
ii) Cash and Cash Equivalents	10	595.74	225.22
iii) Bank Balances other than (ii) above	11	379.70	334.55
iv) Loans	12	17.90	31.75
c) Other Current Assets	13	7,485.12	6,291.24
		23,042.88	22,647.50
Total Assets		72,228.53	73,302.02
EQUITY AND LIABILITIES			
1. Equity			
a) Equity Share Capital	14	2,543.26	2,543.26
b) Other Equity	15	5,760.22	8,193.70
		8,303.48	10,736.96
2. Non-current Liabilities			
a) Financial Liabilities			
- Borrowings	16	32,900.33	36,355.97
b) Provisions	17	524.74	477.15
c) Deferred Tax Liability (Net)	18	-	260.18
d) Other Non-current Liabilities	19	1,869.66	2,418.77
		35,294.73	39,512.07
3. Current Liabilities			
a) Financial Liabilities			
i) Borrowings	20	12,451.47	11,701.44
ii) Trade Payables	21		
Total outstanding dues of Micro Enterprises and Small Enterprises		736.01	74.90
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		8,513.11	6,144.98
iii) Other Financial Liabilities	22	6,411.44	4,553.01
b) Other Current Liabilities	23	460.01	389.10
c) Provisions	24	58.28	71.41
d) Current Tax Liabilities (Net)	25	-	118.15
		28,630.32	23,052.99
Total Equity and Liabilities		72,228.53	73,302.02
Significant Accounting Policies	1		
Notes forming part of the financial statements	34-49		

As per our attached of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai : May 8, 2019

For and on behalf of Board of Directors

Urvi A. Piramal
(DIN 00044954)
Chairperson

Harsh A. Piramal
(DIN 00044972)
Executive Vice Chairman

R. K. Rewari
(DIN 00619240)
Managing Director

Mahesh S. Gupta
(DIN 00046810)
Director

Shobhan Thakore
(DIN 00031788)
Director

S. C. Kashimpuria
Chief Financial Officer

Tanmay Bhat
Company Secretary

Standalone Statement of Profit & Loss

for the year ended 31st March, 2019

	Note	₹ in lakhs	31.03.2019 ₹ in lakhs	₹ in lakhs	31.03.2018 ₹ in lakhs
INCOME					
Revenue from Operations	26	34,860.79		36,113.32	
Other Income	27	164.52		637.59	
Total Income			35,025.31		36,750.91
EXPENSES					
Cost of Materials Consumed	28	11,156.55		10,624.11	
Changes in Inventories of Work-in-Progress and Finished Goods	29	403.60		(1,006.77)	
Excise Duty		-		17.57	
Manufacturing Expenses	30	12,731.40		13,180.58	
Employee Benefits Expense	31	3,652.80		3,522.68	
Administrative, Selling and Other Expenses	32	2,805.28		2,907.90	
Finance Costs	33	5,393.54		5,139.09	
Depreciation and Amortisation Expenses	2	2,321.17		2,283.99	
Total Expenses			38,464.34		36,669.15
Profit / (Loss) before Tax			(3,439.03)		81.76
Tax Expense	35				
- Current Tax (Minimum Alternate Tax)			-		123.39
- Deferred Tax (Net of MAT Credit Entitlement)			(984.28)		(82.12)
- Prior Year Tax adjustment (Minimum Alternate Tax)			(6.31)		-
Total Tax Expense			(990.59)		41.27
Profit / (Loss) for the year			(2,448.44)		40.49
Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss					
Remeasurement of Defined Benefit Obligation	34		22.46		(28.34)
(ii) Income Tax relating to items that will not be reclassified to profit or loss	35		(7.50)		9.46
Total Other Comprehensive Income			14.96		(18.88)
Total Comprehensive Income for the year			(2,433.48)		21.61
Earning Per Equity Share - Basic and Diluted (Rs.)	48		(6.74)		0.11
(Face value Rs.7/-each)					
Significant Accounting Policies	1				
Notes forming part of the financial statements	34-49				

As per our attached of even date.
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

For and on behalf of Board of Directors

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Chief Financial Officer

Tanmay Bhat
Company Secretary

Mumbai : May 8, 2019

Standalone Statement of Changes in Equity for the year ended 31st March, 2019

(a) Equity Share Capital (Refer Note no. 14)

₹ in lakhs

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of the year	2,543.26	2,543.26
Changes in equity share capital during the year	-	-
Balance at the end of the year	2,543.26	2,543.26

(b) Other Equity (Refer Note no. 15)

₹ in lakhs

Particulars	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2017	5,627.91	3,156.38	8,784.29
Profit for the year	-	40.49	40.49
Other Comprehensive Income for the year (Remeasurement of Defined Benefit Obligation - Net of Tax)	-	(18.88)	(18.88)
Dividend and Distribution Tax Thereon	-	(612.20)	(612.20)
Balance as at 31st March, 2018	5,627.91	2,565.79	8,193.70
Profit / (Loss) for the year	-	(2,448.44)	(2,448.44)
Other Comprehensive Income for the year (Remeasurement of Defined Benefit Obligation - Net of Tax)	-	14.96	14.96
Balance as at 31st March, 2019	5,627.91	132.31	5,760.22

As per our attached of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

For and on behalf of Board of Directors

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Chief Financial Officer

Tanmay Bhat
Company Secretary

Mumbai : May 8, 2019

Notes

to Standalone Financial Statements for the year ended 31st March, 2019

Company Overview

Morarjee Textiles Limited ("the Company") is a public limited company, incorporated and domiciled in India which mainly deals in manufacture of yarn and fabric. The registered office of the Company is located at 2, Peninsula Spenta, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The standalone financial statements for the year ended 31st March, 2019 were approved by the Board of Directors and authorized for issue on 8th May, 2019.

Note 1: Significant Accounting Policies

(a) Basis of Preparation of Financial Statements

(i) Statement of Compliance with Indian Accounting Standards (Ind AS)

These financial statements comply, in all material respects, with Ind AS notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

a) Certain financial assets and liabilities that are measured at fair value

b) Derivative financial instruments

(iii) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, which is also the functional currency of the Company. All financial information presented in Indian Rupees has been rounded off to two decimals in lakhs.

(iv) Current and Non-current Classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle (Twelve months) and other criteria set out in Schedule III to the Act.

(b) Property, Plant and Equipment (PPE) and Depreciation

All items of PPE are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties,directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the carrying amount of PPE or recognised as a separate PPE, 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.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Machinery spares and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

Capital work- in- progress includes cost of PPE under installation / under development as at the Balance Sheet date.

The Company depreciates its PPE over the useful life in the manner prescribed under Part C of Schedule II to the Act. Depreciation commences when the assets are ready for their intended use and is computed on pro-rata basis from the date of installation/ acquisition till the date of sale/ disposal. Management believes that useful life of assets are same as

those prescribed in Schedule II to the Act, except for machinery spares wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act

Useful life considered for calculation of depreciation for machinery spares varies from 2 to 10 years.

Lease hold PPE are amortised over the period of lease or useful life, whichever is lower. Leasehold land (under Finance Lease) is amortised over the period of lease.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(c) Intangible Assets and Amortisation

Intangible assets that are acquired by the Company, which have finite useful lives are measured at cost less amortisation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, directly attributable costs of bringing the asset to its present location and condition.

Intangible assets are amortised on straight line basis over the estimated useful life.

Useful life considered for amortisation of intangible assets being computer Software is 10 years.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Leases

Where the Company is Lessee

A lease is classified at the inception date as a finance lease or an operating lease.

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with Company's general policy on the borrowing cost.

All other leases are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on straight line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor in expected inflationary cost increase.

Where the Company is Lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straightline basis over the term of the relevant lease.

(e) Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its

intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

(f) Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of PPE are included in non-financial liabilities as deferred income and are credited to the Statement of Profit and Loss on straightline basis over the expected lives of related assets and presented within other income.

Government grants relating to an expense item are recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

(g) Financial instruments

(i) Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit orloss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, as per Ind AS 109.

a. Subsequent Measurement- Equity Instruments

All equity investments other than investments in subsidiaries, joint ventures and associates are measured at fair value. Equity investments which are held for trading are classified as FVTPL. For all other equity investments, the Company decides to classify the same either at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Investment in equity instruments of subsidiaries, joint ventures and associates are measured atcost.

b. Subsequent Measurement - Debt Instruments

A financial asset being debt instrument that meets the following 2 conditions is measured at amortised cost (net off any write down for impairment) unless the asset is designated at fair value through profitor loss under the fair value option.

Business Model Test: the objective of the Company's model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following 2 conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

Business Model Test: the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets.

Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or

significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different basis.

All other debt instruments are measured at fair value through profit or loss.

Derecognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset, to another entity.

Impairment of Financial Assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI.

For financial assets other than trade receivables, whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, considering historical trend, industry practices and the business environment in which the Company operates or any other appropriate basis.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

(ii) Equity and Financial Liabilities

Debt and equity instruments issued by an entity 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.

a. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

b. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities, except for the financial liabilities at FVTPL which are initially measured at fair value.

Subsequent Measurement

The financial liabilities are classified for subsequent measurement either at amortised cost or at fair value through Profit and Loss (FVTPL).

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

Derecognition of Financial Liabilities

A financial liability is removed from the Balance Sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative Financial Instruments

Derivative financial instruments such as forward contracts are taken by the Company to hedge its foreign currency risks, are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise (other than in case of hedge accounting).

Offsetting of Financial Instruments

Financials assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(h) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted prices in active markets 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.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The cost formula used for determination of cost is 'Weighted Average Cost'.

Machinery spares, stand-by equipment and servicing equipment are recognised as inventory when the useful life is less than one year and the same are charged to the Statement of Profit and Loss as and when issued for consumption.

(j) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The Company's liability for current tax is calculated using the Indian tax rates and laws that have been enacted by the reporting date. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and provisions where appropriate.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and current tax liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(k) Provisions and Contingencies

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Contingent assets are not recognised in the financial statements. If the inflow of economic benefits is probable, then it is disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(l) Employee Benefits

(i) Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-employment Obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plan (Gratuity), and

(b) Defined contribution plans such as superannuation scheme, provident fund.

Defined Benefit Plan

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually on the basis of actuarial valuation using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution Plans

Defined Contribution Plans such as superannuation scheme, provident fund are charged to the Statement of Profit and Loss as an expense, when an employee renders the related services.

(iii) Other Long-term Employee Benefits

The liabilities for compensated absences that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have any unconditional right to defer settlement for at least 12 months after the end of the reporting period, regardless of when the actual settlement is expected to occur.

(m) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of its business segments separately for the purpose of making decision about the resources allocation and performance assessment. The operating segments have been identified on the basis of the nature of products/ services.

The Board of Directors of the Company has appointed the Managing Director as the Chief Operating Decision Maker (CODM) who is assessing the financial performance and position of the Company, and makes strategic decisions.

(n) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows as well as the Balance Sheet, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Earnings per Share (EPS)

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net off any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

(p) Non-current Assets Held for Sale

The Company classifies non-current assets as held sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognised immediately in the Statement of Profit and Loss.

The criteria for held for sale classification are regarded as met only when the sale is highly probable i.e. an active program to locate a buyer to complete the plan has been initiated and the asset is available for immediate sale in its present condition and the assets must have been actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to that plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

PPE and intangible assets once classified as held for sale are not depreciated or amortised. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

(q) Dividend Distribution to Equity Shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid. Dividend proposed by the Board of Directors, subject to the approval of shareholders, is disclosed in the notes to financial statements.

(r) Foreign Currency Transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(s) Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods. Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) -'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets /liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, returns and rebatestaking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

Sale of Products

Sales are recognised at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days on delivery. In determining the transaction price for sale of goods, the company considers the effect of variable consideration, the existence of significant financial components and consideration payable to the customer (if any).

The company provides volume rebates to certain customers once the quantity of product purchased during the period exceeds a threshold limit specified in the contract. The company does not adjust consideration for the effect of a significant financial component, if it expects, at contract inception, that customer pays for those goods within one year. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

Duty Drawback Scheme

Export benefits under Duty Drawback Scheme is estimated and accounted in the year of export.

Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable effective interest rate.

Dividend Income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

Income from Services

Income from services is recognised (net of taxes as applicable) as they are rendered, based on agreement/arrangement with the concerned customers.

(t) Significant Accounting Estimates, Judgements and Assumptions:

The preparation of the Company's financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, Management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

i. Useful Lives of Property, Plant and Equipment: Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Act and also as per Management estimate for certain category of assets. Assumption also needs to be made, when the Company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised.

ii. Fair Value Measurement of Financial Instruments: When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

iii. Measurement of Defined Benefit Plan: The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv. Impairment of Financial Assets: Trade receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when Management deems them not collectable. Impairment is made on the expected credit loss model, which is the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

v. Impairment of Non-financial Assets: The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount.

The company expects to recover full amount related to government subsidies related to interest and capitalisation. Further company also expects to recover/ adjust input tax credit related to GST in future.

vi. Contingencies: Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against the Company as it is not possible to predict the outcome of pending matters with accuracy.

vii. Net Realisable Value for Inventory Valuation: The Company assesses net realisable value considering subsequent realisation, ageing and obsolescence for the purpose of valuation of inventories lower of cost or net realisable value.

(u) Recent Accounting Developments

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Entity's financial statements are disclosed below. The Entity intends to adopt these standards, if applicable, when they become effective.

- **Ind AS 116 "Leases":**

  On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

  The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

- **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:**

  On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

  The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Note 2 : Property, Plant and Equipment (PPE) and Intangible Assets

₹ in lakhs

Particulars	Gross Block				Accumulated Depreciation and Amortisation				Net Block
	Balance as at 01.04.2018	Additions	Deletion / Adjustments	Balance as at 31.03.2019	Balance as at 01.04.2018	For the year	Deletion / Adjustments	Balance as at 31.03.2019	Balance as at 31.03.2019
Property, Plant and Equipment *									
Land - Leasehold	7,159.10	-	-	7,159.10	210.48	96.08	-	306.56	6,852.54
Buildings	13,503.42	-	-	13,503.42	1,012.66	548.09	-	1,560.75	11,942.67
Plant and Machinery	32,776.75	111.22	71.13	32,816.84	2,778.64	1,574.49	22.10	4,331.03	28,485.81
Computers	16.66	22.01	-	38.67	10.86	7.48	-	18.34	20.33
Furniture, Fixture and Office Equipments	179.76	6.51	-	186.27	56.95	24.05	-	81.00	105.27
Motor Vehicles	241.91	-	-	241.91	68.31	34.05	-	102.36	139.55
Total - Property, Plant and Equipment	53,877.60	139.74	71.13	53,946.21	4,137.90	2,284.24	22.10	6,400.04	47,546.17
Intangible Assets									
Computer Software	245.82	21.36	-	267.18	68.06	36.93	-	104.99	162.19
Total - Intangible Assets	245.82	21.36	-	267.18	68.06	36.93	-	104.99	162.19
Grand Total	54,123.42	161.10	71.13	54,213.39	4,205.96	2,321.17	22.10	6,505.03	47,708.36

** Charged against borrowings of the Company (Refer Note no. 16 and 20)*

Note 2 : Property, Plant and Equipment (PPE) and Intangible Assets (year ended 31st March, 2018)

₹ in lakhs

Particulars	Gross Block				Accumulated Depreciation and Amortisation				Net Block
	Balance as on 01.04.2017	Additions	Deletion / Adjustments	Balance as on 31.03.2018	Balance as on 01.04.2017	For the year	Deletion / Adjustments	Balance as on 31.03.2018	Balance as on 31.03.2018
Property, Plant and Equipment *									
Land - Leasehold	7,096.50	62.60	-	7,159.10	114.40	96.08	-	210.48	6,948.62
Buildings	13,247.33	256.09	-	13,503.42	464.57	548.09	-	1,012.66	12,490.76
Plant and Machinery	32,149.89	630.50	3.64	32,776.75	1,239.57	1,539.61	0.54	2,778.64	29,998.11
Computers	15.17	1.49	-	16.66	5.87	4.99	-	10.86	5.80
Furniture, Fixture and Office Equipments	173.36	6.40	-	179.76	31.39	25.56	-	56.95	122.81
Motor Vehicles	242.25	-	0.34	241.91	34.36	34.03	0.08	68.31	173.60
Total - Property, Plant and Equipment	52,924.50	957.08	3.98	53,877.60	1,890.16	2,248.36	0.62	4,137.90	49,739.70
Intangible Assets									
Computer Software	216.71	29.11	-	245.82	32.43	35.63	-	68.06	177.76
Total - Intangible Assets	216.71	29.11	-	245.82	32.43	35.63	-	68.06	177.76
Grand Total	53,141.21	986.19	3.98	54,123.42	1,922.59	2,283.99	0.62	4,205.96	49,917.46

** Charged against borrowings of the Company (Refer Note no. 16 and 20)*

Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 3 : Investments in Joint Ventures		
Investments in Equity Instruments (Unquoted - at Cost)		
Morarjee Castiglioni (India) Private Limited	64.10	64.10
10,00,000 (Previous year 10,00,000) Equity Shares of ₹10 each fully paid-up		
Just Textiles Limited	429.86	429.86
7,95,560 (Previous year 7,95,560) Equity Shares of ₹100 each fully paid-up		
	493.96	493.96
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	493.96	493.96
Aggregate amount of impairment in value of investments	-	-
Note 4 : Non-current Financial Assets - Investments		
a) Investments in Equity Instruments		
(Unquoted - At fair value through Other Comprehensive Income)		
Saraswat Bank	0.25	0.25
2,500 (Previous year 2,500) Equity Shares of ₹10 each fully paid-up		
b) Investment in Government Securities	0.64	0.64
(Unquoted - At amortised cost)		
	0.89	0.89
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	0.89	0.89
Aggregate amount of impairment in value of investments	-	-
Note 5 : Loans (Unsecured, considered good)		
Security Deposits	164.51	130.86
	164.51	130.86
Note 6 : Other Non-current Assets		
Capital advances	2.85	-
Deposits with Government Authorities	51.00	68.74
	53.85	68.74
Note 7 : Non-current Tax Assets		
Advance Tax	47.48	42.61
	47.48	42.61
Note 8 : Inventories		
Raw materials	1,251.79	829.88
Work-in-progress	4,572.29	5,253.66
Finished goods	4,243.57	3,965.80
[Includes Stock-in-transit of ₹1706.11 lakhs (Previous year ₹1,548.36 lakhs]		
Consumable, stores, spares, etc.	421.75	350.03
	10,489.40	10,399.37
Total Inventory includes, an amounting to ₹ 2,650.77 lakhs (PY ₹ 2,004.99 lakhs) which is valued at net realisable value based on its accounting policy for valuation at lower of cost and net realisable value and impact of the same are included in "Changes in Inventories of Finished Goods and Work-in-Progress" in Statement of Profit and Loss.		
Note 9 : Trade Receivables (Unsecured, unless stated otherwise)		
Considered good (Secured)	1,554.63	1,105.52
Considered good	2,297.47	4,148.98
Trade receivables (Credit impaired)*	719.92	507.87
Provision for doubtful debts	(497.00)	(397.00)
Trade Receivables	4,075.02	5,365.37
Trade Receivables from related parties of ₹ 5.15 lakhs (PY ₹ Nil) as on 31st March, 2019 (Refer Note No. 47)		
*Refer Note No. 43		

Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 10 : Cash and Cash Equivalents		
Cash on hand	6.92	6.07
Balances with banks in current accounts	588.82	219.15
	595.74	225.22
Note 11 : Bank Balances other than Cash & Cash Equivalents		
Balances in dividend accounts	20.71	20.89
Balances with banks in fixed deposits (includes margin money with bank)	358.99	313.66
	379.70	334.55
Note 12 : Loans (Unsecured, considered good)		
Earnest money deposit	3.60	1.80
Other recoverables	14.30	29.95
	17.90	31.75
Note 13 : Other Current Assets		
Government grants receivable:		
- Capital subsidy	1,195.95	1,673.45
- Interest subsidy	1,908.86	1,626.46
Balances with Government Authorities	3,430.65	2,393.91
Other advances	949.66	597.42
	7,485.12	6,291.24

Other Current Assets includes an amount of ₹ 2,508 lakhs (PY ₹ 1,692 lakhs) as on March 31, 2019 towards unutilized GST input tax credit. Though input GST credits are allowed to be carried indefinitely, the utilisation thereof is generally dependent on various factors including volume and value of output in future, rates of tax on output and changes in government policies. In the opinion of the management, in view of the continuing business of the company, no provision for impairment is considered necessary in this regard.

Note 14 : Equity Share Capital		
Authorised:		
3,65,00,000 (Previous year 4,50,00,000) Equity Shares of ₹ 7/- each	2,555.00	3,150.00
	2,555.00	3,150.00
Issued, Subscribed and Paid- up:		
3,63,32,349 (Previous year 3,63,32,349) Equity Shares of ₹ 7/- each fully paid-up	2,543.26	2,543.26
	2,543.26	2,543.26

A) The reconcilition of the number and value of equity shares

	No. of Shares	₹ in lakhs
Balance as at 31st March, 2018	3,63,32,349	2,543.26
Movement during the year	-	-
Balance as at 31st March, 2019	3,63,32,349	2,543.26

B) Shareholders holding more than 5% of equity shares of the Company

Ashok Piramal Group Textile Trust through its trustee, Ms. Urvi A. Piramal		
Number of Shares	2,15,90,112	2,15,90,112
% of holding	59.42	59.42

C) Terms / rights attached to Equity Shares

Each equity share of Company has a par value of ₹ 7/- (Previous year ₹ 7/-). Each holder of equity share is entitled to one vote per share. All shares rank pari passu with regard to dividend and repayment of capital. 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.

Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 15 : Other Equity		
a) General Reserve		
Opening balance	5,627.91	5,627.91
Movement during the year	-	-
Closing balance (a)	5,627.91	5,627.91
b) Retained Earnings		
Opening balance	2,565.79	3,156.38
Profit / (Loss) for the year	(2,448.44)	40.49
Other Comprehensive Income for the year (Remeasurement of defined benefit obligation - Net of tax)	14.96	(18.88)
Dividend and distribution tax thereon	-	(612.20)
Closing balance (b)	132.31	2,565.79
Total (a+ b)	5,760.22	8,193.70

Nature and Purpose of Reserve:

a) General Reserve

General Reserve has been created on account of the Schemes of Amalgamation, Demerger and Capital Restructuring carried out in the past and transfer of net profit before declaring dividend, pursuant to the earlier provisions of the Companies Act, 1956. Such transfer of net profit to general reserve is not required under the Companies Act, 2013.

b) Retained Earnings

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.

Note 16 : Non-current Financial Liabilities - Borrowings

Particulars	Non Current		Current	
	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Secured				
Term loan from banks (Refer sub-note no. A)	21,324.76	12,226.25	4,450.19	3,543.75
Term loan from others (Refer sub-note no. B)	2,672.09	16.32	204.59	22.50
	23,996.85	12,242.57	4,654.78	3,566.25
Unsecured				
Term loan from banks (Refer sub-note no. C)	-	12,586.18	-	403.72
Term loan from others (Refer sub-note no. D)	7,403.48	9,085.61	-	85.37
	7,403.48	21,671.79	-	489.09
Preference Share Capital (Refer sub-note no. E)	1,500.00	2,441.61	976.34	-
	32,900.33	36,355.97	5,631.12	4,055.34

Sub-notes to Note no. 16 : Non-current Financial Liabilities - Borrowings

Sr. No.	Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
A.	**Term Loan from Banks (Secured)**		
a)	**Term Loan 1**	13,563.20	-
	Nature of Security:		
	1st pari passu charge on all fixed assets of the Company, both present and future and 2nd pari passu charge on all current assets of the Company, both present and future.		
	Terms of Repayment:		
	Repayable in 24 quarterly instalments as at 31st March, 2019		
	Repayable in 28 quarterly instalments as at 31st March, 2018, effective from 30th June, 2018		
b)	**Term Loan 2**	12,191.05	15,721.08
	Nature of Security:		
	1st pari passu charge on all fixed assets of the Company on Plot no. G1 and assets on Plot no. G2, Butibori, Nagpur, financed from the term loan and Mortgage charge over the land at Plot no. G1. 2nd pari passu charge on land, buildings and plant and machinery at Plot no. G2 and all current assets of the Company.		
	Terms of Repayment:		
	Repayable in:		
	- 14 Quarterly instalments as at 31st March, 2019		
	- 18 Quarterly instalments as at 31st March, 2018		

Sr. No.	Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
c)	**Term Loan 3 and 4**	20.70	48.92
	Nature of Security:		
	Secured by specific (exclusive) charge on the Company's movable fixed asset being financed.		
	Terms of Repayment:		
	Repayable in:		
	- 13 monthly instalments as at 31st March, 2019 - ₹ 19.87 lakhs		
	- 25 monthly instalments as at 31st March, 2018 - ₹ 36.68 lakhs		
	Repayable in:		
	- 1 monthly instalment as at 31st March, 2019 - ₹ 0.83 lakhs		
	- 13 monthly instalments as at 31st March, 2018 - ₹ 12.24 lakhs		
	Current Maturities of above loans	(4,450.19)	(3,543.75)
	Subtotal [Term Loan from Banks (Secured)]	21,324.76	12,226.25
B.	**Term Loan from Others (Secured)**		
a)	Term Loan 1	2,860.36	-
	Nature of Security:		
	1st pari passu charge on all fixed assets of the Company, both present and future and 2nd pari passu charge on all current assets of the Company, both present and future.		
	Terms of Repayment:		
	Repayable in 24 quarterly instalments as at 31st March, 2019		
	Repayable in 28 quarterly instalments as at 31st March, 2018, effective from 30th June, 2018		
b)	Term Loan 2	16.32	38.82
	Nature of Security:		
	Secured by specific (exclusive) charge on the Company's movable fixed asset being financed.		
	Terms of Repayment:		
	Repayable in:		
	- 08 monthly instalments as at 31st March, 2019		
	- 20 monthly instalments as at 31st March, 2018		
	Current Maturities of above loan	(204.59)	(22.50)
	Subtotal [Term Loan from Others (Secured)]	2,672.09	16.32
C.	**Term Loan from Banks (Unsecured)**	-	12,989.90
	In last year the Company was in the process of creating security for the mentioned loan however same has been created and classifed as secured in the current year:		
	1st pari passu charge on all fixed assets of the Company, both present and future and 2nd pari passu charge on all current assets of the Company, both present and future.		
	Terms of Repayment:		
	Repayable in 28 quarterly instalments as at 31st March, 2018, effective from 30th June, 2018		
	Current Maturities above loan	-	(403.72)
	Subtotal [Term Loan from Banks (Unsecured)]	-	12,586.18
D.	**Term Loan from Others (Unsecured)**		
a)	Term Loan 1	-	2,945.73
	In last year the Company was in the process of creating security for the mentioned loan however same has been created and classifed as secured in the current year.		
	1st pari passu charge on all fixed assets of the Company, both present and future and 2nd pari passu charge on all current assets of the Company, both present and future.		
	Terms of Repayment:		
	Repayable in 28 quarterly instalments as at 31st March, 2018, effective from 30th June, 2018		
b)	Term Loan 2 and 3	7,403.48	6,225.25
	Terms of Repayment:		
	Repayable in:		
	- 12 Quarterly instalments as at 31st March, 2019 effective from 30th June, 2021- ₹ 1178.23 lakhs		
	- 17 Quarterly instalments as at 31st March, 2019 effective from 30th April, 2020- ₹ 6225.25 lakhs		
	- 17 Quarterly instalments as at 31st March, 2018 effective from 30th April, 2020- ₹ 6225.25 lakhs		
	Current Maturities of above loans	-	(85.37)
	Subtotal [Term Loan from Others (Unsecured)]	7,403.48	9,085.61

Sr. No.	Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
E.	**Details of Preference Shares**		
	Authorised :		
	35,00,000 (Previous year 25,00,000) Redeemable Cumulative Non-convertible Preference Shares of ₹ 100/- each	3,500.00	2,500.00
		3,500.00	2,500.00
	Issued, Subscribed and Paid- up:		
	10,00,000 (Previous year 10,00,000) 5% Redeemable Cumulative Non-convertible Preference Shares of ₹ 100/- each	976.34	941.61
	15,00,000 (Previous year 15,00,000) 9% Redeemable Cumulative Non-convertible Preference Shares of ₹ 100/- each	1,500.00	1,500.00
	Current Maturities of above loan	(976.34)	-
		1,500.00	2,441.61

i)	The reconcilition of the number and value of preference shares	No. of Shares	₹ in lakhs
a)	5% Preference Shares		
	Balance as at 31st March, 2018	10,00,000	941.61
	Movement during the year (Unwinding based on Effective Interest Rate)	-	34.73
	Balance as at 31st March, 2019	10,00,000	976.34
b)	9% Preference Shares		
	Balance as at 31st March, 2018	15,00,000	1,500.00
	Movement during the year	-	-
	Balance as at 31st March, 2019	15,00,000	1,500.00
ii)	Shareholders holding more than 5% of Preference Shares of the Company		
	Ashok Piramal Group Textile Trust through its trustee, Ms. Urvi A. Piramal		
	Number of Shares	25,00,000	25,00,000
	% of holding	100	100

iii) Terms / rights attached to Preference Shares

5% Redeemable Cumulative Non-convertible Preference Shares of ₹100/- each, are redeemable anytime between 15th November, 2014 and 15th November, 2019 at the option of the Company.

9% Redeemable Cumulative Non-convertible Preference Shares of ₹ 100/- each, are redeemable anytime between 4th June, 2017 and 3rd December, 2020 after period of 18 months from the date of its renewal i.e. 3rd December, 2015, at the option of the Trust. However, based on the confirmation recovered from the trust the trust will not excercise their redemption rights before maturity date i.e. 3rd December, 2020. The holders of Preference Shares shall not have any right to vote in any manner before the Company at any meeting, except on resolutions placed before the Company at any meeting, which directly affects their rights.

The effective interest rate on the above borrowings is in the range from 9 % to 14.15 % per annum.

Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 17 : Non-current Provisions		
Employees Benefits (Refer Note no. 34)	524.74	477.15
	524.74	477.15
Note 18 : Deferred Tax Liability / Asset (Net)		
Deferred Tax Liability	7,258.78	7,178.34
Total Deferred tax assets	(7,975.38)	(6918.16)
	(716.60)	260.18
Refer Note no. 35 for components of and movement in deferred tax.		
Note 19 : Other Non-current Liabilities		
Deferred Income (Government Grant)	1,869.66	2,418.77
	1,869.66	2,418.77

Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 20 : Current Financial Liabilities - Borrowings		
(Repayable on demand)		
Secured		
Cash credit / packing credit from banks **	7,762.47	5,816.11
Unsecured		
Bodies corporate	-	122.86
Short-term working capital loan from bank	1,900.00	2,500.00
Cash credit / packing credit / buyers' credit from banks	2,789.00	3,262.47
	12,451.47	11,701.44

*** Secured by way of hypothecation of / 1st pari passu charge on Current Assets of the Company viz. raw materials, stock-in-process, finished goods, consumables, store and spares, book debts, both present and future and secured by 2nd pari passu charge on the Company's tangible fixed assets, both present and future.*

The effective interest rate on the above loans is in the range from 10.20 % to 14.85% per annum.

Note 21 : Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note no.39)	736.01	74.90
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises*	8,513.11	6,144.98
* Includes bills accepted ₹ 663.13 lakhs (Previous year ₹ 611.32 lakhs)		
	9,249.12	6,219.88
Trade Payable from related parties of ₹ 260.07 lakhs (PY ₹101.63 lakhs) as on 31st March, 2019 (Refer Note No. 47)		
Note 22 : Other Current Financial Liabilities		
Current maturities of non-current borrowings (Refer Note no.16)	5,631.12	4,055.34
Trade deposits	60.57	73.37
Interest accrued on borrowings	699.04	403.41
Unclaimed dividend	20.71	20.89
	6,411.44	4,553.01
Note 23 : Other Current Liabilities		
Advances from customers & other liabilities	240.61	174.50
Deferred income (Government grant)	90.69	109.78
Statutory liabilities	128.71	104.82
	460.01	389.10
Note 24 : Current Provisions		
Employees benefits (Refer Note no.34)	58.28	71.41
	58.28	71.41
Note 25 : Current Tax Liabilities (Net)		
Provision for tax (Net of advance tax)	-	118.15
	-	118.15
Note 26 : Revenue from Operations		
Revenue from sale of products	33,433.48	34,659.37
Other operating income	1,427.31	1,453.95
	34,860.79	36,113.32
Note 27 : Other Income		
Gain on foreign exchange fluctuation	-	311.72
Amortisation of Government grant	90.69	109.78
Interest income	60.13	45.54
Rent	0.24	0.24
Sundry balances written back	-	129.81
Profit on sale of Property, Plant and Equipment	13.46	6.27
Miscellaneous income	-	34.23
	164.52	637.59

Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 28 : Cost of Materials Consumed		
Opening stock (Raw materials)	829.88	1,188.60
Purchases	11,578.46	10,265.39
Closing stock (Raw materials)	1,251.79	829.88
	11,156.55	10,624.11
Note 29 : Changes in Inventories of Work-in-Progress and Finished Goods		
Opening Stock		
Work-in-progress	5,253.66	4,277.36
Finished goods	3,965.80	4,179.77
	9,219.46	8,457.13
Closing Stock		
Work-in-progress	4,572.29	5,253.66
Finished goods	4,243.57	3,965.80
	8,815.86	9,219.46
Excise Duty on (Increase) / Decrease of Finished Goods	-	244.44
Changes in Inventories	403.60	(1,006.77)
Note 30 : Manufacturing Expenses		
Power and fuel	4,057.51	4,237.03
Processing charges	3,030.77	3,262.76
Dyes and chemicals	3,264.48	3,253.61
Packing expenses	393.78	467.67
Stores and spares	1,026.54	958.35
Other consumables	127.64	117.46
Repairs and maintenance	187.11	242.15
Lease rent - Machinery	343.16	343.16
Rates, taxes and water charges	300.41	298.39
	12,731.40	13,180.58
Note 31 : Employee Benefits Expense		
Salaries and wages	3,360.04	3,206.64
Contribution to Provident and other funds (Refer Note No. 34)	211.14	202.81
Staff welfare expenses	81.62	113.23
	3,652.80	3,522.68
Note 32 : Administrative, Selling and Other Expenses		
Freight outward	397.84	418.24
Legal and professional expenses	398.39	624.02
Rent expenses	252.41	262.74
Travelling expenses	212.12	202.11
Commission	322.15	353.46
Remuneration to Auditors (Refer Note no.38)	21.73	20.88
CSR Expenditure / Donation (Refer Note no.46)	70.00	100.00
Provision for doubtful debts	100.00	90.00
Loss on foreign exchange fluctuation	116.61	-
Directors' sitting fees	18.50	17.11
Miscellaneous expenses	895.53	819.34
	2,805.28	2,907.90
Note 33 : Finance Costs		
Interest expenses*	4,912.40	4,532.26
Dividend on redeemable preference shares	257.41	254.54
Other borrowing costs	223.73	352.29
	5,393.54	5,139.09

**Interest expense includes ₹ 9.60 lakhs (Previous year ₹ 37.86 lakhs) on payment of advance tax*

34 Employee Benefits:

(A) Defined Contribution Plan

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Employer's contribution to Provident Fund	164.48	159.18
Employer's contribution to Superannuation Fund	4.65	4.65
Employer's contribution to ESIC	42.01	38.98
	211.14	202.81

(B) Defined Benefit Plan (Gratuity) and Other Long-term Employee Benefits (Leave Encashment)

The Company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days basic salary multiplied for the number of the years of service. The gratuity plan is not funded and payout is done by Company on resignation / retirement of employees.

Disclosure as per Valuation Reports of Independent Actuary

a) Change in Define Benefit Obligation

Particulars	Gratuity		Leave Encashment	
	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.3.2018 ₹ in lakhs	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Defined benefit obligation at the beginning of the year	435.16	359.79	113.40	111.24
Current service cost	46.83	42.38	24.27	23.22
Interest cost	30.85	22.66	8.13	6.56
Actuarial loss / (gain) due to change in financial assumptions	5.80	(10.58)	1.36	(2.37)
Actuarial loss / (gain) due to experience adjustments	(28.26)	38.92	10.10	4.11
Benefits paid	(31.60)	(18.01)	(33.02)	(29.36)
Defined benefit obligation at the end of the year	**458.78**	**435.16**	**124.24**	**113.40**

b) Expense Recognised in the Statement of Profit and Loss

Current service cost	46.83	42.38	24.27	23.22
Interest Cost on Defined Benefit Obligation	30.85	22.66	8.13	6.56
Actuarial loss / (gain) due to change in financial assumptions	-	-	1.36	(2.37)
Actuarial loss / (gain) due to experience adjustments	-	-	10.10	4.11
Amount recognised in profit or loss	**77.68**	**65.04**	**43.86**	**31.52**
Actuarial loss / (gain) due to change in financial assumptions	5.80	(10.58)	-	-
Actuarial loss / (gain) due to experience adjustments	(28.26)	38.92	-	-
Amount recognised in OCI	**(22.46)**	**28.34**	**-**	**-**
Total amount recognised in the Statement of Profit and Loss	**55.22**	**93.38**	**43.86**	**31.52**

c) Amount Recognised in the Balance Sheet

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Present value of obligation	458.78	435.16	124.24	113.40
Fair value of plan assets	-	-	-	-
Amount recognised in the Balance Sheet	**458.78**	**435.16**	**124.24**	**113.40**

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Current	44.76	12.93	13.52	58.48
Non Current	414.02	422.23	110.72	54.92
Total	**458.78**	**435.16**	**124.24**	**113.40**

d) Assumptions

The principal actuarial assumptions used for estimating the Company's defined benefit obligations and other long term employee benefits are set out below:

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Withdrawal rate	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
Normal retirement age	60 years	60 years	60 years	60 years
Discount rate	7.45%	7.60%	7.45%	7.60%
Salary escalation rate	3.50%	3.50%	3.50%	3.50%

e) Sensitivity Analysis

The sensitivity of the defined benefit obligation to change in the weighted key assumptions is:

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Salary escalation rate + 0.5%	479.62	453.73	129.16	117.55
Salary escalation rate - 0.5%	439.24	417.77	119.61	109.50
Withdrawal rate + 10%	461.90	438.17	125.08	114.17
Withdrawal rate - 10%	455.54	432.08	123.36	112.60
Discount rate + 0.5%	439.94	418.19	119.80	109.66
Discount rate - 0.5%	479.01	453.08	129.00	117.41

A description of methods used for sensitivity analysis and its limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

f) Expected Cashflows based on Past Service Liability

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Year 1	44.76	58.48	13.52	12.93
Year 2	20.06	86.76	5.27	40.13
Year 3	95.72	16.84	40.25	3.69
Year 4	24.05	19.06	5.75	4.43
Year 5	25.08	27.27	6.85	6.83
Year 6 to Year 10	164.60	144.91	44.59	34.77

g) Best Estimate of Contribution

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Best Estimate of Contribution for the Company during the next year	44.76	58.48	13.52	12.93

h) Average outstanding term of obligations as at valuation date is 9.73 years (Previous Year 9.57 years)

Note : Above disclosures with respect to employee benefits have been made to the extent of availability of data, as per actuarial valuation report.

35 Tax Expense

A) Amounts Recognised in Profit or Loss

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Current Tax (Minimum Alternate Tax)	-	123.39
Deferred Tax (Net of MAT Credit Entitlement)	(984.28)	(82.12)
MAT of earlier periods	(6.31)	-
Total tax expense as per the Statement of Profit and Loss	**(990.59)**	**41.27**

B) Reconciliation of Effective Tax Rate

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Profit / (Loss) before tax	(3,439.03)	81.76
Enacted income tax rate in India applicable to the Company	33.384%	33.384%
Tax using the Company's domestic tax rate	(1,148.09)	27.29
Tax effect of:		
Permanent disallowances	118.13	135.80
Effect due to tax rate difference	-	(3.18)
Others	39.37	(118.64)
Tax expense as per the Statement of Profit and Loss	(990.59)	41.27
Effective tax rate	**28.804%**	**50.483%**

C) Movement in Deferred Tax Liability/(Assets)
Year ended 31st March, 2019

Particulars	As at 31.03.2018 ₹ in lakhs	Recognised in Profit or Loss ₹ in lakhs	Recognised in OCI ₹ in lakhs	As at 31.03.2019 ₹ in lakhs
Components of deferred tax liabilities related to:				
Property, plant and equipment	7,155.51	91.27	-	7,246.78
Unamortised processing fees on borrowings	22.83	(10.83)	-	12.00
Subtotal (Deferred Tax Liability)	**7,178.34**	**80.44**	**-**	**7,258.78**
Components of deferred tax assets related to:				
Unamortised Government grant	844.13	(189.68)	-	654.45
Provision for doubtful debts and employment benefits	315.65	52.40	(7.50)	360.55
Unabsorbed depreciation / business losses carried forward under Income Tax Act, 1961	2,710.65	1,208.31	-	3,918.96
Mat Credit Entitlement	3,047.73	(6.31)	-	3,041.42
Subtotal (Deferred Tax Assets)	**6,918.16**	**1,064.72**	**(7.50)**	**7,975.38**
Deferred Tax Liability/(Assets) (Net)	**260.18**	**(984.28)**	**7.50**	**(716.60)**

Year ended 31st March, 2018

Particulars	As at 01.04.2017 ₹ in lakhs	Recognised in Profit or Loss ₹ in lakhs	Recognised in OCI ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Components of deferred tax liabilities related to:				
Property, plant and equipment	6,954.36	201.15	-	7,155.51
Unamortised processing fees on borrowings	60.56	(37.73)	-	22.83
Subtotal (Deferred Tax Liability)	**7,014.92**	**163.42**	**-**	**7,178.34**
Components of deferred tax assets related to:				
Unamortised Government grant	913.08	(68.95)	-	844.13
Provision for doubtful debts and employment benefits	269.27	36.92	9.46	315.65
Unabsorbed depreciation / business losses carried forward under Income Tax Act, 1961	2,556.48	154.17	-	2,710.65
Mat Credit Entitlement	2,924.34	123.39	-	3,047.73
Subtotal (Deferred Tax Assets)	**6,663.17**	**245.53**	**9.46**	**6,918.16**
Deferred Tax Liability / (Assets) (Net)	**351.75**	**(82.12)**	**(9.46)**	**260.18**

36 Reconciliation of Liabilities arising from Financing Activities

Year ended 31st March, 2019

Particulars	As at 31.03.2018 ₹ in lakhs	Cash Movement ₹ in lakhs	Business Acquisition/ Disposals ₹ in lakhs	Foreign Exchange Changes ₹ in lakhs	Fair Value Changes ₹ in lakhs	Others ₹ in lakhs	As at 31.03.2019 ₹ in lakhs
Term loans	37,969.70	(2989.54)	-	-	-	1,074.95	36,055.11
Redeemable preference shares	2,441.61	-	-	-	-	34.73	2,476.34
Short-term borrowings	11,701.44	872.89	-	-	-	(122.86)	12,451.47
Total	**52,112.75**	**(2,166.65)**	**-**	**-**	**-**	**986.82**	**50,982.92**

Year ended 31st March, 2018

Particulars	As at 01.04.2017 ₹ in lakhs	Cash Movement ₹ in lakhs	Business Acquisition/ Disposals ₹ in lakhs	Foreign Exchange Changes ₹ in lakhs	Fair Value Changes ₹ in lakhs	Others ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Term loans	34,921.06	2,410.46	-	-	-	638.18	37,969.70
Redeemable preference shares	2,409.73	-	-	-	-	31.88	2,441.61
Short-term borrowings	12,742.22	(1,163.64)	-	-	-	122.86	11,701.44
Total	**50,073.01**	**1,246.82**	**-**	**-**	**-**	**792.92**	**52,112.75**

These cash movements are included within the following lines in the Statement of Cash Flows:

i. Proceeds from Long-term Borrowings
ii. Repayment of Long-term Borrowings
iii. Increase/ (Decrease) in Short-term Borrowings

37 Contingent Liability and Commitments

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
A) Contingent Liability		
(i) Exports bill discounting	309.43	215.27
(ii) Claims against the Company not acknowledged as debts in respect of:		
Disputed Excise demands	1,183.45	1,281.94
Disputed Sales Tax demands	66.20	178.26
Other Matters	1,344.40	1,344.40
B) Commitments		
(i) Bank Guarantees	672.93	812.36
(ii) Estimated amount of contracts remaining to be executed on capital accounts and not provided	-	-
(iii) Open Letters of credit	193.38	-

38 Remuneration to Auditors*

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Audit Fees (including Consolidation and Limited Review Fees)	17.00	16.50
Tax Audit Fees	3.00	3.00
Certification Fees	1.00	1.10
Out of Pocket Expenses	0.73	0.28
Total	**21.73**	**20.88**

* Excludes Goods and Services Tax / Service Tax

39 Disclosure under Micro, Small and Medium Enterprises Act, 2006

There are Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

	Particulars	As on 31 03 2019 ₹ in lakhs	As on 31.03.2018 ₹ in lakhs
(a)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	705.71	74.90
(b)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at the year end	30.30	-
(c)	The amount of interest paid u/s 16 of this Act, along with the amounts of payments made to the supplier beyond the appointed day during each accounting year	-	-
(d)	The amount of interest due and payable for the period of delay in making payment which have been paid but, beyond the appointed day during the year	-	-
(e)	The amount accrued and remaining unpaid at the end of each accounting period; i.e., principal is paid but interest has remained unpaid	-	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise, this is required for the purpose of disallowance as a deductible expenditure	-	-

40 Leases

Lease payments recognised in the Statement of Profit and Loss is ₹ 595.57 lakhs (Previous year ₹ 605.90 lakhs)

Future minimum lease rentals payable under non - cancellable operating lease agreements, in respect of assets taken on operating lease:

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
a) Not later than one year	529.90	640.39
b) Later than one year but not later than five years	398.46	904.18
c) Later than five years	-	-
Total	**928.36**	**1,544.57**

General Terms of Lease Rentals:

i. Lease rentals are charged on the basis of agreed terms.
ii. Assets are given on lease for a period ranging between 3 years to 5 years.
iii. The lease agreements can be renewed on mutually agreed terms with the lessee.

41 Interest in Other Entities

Particulars	Country of Incorporation	Principal Activity	Proportion of Ownership Interest	
			As at 31.03.2019	As at 31.03.2018
Just Textiles Limited (Joint Venture)	India	Processing of fabrics	49%	49%
Morarjee Castiglioni (India) Private Limited (Joint Venture)	India	Trading	50%	50%

42 Capital Management

a) Risk Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents.

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Total borrowings	50,982.92	52,112.75
Less : Cash and cash equivalents	595.74	225.22
Adjusted net debt	**50,387.18**	**51,887.53**
Total equity	8,303.48	10,736.96
Less : Hedging reserve	-	-
Adjusted equity	8,303.48	10,736.96
Adjusted net debt to adjusted equity ratio	**6.07**	**4.83**

b) Dividend

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended 31st March, 2018 : ₹ Nil per share of face value of ₹ 7 each (₹ 1.40 per share of face value of ₹ 7 each for the year ended 31st March, 2017)	-	508.65
Dividend distribution tax on final dividend	-	103.55
Total cash outflow on account of dividend and distribution tax thereon	**-**	**612.20**
Proposed dividends on equity shares:		
Final dividend for the year ended on 31st March, 2019 : ₹ Nil (₹ Nil per share of face value of ₹ 7 each for the year ended 31st March, 2018)	-	-
Dividend distribution tax on proposed dividend	-	-
Total proposed dividend and distribution tax thereon	**-**	**-**

43 Financial Risk Management

Risk Management Framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

A. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

The Company has made specific provision for certain receivables based on assessment of recovery due to litigation, old claims etc. The outstanding of these receivables is ₹ 68 lakhs (Previous Year ₹ 131.67 lakhs) as on March 31, 2019. The same has been considered as credit impaired and made 100% provision against those receivables.

Further, the Company has considered 360 days past due unsecured receivables as credit impaired for the purpose of disclosure based on nature of business and credit cycle in its business operations even though the Company is following simplified approach for life time provisioning.

i Trade Receivables

a) Ageing

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
0-180 days	3,512.44	4,802.81
More than 180 days	1,059.58	959.56
Gross trade receivables	**4,572.02**	**5,762.37**
Provision for doubtful debts	497.00	397.00
Total	**4,075.02**	**5,365.37**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

b) Movement in provisions of doubtful debts

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Opening provision	397.00	307.00
Add:- Additional provision made	100.00	90.00
Less:- Amounts written off	-	-
Less:- Provision reversed	-	-
Closing provision	**497.00**	**397.00**

ii Investments other than Investments in Joint Ventures

There is investment of ₹ 0.89 lakh (₹ 0.89 lakh as at 31st March, 2018) and no impairment has been recognised on such investments.

iii Cash and Bank Balances

The Company held cash and bank balance with credit worthy banks of ₹ 975.44 lakhs at March 31, 2019 (March 31, 2018 ₹ 559.77 lakhs) includes fixed deposit lien marked with bank of ₹ 333.91 lakhs at March 31, 2019 (March 31, 2018 ₹ 313.66 lakhs) The credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant.

iv Loans

No impairment in respect of loans was necessary during the current as well as previous years.

B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company manages its liquidity risk by preparing periodic cash flow projections to monitor liquidity requirements. In addition, the Company monitors the Balance Sheet liquidity ratios against internal and external regulatory requirements and maintains debt financing plans.

Maturity Pattern of Financial Liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

As at 31st March, 2019

Particulars	Carrying Amount ₹ in lakhs	0-1 years ₹ in lakhs	1-5 years ₹ in lakhs	Beyond 5 years ₹ in lakhs	Total ₹ in lakhs
Long-term borrowings (including current maturities of long-term debt)	38,531.45	9,442.37	37,202.49	4,304.67	50,949.53
Short-term borrowings	12,451.47	12,451.47	-	-	12,451.47
Interest accrued on borrowings	699.04	699.04	-	-	699.04
Trade payables	9,249.12	9,249.12	-	-	9,249.12
Other current financial liabilities	81.28	81.28	-	-	81.28

As at 31st March, 2018

Particulars	Carrying Amount ₹ in lakhs	0-1 years ₹ in lakhs	1-5 years ₹ in lakhs	Beyond 5 years ₹ in lakhs	Total ₹ in lakhs
Long-term borrowings (including current maturities of long-term debt)	40,411.31	7620.93	39,275.58	8,035.79	54,932.30
Short-term borrowings	11,701.44	11,701.44	-	-	11,701.44
Interest accrued on borrowings	403.41	403.41	-	-	403.41
Trade payables	6,219.88	6,219.88	-	-	6,219.88
Other current financial liabilities	94.26	94.26	-	-	94.26

C Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

i Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales to overseas customers and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods in the respective currencies.

(a) Derivative Instruments

(Foreign currency in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Forward contracts to sell USD	17.50	28.63

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

(b) Foreign Currency Exposures*

As at 31st March, 2019 (Foreign currency in lakhs)

Particulars	USD	EURO	GBP	CHF	JPY
Trade Receivable	27.50	2.51	-	-	-
Trade payables	0.15	-	-	0.01	-

**Advance received in foreign currency are not considered for disclosure purpose.*

As at 31st March, 2018 (Foreign currency in lakhs)

Particulars	USD	EURO	GBP	CHF	JPY
Trade Receivable	29.87	2.62	-	-	-
Trade payables	2.02	0.20	-	0.07	12.57

(c) Details of Hedged and Unhedged Foreign Currency Exposure

As at 31st March, 2019 (Foreign currency in lakhs)

Particulars	USD	EURO	GBP	CHF	JPY
Trade Receivables	27.50	2.51	-	-	-
Less: Foreign currency forward contracts (Sell)	17.50	-	-	-	-
Unhedged Receivable	10.00	2.51	-	-	-
Trade Payable	0.15	-	-	0.01	-
Less: Foreign currency forward contracts (Buy)	-	-	-	-	-
Unhedged Payable	0.15	-	-	0.01	-

As at 31st March, 2018 (Foreign currency in lakhs)

Particulars	USD	EURO	GBP	CHF	JPY
Trade Receivables	29.87	2.62	-	-	-
Less: Foreign currency forward contracts (Sell)	28.63	-	-	-	-
Unhedged Receivable	1.24	2.62	-	-	-
Trade Payable	2.02	0.20	-	0.07	12.57
Less: Foreign currency forward contracts (Buy)	-	-	-	-	-
Unhedged Payable	2.02	0.20	-	0.07	12.57

(d) Foreign Currency Risk Sensitivity

A change of 1% in foreign currency exchange rate applied on net foreign exposure (i.e. net unhedged payable / receivable) would have following Impact on profit before tax:

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	1% Increase ₹ in lakhs	1% decrease ₹ in lakhs	1% Increase ₹ in lakhs	1% decrease ₹ in lakhs
USD	6.81	(6.81)	(0.51)	0.51
EURO	1.95	(1.95)	1.95	(1.95)
GBP	-	-	-	-
CHF	(0.01)	0.01	(0.05)	0.05
JPY	-	-	(0.08)	0.08
Increase / (decrease) in profit or loss	8.75	(8.75)	1.31	(1.31)

ii Interest rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to Interest Rate Risk

In order to optimise the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the Company performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio. According to the Company, interest rate risk exposure is only for floating rate borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the Management of the Company is as follows.

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Borrowings bearing fixed rate of interest	6,949.41	8,066.77
Borrowings bearing variable rate of interest	44,033.51	44,045.98
Total Borrowings	**50,982.92**	**52,112.75**

Interest rate sensitivity

a) Fair Value Sensitivity Analysis for Fixed-rate Instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

b) Cash Flow Sensitivity Analysis for Variable-rate Instruments

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables in particular foreign currency exchange rates remain constant.

A change of 25 bps in interest rates would have following impact on profit before tax.

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
25 bp decrease	110.08	110.11
25 bp increase	(110.08)	(110.11)

44 Fair Value Measurement

A) Accounting Classification and Fair Values

As at 31st March, 2019

Particulars	FVTPL ₹ in lakhs	FVTOCI ₹ in lakhs	Amortised Cost ₹ in lakhs	Total Carrying Amount ₹ in lakhs	Fair Value ₹ in lakhs
Non-current Financial Assets					
Investments	-	0.25	0.64	0.89	0.89
Loans	-	-	164.51	164.51	164.51
Total	**-**	**0.25**	**165.15**	**165.40**	**165.40**
Current Financial Assets					
Trade receivables	-	-	4,075.02	4,075.02	4,075.02
Cash and cash equivalents	-	-	595.74	595.74	595.74
Other bank balances	-	-	379.70	379.70	379.70
Loans	-	-	17.90	17.90	17.90
Total	**-**	**-**	**5,068.36**	**5,068.36**	**5,068.36**
Non-current Financial Liabilities					
Borrowings	-	-	32,900.33	32,900.33	32,900.33
Total	**-**	**-**	**32,900.33**	**32,900.33**	**32,900.33**
Current Financial Liabilities					
Borrowings	-	-	12,451.47	12,451.47	12,451.47
Trade payables	-	-	9,249.12	9,249.12	9,249.12
Other financial liabilities	-	-	6,411.44	6,411.44	6,411.44
Total	**-**	**-**	**28,112.03**	**28,112.03**	**28,112.03**

As at 31st March, 2018

Particulars	FVTPL ₹ in lakhs	FVTOCI ₹ in lakhs	Amortised Cost ₹ in lakhs	Total Carrying Amount ₹ in lakhs	Fair Value ₹ in lakhs
Non-current Financial Assets					
Investments	-	0.25	0.64	0.89	0.89
Loans	-	-	130.86	130.86	130.86
Total	**-**	**0.25**	**131.50**	**131.75**	**131.75**
Current Financial Assets					
Trade receivables	-	-	5,365.37	5,365.37	5,365.37
Cash and cash equivalents	-	-	225.22	225.22	225.22
Other bank balances	-	-	334.55	334.55	334.55
Loans	-	-	31.75	31.75	31.75
Total	**-**	**-**	**5,956.89**	**5,956.89**	**5,956.89**
Non-current Financial Liabilities					
Borrowings	-	-	36,355.97	36,355.97	36,355.97
Total	**-**	**-**	**36,355.97**	**36,355.97**	**36,355.97**
Current Financial Liabilities					
Borrowings	-	-	11,701.44	11,701.44	11,701.44
Trade payables	-	-	6,219.88	6,219.88	6,219.88
Other financial liabilities	-	-	4,553.01	4,553.01	4,553.01
Total	**-**	**-**	**22,474.33**	**22,474.33**	**22,474.33**

B) Fair Value Hierarchy

Fair values of all financial instruments mentioned in Note no. 44(A) above belong to Level 3 Fair Value Hierarchy.

Carrying amounts of financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, borrowings, trade payables and other financial assets and liabilities at 31st March 2019 and 31st March 2018 reasonably approximate their respective fair values.

45 Segment Reporting

Based on the "management approach" as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of business the segment/s in which the Company operates. The Company is primarily engaged in the business of Textile Products which the Management and CODM recognise as the sole business segment. Hence, disclosure of segment-wise information is not required and accordingly not provided.

46 Corporate Social Responsibility Expenditure (CSR)

Disclosure as required under Section 135 of Companies Act, 2013, read with Companies (Corporate Social Policy) Rules, 2014 is as under:

a) Gross amount required to be spent by the Company during the year ₹ 31.32 lakhs (Previous year ₹ 53.93 lakhs)
b) CSR expenditure incurred during the year:

Particulars	In cash		Yet to be paid in cash	
	Year ended 31.3.2019 ₹ in lakhs	Year ended 31.3.2018 ₹ in lakhs	Year ended 31.3.2019 ₹ in lakhs	Year ended 31.3.2018 ₹ in lakhs
i) On construction/acquisition of any asset	-	-	-	
ii) On purposes other than (i) above (refer footnote)	35.00	100.00	-	-

The Company undertakes its Corporate Social Responsibility (CSR) activities through Urvi Ashok Piramal Foundation. The foundation operates in areas of health, vocational skill training, environment and education. The Company has contributed ₹ 35 lakhs (Previous year ₹ 100.00 lakhs) to the foundation for undertaking CSR activities as defined under CSR rules.

47 Related Party Disclosure

i List of Related Parties

A. Joint Ventures

Morarjee Castiglioni (India) Private Limited
Just Textiles Limited

B. Key Management Personnel

Ms. Urvi A. Piramal - Chairperson
Mr. Harsh A. Piramal - Executive Vice Chairman
Mr. R. K. Rewari - Managing Director
Mr. Mahesh S. Gupta - Director
Mr. Ranjan S. Sanghi - Director
Mr. Shobhan M. Thakore - Director
Mr. Aditya H. Mangaldas - Director
Mr. Ranjan Pant - Director
Lt. Gen. A. K. Singh (Retd.) - Director
Mr. S. C. Kashimpuria - Chief Finance Officer
Mr. Sanjeev Singh Sengar - Company Secretary (up to 20.03.2019)*

** The Comnpany has appointed Mr. Tanmay Bhat as a Company Secretary w.e.f. 08.05.2019.*

C. Enterprises over which Key Management Personnel exercise significant influence with whom transactions were entered into during the year

Peninsula Land Limited
Ashok Piramal Management Corporation Limited
Ashok G. Piramal Trust
Urvi Ashok Piramal Foundation
Miranda Tools Private Limited (Formerly know as PMP Auto Components Private Limited)
Integra Garments and Textiles Limited
Argento Home Products LLP
Rosewalk Enterprises Limited

ii. Details of Transactions are as follows:

Particulars	Year ended 31.03.2019 (₹ in lakhs)	Year ended 31.03.2018 (₹ in lakhs)
A Sales of Products / Assets		
Joint Ventures		
Just Textiles Limited	-	7.95
Enterprises over which Key Management Personnel exercise significant influence		
Argento Home Products LLP	14.89	29.24
Urvi Ashok Piramal Foundation	0.80	-
Ashok G. Piramal Trust	4.90	-
B Rent Income		
Enterprises over which Key Management Personnel exercise significant influence		
Integra Garments and Textiles Limited	-	0.24
C Charges for Services Rendered		
Enterprises over which Key Management Personnel exercise significant influence		
Ashok Piramal Management Corporation Limited	185.00	350.00
D Remuneration and Sitting Fees		
Key Management Personnel		
Remuneration		
Mr. Harsh A. Piramal	155.32	144.89
Mr. R. K. Rewari	144.23	145.11
Mr. S. C. Kashimpuria	51.57	51.36
Mr. Sanjeev Singh Sengar	15.40	17.81
Sitting Fees*		
Ms. Urvi A. Piramal	2.30	2.20
Mr. Mahesh S. Gupta	2.00	2.00
Mr. Ranjan S. Sanghi	2.65	2.35
Mr. Shobhan M. Thakore	3.50	3.20
Mr. Aditya H. Mangaldas	2.65	3.20
Mr. Ranjan Pant	2.20	1.00
Lt. Gen. A. K. Singh (Retd.)	3.20	2.75
* Excludes Goods and Services Tax / Service Tax		
E Rent and Maintenance Expenses		
Enterprises over which Key Management Personnel exercise significant influence		
Peninsula Land Limited*	153.98	135.60
Miranda Tools Private Limited	0.60	0.60
Rosewalk Enterprises Limited	60.50	107.65
*Excluding electricity reimbursment expenses on acturals ₹ 27.65 lakhs (Previous Year ₹ 34.60 lakhs)		

Particulars		Year ended 31.03.2019 (₹ in lakhs)	Year ended 31.03.2018 (₹ in lakhs)
F	**CSR Expenditure**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Urvi Ashok Piramal Foundation	35.00	100.00
G	**Write-back of Outstandings no longer Payable**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Peninsula Land Limited	-	16.77
H	**Security Deposit paid**		
	Peninsula Land Limited	12.00	-

	Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
I	**Outstanding Balances**		
a.	**Payable**		
	Joint Ventures		
	Morarjee Castiglioni (India) Private Limited	89.67	94.08
	Just Textiles Limited	0.71	0.71
	Enterprises over which Key Management Personnel exercise significant influence		
	Peninsula Land Limited	169.57	3.02
	Miranda Tools Private Limited	0.12	0.06
	Rosewalk Enterprises Limited	-	3.76
b.	**Receivable**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Argento Home Products LLP	3.08	-
	Ashok G. Piramal Trust	2.07	-
c.	**Security Deposit Receivables**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Peninsula Land Limited	12.00	-

48 Earnings Per Share

(₹ in lakhs, unless stated otherwise)

	Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
(a)	Profit attributable to Equity shareholders of the Company	(2,448.44)	40.49
(b)	Weighted average number of ordinary shares (No.)	3,63,32,349	3,63,32,349
(c)	Earnings per share - Basic and Diluted (₹)	(6.74)	0.11
(d)	Face value of an equity share (₹)	7	7

49 Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

As per our attached of even date.
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai : May 8, 2019

For and on behalf of Board of Directors

Urvi A. Piramal	**Harsh A. Piramal**	**R. K. Rewari**	**Mahesh S. Gupta**	**Shobhan Thakore**
(DIN 00044954)	(DIN 00044972)	(DIN 00619240)	(DIN 00046810)	(DIN 00031788)
Chairperson	Executive Vice Chairman	Managing Director	Director	Director

S. C. Kashimpuria	**Tanmay Bhat**	
Chief Financial Officer	Company Secretary	

Standalone Statement of Cash Flows

for the year ended 31st March, 2019

	Particulars	31st March, 2019 ₹ in lakhs	₹ in lakhs	31st March, 2018 ₹ in lakhs	₹ in lakhs
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit Before Tax		(3,439.03)		81.76
	Adjustments for :				
	Depreciation and amortisation	2,321.17		2,283.99	
	Finance costs	5,393.54		5,139.09	
	(Profit) / Loss on sale of PPE	(13.46)		(6.27)	
	Provision for doubtful debts	100.00		90.00	
	Deferred income	(90.69)		(109.78)	
	CSR Expenditure / Donation	35.00		-	
	Balances written back	-		(129.81)	
	Interest income	(60.13)		(45.54)	
			7,685.43		7,221.68
	Operating Profit Before Working Capital Changes		4,246.40		7,303.44
	Adjustments for Changes in Working Capital				
	(Increase)/ Decrease in trade and other receivables	287.09		181.20	
	(Increase) /Decrease in inventories	(90.03)		(457.20)	
	Increase/(Decrease) in trade payables and other liabilities	2,685.85		(1,428.66)	
			2,882.91		(1,704.66)
	Cash Generated From Operations		7129.31		5,598.78
	Direct taxes paid		(116.71)		(329.95)
	Net Cash Flow from Operating Activities (A)		7,012.60		5,268.83
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of PPE (Including Capital Advances)	(163.95)		(605.48)	
	Proceeds from sale of PPE	27.49		9.63	
	Interest received	49.85		36.11	
	Maturity of / (Investment in) fixed deposit with banks	(45.33)		(251.61)	
	Net Cash Used in Investing Activities (B)		(131.94)		(811.35)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from long-term borrowings	2913.68		25,783.49	
	Repayment of long-term borrowings	(5,903.22)		(23,373.03)	
	Dividend and distribution tax paid	-		(612.20)	
	Increase/ (Decrease) in short-term borrowings	872.89		(1,163.64)	
	Interest paid	(4,393.49)		(4,924.21)	
	Net Cash Flow from / (Used in) Financing Activities (C)		(6,510.14)		(4,289.59)
	Net Increase / (Decrease) in Cash and Cash Equivalents (A)+(B)+(C)		370.52		167.89
	Cash and Cash Equivalents (Refer Note no. 10) :-				
	- At the beginning of the year		225.22		57.33
	- At the end of the year		595.74		225.22

1. The Statement of Cash Flows is prepared in accordance with Ind AS 7 as notified by Ministry of Corporate Affairs.
2. In Part A of the Statement of Cash Flows, figures in brackets indicate deduction made from the net proft for deriving the net cash flow from operating activities. In Part B and Part C, figures in brackets indicate cash outflows.
3. Refer Note no. 36 for reconciliation of liabilities arising from Financing Activities

As per our attached of even date.
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai : May 8, 2019

For and on behalf of Board of Directors

Urvi A. Piramal	**Harsh A. Piramal**	**R. K. Rewari**	**Mahesh S. Gupta**	
(DIN 00044954)	(DIN 00044972)	(DIN 00619240)	(DIN 00046810)	
Chairperson	Executive Vice Chairman	Managing Director	Director	
Shobhan Thakore	**S. C. Kashimpuria**	**Tanmay Bhat**		
(DIN 00031788)	Chief Financial Officer	Company Secretary		
Director				

Independent Auditor's Report

To the Members of Morarjee Textiles Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of Morarjee Textiles Limited (hereinafter referred to as "the Holding Company")and its joint ventures, comprising of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss(including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate Ind AS financial statements and on the other financial information of the joint ventures, the aforesaid Consolidated Ind AS 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 including the Indian Accounting Standards ("Ind AS"), of the consolidated state of affairs of the Holding Company and joint ventures as at March 31, 2019, their consolidated loss(including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements section of our report. We are independent of the Holding Company and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How the matter was addressed in the audit
Valuation of Inventory Total inventory valuation as on March 31, 2019 is ₹ 10,489.40 lakhs (March 31, 2018 : ₹ 10,399.37 lakhs) Inventory of holding Company comprises of finished goods and Work in Progress (WIP). As described in Note 8 to the accompanying standalone Ind AS financial statements, Cost of Inventory represents the costs of materials, conversion cost and related production costs at each stage till date. It is held at the lower of cost and net realisable value (NRV). Some of the finished goods and WIP (Grey Cloth) are slow moving. Considering the materiality of the amount involved and degree of management judgment in valuation, we have identified valuation of inventory as a key audit matter for the current year audit.	Our audit procedures in respect of this area included but not limited: We understood and tested the design and operating effectiveness of controls as established by the management for valuation of inventory and identifying slow moving inventory and determination of net realizable value of inventory as on date. We observed the physical inventory verification procedures carried out by the management as at the year end. We performed year end cut-off procedures to validate the actual stocks carried in the inventory as at year end. We tested the adequacy of the key assumptions and estimates used to determine cost allocation at each stage of production and consistency in such allocation including mathematical accuracy of the calculations. We performed inventory movement and ageing analysis as a re-performance procedure for assessing management's ascertainment of slow moving inventory. We performed NRV testing by comparing subsequent sale/order value. We also evaluated judgment used by the management for arriving at the diminution in value of slow moving inventory. The above audit procedures enabled us to conclude on the valuation of inventory held by the company as on the date of Balance Sheet.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Corporate Governance and Directors' Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Holding Company and its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the Holding Company and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the Holding Company and of its joint ventures are responsible for assessing the ability of the Holding Company and its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Holding Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Holding Company and its joint ventures are responsible for overseeing the financial reporting process of the Holding Company and its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its joint venutes, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies

used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Holding Company and its joint ventures to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) The Consolidated Ind AS Financial Statements include Holding Company's share of net loss (including other comprehensive income) of ₹ 1.72 lakhs for the year ended March 31, 2019, as considered in the Consolidated Ind AS Financial Statements, in respect of one joint venture whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture, is based solely on the report of the other auditor.

(b) The Consolidated Ind AS Financial Statements also include Holding Company's share of net loss of ₹5.05 lakhs for the year ended March 31, 2019, as considered in the Consolidated Ind AS Financial Statements, in respect of one joint venture whose Ind AS financial statements have not been audited by us. These Ind AS financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture, are based solely on such unaudited Ind AS financial statements. In our opinion and according to the information and explanations given to us by the Management, these Ind AS financial statements are not material to the Holding Company.

Our opinion on the Consolidated Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor

and the Ind AS financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a. We 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 Ind AS financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS 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 Ind AS financial statements;

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;

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

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its joint ventures incorporated in India and the operating effectiveness of such controls, we give our separate report in the "Annexure".

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the reports of the statutory auditors of its joint venture incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company, and joint venture incorporated in India is in accordance with the provisions of section 197 of the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its joint venture - Refer Note no. 37 to the Consolidated Ind AS Financial Statements;

(ii) The Holding Company and its joint venture did not have any material foreseeable losses on long term contracts including derivative contracts;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its joint venture.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.: 034828

Mumbai: May 8, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Morarjee Textiles Limited on the Consolidated Ind AS Financial Statements for the year ended March 31, 2019]

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

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of the Holding Company and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal

control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note")issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of its report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting, of the Holding Company and its joint venture.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one joint venture which is a company incorporated in India, is based on the corresponding report of the auditor of such company.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai: May 8, 2019

Consolidated Balance Sheet

as at 31st March, 2019

	Note	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
ASSETS			
1. Non-current Assets			
a) Property, Plant and Equipment	2	47,546.17	49,739.70
b) Intangible Assets	2	162.19	177.76
c) Investment in Joint Ventures	3	521.64	528.41
d) Financial Assets			
i) Investments	4	0.89	0.89
ii) Loans	5	164.51	130.86
e) Other Non-current Assets	6	53.85	68.74
f) Deferred Tax Assets (Net)	18	716.60	-
g) Non-current Tax Assets	7	47.48	42.61
		49,213.33	50,688.97
2. Current Assets			
a) Inventories	8	10,489.40	10,399.37
b) Financial Assets			
i) Trade Receivables	9	4,075.02	5,365.37
ii) Cash and Cash Equivalents	10	595.74	225.22
iii) Bank Balances other than (ii) above	11	379.70	334.55
iv) Loans	12	17.90	31.75
c) Other Current Assets	13	7,485.12	6,291.24
		23,042.88	22,647.50
Total Assets		72,256.21	73,336.47
EQUITY AND LIABILITIES			
1. Equity			
a) Equity Share Capital	14	2,543.26	2,543.26
b) Other Equity	15	5,787.90	8,228.15
		8,331.16	10,771.41
2. Non-current Liabilities			
a) Financial Liabilities			
- Borrowings	16	32,900.33	36,355.97
b) Provisions	17	524.74	477.15
c) Deferred Tax Liability (Net)	18	-	260.18
d) Other Non-current Liabilities	19	1,869.66	2,418.77
		35,294.73	39,512.07
3. Current Liabilities			
a) Financial Liabilities			
i) Borrowings	20	12,451.47	11,701.44
ii) Trade Payables	21		
Total Outstanding dues of Micro Enterprises and Small Enterprises		736.01	74.90
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		8,513.11	6,144.98
iii) Other Financial Liabilities	22	6,411.44	4,553.01
b) Other Current Liabilities	23	460.01	389.10
c) Provisions	24	58.28	71.41
d) Current Tax Liabilities (Net)	25	-	118.15
		28,630.32	23,052.99
Total Equity and Liabilities		72,256.21	73,336.47
Significant Accounting Policies	1		
Notes forming part of the financial statements	34-49		

As per our attached of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai : May 8, 2019

For and on behalf of Board of Directors

Urvi A. Piramal
(DIN 00044954)
Chairperson

Harsh A. Piramal
(DIN 00044972)
Executive Vice Chairman

R. K. Rewari
(DIN 00619240)
Managing Director

Mahesh S. Gupta
(DIN 00046810)
Director

Shobhan Thakore
(DIN 00031788)
Director

S. C. Kashimpuria
Chief Financial Officer

Tanmay Bhat
Company Secretary

Consolidated Statement of Profit & Loss

for the year ended 31st March, 2019

	Note	₹ in lakhs	31.03.2019 ₹ in lakhs	₹ in lakhs	31.03.2018 ₹ in lakhs
INCOME					
Revenue from Operations	26	34,860.79		36,113.32	
Other Income	27	164.52		637.59	
Total Income			35,025.31		36,750.91
EXPENSES					
Cost of Materials Consumed	28	11,156.55		10,624.11	
Changes in Inventories of Work-in-Progress and Finished Goods	29	403.60		(1,006.77)	
Excise Duty		-		17.57	
Manufacturing Expenses	30	12,731.40		13,180.58	
Employee Benefits Expense	31	3,652.80		3,522.68	
Administrative, Selling and Other Expenses	32	2,805.28		2,907.90	
Finance Costs	33	5,393.54		5,139.09	
Depreciation and Amortisation Expenses	2	2,321.17		2,283.99	
Total Expenses			38,464.34		36,669.15
Profit / Loss before Tax			(3,439.03)		81.76
Tax Expense	35				
- Current Tax (Minimum Alternate Tax)			-		123.39
- Deferred Tax (Net of MAT Credit Entitlement)			(984.28)		(82.12)
- Prior Year Tax adjustment (Minimum Alternate Tax)			(6.31)		-
Total Tax Expense			(990.59)		41.27
Profit / (Loss) for the year			(2,448.44)		40.49
Share in Profit of Joint Ventures	41		(6.77)		9.25
Profit / (Loss) for the year			(2,455.21)		49.74
Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss Remeasurement of Defined Benefit Obligation	34		22.46		(28.34)
(ii) Income Tax relating to items that will not be reclassified to profit or loss	35		(7.50)		9.46
Total Other Comprehensive Income			14.96		(18.88)
Total Comprehensive Income for the year			(2,440.25)		30.86
Earning Per Equity Share - Basic and Diluted (₹)	48		(6.76)		0.14
(Face value ₹7/-each)					
Significant Accounting Policies	1				
Notes forming part of the financial statements	34-49				

As per our attached of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai : May 8, 2019

For and on behalf of Board of Directors

Urvi A. Piramal
(DIN 00044954)
Chairperson

Harsh A. Piramal
(DIN 00044972)
Executive Vice Chairman

R. K. Rewari
(DIN 00619240)
Managing Director

Mahesh S. Gupta
(DIN 00046810)
Director

Shobhan Thakore
(DIN 00031788)
Director

S. C. Kashimpuria
Chief Financial Officer

Tanmay Bhat
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March, 2019

(a) Equity Share Capital (Refer Note no. 14)

Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Balance at the beginning of the reporting year	2,543.26	2,543.26
Changes in equity share capital during the year	-	-
Balance at the end of the reporting year	2,543.26	2,543.26

(b) Other Equity (Refer Note no. 15)

₹ in lakhs

Particulars	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2017	5,627.91	3,181.58	8,809.49
Profit for the year	-	49.74	49.74
Other Comprehensive Income for the year (Remeasurement of Defined Benefit Obligation - Net of Tax)	-	(18.88)	(18.88)
Dividend and Distribution Tax Thereon	-	(612.20)	(612.20)
Balance as at 31st March, 2018	5,627.91	2,600.24	8,228.15
Profit / (Loss) for the year	-	(2,455.21)	(2,455.21)
Other Comprehensive Income for the year (Remeasurement of Defined Benefit Obligation - Net of Tax)	-	14.96	14.96
Balance as at 31st March, 2019	5,627.91	159.99	5,787.90

As per our attached of even date.
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

For and on behalf of Board of Directors

Urvi A. Piramal
(DIN 00044954)
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Shobhan Thakore
(DIN 00031788)
Director

S. C. Kashimpuria
Chief Financial Officer

Tanmay Bhat
Company Secretary

Mumbai : May 8, 2019

Notes

on Consolidated Financial Statement for the year ended 31st March, 2019

Company Overview

Morarjee Textiles Limited ("the Company") is a public limited company, incorporated and domiciled in India which mainly deals in manufacture of yarn and fabric. The registered office of the Company is located at 2, Peninsula Spenta, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The consolidated financial statements for the year ended 31st March, 2019 were approved by the Board of Directors and authorized for issue on 8th May, 2019.

Note 1: Significant Accounting Policies

(a) Basis of Preparation of Financial Statements

(i) Statement of Compliance with Indian Accounting Standards (Ind AS)

These financial statements comply, in all material respects, with Ind AS notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

(ii) Principles of Consolidation and Equity Accounting

Investments in Joint Ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated Balance Sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the Statement of Profit and Loss, and the Group's share of Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees are changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity accounted investments is tested for impairment.

(iii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

a) Certain financial assets and liabilities that are measured at fair value

b) Derivative financial instruments

(iv) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, which is also the functional currency of the Company. All financial information presented in Indian Rupees has been rounded off to two decimals in lakhs.

(v) Current and Non-current Classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle (Twelve months) and other criteria set out in Schedule III to the Act.

(b) Property, Plant and Equipment (PPE) and Depreciation

All items of PPE are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties,directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the carrying amount of PPE or recognised as a separate PPE, 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.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Machinery spares and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

Capital work- in- progress includes cost of PPE under installation / under development as at the Balance Sheet date.

The Company depreciates its PPE over the useful life in the manner prescribed under Part C of Schedule II to the Act. Depreciation commences when the assets are ready for their intended use and is computed on pro-rata basis from the date of installation/ acquisition till the date of sale/ disposal. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for machinery spares wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act

Useful life considered for calculation of depreciation for machinery spares varies from 2 to 10 years.

Lease hold PPE are amortised over the period of lease or useful life, whichever is lower. Leasehold land (under Finance Lease) is amortised over the period of lease.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(c) Intangible Assets and Amortisation

Intangible assets that are acquired by the Company, which have finite useful lives are measured at cost less amortisation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, directly attributable costs of bringing the asset to its present location and condition.

Intangible assets are amortised on straight line basis over the estimated useful life.

Useful life considered for amortisation of intangible assets being computer Software is 10 years.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Leases

Where the Company is Lessee

A lease is classified at the inception date as a finance lease or an operating lease.

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with Company's general policy on the borrowing cost.

All other leases are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on straight line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor in expected inflationary cost increase.

Where the Company is Lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straightline basis over the term of the relevant lease.

(e) Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

(f) Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of PPE are included in non-financial liabilities as deferred income and are credited to the Statement of Profit and Loss on straightline basis over the expected lives of related assets and presented within other income.

Government grants relating to an expense itemare recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

(g) Financial instruments

(i) Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit orloss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, as per Ind AS 109.

a. Subsequent Measurement- Equity Instruments

All equity investments other than investments in subsidiaries, joint ventures and associates are measured at fair value. Equity investments which are held for trading are classified as FVTPL. For all other equity investments, the Company decides to classify the same either at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Investment in equity instruments of subsidiaries, joint ventures and associates are measured atcost.

b. Subsequent Measurement - Debt Instruments

A financial asset being debt instrument that meets the following 2 conditions is measured at amortised cost (net off any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

Business Model Test: the objective of the Company's model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following 2 conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

Business Model Test: the financial asset is held within a business model whose objective is achieved both by collecting contractual cashflows and selling the financial assets.

Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different basis.

All other debt instruments are measured at fair value through profit or loss.

Derecognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset, to another entity.

Impairment of Financial Assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI.

For financial assets other than trade receivables, whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, considering historical trend, industry practices and the business environment in which the Company operates or any other appropriate basis.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

(ii) Equity and Financial Liabilities

Debt and equity instruments issued by an entity 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.

a. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

b. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities, except for the financial liabilities at FVTPL which are initially measured at fair value.

Subsequent Measurement

The financial liabilities are classified for subsequent measurement either at amortised cost or at fair value through Profit and Loss (FVTPL).

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

Derecognition of Financial Liabilities

A financial liability is removed from the Balance Sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative Financial Instruments

Derivative financial instruments such as forward contracts are taken by the Company to hedge its foreign currency risks, are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise (other than in case of hedge accounting).

Offsetting of Financial Instruments

Financials assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(h) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted prices in active markets 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.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.The cost formula used for determination of cost is 'Weighted Average Cost'.

Machinery spares, stand-by equipment and servicing equipment are recognised as inventory when the useful life is less than one year and the same are charged to the Statement of Profit and Loss as and when issued for consumption.

(j) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The Company's liability for current tax is calculated using the Indian tax rates and laws that have been enacted by the reporting date. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and provisions where appropriate.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and current taxliabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(k) Provisions and Contingencies

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Contingent assets are not recognised in the financial statements. If the inflow of economic benefits is probable, then it is disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(l) Employee Benefits

(i) Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-employment Obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plan (Gratuity), and

(b) Defined contribution plans such as superannuation scheme, provident fund.

Defined Benefit Plan

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually on the basis of actuarial valuation using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution Plans

Defined Contribution Plans such as superannuation scheme, provident fund are charged to the Statement of Profit and Loss as an expense, when an employee renders the related services.

(iii) Other Long-term Employee Benefits

The liabilities for compensated absences that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have any unconditional right to defer settlement for at least 12 months after the end of the reporting period, regardless of when the actual settlement is expected to occur.

(m) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of its business segments separately for the purpose of making decision about the resources allocation and performance assessment. The operating segments have been identified on the basis of the nature of products/ services.

The Board of Directors of the Company has appointed the Managing Director as the Chief Operating Decision Maker (CODM) who is assessing the financial performance and position of the Company, and makes strategic decisions.

(n) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows as well as the Balance Sheet, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Earnings per Share (EPS)

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net off any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

(p) Non-current Assets Held for Sale

The Company classifies non-current assets as held sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognised immediately in the Statement of Profit and Loss.

The criteria for held for sale classification are regarded as met only when the sale is highly probable i.e. an active program to locate a buyer to complete the plan has been initiated and the asset is available for immediate sale in its present condition and the assets must have been actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to that plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

PPE and intangible assets once classified as held for sale are not depreciated or amortised. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

(q) Dividend Distribution to Equity Shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid. Dividend proposed by the Board of Directors, subject to the approval of shareholders, is disclosed in the notes to financial statements.

(r) Foreign Currency Transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(s) Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods. Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) -'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets /liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, returns and rebatestaking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

Sale of Products

Sales are recognised at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days on delivery. In determining the transaction price for sale of goods, the company considers the effect of variable consideration, the existence of significant financial components and consideration payable to the customer (if any).

The company provides volume rebates to certain customers once the quantity of product purchased during the period exceeds a threshold limit specified in the contract. The company does not adjust consideration for the effect of a significant financial component, if it expects, at contract inception, that customer pays for those goods within one year. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

Duty Drawback Scheme

Export benefits under Duty Drawback Scheme is estimated and accounted in the year of export.

Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable effective interest rate.

Dividend Income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

Income from Services

Income from services is recognised (net of taxes as applicable) as they are rendered, based on agreement/arrangement with the concerned customers.

(t) Significant Accounting Estimates, Judgements and Assumptions:

The preparation of the Company's financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, Management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

i. Useful Lives of Property, Plant and Equipment: Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Act and also as per Management estimate for certain category of assets. Assumption also needs to be made, when the Company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised.

ii. Fair Value Measurement of Financial Instruments: When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

iii. Measurement of Defined Benefit Plan: The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv. Impairment of Financial Assets: Trade receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when Management deems them not collectable. Impairment is made on the expected credit loss model, which is the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

v. Impairment of Non-financial Assets: The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount.

The company expects to recover full amount related to government subsidies related to interest and capitalisation. Further company also expects to recover/ adjust input tax credit related to GST in future.

vi. Contingencies: Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against the Company as it is not possible to predict the outcome of pending matters with accuracy.

vii. Net Realisable Value for Inventory Valuation: The Company assesses net realisable value considering subsequent realisation, ageing and obsolescence for the purpose of valuation of inventories lower of cost or net realisable value.

(u) Recent Accounting Developments

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Entity's financial statements are disclosed below. The Entity intends to adopt these standards, if applicable, when they become effective.

- **Ind AS 116 "Leases":**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

- **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Note 2 : Property, Plant and Equipment and Intangible Assets ₹ in lakhs

Particulars	Gross Block				Accumulated Depreciation and Amortisation				Net Block
	Balance as on 01.04.2018	Additions	Deletion / Adjustments	Balance as on 31.03.2019	Balance as on 01.04.2018	For the year	Deletion / Adjustments	Balance as on 31.03.2019	Balance as on 31.03.2019
Property, Plant and Equipment *									
Land - Leasehold	7,159.10	-	-	7,159.10	210.48	96.08	-	306.56	6,852.54
Buildings	13,503.42	-	-	13,503.42	1,012.66	548.09	-	1,560.75	11,942.67
Plant and Machinery	32,776.75	111.22	71.13	32,816.84	2,778.64	1,574.49	22.10	4,331.03	28,485.81
Computers	16.66	22.01	-	38.67	10.86	7.48	-	18.34	20.33
Furniture, Fixture and Office Equipments	179.76	6.51	-	186.27	56.95	24.05	-	81.00	105.27
Motor Vehicles	241.91	-	-	241.91	68.31	34.05	-	102.36	139.55
Total - Property, Plant and Equipment	53,877.60	139.74	71.13	53,946.21	4,137.90	2,284.24	22.10	6,400.04	47,546.17
Intangible Assets									
Computer Software	245.82	21.36	-	267.18	68.06	36.93	-	104.99	162.19
Total - Intangible Assets	245.82	21.36	-	267.18	68.06	36.93	-	104.99	162.19
Grand Total	54,123.42	161.10	71.13	54,213.39	4,205.96	2,321.17	22.10	6,505.03	47,708.36

** Charged against borrowings of the Company (Refer Note no. 16 and 20)*

Note 2 : Property, Plant and Equipment and Intangible Assets (Year ended 31st March, 2018) ₹ in lakhs

Particulars	Gross Block				Accumulated Depreciation and Amortisation				Net Block
	Balance as on 01.04.2017	Additions	Deletion / Adjustments	Balance as on 31.03.2018	Balance as on 01.04.2017	for the year	Deletion / Adjustments	Balance as on 31.03.2018	Balance as on 31.03.2018
Property, Plant and Equipment *									
Land - Leasehold	7,096.50	62.60	-	7,159.10	114.40	96.08	-	210.48	6,948.62
Buildings	13,247.33	256.09	-	13,503.42	464.57	548.09	-	1,012.66	12,490.76
Plant and Machinery	32,149.89	630.50	3.64	32,776.75	1,239.57	1,539.61	0.54	2,778.64	29,998.11
Computers	15.17	1.49	-	16.66	5.87	4.99	-	10.86	5.80
Furniture, Fixture and Office Equipments	173.36	6.40	-	179.76	31.39	25.56	-	56.95	122.81
Motor Vehicles	242.25	-	0.34	241.91	34.36	34.03	0.08	68.31	173.60
Total - Property, Plant and Equipment	52,924.50	957.08	3.98	53,877.60	1,890.16	2,248.36	0.62	4,137.90	49,739.70
Intangible Assets									
Computer Software	216.71	29.11	-	245.82	32.43	35.63	-	68.06	177.76
Total - Intangible Assets	216.71	29.11	-	245.82	32.43	35.63	-	68.06	177.76
Grand Total	53,141.21	986.19	3.98	54,123.42	1,922.59	2,283.99	0.62	4,205.96	49,917.46

** Charged against borrowings of the Company (Refer Note no. 16 and 20)*

	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 3 : Investments in Joint Ventures		
Investments in Equity Instruments (Unquoted - at Cost)		
Morarjee Castiglioni (India) Private Limited	57.77	59.49
10,00,000 (Previous year 10,00,000) Equity Shares of ₹10 each fully paid-up		
Just Textiles Limited	463.87	468.92
7,95,560 (Previous year 7,95,560) Equity Shares of ₹ 100 each fully paid-up		
	521.64	528.41
Aggregate Amount of Quoted Investments	-	-
Aggregate Amount of Unquoted Investments	521.64	528.41
Aggregate Amount of Impairment in Value of Investments	-	-
Note 4 : Non-current Financial Assets - Investments		
a) Investments in Equity Instruments		
(Unquoted at Fair Value through other comprehensive income)		
Saraswat Bank	0.25	0.25
2,500 (Previous year 2,500) Equity Shares of ₹ 10 each fully paid-up		
b) Investment in Government Securities	0.64	0.64
(Unquoted - (at Amortised Cost)		
	0.89	0.89
Aggregate Amount of Quoted Investments	-	-
Aggregate Amount of Unquoted Investments	0.89	0.89
Aggregate Amount of Impairment in Value of Investments	-	-
Note 5 : Loans (Unsecured, considered good)		
Security Deposits	164.51	130.86
	164.51	130.86
Note 6 : Other Non-current Assets		
Capital advances	2.85	-
Deposits with Government Authorities	51.00	68.74
	53.85	68.74
Note 7 : Non-current Tax Assets		
Advance Tax	47.48	42.61
	47.48	42.61
Note 8 : Inventories		
Raw materials	1,251.79	829.88
Work-in-progress	4,572.29	5,253.66
Finished goods	4,243.57	3,965.80
[Includes Stock-in-transit of ₹ 1706.11 lakhs (Previous year ₹ 1,548.36 lakhs]		
Consumable, Stores, Spares etc.	421.75	350.03
	10,489.40	10,399.37

Total Inventory includes, an amounting to ₹ 2,650.77 Lakhs (PY ₹ 2,004.99 Lakhs) which is valued at net realisable value based on its accounting policy for valuation at lower of cost and net realisable value and impact of the same are included in "Changes in Inventories of Finished Goods and Work-in-Progress" in Statement of Profit and Loss.

Note 9 : Trade Receivables (Unsecured, unless stated otherwise)		
Considered good (Secured)	1,554.63	1,105.52
Considered good	2,297.47	4,148.98
Trade receivables (Credit impaired)*	719.92	507.87
Provision for doubtful debts	(497.00)	(397.00)
Trade Receivables	4,075.02	5,365.37
Trade receivables from related parties of ₹5.15 Lakhs (PY ₹ Nil) as on 31st March, 2019 (Refer Note No. 47)		
** Refer Note No. 43*		
Note 10 : Cash and Cash Equivalents		
Cash in hand	6.92	6.07
Balances with Banks in Current Accounts	588.82	219.15
	595.74	225.22
Note 11 : Bank Balances other than Cash & Cash Equivalents		
Balances in dividend accounts	20.71	20.89
Balances with banks in fixed deposits (includes margin money with bank)	358.99	313.66
	379.70	334.55

	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 12 : Loans (Unsecured, considered good)		
Earnest money deposit	3.60	1.80
Other recoverables	14.30	29.95
	17.90	31.75
Note 13 : Other Current Assets		
Government Grant Receivable:		
- Capital Subsidy	1,195.95	1,673.45
- Interest Subsidy	1,908.86	1,626.46
Balances with Government Authorities	3,430.65	2,393.91
Other Advances	949.66	597.42
	7,485.12	6,291.24

Other Current Assets includes an amount of ₹ 2,508 lakhs as (PY ₹ 1,692 lakhs) as on March 31, 2019 towards unutilized GST input tax credit. Though input GST credits are allowed to be carried indefinitely, the utilisation thereof is generally dependent on various factors including volume and value of output in future, rates of tax on output and changes in government policies. In the opinion of the management, in view of the continuing business of the company, no provision for impairment is considered necessary in this regard.

Note 14 : Equity Share Capital		
Authorised:		
3,65,00,000 (Previous year 4,50,00,000) Equity Shares of ₹ 7/- each	2,555.00	3,150.00
	2,555.00	3,150.00
Issued, Subscribed and Paid- up:		
3,63,32,349 (Previous year 3,63,32,349) Equity Shares of ₹ 7/- each fully paid-up	2,543.26	2,543.26
	2,543.26	2,543.26

A) The reconcilition of the number and value of equity shares

	No. of Shares	₹ in lakhs
Balance as at 31st March, 2018	3,63,32,349	2,543.26
Movement during the year	-	-
Balance as at 31st March, 2019	3,63,32,349	2,543.26

B) Shareholders holding more than 5% of equity shares of the Company

Ashok Piramal Group Textile Trust through its trustee, Ms. Urvi A. Piramal		
Number of Shares	2,15,90,112	2,15,90,112
% of holding	59.42	59.42

C) Terms / rights attached to Equity Shares

Each equity share of Company has a par value of ₹ 7/- (Previous year ₹ 7/-). Each holder of equity share is entitled to one vote per share. All shares rank pari passu with regard to dividend and repayment of capital. 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.

	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 15 : Other Equity		
a) General Reserve		
Opening balance	5,627.91	5,627.91
Movement during the year	-	-
Closing balance (a)	5,627.91	5,627.91
b) Retained Earnings		
Opening balance	2,600.24	3,181.58
Profit / (Loss) for the year	(2,455.21)	49.74
Other Comprehensive Income for the year	14.96	(18.88)
(Remeasurement of defined benefit obligation - Net of tax)		
Dividend and distribution tax thereon	-	(612.20)
Closing balance (b)	159.99	2,600.24
Total (a+ b)	5,787.90	8,228.15

Nature and Purpose of Reserve:

a) General Reserve

General Reserve has been created on account of the Schemes of Amalgamation, Demerger and Capital Restructuring carried out in the past and transfer of net profit before declaring dividend, pursuant to the earlier provisions of the Companies Act, 1956. Such transfer of net profit to general reserve is not required under the Companies Act, 2013.

b) Retained Earnings

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.

Note 16 : Non-current Financial Liabilities - Borrowings

Particulars	Non Current		Current (Refer Note No. 22)	
	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Secured				
Term loan from banks (Refer sub-note no. A)	21,324.76	12,226.25	4,450.19	3,543.75
Term loan from others (Refer sub-note no. B)	2,672.09	16.32	204.59	22.50
	23,996.85	12,242.57	4,654.78	3,566.25
Unsecured				
Term loan from banks (Refer sub-note no. C)	-	12,586.18	-	403.72
Term loan from others (Refer sub-note no. D)	7,403.48	9,085.61	-	85.37
	7,403.48	21,671.79	-	489.09
Preference Share Capital (Refer sub-note no. E)	1,500.00	2,441.61	976.34	-
	32,900.33	36,355.97	5,631.12	4,055.34

Sr. No.	Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
A.	**Term Loan from Banks (Secured)**		
a)	Term Loan 1	13,563.20	-
	Nature of Security:		
	1st pari passu charge on all fixed assets of the Company, both present and future and 2nd pari passu charge on all current assets of the Company, both present and future.		
	Terms of Repayment:		
	Repayable in 24 quarterly instalments as at 31st March, 2019		
	Repayable in 28 quarterly instalments as at 31st March, 2018, effective from 30th June, 2018		
b)	Term Loan 2	12,191.05	15,721.08
	Nature of Security:		
	1st pari passu charge on all fixed assets of the Company on Plot no. G1 and assets on Plot no. G2, Butibori, Nagpur, financed from the term loan and Mortgage charge over the land at Plot no. G1. 2nd pari passu charge on land, buildings and plant and machinery at Plot no. G2 and all current assets of the Company.		
	Terms of Repayment:		
	Repayable in:		
	- 14 Quarterly instalments as at 31st March, 2019		
	- 18 Quarterly instalments as at 31st March, 2018		
c)	Term Loan 3 and 4	20.70	48.92
	Nature of Security:		
	Secured by specific (exclusive) charge on the Company's movable fixed asset being financed.		
	Terms of Repayment:		
	Repayable in:		
	- 13 monthly instalments as at 31st March, 2019 - ₹ 19.87 lakhs		
	- 25 monthly instalments as at 31st March, 2018 - ₹ 36.68 lakhs		
	Repayable in:		
	- 1 monthly instalment as at 31st March, 2019 - ₹ 0.83 lakhs		
	- 13 monthly instalments as at 31st March, 2018 - ₹12.24 lakhs		
	Current Maturities of above loans	(4,450.19)	(3,543.75)
	Subtotal [Term Loan from Banks (Secured)]	21,324.76	12,226.25
B.	**Term Loan from Others (Secured)**		
a)	Term Loan 1	2,860.36	-
	Nature of Security:		
	1st pari passu charge on all fixed assets of the Company, both present and future and 2nd pari passu charge on all current assets of the Company, both present and future.		
	Terms of Repayment:		
	Repayable in 24 quarterly instalments as at 31st March, 2019		
	Repayable in 28 quarterly instalments as at 31st March, 2018, effective from 30th June, 2018		
b)	Term Loan 2	16.32	38.82
	Nature of Security:		
	Secured by specific (exclusive) charge on the Company's movable fixed asset being financed.		

Sr. No.	Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
	Terms of Repayment:		
	Repayable in:		
	- 08 monthly instalments as at 31st March, 2019		
	- 20 monthly instalments as at 31st March, 2018		
	Current Maturities of above loan	(204.59)	(22.50)
	Subtotal [Term Loan from Others (Secured)]	2,672.09	16.32
C.	**Term Loan from Banks (Unsecured)**	-	12,989.90
	In last year the Company was in the process of creating security for the mentioned loan however same has been created and classifed as secured in the current year.		
	1st pari passu charge on all fixed assets of the Company, both present and future and 2nd pari passu charge on all current assets of the Company, both present and future.		
	Terms of Repayment:		
	Repayable in 28 quarterly instalments as at 31st March, 2018, effective from 30th June, 2018		
	Current Maturities of above loan	-	(403.72)
	Subtotal [Term Loan from Others (unsecured)]	-	12,586.18
D.	**Term Loan from Others (Unsecured)**		
a)	Term Loan 1	-	2,945.73
	In last year the Company was in the process of creating security for the mentioned loan however same has been created and classifed as secured in the current year.		
	1st pari passu charge on all fixed assets of the Company, both present and future and 2nd pari passu charge on all current assets of the Company, both present and future.		
	Terms of Repayment:		
	Repayable in 28 quarterly instalments as at 31st March, 2018, effective from 30th June, 2018		
b)	Term Loan 2 and 3	7,403.48	6,225.25
	Terms of Repayment:		
	Repayable in		
	- 12 Quarterly instalments as at 31st March, 2019 effective from 30th June, 2021- ₹ 1178.23 lakhs		
	- 17 Quarterly instalments as at 31st March, 2019 effective from 30th April, 2020- ₹ 6225.25 lakhs		
	- 17 Quarterly instalments as at 31st March, 2018 effective from 30th April, 2020- ₹ 6225.25 lakhs		
	Current Maturities of above loan	-	(85.37)
	Subtotal [Term Loan from Others (Unsecured)]	7,403.48	9,085.61
E.	**Details of Preference Shares**		
	Authorised :		
	35,00,000 (Previous year 25,00,000) Redeemable Cumulative Non-convertible Preference Shares of ₹ 100/- each	3,500.00	2,500.00
		3,500.00	2,500.00
	Issued, Subscribed and Paid- up:		
	10,00,000 (Previous year 10,00,000) 5% Redeemable Cumulative Non-convertible Preference Shares of ₹100/- each	976.34	941.61
	15,00,000 (Previous year 15,00,000) 9% Redeemable Cumulative Non-convertible Preference Shares of ₹100/- each	1,500.00	1,500.00
	Current Maturities of above loan	(976.34)	-
		1,500.00	2,441.61
i)	The reconcilition of the number and value of preference shares	No. of Shares	₹ in lakhs
a)	5% Preference Shares		
	Balance as at 31st March, 2018	10,00,000	941.61
	Movement during the year (Unwinding based on Effective Interest Rate)	-	34.73
	Balance as at 31st March, 2019	10,00,000	976.34
b)	9% Preference Shares		
	Balance as at 31st March, 2018	15,00,000	1,500.00
	Movement during the year	-	-
	Balance as at 31st March, 2019	15,00,000	1,500.00
ii)	Shareholders holding more than 5% of Preference Shares of the Company		
	Ashok Piramal Group Textile Trust through its trustee, Ms. Urvi A. Piramal		
	Number of Shares	25,00,000	25,00,000
	% of holding	100	100

iii) Terms / rights attached to Preference Shares
5% Redeemable Cumulative Non-convertible Preference Shares of ₹ 100/- each, are redeemable anytime between 15th November, 2014 and 15th November, 2019 at the option of the Company.

9% Redeemable Cumulative Non-convertible Preference Shares of ₹100/- each, are redeemable anytime between 4th June, 2017 and 3rd December, 2020 after period of 18 months from the date of its renewal i.e. 3rd December, 2015, at the option of the Trust.

However, based on the confirmation received from the trust the trust will not exercise their redemption rights before maturity date i.e. 3rd December, 2020. The holders of Preference Shares shall not have any right to vote in any manner before the Company at any meeting, except on resolutions placed before the Company at any meeting, which directly affects their rights.
The effective interest rate on the above borrowings is in the range from 9 % to 14.15 % per annum.

Particulars	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 17 : Non-current Provisions		
Employees benefits (Refer Note no.34)	524.74	477.15
	524.74	477.15
Note 18 : Deferred Tax Liability/Assets (Net)		
Deferred Tax Liabilities	7,258.78	7,178.34
Deferred tax assets	(7,975.38)	(6,918.16)
	(716.60)	260.18
Refer Note no. 35 for components of and movement in deferred tax.		
Note 19 : Other Non-current Liabilities		
Deferred Income (Government Grant)	1,869.66	2,418.77
	1,869.66	2,418.77
Note 20 : Current Financial Liabilities - Borrowings		
(Repayable on demand)		
Secured		
Cash credit / packing credit from banks **	7,762.47	5,816.11
Unsecured		
Bodies corporate	-	122.86
Short-term working capital loan from bank	1,900.00	2,500.00
Cash credit / packing credit / buyers' credit from banks	2,789.00	3,262.47
	12,451.47	11,701.44

*** Secured by way of hypothecation of / 1st pari passu charge on Current Assets of the Company viz. raw materials, stock-in-process, finished goods, consumables, store and spares, book debts, both present and future and secured by 2nd pari passu charge on the Company's tangible fixed assets, both present and future.*

The effective interest rate on the above loans is in the range from 10.20 % to 14.85% per annum.

Note 21 : Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note no.39)	736.01	74.90
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises*	8,513.11	6,144.98
* Includes bills accepted ₹ 663.13 lakhs (Previous year ₹ 611.32 lakhs)		
	9,249.12	6,219.88
Trade Payable from related parties of ₹ 260.07 Lakhs (PY ₹101.63 Lakhs) as on 31st March, 2019 (Refer Note No. 47)		
Note 22 : Other Current Financial Liabilities		
Current maturities of non-current borrowings (Refer Note no.16)	5,631.12	4,055.34
Trade deposits	60.57	73.37
Interest accrued on borrowings	699.04	403.41
Unclaimed dividend	20.71	20.89
	6,411.44	4,553.01
Note 23 : Other Current Liabilities		
Advances from customers and other liabilities	240.61	174.50
Deferred income (Government grant)	90.69	109.78
Statutory liabilities	128.71	104.82
	460.01	389.10
Note 24 : Current Provisions		
Employees benefits (Refer Note no.34)	58.28	71.41
	58.28	71.41
Note 25 : Current Tax Liabilities (Net)		
Provision for tax (Net of advance tax)	-	118.15
	-	118.15

	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 26 : Revenue from Operations		
Revenue from sale of products	33,433.48	34,659.37
Other operating income	1,427.31	1,453.95
	34,860.79	36,113.32
Note 27 : Other Income		
Gain on foreign exchange fluctuation	-	311.72
Amortisation of Government grant	90.69	109.78
Interest income	60.13	45.54
Rent	0.24	0.24
Sundry balances written back	-	129.81
Profit on sale of Property, Plant and Equipment	13.46	6.27
Miscellaneous income	-	34.23
	164.52	637.59
Note 28 : Cost of Materials Consumed		
Opening stock (Raw materials)	829.88	1,188.60
Purchases	11,578.46	10,265.39
Closing stock (Raw materials)	1,251.79	829.88
	11,156.55	10,624.11
Note 29 : Changes in Inventories of Work-in-Progress and Finished Goods		
Opening Stock		
Work-in-progress	5,253.66	4,277.36
Finished goods	3,965.80	4,179.77
	9,219.46	8,457.13
Closing Stock		
Work-in-progress	4,572.29	5,253.66
Finished goods	4,243.57	3,965.80
	8,815.86	9,219.46
Excise Duty on (Increase) / Decrease of Finished Goods	-	244.44
Changes in Inventories	403.60	(1,006.77)
Note 30 : Manufacturing Expenses		
Power and fuel	4,057.51	4,237.03
Processing charges	3,030.77	3,262.76
Dyes and chemicals	3,264.48	3,253.61
Packing expenses	393.78	467.67
Stores and spares	1,026.54	958.35
Other consumables	127.64	117.46
Repairs and maintenance	187.11	242.15
Lease rent - Machinery	343.16	343.16
Rates, taxes and water charges	300.41	298.39
	12,731.40	13,180.58
Note 31 : Employee Benefits Expense		
Salaries and wages	3,360.04	3,206.64
Contribution to Provident and other funds (Refer Note no. 34)	211.14	202.81
Staff welfare expenses	81.62	113.23
	3,652.80	3,522.68

	31.03.2019 ₹ in lakhs	31.03.2018 ₹ in lakhs
Note 32 : Administrative, Selling and Other Expenses		
Freight outward	397.84	418.24
Legal and professional expenses	398.39	624.02
Rent	252.41	262.74
Travelling expenses	212.12	202.11
Commission	322.15	353.46
Remuneration to Auditors (Refer Note no.38)	21.73	20.88
CSR Expenditure / Donation (Refer Note no.46)	70.00	100.00
Provision for doubtful debts	100.00	90.00
Loss on foreign exchange fluctuation	116.61	-
Directors' sitting fees and commission	18.50	17.11
Miscellaneous expenses	895.53	819.34
	2,805.28	2,907.90
Note 33 : Finance Costs		
Interest Expenses*	4,912.40	4,532.26
Dividend on redeemable preference shares	257.41	254.54
Other borrowing costs	223.73	352.29
** Interest expenses includes ₹ 9.60 lakhs (Previous Years ₹ 37.86 Lakhs) on payment of advance tax*	5,393.54	5,139.09

34 Employee Benefits

(A) Defined Contribution Plan

Particulars	Year Ended 31.03.2019 ₹ in lakhs	Year Ended 31.03.2018 ₹ in lakhs
Employer's contribution to Provident Fund	164.48	159.18
Employer's contribution to Superannuation Fund	4.65	4.65
Employer's contribution to ESIC	42.01	38.98
Total	211.14	202.81

(B) Defined Benefit Plan (Gratuity) and Other Long-term Employee Benefits (Leave Encashment)

The Company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days basic salary multiplied for the number of the years of service. The gratuity plan is not funded and payout is done by Company on resignation / retirement of employees.

Disclosure as per Valuation Reports of Independent Actuary

a) Change in Define Benefit Obligation

Particulars	Gratuity		Leave Encashment	
	Year Ended 31.03.2019 ₹ in lakhs	Year Ended 31.03.2018 ₹ in lakhs	Year Ended 31.03.2019 ₹ in lakhs	Year Ended 31.03.2018 ₹ in lakhs
Defined benefit obligation at the beginning of the year	435.16	359.79	113.40	111.24
Current service cost	46.83	42.38	24.27	23.22
Interest cost	30.85	22.66	8.13	6.56
Actuarial loss / (gain) due to change in financial assumptions	5.80	(10.58)	1.36	(2.37)
Actuarial loss / (gain) due to experience adjustments	(28.26)	38.92	10.10	4.11
Benefits paid	(31.60)	(18.01)	(33.02)	(29.36)
Defined benefit obligation at the end of the year	**458.78**	**435.16**	**124.24**	**113.40**

b) Expense Recognised in the Statement of Profit and Loss

Particulars	Gratuity		Leave Encashment	
	Year Ended 31.03.2019 ₹ in lakhs	Year Ended 31.03.2018 ₹ in lakhs	Year Ended 31.03.2019 ₹ in lakhs	Year Ended 31.03.2018 ₹ in lakhs
Current service cost	46.83	42.38	24.27	23.22
Interest Cost on Defined Benefit Obligation	30.85	22.66	8.13	6.56
Actuarial loss / (gain) due to change in financial assumptions	-	-	1.36	(2.37)
Actuarial loss / (gain) due to experience adjustments	-	-	10.10	4.11
Amount recognised in profit or loss	**77.68**	**65.04**	**43.86**	**31.52**
Actuarial loss / (gain) due to change in financial assumptions	5.80	(10.58)	-	-
Actuarial loss / (gain) due to experience adjustments	(28.26)	38.92	-	-
Amount recognised in OCI	**(22.46)**	**28.34**	**-**	**-**
Total amount recognised in the Statement of Profit and Loss	**55.22**	**93.38**	**43.86**	**31.52**

c) Amount recognised in the Balance Sheet

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Present value of obligation	458.78	435.16	124.24	113.40
Fair value of plan assets	-	-	-	-
Amount recognised in the Balance Sheet	**458.78**	**435.16**	**124.24**	**113.40**

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Current	44.76	12.93	13.52	58.48
Non Current	414.02	422.23	110.72	54.92
Total	**458.78**	**435.16**	**124.24**	**113.40**

d) Assumptions

The principal actuarial assumptions used for estimating the Company's defined benefit obligations and other long term employee benefits are set out below:

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Withdrawal rate	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
Normal retirement age	60 years	60 years	60 years	60 years
Discount rate	7.45%	7.60%	7.45%	7.60%
Salary escalation rate	3.50%	3.50%	3.50%	3.50%

e) Sensitivity Analysis

The sensitivity of the defined benefit obligation to change in the weighted key assumptions is:

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Salary escalation rate + 0.5%	479.62	453.73	129.16	117.55
Salary escalation rate - 0.5%	439.24	417.77	119.61	109.50
Withdrawal rate + 10%	461.90	438.17	125.08	114.17
Withdrawal rate - 10%	455.54	432.08	123.36	112.60
Discount rate + 0.5%	439.94	418.19	119.80	109.66
Discount rate - 0.5%	479.01	453.08	129.00	117.41

A description of methods used for sensitivity analysis and its limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

f) Expected Cashflows based on Past Service Liability

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Year 1	44.76	58.48	13.52	12.93
Year 2	20.06	86.76	5.27	40.13
Year 3	95.72	16.84	40.25	3.69
Year 4	24.05	19.06	5.75	4.43
Year 5	25.08	27.27	6.85	6.83
Year 6 to Year 10	164.60	144.91	44.59	34.77

g) Best Estimate of Contribution

Particulars	Gratuity		Leave Encashment	
	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Best Estimate of Contribution for the Company during the next year	44.76	58.48	13.52	12.93

h) Average outstanding term of obligations as at valuation date is 9.73 years (previous year 9.57 years)

Note : Above disclosures with respect to employee benefits have been made to the extent of availability of data, as per actuarial valuation report.

35 Tax Expense

A) Amounts Recognised in statement of Profit or Loss

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Current Tax (Minimum Alternate Tax)	-	123.39
Deferred Tax (Net of MAT Credit Entitlement)	(984.28)	(82.12)
MAT of earlier periods	(6.31)	-
Total tax expense as per the Statement of Profit and Loss	**(990.59)**	**41.27**

B) Reconciliation of Effective Tax Rate

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Profit / (Loss) before tax	(3,439.03)	81.76
Enacted income tax rate in India applicable to the Company	33.384%	33.384%
Tax using the Company's domestic tax rate	(1,148.09)	27.29
Tax effect of:		
Permanent disallowances	118.13	135.80
Effect due to tax rate difference	-	(3.18)
Others	39.37	(118.64)
Tax expense as per the Statement of Profit and Loss	**(990.59)**	**41.27**
Effective tax rate	**28.804%**	**50.483%**

C) Movement in Deferred Tax Liability / (Assets)

Year ended 31st March, 2019

Particulars	As at 31.03.2018 ₹ in lakhs	Recognised in Profit or Loss ₹ in lakhs	Recognised in OCI ₹ in lakhs	As at 31.03.2019 ₹ in lakhs
Components of deferred tax liabilities related to:				
Property, plant and equipment	7,155.51	91.27	-	7,246.78
Unamortised processing fees on borrowings	22.83	(10.83)	-	12.00
Subtotal (Deferred Tax Liability)	**7,178.34**	**80.44**	**-**	**7,258.78**
Components of deferred tax assets related to:				
Unamortised Government grant	844.13	(189.68)	-	654.45
Provision for doubtful debts and employment benefits	315.65	52.40	(7.50)	360.55
Unabsorbed depreciation / business losses carried forward under Income Tax Act, 1961	2,710.65	1,208.31	-	3,918.96
Mat Credit Entitlement	3,047.73	(6.31)	-	3,041.42
Subtotal (Deferred Tax Assets)	**6,918.16**	**1,064.72**	**(7.50)**	**7,975.38**
Deferred Tax Liability (Assets) (Net)	**260.18**	**(984.28)**	**7.50**	**(716.60)**

Year ended 31st March, 2018

Particulars	As at 01.04.2017 ₹ in lakhs	Recognised in Profit or Loss ₹ in lakhs	Recognised in OCI ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Components of deferred tax liabilities related to:				
Property, plant and equipment	6,954.36	201.15	-	7,155.51
Unamortised processing fees on borrowings	60.56	(37.73)	-	22.83
Subtotal (Deferred Tax Liability)	**7,014.92**	**163.42**	**-**	**7,178.34**
Components of deferred tax assets related to:				
Unamortised Government grant	913.08	(68.95)	-	844.13
Provision for doubtful debts and employment benefits	269.27	36.92	9.46	315.65
Unabsorbed depreciation / business losses carried forward under Income Tax Act, 1961	2,556.48	154.17	-	2,710.65
Mat Credit Entitlement	2,924.34	123.39	-	3,047.73
Subtotal (Deferred Tax Assets)	**6,663.17**	**245.53**	**9.46**	**6,918.16**
Deferred Tax Liability (Assets) (Net)	**351.75**	**(82.12)**	**(9.46)**	**260.18**

36 Reconciliation of Liabilities arising from Financing Activities

Year ended 31st March, 2019

Particulars	As at 31.03.2018 ₹ in lakhs	Cash Movement ₹ in lakhs	Business Acquisition/ Disposals ₹ in lakhs	Foreign Exchange Changes ₹ in lakhs	Fair Value Changes ₹ in lakhs	Others ₹ in lakhs	As at 31.03.2019 ₹ in lakhs
Term loans	37,969.70	(2,989.54)	-	-	-	1,074.95	36,055.11
Redeemable preference shares	2,441.61	-	-	-	-	34.73	2,476.34
Short-term borrowings	11,701.44	872.89	-	-	-	(122.86)	12,451.47
Total	**52,112.75**	**(2,116.65)**	**-**	**-**	**-**	**986.82**	**50,982.92**

Year ended 31st March, 2018

Particulars	As at 31.03.2017 ₹ in lakhs	Cash Movement ₹ in lakhs	Business Acquisition/ Disposals ₹ in lakhs	Foreign Exchange Changes ₹ in lakhs	Fair Value Changes ₹ in lakhs	Others ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Term loans	34,921.06	2,410.46	-	-	-	638.18	37,969.70
Redeemable preference shares	2,409.73	-	-	-	-	31.88	2,441.61
Short-term borrowings	12,742.22	(1,163.64)	-	-	-	122.86	11,701.44
Total	**50,073.01**	**1,246.82**	**-**	**-**	**-**	**792.92**	**52,112.75**

These cash movements are included within the following lines in the Statement of Cash Flows:

i. Proceeds from Long-term Borrowings
ii. Repayment of Long-term Borrowings
iii. Increase/ (Decrease) in Short-term Borrowings

37 Contingent Liability and Commitments

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
A) Contingent Liability		
(i) Exports bill discounting	309.43	215.27
(ii) Claims against the Company not acknowledged as debts in respect of:		
Disputed Excise demands	1,183.45	1,281.94
Disputed Sales Tax demands	66.20	178.26
Other Matters	1,344.40	1,344.40
B) Commitments		
(i) Bank Guarantees	672.93	812.36
(ii) Estimated amount of contracts remaining to be executed on capital accounts and not provided	-	-
(iii) Open letters of credit	193.38	-

38 Remuneration to Auditors*

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Audit Fees (including Consolidation and Limited Review Fees)	17.00	16.50
Tax Audit Fees	3.00	3.00
Certification Fees	1.00	1.10
Out of Pocket Expenses	0.73	0.28
Total	**21.73**	**20.88**

** Excludes Goods and Services Tax / Service Tax*

39 Disclosure under Micro, Small and Medium Enterprises Act, 2006

There are Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As on 31 03 2019 ₹ in lakhs	As on 31.03.2018 ₹ in lakhs
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	705.71	74.90
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at the year end	30.30	-
(c) The amount of interest paid u/s 16 of this Act, along with the amounts of payments made to the supplier beyond the appointed day during each accounting year	-	-
(d) The amount of interest due and payable for the period of delay in making payment which have been paid but, beyond the appointed day during the year	-	-
(e) The amount accrued and remaining unpaid at the end of each accounting period; i.e., principal is paid but interest has remained unpaid	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise, this is required for the purpose of disallowance as a deductible expenditure	-	-

40 Leases

Lease payments recognised in the Statement of Profit and Loss is ₹ 595.57 lakhs (Previous year ₹ 605.90 lakhs).

Future minimum lease rentals payable under non - cancellable operating lease agreements, in respect of assets taken on operating lease:

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
a) Not later than one year	529.90	640.39
b) Later than one year but not later than five years	398.46	904.18
c) Later than five years	-	-
Total	**928.36**	**1,544.57**

General Terms of Lease Rentals:

i. Lease rentals are charged on the basis of agreed terms.

ii. Assets are given on lease for a period ranging between 3 years to 5 years.

iii. The lease agreements can be renewed on mutually agreed terms with the lessee.

41 Interest in Other Entities

A. Details of Entities considered for the Consolidated Financial Statements

Particulars	Country of Incorporation	Principal Activity	Proportion of Ownership Interest	
			As at 31.03.2019	As at 31.03.2018
Just Textiles Limited (Joint Venture)	India	Processing of fabrics	49%	49%
Morarjee Castiglioni (India) Private Limited (Joint Venture)	India	Trading	50%	50%

B. Summarised Financial Position

(₹ in lakhs)

Particulars	Just Textiles Limited		Morarjee Castiglioni (India) Private Limited	
	As at 31.03 2019	As at 31.03 2018	As at 31.03 2019	As at 31.03 2018
Non-current assets	1,197.41	1,419.18	32.30	38.88
Current assets	2,912.02	2,268.54	84.75	81.36
Total Assets (A)	**4,109.43**	**3,687.72**	**117.05**	**120.24**
Non-current liabilities	628.32	671.48	-	-
Current liabilities	2,541.77	2,059.28	1.52	1.30
Total Liabilities (B)	**3,170.09**	**2,730.76**	**1.52**	**1.30**
Net Assets (A-B)	**939.34**	**956.96**	**115.53**	**118.94**
The Company's share of net assets (Carrying amount of interest in Joint Venture)	460.28	468.92	57.77	59.49
Contingent liability	-	-	-	-
Commitments	-	-	-	-

C. Summarised Financial Performance

(₹ in lakhs)

Particulars	Just Textiles Limited		Morarjee Castiglioni (India) Private Limited	
	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2019	Year ended 31.03.2018
Total revenue	5,065.33	4,555.25	1.67	1.65
Total expenses	5,075.62	4,519.77	4.69	5.89
Profit / (Loss) before tax	(10.29)	35.48	(3.02)	(4.24)

(₹ in lakhs)

Particulars	Just Textiles Limited		Morarjee Castiglioni (India) Private Limited	
	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2019	Year ended 31.03.2018
Tax expense	-	9.14	0.43	3.08
Profit / (Loss) for the year	(10.29)	26.34	(3.45)	(7.32)
Other Comprehensive Income (OCI)	-	-	-	-
Total Comprehensive Income for the year	(10.29)	26.34	(3.45)	(7.32)
Company's share in Profit / (Loss)	(5.05)	12.91	(1.72)	(3.66)
Company's share in OCI	-	-	-	-
Company's share in Total Comprehensive Income	(5.05)	12.91	(1.72)	(3.66)

D. Movement of Investment accounted for using Equity Method

(₹ in lakhs)

Particulars	Just Textiles Limited		Morarjee Castiglioni (India) Private Limited	
	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2019	Year ended 31.03.2018
Opening balance	468.92	456.01	59.49	63.15
Share in Profit / (Loss)	(5.05)	12.91	(1.72)	(3.66)
Closing balance	**463.87**	**468.92**	**57.77**	**59.49**

E. Additional Information of Consolidated Entities, as required under Schedule III to the Companies Act, 2013

(₹ in lakhs)

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	As at 31.03.2019	As % of consolidated profit or loss	Year ended 31.03.2019	As % of consolidated OCI	Year ended 31.03.2019	As % of total comprehensive income	Year ended 31.03.2019
Parent								
Morarjee Textiles Limited	100.04	8,333.78	99.72	(2,448.44)	100.00	14.96	99.72	(2,433.48)
Indian Joint Ventures								
Just Textiles Limited	5.52	460.28	0.21	(5.04)	-	-	0.21	(5.04)
Morarjee Castiglioni (India) Private Limited	0.69	57.77	0.07	(1.73)	-	-	0.07	(1.73)
Adjustments on account of consolidation	(6.24)	(520.66)	-	-	-	-	-	-
Total	100.00	8,331.16	100.00	(2,455.21)	100.00	14.96	100.00	(2,440.25)

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	As at 31.03.2018	As % of consolidated profit or loss	Year ended 31.03.2018	As % of consolidated OCI	Year ended 31.03.2018	As % of total comprehensive income	Year ended 31.03.2018
Parent								
Morarjee Textiles Limited	99.68	10,737.55	81.41	40.49	100.00	(18.88)	70.03	21.61
Indian Joint Ventures								
Just Textiles Limited	4.35	468.92	25.95	12.91	-	-	41.83	12.91
Morarjee Castiglioni (India) Private Limited	0.55	59.49	(7.36)	(3.66)	-	-	(11.86)	(3.66)
Adjustments on account of consolidation	(4.59)	(494.55)	-	-	-	-	-	-
Total	100.00	10,771.41	100.00	49.74	100.00	(18.88)	100.00	30.86

42 Capital Management

a) Risk Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents.

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Total borrowings	50,982.92	52,112.75
Less : Cash and cash equivalents	595.74	225.22
Adjusted net debt	**50,387.18**	**51,887.53**
Total equity	8,303.48	10,736.96
Less : Hedging reserve	-	-
Adjusted equity	8,303.48	10,736.96
Adjusted net debt to adjusted equity ratio	**6.07**	**4.83**

b) Dividend

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended 31st March, 2018 : ₹ Nil per share of face value of ₹ 7 each (₹ 1.40 per share of face value of ₹ 7 each for the financial year ended 31st March, 2017)	-	508.65
Dividend distribution tax on final dividend	-	103.55
Total cash outflow on account of dividend and distribution tax thereon	**-**	**612.20**
Proposed dividends on equity shares:		
Final dividend for the year ended on 31st March, 2019 : ₹ Nil (₹ Nil per share of face value of ₹ 7 each for the year ended 31st March, 2018)	-	-
Dividend distribution tax on proposed dividend	-	-
Total proposed dividend and distribution tax thereon	**-**	**-**

43 Financial Risk Management

Risk Management Framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

A. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

The Company has made specific provision for certain receivables based on assessment of recovery due to litigation, old claims etc. The outstanding of these receivables is ₹ 68 lakhs (Previous Year ₹ 131.67 lakhs) as on March 31, 2019. The same has been considered as credit impaired and made 100% provision against those receivables.

Further, the Company has considered 360 days past due unsecured receivables as credit impaired for the purpose of disclosure based on nature of business and credit cycle in its business operations even though the Company is following simplified approach for life time provisioning.

i Trade Receivables

a) Ageing

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
0-180 days	3,512.44	4,802.81
More than 180 days	1,059.58	959.56
Gross trade receivables	**4,572.02**	**5,762.37**
Provision for doubtful debts	497.00	397.00
Total	**4,075.02**	**5,365.37**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

b) Movement in provisions of doubtful debts

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
Opening provision	397.00	307.00
Add:- Additional provision made	100.00	90.00
Less:- Amounts written off	-	-
Less:- Provision reversed	-	-
Closing provision	**497.00**	**397.00**

ii Investments other than Investments in Joint Ventures

There is investment of ₹ 0.89 lakh (₹ 0.89 lakh as at 31st March, 2018) and no impairment has been recognised on such investments.

iii Cash and Bank Balances

The Company held cash and bank balance with credit worthy banks of ₹ 975.44 lakhs at March 31, 2019 (March 31, 2018 ₹ 559.77 lakhs) includes fixed deposit lien marked with bank of ₹ 333.91 lakhs at March 31, 2019 (March 31, 2018 ₹ 313.66 lakhs) The credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant.

iv Loans

No impairment in respect of loans was necessary during the current as well as previous year.

B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company manages its liquidity risk by preparing periodic cash flow projections to monitor liquidity requirements. In addition, the Company monitors the Balance Sheet liquidity ratios against internal and external regulatory requirements and maintains debt financing plans.

Maturity Pattern of Financial Liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

As at 31st March, 2019

Particulars	Carrying Amount ₹ in lakhs	0-1 years ₹ in lakhs	1-5 years ₹ in lakhs	Beyond 5 years ₹ in lakhs	Total ₹ in lakhs
Long-term borrowings (including current maturities of long-term debt)	38,531.45	9,442.37	37,202.49	4,304.67	50,949.53
Short-term borrowings	12,451.47	12,451.47	-	-	12,451.47
Interest accrued on borrowings	699.04	699.04	-	-	699.04
Trade payables	9,249.12	9,249.12	-	-	9,249.12
Other current financial liabilities	81.28	81.28	-	-	81.28

As at 31st March, 2018

Particulars	Carrying Amount ₹ in lakhs	0-1 years ₹ in lakhs	1-5 years ₹ in lakhs	Beyond 5 years ₹ in lakhs	Total ₹ in lakhs
Long-term borrowings (including current maturities of long-term debt)	40,411.31	7,620.93	39,275.58	8,035.79	54,932.30
Short-term borrowings	11,701.44	11,701.44	-	-	11,701.44
Interest accrued on borrowings	403.41	403.41	-	-	403.41
Trade payables	6,219.88	6,219.88	-	-	6,219.88
Other current financial liabilities	94.26	94.26	-	-	94.26

C Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

i Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales to overseas customers and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods in the respective currencies.

(a) Derivative Instruments

(Foreign currency in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Forward contracts to sell USD	17.50	28.63

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

(b) Foreign Currency Exposures*

As at 31st March, 2019 (Foreign currency in lakhs)

Particulars	USD	EURO	GBP	CHF	JPY
Trade receivable	27.50	2.51	-	-	-
Trade payables	0.15	-	-	0.01	-

** Advance received in foreign currency are notconsidered for disclosure purpose.*

As at 31st March, 2018 (Foreign currency in lakhs)

Particulars	USD	EURO	GBP	CHF	JPY
Trade receivable	29.87	2.62	-	-	-
Trade payables	2.02	0.20	-	0.07	12.57

(c) Details of Hedged and Unhedged Foreign Currency Exposure

As at 31st March, 2019 (Foreign currency in lakhs)

Particulars	USD	EURO	GBP	CHF	JPY
Trade receivables	27.50	2.51	-	-	-
Less: Foreign currency forward contracts (Sell)	17.50	-	-	-	-
Unhedged receivable	10.00	2.51	-	-	-
Trade payables	0.15	-	-	0.01	-
Less: Foreign currency forward contracts (Buy)	-	-	-	-	-
Unhedged payable	0.15	-	-	0.01	-

As at 31st March, 2018 (Foreign currency in lakhs)

Particulars	USD	EURO	GBP	CHF	JPY
Trade receivables	29.87	2.62	-	-	-
Less: Foreign currency forward contracts (Sell)	28.63	-	-	-	-
Unhedged receivable	1.24	2.62	-	-	-
Trade payables	2.02	0.20	-	0.07	12.57
Less: Foreign currency forward contracts (Buy)	-	-	-	-	-
Unhedged payable	2.02	0.20	-	0.07	12.57

(d) Foreign Currency Risk Sensitivity

A change of 1% in foreign currency exchange rate applied on net foreign exposure (i.e. net unhedged payable / receivable) would have following Impact on profit before tax:

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	1% Increase ₹ in lakhs	1% decrease ₹ in lakhs	1% Increase ₹ in lakhs	1% decrease ₹ in lakhs
USD	6.81	(6.81)	(0.51)	0.51
EURO	1.95	(1.95)	1.95	(1.95)
GBP	-	-	-	-
CHF	(0.01)	0.01	(0.05)	0.05
JPY	-	-	(0.08)	0.08
Increase / (decrease) in profit or loss	8.75	(8.75)	1.31	(1.31)

ii Interest rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to Interest Rate Risk

In order to optimise the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the Company performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio. According to the Company, interest rate risk exposure is only for floating rate borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the Management of the Company is as follows.

Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
Borrowings bearing fixed rate of interest	6,949.41	8,066.77
Borrowings bearing variable rate of interest	44,033.51	44,045.98
Total Borrowings	**50,982.92**	**52,112.75**

Interest rate sensitivity

a) Fair Value Sensitivity Analysis for Fixed-rate Instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

b) Cash Flow Sensitivity Analysis for Variable-rate Instruments

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables in particular foreign currency exchange rates remain constant.

A change of 25 bps in interest rates would have following impact on profit before tax.

Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
25 bp decrease	110.08	110.11
25 bp increase	(110.08)	(110.11)

44 Fair Value Measurement

A) Accounting classification and fair values

As at 31st March, 2019

Particulars	FVTPL ₹ in lakhs	FVTOCI ₹ in lakhs	Amortised Cost ₹ in lakhs	Total Carrying Amount ₹ in lakhs	Fair Value ₹ in lakhs
Non-current Financial Assets					
Investments	-	0.25	0.64	0.89	0.89
Loans	-	-	164.51	164.51	164.51
Total	**-**	**0.25**	**165.15**	**165.40**	**165.40**

As at 31st March, 2019

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Amount	Fair Value
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Current Financial Assets					
Trade receivables	-	-	4,075.02	4,075.02	4,075.02
Cash and cash equivalents	-	-	595.74	595.74	595.74
Other bank balances	-	-	379.70	379.70	379.70
Loans	-	-	17.90	17.90	17.90
Total	**-**	**-**	**5,068.36**	**5,068.36**	**5,068.36**
Non-current Financial Liabilities					
Borrowings	-	-	32,900.33	32,900.33	32,900.33
Total	**-**	**-**	**32,900.33**	**32,900.33**	**32,900.33**
Current Financial Liabilities					
Borrowings	-	-	12,451.47	12,451.47	12,451.47
Trade payables	-	-	9,249.12	9,249.12	9,249.12
Other financial liabilities	-	-	6,411.44	6,411.44	6,411.44
Total	**-**	**-**	**28,112.03**	**28,112.03**	**28,112.03**

As at 31st March, 2018

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Amount	Fair Value
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Non-current Financial Assets					
Investments	-	0.25	0.64	0.89	0.89
Loans	-	-	130.86	130.86	130.86
Total	**-**	**0.25**	**131.50**	**131.75**	**131.75**
Current Financial Assets					
Trade receivables	-	-	5,365.37	5,365.37	5,365.37
Cash and cash equivalents	-	-	225.22	225.22	225.22
Other bank balances	-	-	334.55	334.55	334.55
Loans	-	-	31.75	31.75	31.75
Total	**-**	**-**	**5,956.89**	**5,956.89**	**5,956.89**
Non-current Financial Liabilities					
Borrowings	-	-	36,355.97	36,355.97	36,355.97
Total	**-**	**-**	**36,355.97**	**36,355.97**	**36,355.97**
Current Financial Liabilities					
Borrowings	-	-	11,701.44	11,701.44	11,701.44
Trade payables	-	-	6,219.88	6,219.88	6,219.88
Other financial liabilities	-	-	4,553.01	4,553.01	4,553.01
Total	**-**	**-**	**22,474.33**	**22,474.33**	**22,474.33**

B) Fair Value Hierarchy

Fair values of all financial instruments mentioned in Note no. 44(A) above belong to Level 3 Fair Value Hierarchy.

Carrying amounts of financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, borrowings, trade payables and other financial assets and liabilities at 31st March 2019 and 31st March 2018 reasonably approximate their respective fair values.

45 Segment Reporting

Based on the "management approach" as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of business the segment/s in which the Company operates. The Company is primarily engaged in the business of Textile Products which the Management and CODM recognise as the sole business segment. Hence, disclosure of segment-wise information is not required and accordingly not provided.

46 Corporate Social Responsibility Expenditure (CSR)

Disclosure as required under Section 135 of Companies Act, 2013, read with Companies (Corporate Social Policy) Rules, 2014 is as under:

a) Gross amount required to be spent by the Company during the year ₹ 31.32 lakhs (Previous year ₹ 53.93 lakhs)

b) CSR expenditure incurred during the year:

Particulars	In cash		Yet to be paid in cash	
	Year ended 31.3.2019 ₹ in lakhs	Year ended 31.3.2018 ₹ in lakhs	Year ended 31.3.2019 ₹ in lakhs	Year ended 31.3.2018 ₹ in lakhs
i) On construction/acquisition of any asset	-	-	-	-
ii) On purposes other than (i) above (refer footnote)	35.00	100.00	-	-

The Company undertakes its Corporate Social Responsibility (CSR) activities through Urvi Ashok Piramal Foundation. The foundation operates in areas of health, vocational skill training, environment and education. The Company has contributed ₹ 35.00 lakhs (Previous year ₹ 100.00 lakhs) to the foundation for undertaking CSR activities as defined under CSR rules.

47 Related Party Disclosure

i List of Related Parties

A. Joint Ventures

Morarjee Castiglioni (India) Private Limited
Just Textiles Limited

B. Key Management Personnel

Ms. Urvi A. Piramal - Chairperson
Mr. Harsh A. Piramal - Executive Vice Chairman
Mr. R. K. Rewari - Managing Director
Mr. Mahesh S. Gupta - Director
Mr. Ranjan S. Sanghi - Director
Mr. Shobhan M. Thakore - Director
Mr. Aditya H. Mangaldas - Director
Mr. Ranjan Pant - Director
Lt. Gen. A. K. Singh (Retd.) - Director
Mr. S. C. Kashimpuria - Chief Finance Officer
Mr. Sanjeev Singh Sengar - Company Secretary (up to 20.03.2019)*
** The Company has appointed Mr. Tanmay Bhat as Company Secretary w.e.f. 08.05.2019*

C. Enterprises over which Key Management Personnel exercise significant influence with whom transactions were entered into during the year

Peninsula Land Limited
Ashok Piramal Management Corporation Limited
Ashok G. Piramal Trust
Urvi Ashok Piramal Foundation
Miranda Tools Private Limited (Formerly know as PMP Auto Components Private Limited)
Integra Garments and Textiles Limited
Argento Home Products LLP
Rosewalk Enterprises Limited

ii. Details of Transactions are as follows:

Particulars	Year ended 31.03.2019 (₹ in lakhs)	Year ended 31.03.2018 (₹ in lakhs)
A Sales of Products / Assets		
Joint Ventures		
Just Textiles Limited	-	7.95
Enterprises over which Key Management Personnel exercise significant influence		
Argento Home Products LLP	14.89	29.24
Urvi Ashok Piramal Foundation	0.80	-
Ashok G. Piramal Trust	4.90	-

	Particulars	Year ended 31.03.2019 (₹ in lakhs)	Year ended 31.03.2018 (₹ in lakhs)
B	**Rent Income**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Integra Garments and Textiles Limited	-	0.24
C	**Charges for Services Rendered**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Ashok Piramal Management Corporation Limited	185.00	350.00
D	**Remuneration and Sitting Fees**		
	Key Management Personnel		
	Remuneration		
	Mr. Harsh A. Piramal	155.32	144.89
	Mr. R. K. Rewari	144.23	145.11
	Mr. S. C. Kashimpuria	51.57	51.36
	Mr. Sanjeev Singh Sengar	15.40	17.81
	Sitting Fees *		
	Ms. Urvi A. Piramal	2.30	2.20
	Mr. Mahesh S. Gupta	2.00	2.00
	Mr. Ranjan S. Sanghi	2.65	2.35
	Mr. Shobhan M. Thakore	3.50	3.20
	Mr. Aditya H. Mangaldas	2.65	3.20
	Mr. Ranjan Pant	2.20	1.00
	Lt. Gen. A. K. Singh (Retd.)	3.20	2.75
	** Excludes Goods and Services Tax / Service Tax*		
E	**Rent and Maintenance Expenses**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Peninsula Land Limited*	153.98	135.60
	Miranda Tools Private Limited	0.60	0.60
	Rosewalk Enterprises Limited	60.50	107.65
	** Excluding electricity reimbursement expenses on actual ₹ 27.65 lakhs (Previous year ₹ 34.60 lakhs)*		
F	**CSR Expenditure**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Urvi Ashok Piramal Foundation	35.00	100.00
G	**Write-back of Outstandings no longer Payable**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Peninsula Land Limited	-	16.77
H	**Security Deposit Paid**		
	Peninsula Land Limited	12.00	-

	Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
I	**Outstanding Balances**		
a.	**Payable**		
	Joint Ventures		
	Morarjee Castiglioni (India) Private Limited	89.67	94.08
	Just Textiles Limited	0.71	0.71
	Enterprises over which Key Management Personnel exercise significant influence		
	Peninsula Land Limited	169.57	3.02
	Miranda Tools Private Limited	0.12	0.06
	Rosewalk Enterprises Limited	-	3.76

	Particulars	As at 31.03.2019 ₹ in lakhs	As at 31.03.2018 ₹ in lakhs
b.	**Receivable**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Argento Home Products LLP	3.08	-
	Ashok G. Piramal Trust	2.07	-
c	**Security Deposit receivable**		
	Enterprises over which Key Management Personnel exercise significant influence		
	Peninsula Land Limited	12.00	-

48 Earnings Per Share

(₹ in lakhs, unless stated otherwise)

	Particulars	Year ended 31.03.2019 ₹ in lakhs	Year ended 31.03.2018 ₹ in lakhs
(a)	Profit attributable to Equity shareholders of the Company	(2,455.21)	49.74
(b)	Weighted average number of ordinary shares (No.)	3,63,32,349	3,63,32,349
(c)	Earnings per share - Basic and Diluted (Rs.)	(6.76)	0.14
(d)	Face value of an equity share (Rs.)	7	7

49 Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

As per our attached of even date.
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai : May 8, 2019

For and on behalf of Board of Directors

Urvi A. Piramal
(DIN 00044954)
Chairperson

Harsh A. Piramal
(DIN 00044972)
Executive Vice Chairman

R. K. Rewari
(DIN 00619240)
Managing Director

Mahesh S. Gupta
(DIN 00046810)
Director

Shobhan Thakore
(DIN 00031788)
Director

S. C. Kashimpuria
Chief Financial Officer

Tanmay Bhat
Company Secretary

Consolidated Statement of Cash Flows

for the year ended 31st March, 2019

	Particulars	31st March, 2019 ₹ in lakhs	31st March, 2019 ₹ in lakhs	31st March,2018 ₹ in lakhs	31st March,2018 ₹ in lakhs
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit Before Tax		(3,439.03)		81.76
	Adjustments for :				
	Depreciation and amortisation	2,321.17		2,283.99	
	Finance costs	5,393.54		5,139.09	
	(Profit) / (Loss) on sale of PPE	(13.46)		(6.27)	
	Provision for doubtful debts	100.00		90.00	
	Deferred income	(90.69)		(109.78)	
	CSR Expenditure / Donation	35.00		-	
	Balances written back	-		(129.81)	
	Interest income	(60.13)		(45.54)	
			7,685.43		7,221.68
	Operating Profit before Working Capital Changes		4,246.40		7,303.44
	Adjustments for Changes in Working Capital				
	(Increase)/ Decrease in trade and other receivables	287.09		181.20	
	(Increase) /Decrease in inventories	(90.03)		(457.20)	
	Increase/(Decrease) in trade payables and other liabilities	2,685.85		(1,428.66)	
			2,882.91		(1,704.66)
	Cash Generated From Operations		7,129.31		5,598.78
	Direct taxes paid		(116.71)		(329.95)
	Net Cash Flow from Operating Activities (A)		7,012.60		5,268.83
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of PPE (Including Capital Advances)	(163.95)		(605.48)	
	Proceeds from sale of PPE	27.49		9.63	
	Interest received	49.85		36.11	
	Maturity of / (Investment in) fixed deposit with banks	(45.33)		(251.61)	
	Net Cash (Used in) Investing Activities (B)		(131.94)		(811.35)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from long-term borrowings	2913.68		25,783.49	
	Repayment of long-term borrowings	(5,903.22)		(23,373.03)	
	Dividend and distribution tax paid	-		(612.20)	
	Increase/ (Decrease) in short-term borrowings	872.89		(1,163.64)	
	Interest paid	(4,393.49)		(4,924.21)	
	Net Cash Flow from / (Used in) Financing Activities (C)		(6,510.14)		(4,289.59)
	Net Increase / (Decrease) in Cash and Cash Equivalents (A)+(B)+(C)		370.52		167.89
	Cash and Cash Equivalents (Refer Note no. 10) :-				
	- At the beginning of the year		225.22		57.33
	- At the end of the year		595.74		225.22

1. The Statement of Cash Flows is prepared in accordance with Ind AS 7 as notified by Ministry of Corporate Affairs.
2. In Part A of the Statement of Cash Flows, figures in brackets indicate deduction made from the net profit for deriving the net cash flow from operating activities. In Part B and Part C, figures in brackets indicate cash outflows.
3. Refer Note no. 36 for reconciliation of liabilities arising from Financing Activities.

As per our attached of even date.
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN : 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai : May 8, 2019

For and on behalf of Board of Directors

Urvi A. Piramal
(DIN 00044954)
Chairperson

Harsh A. Piramal
(DIN 00044972)
Executive Vice Chairman

R. K. Rewari
(DIN 00619240)
Managing Director

Mahesh S. Gupta
(DIN 00046810)
Director

Shobhan Thakore
(DIN 00031788)
Director

S. C. Kashimpuria
Chief Financial Officer

Tanmay Bhat
Company Secretary

FINANCIAL HIGHLIGHTS

₹ in lakhs

Particulars	IND AS			IGAAP	
	2018-19	2017-18	2016-17	2015-16	2014-15
Total Income	35,025.31	36,750.91	38,485.95	33,963.93	36,781.24
Profit / (Loss) Before Depreciation, Interest & Tax	4,275.68	7,504.84	6,905.25	5,614.54	6,100.60
Interest	5,393.54	5,139.09	3,949.68	2,258.51	1,904.81
Cash Profit / (Loss)	(1,117.86)	2,365.75	2,955.57	3,356.03	4,195.79
Depreciation	2,321.17	2,283.99	1,922.73	995.99	955.84
Profit / (Loss) Before Tax	(3,439.03)	81.76	1,032.84	2,360.04	3,239.95
Provision for Tax (MAT)*	(6.31)	-	105.49	80.45	-
Deferred Tax	(984.28)	41.27	(252.39)	627.97	1,168.35
Profit / (Loss) for the year	(2,448.44)	40.49	1,179.74	1,651.62	2,071.60
Other Comprehensive Income (Net of Tax)	14.96	(18.88)	(14.83)	-	-
Total Comprehensive Income for the year	(2,433.48)	21.61	1,164.91	1,651.62	2,071.60
Earnings per share (₹)	(6.74)	0.11	3.25	3.93	5.09
Equity Dividend (%)	-	-	20%	20%	25%
Book Value per share (₹)**	22.85	29.55	31.18	38.93	36.68

**MAT of earlier period.*

MORARJEE TEXTILES LIMITED

Regd. Office:
Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
Telephone No: : 022 –66154651 Website: www.morarjee.com email: corporatesecretarial@ashokpiramalgroup.com
CIN : L52322MH1995PLC090643

ATTENDANCE SLIP

(To be presented at the entrance)

I/We hereby record my/our presence at the 24th Annual General Meeting of the Company held on Tuesday, 3rd September, 2019 at 3:00 p.m. at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400018.

Folio No. / Client ID No. / DP ID No. .....

Number of Shares held : - .....

Name of the Member:- ..... Signature :- .....

Name of Proxy holder :- ..... Signature :- .....

1. Only Member / Proxy holder / can attend the Meeting.
2. Member/ Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

MORARJEE TEXTILES LIMITED

Regd. Office:
Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
Telephone No: : 022 –66154651 Website: www.morarjee.com email : corporatesecretarial@ashokpiramalgroup.com
CIN : L52322MH1995PLC090643

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s):- .....

Address :- .....

E-mail id :- .....

Folio No. / Client ID No. :-.....DP ID No. .....

I/We, being the member (s) of..... shares of Morarjee Textiles Limited, hereby appoint

1. Name: .....

   Address: .....

   E-mail Id:- ..... Signature:.....or failing him

2. Name: .....

   Address: .....

   E-mail Id:- ..... Signature:.....or failing him

3. Name: .....

   Address: .....

   E-mail Id:- ..... Signature:.....or failing him

As my/our Proxy to attend and vote (on poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Tuesday 3rd September, 2019 at 3:00 p.m. at "Hall of Culture", Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400018 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Ordinary Resolution for the adoption of Standalone and Consolidated Financial Statements for the year ended 31st March, 2019
2. Ordinary Resolution for appointing a Director in place of Mr. Mahesh S. Gupta, Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment
3. Ordinary Resolution for ratification of remuneration payable to M/s. Phatak Paliwal & Co., Cost Accountants for the Financial Year ended 31st March, 2020
4. Special Resolution for revision in the terms of remuneration of Mr. Harsh A. Piramal, Whole-time Director of the Company
5. Special Resolution for re-appointment of Mr. R. K. Rewari as the Managing Director of the Company for a period of three years w.e.f. 1st February, 2019.
6. Special Resolution for the re-appointment of Mr. Shobhan Thakore as an Independent Director of the Company for a second term of five consecutive years
7. Special Resolution for the re-appointment of Mr. Ranjan Pant as an Independent Director of the Company for a second term of five consecutive years
8. Special Resolution for making offer(s) of Non-Convertible Debentures aggregating to ₹ 150 crores on private placement basis

Please affix a revenue stamp

Signed this..... Day of 2019

Signature of shareholder .....

Signature of Proxy holder(s).....

Note: 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.

Comber

Linkconer

MORARJEE TEXTILES LIMITED
Peninsula Spenta, Mathuradas Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400013.

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