MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report covers the operations and financial performance of the Company for the year ended 31st March, 2023 and forms part of the Annual Report.

1. OVERALL REVIEW:

During the year under review, the Company's earnings before interest, tax, and depreciation (EBIDTA) has shown growth as compared to the previous year primarily riding on the back of business performances of Pulp & Paper Division of the Company. The performance of Textile Division was adversely impacted due to various headwinds faced by it during the year. Owing to the healthy increase in demand in real estate sector the performance of the Real Estate Division continued to remain buoyant. Working and operational parameters at all the plants of the Company were satisfactory.

Last year, Birla Estates Pvt. Ltd. (BEPL), 100% subsidiary of your Company, entered into an agreement with M S Ramaiah Realty, LLP, to jointly develop a prime 52 – acres land parcel in North Bengaluru having an estimated revenue potential of around ₹ 3,000 crores. Further, during the year BEPL acquired, on outright basis, about 10.25 acres of prime land at Rajarajeshwari Nagar in the upscale South Bengaluru location. This land is planned to be developed as a high-end residential complex with estimated revenue potential of around ₹ 900 crores. Both these projects are expected to be launched in FY24 and will increase our presence in Bengaluru. In a bid to accelerate the momentum achieved by BEPL, it has, in April 2023, entered the Pune market with the acquisition of 5.76 acres land parcel at Sangamwadi, a central business district, with a development potential of 1.5 million sq.ft. and a revenue potential of ₹ 2,500 crores. Your Company has sold almost 1.2. million sq. ft. carrying a booking value of ₹ 2,183 crores in FY23.

On-going projects 'Birla Vanya' at Kalyan near Mumbai, 'Birla Alokya' and 'Birla Tisya' at Bengaluru, 'Birla Navya' at Gurugram and 'Birla Niyara' at Worli, Mumbai, are progressing as per schedule. Phase I of each of the projects viz. Birla Vanya, Birla Alokya and Birla Navya are due for delivery in this financial year. The Company is completely focused on providing an exceptional experience to all our customers at the time of delivery.

2. BUSINESS SEGMENT – TEXTILES

a. Industry Structure and Development:

The Textile Industry is facing exceptional and unprecedented challenging conditions. There is a rise of demand for low-cost products having sustainable and environment - friendly production processes. Consumers are seeking products that are made from renewable materials and from sustainable manufacturing processes. Further, rising importance of digital technology in textile products, 3D modelling and other technologies are enabling manufacturers to create more innovative and customized products while improving production efficiencies and reducing waste.

Hence, there is an optimism that post geopolitical stabilization, textile sector will show positive trends due to new opportunities and technological innovations supported by domestic & global demand, investment incentives (PLI) and strong balance sheets of companies. Further, China plus one policy adopted by USA / Europe will give a boost to Indian Textile Sector.

b. Opportunities and Threats:

Opportunities:

- China plus one policy, Economic collapse / volatility in Sri Lanka, Myanmar, Bangladesh, and Pakistan has played out in favour of India as the world has started looking at India as reliable partner for their requirement.
- Rising demand for low cost, sustainable and eco-friendly products. This presents an opportunity for textile manufacturers to develop new products that are made from renewable materials and produced using sustainable manufacturing processes. Cost can be reduced by blending with cheaper man-made fibre.
- Emergence of new Markets: FTA with Australia, Comprehensive Economic Partnership Agreement (CEPA) with UAE and expected favourable trade agreements with UK / Europe present an opportunity for textile manufacturers to expand into new markets and diversify their customer base.

Threats:

- The biggest threat to cotton products is competition from other low-cost man-made fibres. Consumers are shifting their focus to low-cost products which has led to intense competition and pricing pressure in the global textile industry.

- There is a high cost to comply with environmental, social and labour regulations which can be costly and time - consuming.
- Further the textile industry is highly sensitive to global economic conditions and can be significantly impacted by global demand and pricing.

c. Segmental Review and Analysis:

Apparel Fabrics:

During the first half of FY 2022-23, there was reasonable retail demand for Apparel Fabrics in India driven by urbanization, increasing disposable income and the gradual opening of the economy after the severe effects of the pandemic. However, due to lower demand in Europe, the UK and USA, the exporters to these countries started selling in the domestic market at below - par prices, which consequently led to a reduction in the margins of the Company. During the second half year, the demand started to slow down due to geopolitical uncertainties, high inflation, extra inventories with traders and increasing pressure to adopt sustainable practices. Above all, there is high pressure to reduce the cost of products. Overall, there was firefighting throughout the year with a lot of uncertainties and fluctuations and the year finally closed above planned turnover but with tighter margins.

The Print business, started as outsourcing activity, maintained the margins and turnover as projected.

Home-Textiles:

FY 2022-23 was not so good year for home-textiles. The importers from USA were reluctant to issue new orders and were liquidating their inventories at throwaway prices. The home textile export from India faced a sharp decline. Cotton - made bed sheets had to compete with products made from manmade fibres which were substantially cheaper. Demand came only for lower - count products, but at very low price.

The Company initiated domestic market penetration in the Home Textile segment and launched two brands 'Hill & Glade' and 'Virasat'. It had done domestic business through these brands of ₹ 7 Crore during the year.

Yarn:

Due to considerable volatility in cotton prices and low demand for fabrics, the yarn prices fell substantially. In some cases, the traders quoted prices below the contribution level.

d. Risks and Concerns:

There is propagation in cotton prices which cannot be absorbed in finished goods prices. Preference is shifting from Cotton fibres to man-made fibres i.e. synthetic, polyester etc. which are available at lower prices. This is putting pressure on margin.

e. Outlook:

The coming year will be challenging with respect to pricing. We have to focus more on offering new products and meeting customer retail price points. Also focus will be on blending with manmade fibres that can fit into the price bracket acceptable to buyers. Overall, the textile market is sombre and expected to take around one quarter to stabilize. Further, we must navigate the challenging period by differentiating ourselves through innovation and quality.

The manufacturers who will be able to address these challenges, while also differentiating themselves through innovation and quality, are likely to be successful in times to come.

3. BUSINESS SEGMENT – PULP AND PAPER (PULP, WRITING & PRINTING PAPER, TISSUE PAPER AND MULTILAYER PACKAGING BOARD)

a) Industry Structure & Development:

The Indian paper and paperboard packaging market was valued at $ 10.77 Billion in 2021, and it is expected to reach USD 15.69 Billion by 2027, registering a CAGR of 6.63% during the forecast period of 2022-2027.

During the last two years world is steadily reviving from the Covid-19 disruption and geopolitical tensions.

As per World Bank (in latest India Update) India's growth continues to be resilient despite some signs of moderation in growth. Consumption of paper is closely linked to the economic development of a country. In India, though the per capita consumption of paper is low, it is gradually improving with economic growth and various government initiatives.

The key demand drivers for the paper industry are from combination of factors such as rising income levels, growing per capita expenditure, rapid Urbanization and a larger proportion of earning population which is anticipated to lead consumption and enormous growth potential for the paper industry in the country.

b) Opportunities and Threats:

The Indian paper industry has undergone significant changes over the past few decades, with the adoption of modern technology and increased investments in the sector. The industry has also benefited from government policies that promote sustainable forest management and the use of eco-friendly materials.

Following are the Opportunities & Threats for the Industry:

Opportunities:

- Literacy: Government Policies on education (NEP), rising enrollment and through various scheme giving thrust on education.
- Growing consumption of packaging paper/ board in food (Food & Beverages) and pharma sector.
- Hygiene awareness among population post the pandemic.
- Rise in demand for better quality and eco-friendly paper packaging products.
- Widening of the market due to ban on single-use plastic leading to innovative product creation possibilities.
- With exponential growth of the e-commerce sector, the demand for packaging paper, Kraft & board is expected to increase at parallel pace.
- Multinational companies are looking to replace/minimize plastic from their packaging and paper is having strong chances for substitution due to its bio-degradable property.

Threats

- Increasing cost of raw materials.
- Scarcity of wood.
- Increasing input cost including coal, chemicals and other inputs rates.
- There is growing competition from imports, especially from ASEAN countries.
- BIS certification resulting increased import of Copier Paper.
- Digitalization is affecting paper demand in some areas.
- Higher energy cost imparting competitiveness.
- Geo-political volatility

c) Segmental Review and Analysis:

Globally paper Industry which has witnessed the worst hit in the wake of the Covid-19 pandemic, had experienced signs of revival in FY 2022-23. Demand for Paper and tissue saw a stable market condition throughout the year, but packaging board experienced some challenges, in the middle of the year, due to lower demand from domestic pharma, FMCG, export Food and Beverages and hosiery market. High volume import from ASEAN countries in writing & printing segment & BIS certification to certain Chinese and Indonesian producers increased Copier import which impacted the domestic paper market.

There will be approx. 2.4 Mn tonnes of Virgin Board capacity addition in China and Indonesia, put together, in the next one year which will create temporary excess supply situation which will also impact Indian Industry.

d) Risks and Concerns:

Price fluctuation, interrupted availability of raw material and rising input cost remain the major concern for the paper industry. As business passes on the rising cost due to rise in input prices, consumer sentiments are getting affected and the demand is being further contracted.

Indian virgin board packaging market is likely to face tough price competition from international suppliers in FY 2023-24.

Risk of higher Import in Writing, Printing & Copier segment from China and Indonesia will lead to volume & cost pressure.

e) Outlook:

The overall growth remains robust and is estimated to be 6.9% for the full year with real GDP growing 7.7% year-on-year.

Looking at the Government's spend on education for next three years which is expected to be ~20% higher than the past three years, the sentiments in the paper industry remain optimistic. Hence, greater emphasis on education and literacy coupled with demand for better quality paper, improving advertising spends are the established key drivers for writing & printing paper segment. Similarly, demand for better quality packaging for FMCG, pharma, textile products marked through organized retail, booming e-commerce and rising healthcare catalysing the growth of paperboard & packaging paper market.

Also increasing hygiene awareness and preference towards quick service restaurants will strengthen the tissue demand both At Home (AH) & Away from Home (AFH) market for tissue paper.

Going ahead medium to long term outlook of the Indian paper industry is positive and is expected to grow further with the country's GDP and the economy.

4. BUSINESS SEGMENT – REAL ESTATE

a) Industry Structure and Development:

India is one of the fastest growing economies in the world owing to its large consumer base, the pace of urbanization, ongoing and planned infrastructure projects and the government's commitment to achieving a $5 trillion economy by 2025[1]. Real Estate and Construction, which is the second-largest employment sector in the country after agriculture, also drives more than 200 related industries. Currently, the Indian Real Estate sector is in an upswing, experiencing one of its most prosperous phases in over a decade.

The trajectory of the Indian residential real estate market was significantly aligned with the trajectory of Covid-19 since the onset of the pandemic. The pandemic induced a change in the home ownership sentiment in India. The home became a secure space for the entire family morphing from place of residence to a gym to a home office or school to place for recreation in the evening. This fundamental shift in the demand drivers brought about by the pandemic continue to manifest and have ensured that the market remains stable and healthy even after the subsidence of the pandemic.

The consolidation theme initiated by the regulatory and macroeconomic reforms continues to play out with corporate players strengthening their market share. Residential sales pan India have grown by 50% in 9M FY23 from the same period in the previous year to reach a market size of almost ₹ 4.2 lakh Crore[2]. All the key markets in the country continue to grow at a rapid pace with moderate price increases. The raw material prices have stabilized albeit at higher levels. The moderate increase in the property prices will help ease the pressure on margins.

The office space absorption remained stable across cities. Flexible office space operators continue to increase their market share. India has established strong credentials as an outsourcing/ offshoring hub, especially in the STEM (Science, Technology, Engineering, and Mathematics) categories. The country's large pool of talented and skilled professionals, cost-effectiveness and supportive government policies have made India the preferred destination for many Global Capability Centres. Cities like Bengaluru, Hyderabad, Delhi NCR, Mumbai, Pune and Chennai are the most popular destinations, offering a conducive environment for such innovation hubs in India.

India's ever-growing data consumption stimulated by digital transformation initiatives by most organisations, increasing demand for data and internet bandwidth driven by the growth of social media, the proliferation of smart devices, the localization of data, the rising popularity of cloud services have spurred the need to store and process data[3]. This has led to a rapid growth in the data centre capability in India and is expected to double over the next couple of years[4].

1 Source: Press Release by Press Information Bureau, Government of India, Ministry of Commerce & Industry, dated 11th October, 2018. Link: https://pib.gov.in/Pressreleaseshare.aspx?PRID=1549454 accessed on 07th April, 2023.

2 Source: Propequity

3 Source: The Rise of Data Centers in India Link: https://www.stl.tech/blog/the-rise-of-data-centers-in-india/ accessed on 07th April 2023.

4 Source: Hindu Business Line Article 'Stellar growth in India's data centre capacity' dated 10th November, 2022. Link: https://www.thehindubusinessline.com/data-stories/visually/stellar-growth-in-indias-data-centre-capacity /article66116916 accessed on 07th April 2023.

b) Opportunities and Threats:

The exceptional growth in the absorption rates due to stable housing demand and positive sentiment and declining inventory overhang in all major markets has resulted in a goldilocks zone. The preference for spacious homes within budget categories at good locations with all amenities and necessities within close proximity or within the complex remains strong. Your company with a robust business development setup and a strong focus on design and execution is well positioned to take advantage of this favourable situation.

There is a shift towards creating balanced portfolios with JV / JDA and outright acquired projects. The outright acquired projects require larger upfront investment while giving a deeper profit margin. This creates an opportunity which your Company with best-in-class governance standards and access to institutional funding is in a prime position to benefit from.

Customer centricity is a key pillar of your Company. Ensuring a pleasing experience for our customers at all touch points of their journey with us is of utmost importance to us. Product innovation and thoughtfulness, timely delivery, transparency in operations etc. will help us achieve this.

c) Segment Review Analysis:

Your Company has sold almost 1.2 million sq. ft. worth ₹ 2183 Crores in FY23 continuing the growth trajectory for the organisation. Birla Niyaara, Mumbai, our flagship project at the heart of the city at Worli has been one of the top selling residential projects in MMR and received an overwhelming response recording sales of ₹ 2300+ Crore of booking value in just over a year since launch. Birla Navya, Gurugram continues to sell at an exceptional pace after having completely sold out the first phase last year. The second and third phase of the project achieved Booking Value of more than ₹ 250 Crores and ₹ 200 Crores respectively in weeks from launch. We collected almost ₹ 861 Crores in FY23 at an efficiency of more than 97% being a testament to the connect we have been able to create with our customers and the trust that they place in us.

At all our launched projects, project execution is in full swing, with a complete focus on ensuring safety, maintaining high-quality standards and on time delivery. We have successfully completed approximately 17 million safe man-hours at all our under-construction projects. Birla Alokya, Birla Vanya and Birla Navya Phase I are due for delivery in the coming year. We are completely focused on providing an exceptional experience to our customers at the time of delivery.

"BIRLA ESTATES" was recognised as one of the ET Best Brands 2022 at the The Economic Times Best Brands Conclave 2021-22.

The Company acquired about 10 acres of prime land in the upscale South Bengaluru location during FY23. The land is planned to be developed as high-end residential complex with estimated revenue potential worth of around ₹ 900 Crores The deal is an outright acquisition. This project will further strengthen our presence in Bengaluru.

The occupancy rate at our two commercial assets, Birla Aurora and Birla Centurion remains at a high level ensuring stable lease rentals.

d) Risks and Concerns:

The quantum and timing of the impact of the impending global slowdown on the Indian real estate sector is yet to be ascertained. Although commodity and raw material prices have stabilized, they remain slightly high. The moderate increases in selling price have helped offset the pressure on the margins. However, if input costs increase further from the present levels, it could become challenging to absorb and may affect the profitability of projects. Inventory overhang in the key markets has been on a decline despite steady launches due to a rapid growth in absorption. Nevertheless, any decline in absorption rates or uneven rise in project launches may disrupt the demand-supply equilibrium.

e) Outlook:

The Indian real estate market is expected to sustain its growth momentum in FY24 on the back of robust end user demand while dealing with the challenges of global headwinds and higher interest rates. The growth of the sector is led by the increase in the demand for urban and semi-urban accommodations as well as corporate environment and the requirement for office space.

The residential real estate sector in India has been performing robustly in the past couple of years, indicating that it is in the initial phases of a long-term upcycle. The pandemic-induced desire to own a house is expected to remain strong, driving future demand for residential properties, which is dominated by end-users who are looking for homes for self-use. Despite an increase in interest rates by 225 basis points in FY23, demand dynamics have remained resilient and are expected to stay that way in FY24. The interest rates are expected to remain stable, however, any further rate increase may adversely impact demand. Property prices are projected to rise by about 5% to 6% over the year, but developers are expected to offer attractive value propositions and discounts to offset the increase in home ownership costs and capitalize on demand. Large and listed players are likely to continue dominating sales in the coming year as homebuyers are willing to pay a premium to mitigate execution risk. The preference for larger homes within a budget range is expected to be a prominent theme. The rise of alternate asset classes, such as data centers and life sciences R&D real estate, in distant suburbs and the need for larger homes within a budget range, is expected to boost residential development in these areas. Investor confidence in Indian real estate remains steady, with an increase of 3% in PE investments in 9M FY23 compared to 9M FY22. Residential real estate has garnered 23% of total PE investment, up from 17% in the same period last year[5].

The implementation of hybrid work models and the reopening of offices have led to a stable demand for high-quality office spaces. This was driven primarily by co-working space providers and Global Capability Centres which have become centres of operational excellence, product development and innovation hubs. Bengaluru recorded the highest number of office space transactions in H1FY23, accounting for 32% of the total (6.08 million sqft), gradually returning to the pre-pandemic peak in H1FY19. Meanwhile, the Mumbai Metropolitan Region (MMR) and Pune absorbed 24% of the total office space, approximately 4.55 million sqft[6]. However, as and when the global economy experiences a slowdown, the Indian IT-ITeS industry may also face challenges, which could result in cautious leasing in the short term, even though the market is expected to double in the next five years[7].

Regardless of the global macroeconomic volatility and suggestions of an impending international recession the domestic demand is expected to remain robust and stable. Birla Estates with its established brand, robust processes, experienced leadership team and superior delivery capability is well poised to grow rapidly.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company follows a robust Internal control system to ensure that it compliments its growth objectives and at the same time complies with laws and regulations, as well as provide a safety valve against fraud and malfeasance. Besides protecting the company's assets, it also constantly checks on the contemporariness of its control, policy, and technology design. Based on that it suggests improvements and/or enhancements to its operational processes and reporting systems.

An extensive, year-round, independent internal audit has been the edifice of the company's Internal Control system. A yearly internal audit plan of the various functions within all its division is prepared and approved by the Audit committee. A quarterly Audit review is done by the Audit Committee along with the auditors and management personnel to agree on an action plan to improve and/or enhance areas emanating from such audits. Audit observations are classified as High, Medium and Low based on risks and impact and a Control Effective Index (CEI©) score is scientifically generated. A score above 90% is considered as adequate performance and a score below 71% is considered inadequate. Your Company's current score stands at 87%.

5 Source: Anarock, PE Investments in Indian Real Estate, Flux Market Monitor for Capital Flows in Indian Real Estate, 9M FY23.

6 Source: Anarock India Office Market Update, H1FY23.

7 Source: Anarock, India Real Estate Market Viewpoints, Q3 CY22.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

6. HIGHLIGHTS OF THE COMPANY'S FINANCIAL PERFORMANCE:

(₹ in Crores)

Particulars		Standalone		Consolidated	
		2022-23	2021-22	2022-23	2021-22
1.	Total Income	4856.75	4196.98	4827.17	4174.01
2.	Earnings before Exceptional Items, Finance Cost, Tax, Depreciation and Amortization and Share of Profit/(Loss) of Joint Venture (EBITDA)	707.44	604.73	554.85	487.57
3.	Less: Finance Cost	89.19	75.03	53.89	52.18
4.	Profit before Exceptional Items, Tax, Depreciation and Amortization and Share of Profit/(Loss) of Joint Venture	618.25	529.70	500.96	435.39
5.	Less: Depreciation and Amortization	222.80	228.05	227.08	230.66
6.	Profit before Exceptional Items, Tax and Share of Profit/(Loss) of Joint Venture	395.45	301.65	273.88	204.73
7.	Exceptional items	134.21	-	134.21	-
8.	Share of Profit/(Loss) of Joint Venture	-	-	(1.84)	(0.13)
9.	Less/(Add):				
	Current Tax	92.84	54.99	92.84	55.01
	Mat credit recognized	-	(54.99)	-	(54.99)
	Deferred Tax	67.96	101.38	48.31	84.01
	Deferred tax relating to earlier period	0.55	0.48	0.55	(33.59)
10.	Profit after tax from continuing operations	368.31	199.79	264.55	154.16
11.	Add/(Less):				
	Loss before tax from discontinued operations	-	(7.04)	-	(7.04)
	Gain on sale of Century Yarn and Denim Division	-	17.63	-	17.63
	Tax (Expense)/ Income of discontinued operations	-	(3.05)	-	(3.05)
12.	Net Profit for the year	368.31	207.33	264.55	161.70

The Consolidated EBITDA including exceptional item from continuing operations for the year 2022-23 is ₹ 687.22 Crores (including share of Joint Venture) as against ₹ 487.44 Crores.

The Standalone EBIDTA including exceptional gain from continuing operations for the year 2022-23 is ₹ 841.66 Crores as against ₹ 647.03 Crores.

In consolidated accounts interest cost has gone up from ₹ 52.18 Crores to ₹ 53.89 Crores.

For the Company as a whole, the technical performance of all the plants has been satisfactory.

7. DETAILS OF SIGNIFICANT CHANGES (i.e. CHANGE AS COMPARED TO IMMEDIATE PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS:

Ratios		2022-23	2021-22	Change (%)	Explanation for change
1.	Debtors Turnover Ratio	25.29	21.72	16.44%	-
2.	Inventory Turnover Ratio	3.99	4.35	-8.28%	-
3.	Interest Coverage Ratio	6.08	5.13	18.52%	-
4.	Current Ratio	1.16	1.07	8.41%	-
5.	Debt Equity Ratio	0.26	0.34	-23.53%	-
6.	Operating Profit Margin (%)	6.26	5.43	15.29%	-
7.	Net Profit Margin (%)	5.51	3.91	40.92%	Includes exceptional gain
8.	Return on Net Worth (%)	6.55	4.17	57.07%	Includes exceptional gain

The above key financial ratios are in accordance with Note 46A of Consolidated Financial Statements prepared in accordance with Ind AS requirements and Schedule III of the Companies Act, 2013.

8. HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:

We take pride in fostering an inspiring workplace with an agile and high-performance culture to attract, develop and retain the best talent. As we have completed 125 years of our existence, we are fortunate to have a proud legacy built on the strong values and increasingly focused on innovation, customer-centricity and sustainability. Industrial relations at all plant and sites of the Company continue to be cordial. The skills, expertise, relevant experience, passion and commitment of our people facilitate deeper customer understanding and engaging relationships which strengthen our brand value as a preferred employer.

Our exciting and ambitious growth plans allow us to offer unparalleled career opportunities in a person's career. We expect the best from our employees, differentiate on the basis of performance and potential through career opportunities and rewards and lay particular emphasis on developing, mentoring and training. In line with our strategic focus and operational excellence, we have maintained total employee strength of 4,080 as on 31st March, 2023 (4,205 as on 31st March, 2022). The number of employees has decreased during the year by 125.

9. HEALTH, SAFETY AND SECURITY MEASURES:

As a responsible corporate citizen, the Company is fully dedicated to human health and safety. Our plants and sites follow Occupational Health and Safety management standards that integrate occupational health, hygiene and safety responsibilities into everyday business. We give highest priority to our employees' health and safety and conduct comprehensive safety inspections and audits at every plant and project sites. At each location, we promote health and safety among all employees and organize different awareness and training programs.

We value lives and hence continue to strengthen our safety culture to make a "Zero Harm" organization. Our Occupational Health and Safety standards and procedures provide a consistent approach to managing major hazards across business operations and in compliance with all applicable laws and regulations of the Country. The modern occupational health and medical services are accessible to all employees through well-equipped occupational health centres at all manufacturing plant.

Further, the Company had taken all precautionary and safety measures for its employees during pandemic and continue to ensure all preventive and protective safeguards for all employees against such threats at its plant and sites.

10. CAUTIONARY STATEMENT:

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and 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 finished goods prices, raw materials costs and availability, global and domestic demand supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information, or events.