Godrej Industries Ltd.
Regd. Office : Godrej One,
Pirojshanagar,
Eastern Express Highway,
Vikhroli (E), Mumbai - 400 079. India
Tel. : +91-22-2518 8010/8020/8030
Fax: +91-22-2518 8068/8063/8074
Website : www.godrejindustries.com
CIN : L24241MH1988PLC097781

August 22, 2017

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 023.

The National Stock Exchange of India Ltd.
Plot No.C-1, G-Block, Exchange Plaza,
4th Floor, Bandra-Kurla Complex,
Mumbai 400 051

Dear Sirs,

Annual Report

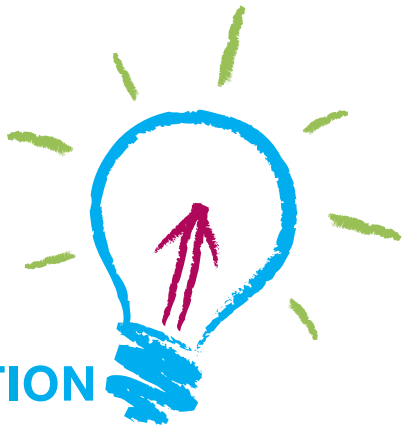
Enclosed herewith is the Annual Report of the Company for the financial Year 2016-17, as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

Thank you.

Yours faithfully,
For Godrej Industries Limited

Nilufer Shekhawat
Company Secretary

Godrej | INDUSTRIES



CREATING VALUE THROUGH

INNOVATION & TRANSFORMATION

ANNUAL REPORT

2016-2017

Creating Value Through Innovation & Transformation

As we aggressively continue our 10 x 10 journey, aiming to grow 10 times in 10 years, our growth plans focus on premium quality products created specifically to cater to the Global Consumer through strategic approach and a design led innovation. Powered by the CREATE strategy, we aim to transform Godrej into a uniquely differentiated consumer-centric global entity. This will enable us to consolidate and expand our achievements and create value for all our esteemed stakeholders.



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BOARD OF



A. B. Godrej
Chairman



N. B. Godrej
Managing Director



T. A. Dubash
Executive Director &
Chief Brand Officer



A. B. Choudhury



S. A. Ahmadullah



K. K. Dastur

DIRECTORS



J. N. Godrej



V. M. Crishna



N. S. Nabar
Executive Director &
President (Chemicals)



K. M. Elavia



K. N. Petigara



A. D. Cooper

Corporate Information

AUDITORS	:	Kalyaniwalla & Mistry LLP, Chartered Accountants
BOARD COMMITTEES		
Audit Committee	:	K. K. Dastur (Chairman) S. A. Ahmadullah K. N. Petigara A. B. Choudhury
Nomination & Compensation Committee	:	S. A. Ahmadullah (Chairman) A. B. Choudhury K. N. Petigara
Stakeholders Relationship/ Shareholders Committee	:	A. B. Godrej (Chairman) N. B. Godrej T. A. Dubash N. S. Nabar
Corporate Social Responsibility Committee:	:	N. B. Godrej (Chairman) T. A. Dubash K. N. Petigara A. B. Choudhury
Risk Management Committee	:	N. B. Godrej (Chairman) T. A. Dubash N. S. Nabar
Management Committee	:	A. B. Godrej (Chairman) N. B. Godrej T. A. Dubash N. S. Nabar
CHIEF FINANCIAL OFFICER	:	Clement Pinto
COMPANY SECRETARY	:	Nilufer Shekhawat
REGISTERED OFFICE	:	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079. Phone: 022-2518 8010, 2518 8020, 2518 8030 Fax: 022-2518 8066 website: www.godrejindustries.com CIN No.: L24241MH1988PLC097781

REGISTRARS & TRANSFER AGENT : Computech Sharecap Ltd.
147, Mahatma Gandhi Road,
Fort, Mumbai 400 001.
Phone: 022 - 2263 5000, 2263 5001
Fax: 022 - 2263 5005
E-Mail: helpdesk@computechsharecap.in
Website: www.computechsharecap.com

FACTORIES

Ambernath : Plot No.N-73, Additional Ambernath
Industrial Area, Anand Nagar, Village Jambivali,
Taluka Ambernath (East), District Thane,
Maharashtra. Pin - 421 506
Phone: 0251 - 2624000

Valia : Burjorjinagar, Plot No. 3, Village Kanerao,
Taluka - Valia, District Bharuch,
Gujarat 393 135.
Phone: 02643 - 270756 to 270760
Fax: 02643 – 270018

Wadala : L.M. Nadkarni Marg, Near M.P.T. Hospital,
Wadala (East), Mumbai 400 037.
Phone: 022 - 2415 4816, 2414 8770
Fax: 022 - 2414 6204

Dombivali : Plot No: W-61, MIDC Phase II,
Sagaon, Sonarpada, Dombivali – East
Thane, Maharashtra, 421204
Phone: 0251 - 2871177

BANKERS

Central Bank of India
State Bank of India
Bank of India
HDFC Bank Ltd.
Citibank N.A.
HSBC Ltd.
DBS Bank Ltd.
Kotak Mahindra Bank Ltd.



Adi Godrej
Chairman

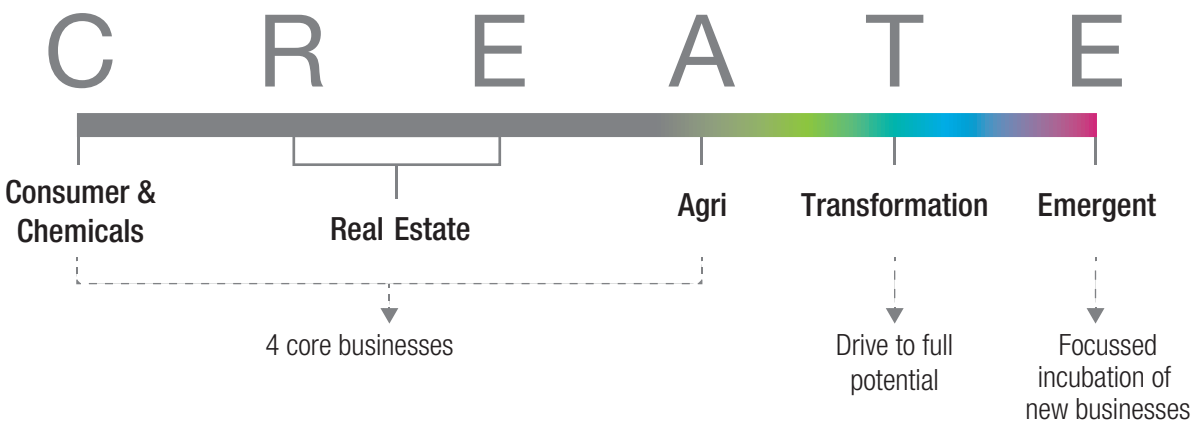
CHAIRMAN'S STATEMENT

Dear Shareholders,

I am delighted to share with you the events and developments of your Company during course of financial year 2016-17. The overall performance of your Company has witnessed a healthy growth in profits with consolidated Net Profit increasing by 59%. We continued to do well in most of our core businesses. The year gone is representative of the value Godrej Industries continues to create for all its stakeholders.

As a conglomerate with diverse business interest, growth at consolidated level is pursued through competitively growing your Company's core businesses, building an environment to achieve transformation while also nurturing and investing in emergent businesses of the future.

This approach of your Company's business strategy is captured in the approach called CREATE which stands for:



I would like to summarize the performance for each dimension of your Company's CREATE strategy:

C – Consumer and Chemicals

Consumer (GCPL)

Godrej Consumer Products Ltd. is a leading emerging markets company. In FY2017 GCPL delivered another year of competitive and profitable growth. Despite some category and geography specific challenges, GCPL has delivered good sales growth, which is a reflection of its clear strategic portfolio choices, backed by strong execution. Moreover, GCPL also delivered robust operating profits across businesses, while investing in its brands and in innovations. On a consolidated basis, GCPL reported 58% growth in its Net Profit at ₹ 1,304 crore as compared to ₹ 828 crore of the previous year.

One of GCPL's most important imperatives is to extend leadership in our core categories - home care, personal wash and hair care. We remain focused on delivering superior ahead of the market growth, driving consumption and penetration in our core categories, as well as extending into attractive adjacencies. The strategic pillars of GCPL is to sustain leadership position in its core categories, strengthen presence in emerging categories, drive growth in international business, accelerate the pace of innovation, strengthen brand portfolio, create a future ready sales organization, build a global best-in-class supply chain and continue to execute different initiatives to foster an agile and high performance culture. I am pleased to share that GCPL was ranked the number 1 FMCG company to work for in 'Great Place to Work – Best Workplaces in India 2016' list; its thirteenth consecutive year on the list. It was also ranked number 12 on the 'Great Place to Work – Best Workplaces in Asia 2017' list and ranked among the top 19 'Aon Hewitt Best Employers in India - 2017' survey.

GCPL remains focused on its 3x3 strategy of building a presence in 3 emerging markets (Asia, Africa and Latin America) across 3 categories (home care, personal wash and hair care). This, we believe, will provide us immense opportunities across all our geographies and categories. GCPL will continue to invest competitively in its brands and enhance go-to-market infrastructure. We remain excited about the enormous growth potential in India and other emerging market, given low penetration and consumption rates in our core categories. I am confident that with our clear strategic focus, differentiated product portfolio, superior execution and top-notch team, we will continue to deliver industry-leading results in the future.

Chemicals

Our Chemicals business recorded a growth of 17% in revenue in FY2016-17. The chemicals business continued its strong focus on cost control and energy efficiencies. This coupled with a strategic approach to front-end sales contributed to the good performance across product categories.

I am happy to share that our Chemicals business has received the prestigious 'Award of Excellency' from Chemexcil (an industry council setup by the Ministry of Commerce and Industry) for its outstanding export performance. I am also happy to share that our Valia plant was awarded the 'Energy Efficient Unit' for a second time in a row at CII National Awards for Excellence in Energy Management 2016. Additionally,

the plant also won the 'Innovative Project' award for their consistent effort in introducing new energy efficiency technologies. Further to share with you, your company's managing director Mr. Nadir Godrej was honoured with CHEMTECH leadership & excellence award 2017- Hall of Fame.

R E – Real Estate (GPL)

FY2016-17 has been a strong year for business development, GPL added 7 new projects with a saleable area of 18 million sq.ft. GPL entered the Noida market and sold more than 1 million sq.ft. despite weak market conditions. GPL's new launches received an encouraging response despite weak market conditions. Total booking volume registered for FY2016-17 stood at 3.1 million sq. ft. and booking value of ₹ 2,020 Cr. GPL's Total Income stood at ₹ 1,733 crore. EBITDA increased by 42% to ₹ 401 crore and Net Profit increased by 30% to ₹ 207 crore. Strong profit growth was contributed by our flagship project 'The Trees' which attained revenue recognition much ahead of schedule.

In FY2016-17 GPL delivered 4.6 million sq.ft, which includes 3.3 million sq.ft of residential and 1.3 million square feet of commercial space across four cities. I am happy to share with you that GPL was ranked 2nd in Asia & 5th globally by GRESB (Global Real Estate Sustainability Benchmark) - An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance of real estate assets globally.

As you know, the sector is going through a significant transition at the moment. The process of consolidation that was already underway will now gather pace with both demonetization and more importantly, the Real Estate Regulatory Act. While these reforms may create some short-term uncertainty and delay, they will eventually help improve governance standards in the sector thereby improving consumer confidence and real estate demand. The government has put in place many policy reforms to encourage real estate development, especially in the affordable housing space, and we believe these reforms will lead to sustained improvements in the sector. We expect 2017 to be a transition year but the years ahead are likely to be very exciting ones for the sector. We believe our brand, national presence, demonstrated track record, and capabilities put us in a strong position to disproportionately benefit from any improvement in the environment and will allow us to remain on a high growth trajectory in the years ahead.

A – Agri Business (GAVL)

A normal monsoon after two back to back poor monsoons provided much needed boost to the agri sector. GAVL was also positively impacted by these conditions as evident in our financial performance. In FY2016-17 GAVL recorded consolidated revenue of ₹ 4,985 crore as against ₹ 3,819 crore, a growth of 31% over the previous year. Profit Before Tax for the year grew by 12% to ₹ 375 crore as compared to ₹ 335 crore in FY2015-16.

The company successfully integrated Astec Life Sciences Ltd. (Astec) and Creamline Dairy Products Limited (Creamline), with FY2016-17 financials reflecting the full year performance of these two companies. We continue our focus on operational efficiencies, R&D initiatives and building a strong relationship with our customers especially the farmers. The Animal feeds vertical had a steady performance in FY2016-17 despite headwinds in few categories, its revenue for FY2016-17 grew by 3% as compared to FY2015-16.

GAVL's joint venture in Bangladesh (ACI Godrej) recorded a sales growth of 13% in FY2016-17. The business continues to consolidate and grow its market share in the categories of Feed. The Oil Palm vertical business recoded a sales of ₹ 507 crore a growth of 25% over the previous financial year. Remunerative prices of Fresh Fruit Bunches (FFB) for the farmers helped in bringing sizeable area under Oil Palm this year. Good south west monsoons during the year helped the crop protection business to clock a growth of 54% in sales as compared to the previous year. The business continues to focus on building synergies with Astec LifeSciences Ltd.

Astec LifeSciences Ltd, a subsidiary of GAVL recorded a Total Income of ₹ 316 crore in FY2016-17 a growth of 24% over FY2015-16. The sales growth

was driven by growth in both domestic and export sales.

Creamline Dairy Products Ltd. (CDPL), another subsidiary of GAVL had a robust year, with revenues growing by 9% as compared to the previous year. CDPL is focusing on value added products that has started yielding results, the sales of the products portfolio increased by 24% in FY2016-17 as compared to FY16.

In the poultry segment sales in FY2016-17 remained flat as compared to FY2015-16. Our strategy will continue to be focussed on building a brand based business under the 'Real Good Chicken' and 'Yummiez' brands.

Overall, the future prospect of GAVL remains robust and I am confident that we will continue to deliver industry outperforming results in the coming years.

T – Transformation

As a Group, your Company believes in inclusive growth that aims at enhancing the competitiveness of the businesses while simultaneously advancing the economic and social conditions of the communities in which it operates. This focus is implemented Group wide through the 'Godrej Good and Green' initiative.

As part of Good & Green, the Group, by 2020, aspires to create a more employable Indian workforce, a greener India and innovate for products that are greener or cater to the bottom of the income pyramid. The Group has made good progress on each of these objectives during the last fiscal year. Through employability programs in beautician training, channel sales, rural entrepreneurship and animal husbandry, the Group has been able to train and empower thousands of unemployed or underemployed youth in the last year.

E – Emergent Businesses

Over the last few years, your Company has incubated new businesses and grown them successfully. The emergent business in your Company's portfolio viz. Natures Basket is scaling up well.

Natures Basket (NBL), the gourmet food retailing business, is one such business where your Company sees immense growth potential given low penetration levels and growing addressable market. NBL is now spread across 3 key metros in India through 26 outlets. During the year, the Company has set up a Supply Chain Function to improve overall availability and inventory management, and use of technology for improving in store processes. NBL recorded a 15% increase in sales in FY2016-17. I am pleased to share that NBL was recognised at multiple retail forums like Food & Grocery forum, Franchise India Retail Award for Omni Chanel performance, TRRAIN awards for Customer service etc.

To conclude, we have had a reasonably good year. We remain encouraged and confident of achieving our long term objectives of inclusive, sustainable and profitable growth. As we look ahead, I feel confident of strong growth in the medium to long term. Post the remonetisation of currency, the demand has improved in India. We are now getting back to the recovery seen during the pre-demonetisation period. We look forward to the GST implementation, which I believe will be transformative for the Indian economy and will significantly boost consumption and GDP growth. It will also create a level playing field for the organized players by bringing the tax evaders under compliance.

I am confident that our disciplined strategy, prudent approach, focus on agile execution and our committed team will enable us to improve performance further and create greater shareholder value.

I would like to take this opportunity to thank all our employees for their contribution in the continued success of Godrej Industries. I would also like to extend my gratitude towards our business partners, associates, vendors and also the Central, State governments and government agencies for their sustained support. I would also like to express my sincere appreciation to all of our shareholders for your continued faith, trust, encouragement and support.

Yours sincerely,

Adi Godrej
Chairman, Godrej Industries Ltd.



FINANCIAL HIGHLIGHTS

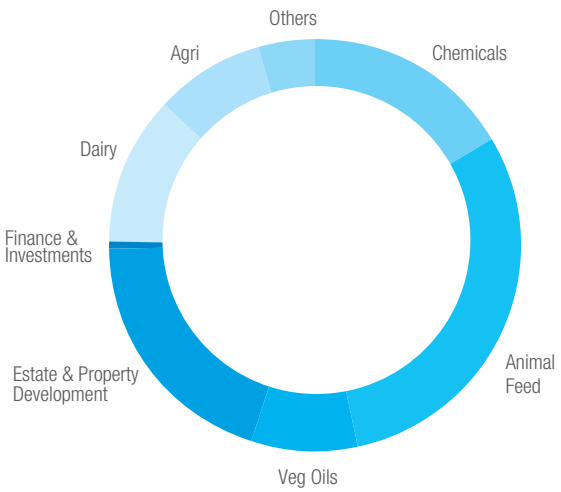
Financial Highlights

₹ Crore

FINANCIAL HIGHLIGHTS - CONSOLIDATED	2016-17	2015-16
Total Income[+]	8,681	7,806
Profit before Finance Costs, Depreciation and Amortisation and Tax & Share of Profit of Associates[+]	1,174	892
Depreciation and Amortisation expense	148	117
Finance Costs	400	343
Tax	167	109
Non-Controlling Interest	202	162
Net Profit (Attributable to Owners of the Company)	257	161

[+] *Including other income and exceptional items*

Total Income 2016-17



Break-up of Total Income*

₹ Crore

Chemicals	1,436
Animal Feed	2,621
Veg Oils	728
Estate & Property Development	1,725
Finance & Investments	34
Dairy	1,010
Agri	765
Others	362
Total	**8,681**

** net of intersegment revenue*



NOTICE TO SHAREHOLDERS

Notice to Shareholders

NOTICE is hereby given that the TWENTY-NINTH ANNUAL GENERAL MEETING of the members of GODREJ INDUSTRIES LIMITED will be held on Friday, August 11, 2017 at 3.30 P.M. at the Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, to transact the following business:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements (both standalone and consolidated) of the Company for the year ended March 31, 2017 which includes the Statement of Profit & Loss, Cash Flow Statement, the Balance Sheet as at that date, the Auditor's Report thereon and the Board's Report.

2. To declare a dividend on Equity Shares.

3. To appoint a Director in place of Mr. A. B. Godrej (DIN: 00065964), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Ms. T. A. Dubash (DIN: 00026028), who retires by rotation and being eligible, offers herself for re-appointment.

5. To appoint Statutory Auditors and fix their remuneration:

   To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

   "RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act 2013 (including any statutory modification and re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, M/s. BSR & Co. LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022), be and are hereby appointed, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the Thirty - fourth AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), on a remuneration as shall be fixed by the Board of Directors of the Company."

Special Business:

6. **Increase in borrowing limits of the Company**

   To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-

   "RESOLVED THAT in supersession of the resolution passed by the Shareholders through Postal Ballot, result of which was announced on June 3, 2014 and pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013 and the applicable rules and schedule, if any, including any statutory modification(s)/ amendment(s)/revision(s) thereof or any other law, as may be applicable, consent be and is hereby accorded to the Board of Directors of the Company (which includes any committee thereof) for borrowing from time to time, at its discretion, on such terms and conditions as to repayment, interest or otherwise, any sum or sums of monies which, together with the money already borrowed by the Company, apart from temporary loans obtained from the Company's bankers in the ordinary course of business upto a limit of ₹ 2,000 crore (Rupees Two Thousand Crore) over and above the paid-up capital and free reserves of the Company.

7. **Remuneration of M/s. R. Nanabhoy & Co., Cost Auditors of the Company:**

   To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

   "RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the rules made thereunder, as amended from time to time, the remuneration payable to

M/s. R. Nanabhoy & Co., Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018, amounting to ₹ 2,64,000 per annum, plus service tax and actual out-of-pocket expenses, be and is hereby ratified and confirmed.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By Order of the Board of Directors

Nilufer Shekhawat
Company Secretary

Mumbai, May 22, 2017

Registered Office:
Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.
Tel.: +91 22 2518 8010/ 20/ 30;
Fax: +91 22 25188066;
Website: www.godrejindustries.com;
Email: investor@godrejinds.com;
CIN: L24241MH1988PLC097781

NOTES:

1. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (the Act) in respect of business under Item Nos. 6 to 7 as set out in the Notice is annexed hereto.

2. Brief resume of Directors/persons proposed to be appointed/re-appointed, as stipulated under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is provided after the explanatory statement to this notice.

3. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy so appointed shall not have any right to speak at the meeting. A person can act as a proxy on behalf of not more than fifty members holding in the aggregate, not more than 10% of the total share capital of the Company. Members holding more than 10% of the total share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited Companies, Societies, etc., must be supported by an appropriate resolution/authority, as applicable.

4. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays, up to the date of the Annual General Meeting (AGM).

5. Corporate Members intending to send their authorised representatives to attend the AGM, pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant board resolution together with the respective specimen signatures of those representatives authorized under the said resolution to attend and vote on their behalf at the meeting.

6. Pursuant to section 101 and section 136 of the Act read with relevant rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. Members who have not registered their email addresses so far are requested to register their email address with their Depository Participant only, for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company, electronically.

7. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholders for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on 11th August, 2016 (date of last Annual General Meeting) are available on the website of the Company. The shareholders whose dividend/ shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://www.iepf.gov.in/IEPFA/refund.html

Dividend for the Financial Year ended	Date of Dividend Declaration	Due Date for Transfer
31.03.2010	27.07.2010	01.09.2017
31.03.2011	30.07.2011	03.09.2018
31.03.2012	11.08.2012	16.09.2019
31.03.2013	10.08.2013	15.09.2020
31.03.2014	09.08.2014	16.09.2021
31.03.2015	11.08.2015	17.09.2022
31.03.2016*	08.03.2016	14.04.2023

**Interim Dividend*

8. Members/Proxies are requested to bring the Attendance Slip duly filled in for attending the AGM.

9. Members are requested to send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.

10. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

11. E-voting: In compliance with the provisions of section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide the members the facility to exercise their vote for business to be transacted in this notice of AGM by electronic means through e-voting facility provided by Central Depository Services Limited (CDSL). Members who are holding shares in physical or dematerialized form as on August 4, 2017 shall exercise their vote by electronic means.

The e-voting instructions for members receiving an e-mail or a physical copy of this notice of AGM are as under:

(i) The remote e-voting period begins on August 7, 2017 at 09:00 hrs. and ends on August 10, 2017 at 17:00 hrs. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 4, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID

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

(v) Next 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 then follow the steps given below.

For Members holding shares in Demat / 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 enter the first five letters "NPGIL" and the 5 digits of the sequence number printed on the address label.
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 Demat account number / 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 Godrej Industries Limited 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 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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store, respectively. 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 Custodians 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.

(xx) 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. Members may also contact Mr. Mehboob Lakhani, Asst. Manager, CDSL on Ph: 18002005533.

12. In case of members who are attending the AGM and are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion for all businesses specified in the accompanying Notice. For clarity, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. August 4, 2017. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Act read with the Companies (Management and Administration) Rules, 2014.

13. Mr. Kalidas Vanjpe, Practicing Company Secretary, (Membership no. FCS 7132) or failing him Ms. Bhavana Shewakramani (Membership No. FCS 8636) of M/s. A. N. Ramani & Co., Company Secretaries have been appointed as the Scrutinizers to scrutinize the e-voting process as well as the voting by way of poll, to be conducted at the AGM, in a fair and transparent manner

14. The Scrutinizer, after scrutinizing the votes cast at the meeting and through e-voting, will, not later than forty eight hours of conclusion of the Meeting, make the Scrutinizer's report and submit the same to the Chairman. The results declared along with the scrutinizer's report shall be placed on the website of the Company www.godrejindustries.com. The results shall simultaneously be communicated to the Stock Exchanges.

15. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. August 11, 2017.

16. Route map showing directions to reach venue of the AGM is given at the end of the Annual Report.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 6

The shareholders of the Company had through postal ballot, results of which were announced on June 3, 2014, accorded their consent to borrow from time to time pursuant to Section 180(1)(c) of the Companies Act, 2013 any sum which together with the money already borrowed by the Company not exceeding in the aggregate at any one time ₹ 1,500 crore over and above the paid-up capital and free reserves of the Company. Considering the business requirements of the Company, it is proposed to increase the borrowing limits from ₹ 1,500 crore to ₹ 2,000 crore over and above the paid-up capital and free reserves of the Company in terms of Section 180(1)(c) of the Companies Act, 2013.

The Board recommends passing of the resolution as set out at item no. 6 of the Notice.

None of the directors or key managerial personnel and/or their relatives are deemed to be interested or concerned in the resolution.

Item No. 7

In pursuance of Section 148 of the Companies Act, 2013 and the rules made thereunder, the Board shall appoint an individual who is a cost accountant in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee at its meeting held on May 22, 2017, the Board considered and approved appointment of M/s. R. Nanabhoy & Co., Cost Accountants, for conduct of the audit of the cost records of the Company at a remuneration of ₹ 2,64,000 per annum exclusive of service tax and out of pocket expenses for the financial year ending March 31, 2018.

The Board recommends passing of the resolution as set out at item no. 7 of the Notice.

None of the Directors or KMPs of the Company or their relatives are concerned or interested in the resolution at item No. 7 of the accompanying notice.

By Order of the Board of Directors

Nilufer Shekhawat
Company Secretary

Mumbai, May 22, 2017

Registered Office:
Godrej One, Pirojshanagar,
Eastern Express Highway, Vikhroli (East), Mumbai 400 079.
Tel.: +91 22 2518 8010/ 20/ 30,
Fax: +91 22 25188066,
Website: www.godrejindustries.com;
Email: investor@godrejinds.com;
CIN: L24241MH1988PLC097781

Brief Resume of Directors/persons seeking appointment/ re-appointment at this Annual General Meeting in pursuance of regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

Name of the Directors	Mr. A. B. Godrej	Ms. T. A. Dubash
Age	75	48
Nationality	Indian	Indian
Date of appointment	March 7, 1988	August 1, 1996
Qualification	B.S., M.S. from Massachusetts Institute of Technology, U.S.A.	AB, Economics & Political Science, Brown University, USA., Advanced Management Program, Harvard Business School
Expertise in specific functional area	Engineering and Management	Marketing
Directorships held in other companies (excluding foreign companies and section 8 companies)	• Godrej Consumer Products Ltd. • Godrej & Boyce Mfg. Co. Ltd. • Godrej Agrovet Ltd. • Godrej Investments Pvt. Ltd.	• Godrej Consumer Products Ltd., • Ensemble Holdings & Finance Ltd., • Godrej Agrovet Ltd., • Natures Basket Ltd., • Godrej Seeds & Genetics Ltd., • Vora Soaps Ltd., • Godrej Holdings Pvt. Ltd., • Innovia Multiventures Pvt. Ltd.
Chairmanships/ Memberships of Committees in other companies	Godrej Consumer Products Ltd.: Member of Stakeholder's Relationship Committee	Natures Basket Limited: Chairman, Audit Committee
Relationship with other directors	Brother of Mr. N. B. Godrej, Managing Director Father of Ms. T. A. Dubash, Executive Director & Chief Brand Officer	Daughter of Mr. A. B. Godrej, Chairman
No. of shares held: (a) Own (b) For other persons on a beneficial basis	 Nil Nil	 42,68,783 Nil



BOARD'S **REPORT**

To the Members,

Your Directors have pleasure in presenting the Annual Report along with the Audited Accounts for the Financial Year ended March 31, 2017.

Review of Operations

Your Company's performance during the year as compared with that during the previous year is summarized below:

	(₹ Crore) Year Ended March 31	(₹ Crore) Year Ended March 31
Particulars	**2017**	**2016**
Revenue from Operations	**1,602.17**	1,393.86
Other Income/Exceptional Items	**46.88**	159.68
Total Income	**1,649.05**	1,553.54
Total Expenditure other than Finance Costs and Depreciation and Amortisation	**1,534.11**	1,300.67
Profit before Finance Costs, Depreciation and Amortisation and Tax	**114.94**	252.87
Depreciation and Amortisation Expense	**52.43**	44.37
Profit before Finance Costs and Tax	**62.51**	208.50
Finance Costs (net)	**207.86**	200.24
Profit before Tax	**(145.35)**	8.26
Provision for Current Tax	**-**	9.96
Provision for Deferred Tax	**(0.11)**	(35.91)
Net Profit	**(145.24)**	34.21
Surplus brought forward	**690.64**	788.22
Profit after Tax available for appropriation	**545.40**	822.43
Appropriation		
Your Directors recommend appropriation as under:		
Final Dividend including DDT	**-**	70.78
Dividend excess provided in earlier years	**-**	(0.01)
Interim dividend declared and paid	**-**	58.80
DDT on interim dividend distributed	**-**	11.97
Dividend Distribution Tax (DDT) credit from subsidiaries	**-**	(9.75)
Transfer to General Reserve	**-**	-
Surplus Carried Forward	**545.40**	690.64
Total Appropriation	**545.40**	822.43

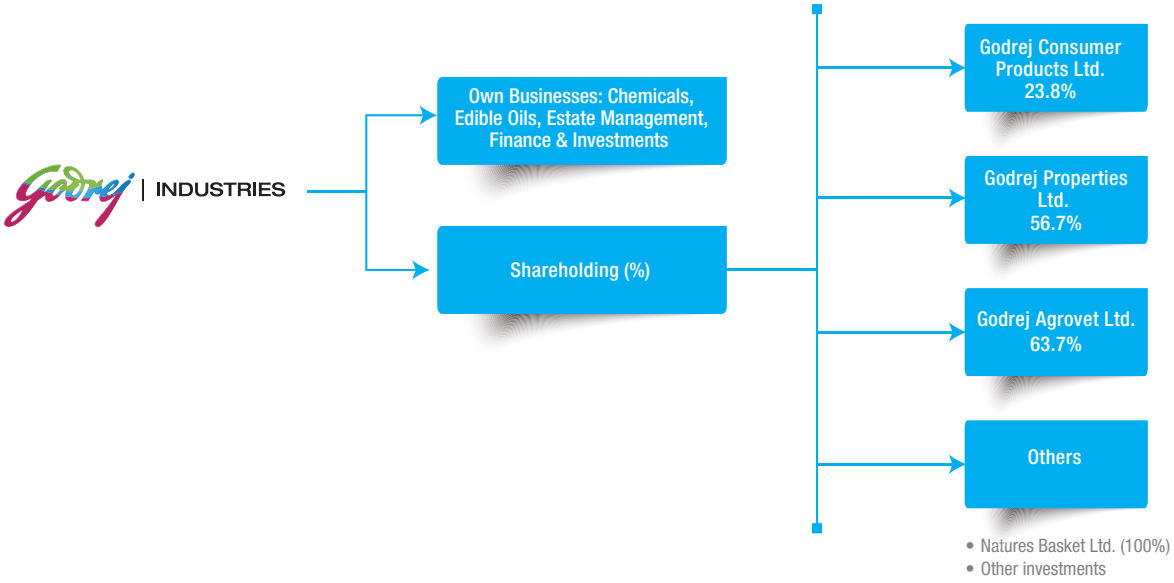
Dividend

The Board of Directors of your Company recommended a dividend of ₹ 1.75 per equity share of ₹ 1/- each, aggregating ₹ 58.82 Crore as final dividend for the year ended March 31, 2017.

Dividend Policy

The Dividend policy of the Company is uploaded on the Company's website.
http://www.godrejindustries.com/listing-compliance.aspx

Business Structure



INDUSTRY STRUCTURE AND DEVELOPMENT

The global economy produced a lackluster run in 2016 with global output growth estimate at about 3.1%. This stable average growth rate, masks divergent developments in different country groups. There has been a stronger-than-expected pickup in growth in advanced economies, due mostly to a reduced drag from inventories and some recovery in manufacturing output. In contrast, it is matched by an unexpected slowdown in some emerging market economies, mostly reflecting idiosyncratic factors. Forward-looking indicators such as purchasing managers' indices have remained strong in the fourth quarter in most areas.

Going forward, the IMF expects the world economy to grow at a slightly faster rate of 3.4% in 2017 and 3.6% in 2018. Growth in advanced economies is projected to be around 1.9% in 2017 and 2.0% in 2018. On the other hand, the growth in emerging economies is projected to increase from 4.1% in 2016 to 4.5% and 4.8% in 2017 and 2018 respectively.

India experienced a slightly sluggish financial year with advance GDP estimates pegging the growth at 7.1%, compared to 7.6% last year (constant price comparison).

On the domestic front, the year was marked by two major domestic policy developments, the passage of the Constitutional amendment, paving the way for implementing the Goods and Services Tax (GST), and the action to demonetize the two highest denomination notes. The GST will create a common Indian market, improve tax compliance and governance, and boost investment and growth. Demonetization has had short-term costs but holds the potential for long-term benefits. Follow-up actions to minimize the costs and

maximize the benefits include: fast, demand-driven, remonetization; further tax reforms, including bringing land and real estate into the GST, reducing tax rates and stamp duties; and acting to allay anxieties about over-zealous tax administration. Other major reforms included enactment of the Insolvency and Bankruptcy Code; amendment to the RBI Act for inflation targeting; enactment of the Aadhar bill for disbursement of financial subsidies and benefits; significant reforms in FDI policy; the job creating package for textile sector; and several other measures. These actions would allow growth to return to trend in FY2017-18.

FY2016-17 was a predominantly good year for Indian Agriculture, after two successive droughts, with the first advance estimates pegging the growth rate to be 4.1%. This was on the back of a normal monsoon, implementation of credit and other financial schemes, irrigation fund with NABARD and better support through higher MSP. During the South West Monsoon of 2016 the country as a whole received rainfall which was 97% of its long period average. However, wide regional and crop-wise variations continued to be seen in coverage of irrigated area. As per the Advance Estimates, production of kharif food-grains during FY2016-17 increased by 8.8% as against FY2015-16. During FY2016-17, area sown under all kharif crops taken together was 3.5% higher compared to FY2015-16 while area coverage under rabi crops was 5.9% higher than that of last year. The area coverage under wheat as on 13th January 2017 is 7.1% higher than that in the corresponding week of last year.

Going forward, we expect farm focused interventions in the budget like expansion of crop insurance (Fasal Bima Yojana), expansion of National Agricultural Markets (e-NAM) and added support to animal husbandry and dairy will provide adequate support for growth in this sector.

Volatility in commodity prices continued to affect the oleo-chemicals industry throughout the year. The global over-capacity in fatty alcohols with low growth rates in advanced economies has resulted in subdued demand of fatty alcohols. With re-monetization and early implementation of GST, we expect good growth in the Indian market going forward.

Residential real estate sector in India continued to witness a stagnant growth in FY2016-17. The marginal increase in absorption during first two quarters was more than offset by demonetization in the subsequent two quarters. We are, however, optimistic about the future prospects of the Industry on account of economic and fiscal policy measures being implemented by the government. A sustained GDP growth momentum, reduction in interest rates and subsidies in affordable housing segment are expected to strengthen the volume demand going forward. On the other hand, structural policy reforms in form of real estate regulatory laws are expected to bring more customers to market by facilitating a transparent and controlled regulatory environment. This is expected to eventually boost demand thereby easing the supply pressure in the market. Office space absorption levels have increased last year compared to FY2015-16 and the trend is expected to continue in FY2017-18 on the back of improved business conditions and GDP growth.

There is a separate section on Management Discussion and Analysis appended as Annexure A to this Report, which includes the following:

- Discussion on financial performance with respect to operational performance
- Segment wise performance
- Human Resources and Industrial Relations
- Opportunities and Threats
- Internal Control Systems and their adequacy
- Risks and Concerns
- Outlook

Subsidiary and Associate Companies

Your Company has interests in several industries including animal feeds, poultry, dairy and agro-products, oil palm plantation, property development, personal and home care, etc. through its subsidiary and associate companies.

GODREJ AGROVET LIMITED



Godrej Agrovet Limited (GAVL)

Godrej Agrovet Limited, a subsidiary of your Company is a diversified agri business company with interests in animal feed, crop protection, dairy and oil palm business along with Joint Venture with the ACI Group in Bangladesh for the feed business and Tyson Inc., USA for the poultry and processed food business.

FY2016-17 was a welcome departure from the previous two years for Indian agriculture. A normal monsoon after two back-to-back poor monsoons provided much needed boost to the agri sector. GAVL was also positively impacted by these conditions as evident in its financial performance. GAVL integrated Astec LifeSciences Limited (Astec) and Creamline Dairy Products Limited (Creamline), with FY2016-17 financials, reflecting the full year performance of these two companies.

In FY2016-17, GAVL recorded consolidated revenue of ₹ 4,985 crore against ₹ 3,819 crore, a growth of 31% over FY2015-16 consolidated revenue. The reported Profit Before Tax for the year was up by 12% to ₹ 375 crore in FY2016-17 against ₹ 335 crore in FY2015-16. The financial numbers are as per IND AS.

Animal Feeds:
The Animal feed business had a flat year, with revenues growing at 3%, due to head winds faced in certain feed categories. While Cattle feed, Layer feed and Fish feed recorded robust growth, the business had flat sales in Shrimp Feed and volumes declined in Broiler feed. Integration as an operating business model had gained ground in Broiler business in the last five years. The prevalence has increased to an extent that majority of the broiler market share has been captured by Integrators. GAVL is working on multiple solution themes to improve its Broiler feed play in coming years. Good monsoons had led to increase in Kharif and Rabi crops. Keeping the critical raw materials prices muted in the second half of FY2016-17, aided the profitability of the business in FY2016-17.

Crop Protection Business:
Good south west monsoons during the year and booking of full year revenue of Astec helped clock the Crop protection business, a growth of 54% in sales in FY2016-17. The business reported sales of ₹ 765 Crore in FY2016-17. The business started sales of Astec's product portfolio in FY2016-17 and has seen its market share improve across the Azole product fungicide portfolio.

Oil Palm:
Both Crude Palm Oil and Palm Kernel Oil prices in FY2016-17 were robust which resulted in significant improvement in the performance of this business over the last year. Operating performance of the business remained strong. The business recorded Sales of ₹ 507 Crore in FY2016-17, growth of over 25% over FY2015-16. A project to convert the Oil Palm Biomass into value added product was also commissioned in FY2016-17.

Astec LifeSciences Limited & Its Subsidiaries:
FY2016-17 was GAVL's first full year of operations at Astec. Astec recorded Total Income of ₹ 316 Crore in FY2016-17, a growth of 24% over FY2015-16. Astec saw growth in both Enterprise & Bulk sales and Contract Manufacturing. Astec successfully implemented SAP in FY2016-17 and streamlined all the business processes around it to ensure smoother business operations in future.

Creamline Dairy Products Limited & Its Subsidiary:
FY2016-17 was a robust milk year, with Creamline recording Total Income of ₹ 1,019 Crore, a growth of 9% over FY2015-16. Creamline's focus on Value added products has started yielding results with the sales of the products portfolio increasing by 24% in FY2016-17 over FY2015-16.

Review of Operations / State of Affairs of Joint Ventures (JVs):

ACI Godrej Agrovet Private Limited, Bangladesh:

The joint venture in Bangladesh recorded a strong volume growth of 16% in FY2016-17 over FY2015-16. The growth was recorded across all the categories of feed in Bangladesh. The business continues to consolidate and grow its market share in the categories of Feed.

Godrej Tyson Foods Limited:

The processed poultry business sales remained flat in FY2016-17 compared to sales in FY2015-16. The focus of the business will continue to remain investing and building the **'Real Good Chicken'** and **'Yummiez'** brands for future growth.

Godrej Properties Limited (GPL)

Financial Highlights: For the full financial year, GPL's Total Income decreased by 24% and stood at ₹ 1,733 crore. However, EBITDA increased by 42% to ₹ 401 crore and net profit increased by 30% to ₹ 207 crore. An important contributor to the strong profit growth has been our flagship project 'The Trees' which attained revenue recognition much ahead of schedule.

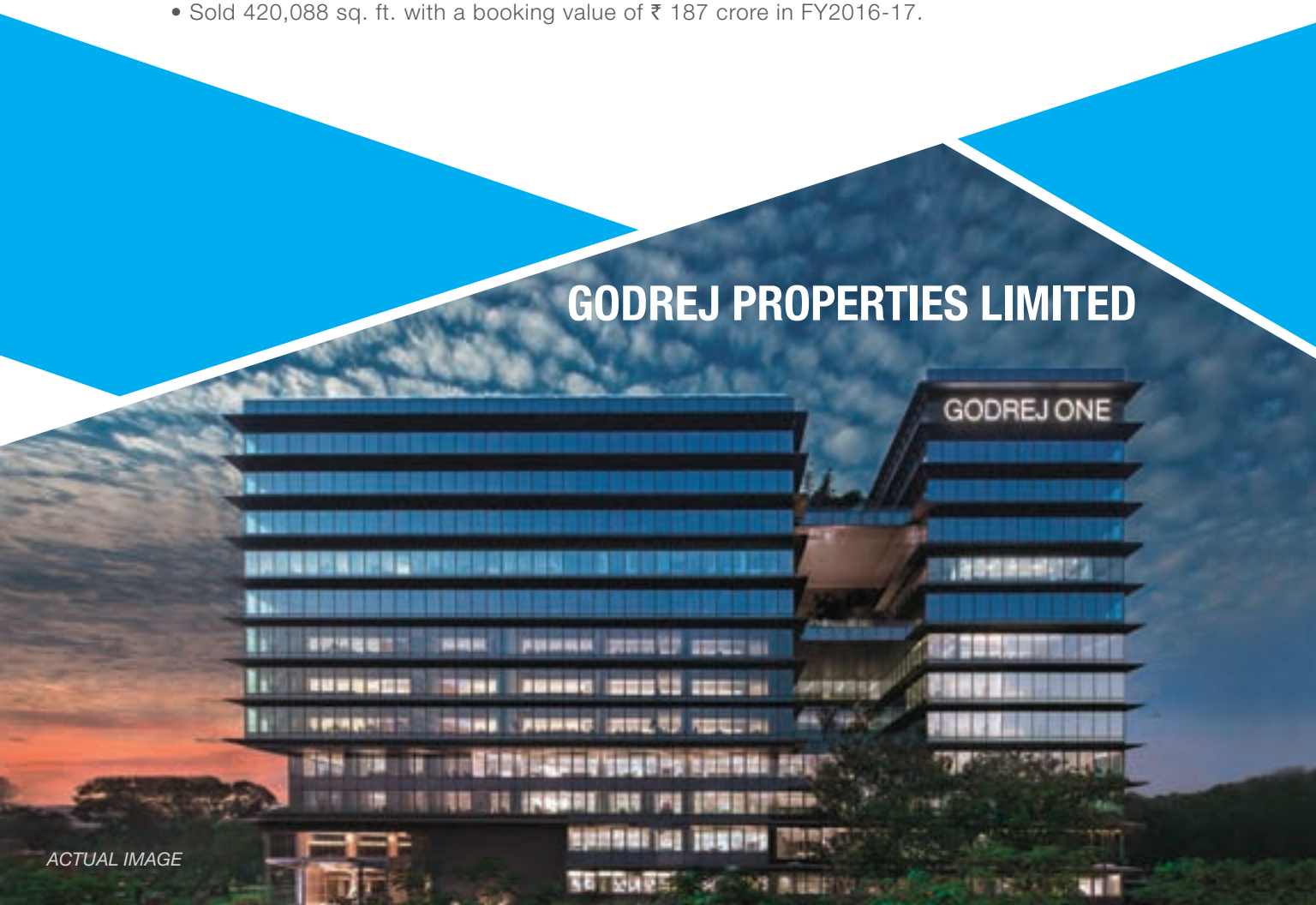
Sales Highlights: From a sales perspective, despite a weak year on the whole due to regulatory approval delays resulting in a low number of new residential project launches, the projects which we were able to launch received an encouraging response. GPL registered booking volume of 3.1 million sq. ft. and booking value of ₹ 2,020 crore in a weak real estate market. Below are the highlights:

Godrej Golf Links, Noida:

- First GPL project in Noida
- Sold over 6 lakh sq. ft. of villas with a booking value in excess of ₹ 300 crore in a single day
- Sold more than 1 million sq. ft. with a booking value of ₹ 563 crore despite weak market conditions
- Serves as a reflection of GPL's brand strength, sales capability and ability to successfully attract customers across the country's leading real estate markets.

Godrej Greens, Pune:

- Witnessed an overwhelming customer response despite being launched immediately after the government's demonetization announcement
- Sold 420,088 sq. ft. with a booking value of ₹ 187 crore in FY2016-17.



ACTUAL IMAGE

Continued success in business development: FY2016-17 has been a strong year for business development. GPL added 7 new projects with a saleable area of 18 million sq. ft. The government's announcement of demonetization in addition to implementation of RERA has changed the structural dynamics of the real estate sector. The sector is likely to see a shift towards organized developers as non-serious players with low repute will find it difficult to comply with the increased scrutiny from regulators and home buyers. This will pave way for consolidation in the sector as landowners seek to partner with reputable developers through the joint development model, and cash starved developers monetize their land banks by selling it to developers with strong balance sheets with access to institutional funding. We remain well placed to capitalize on these opportunities in the business development space. GPL's strong brand and solid governance framework provides us with a strong advantage in increasing the depth of our presence across the country's leading real estate markets while maintaining a capital light development strategy.

Strong focus on execution: GPL has delivered 4.6 million square feet in FY2016-17, which includes 3.3 million square feet of residential and 1.3 million square feet of commercial space across four cities. We have now delivered over 15 million sq. ft. of real estate in the last 4 years, which demonstrates that our operational delivery is keeping pace with our sales acceleration over the past few years.

Global recognition for sustainability initiatives: GPL was ranked 2nd in Asia & 5th globally by GRESB (Global Real Estate Sustainability Benchmark) - An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance of real estate assets globally. GRESB is committed to rigorous and independent evaluation of the sustainability performance of real assets across the globe. GRESB data is used by more than 200 institutional investors, listed property companies and fund managers and is backed by all leading international real estate associations and industry bodies. It provides investors the tools to benchmark their investments against each other based on property type, country and regional peer groups. GRESB is widely recognized as the global standard for portfolio-level ESG reporting and benchmarking in the real asset sector. In addition, Godrej One, our headquarters received a LEED Platinum Rating under the Commercial Interiors segment from the US Green Building Council (USGBC). This is one of the first such certifications in the country.

Expanding international presence: GPL opened its second international representative office in Singapore. Singapore is an important market opportunity for GPL and our presence will help us to address the needs of the large Indian diaspora located in Singapore and neighboring geographies.

Outlook: The real estate sector is in the midst of a transition. A cyclical downturn combined with demonetization and the implementation of the Real Estate Regulation Act has created short-term uncertainty in the sector. However these same factors will lead to consolidation and improved governance in the sector, which in turn will drive improved consumer confidence. The combination of this improved consumer confidence with far improved affordability that is the result of rising incomes, stagnant prices, and reduced interest rates will propel the sector in a very positive direction over the next several years. The government has put in place many policy reforms to encourage real estate development, especially in the affordable housing space which have the potential to lead to sustained improvements in the sector. We expect 2017 to be a transition year but the years ahead are likely to be very exciting ones for the sector. Our brand, national presence, demonstrated track record, and capabilities put us in a strong position to disproportionately benefit from any improvement in the environment and will allow us to remain on a high growth trajectory in the years ahead.

GODREJ NATURE'S BASKET



Natures Basket Limited (NBL)

Natures Basket Limited continued to grow its revenue at double digits thereby achieved Total Income of ₹ 310 Crore, an increase of 15% over the previous year of ₹ 269 Crore.

The Company during the year, worked on defining the long-term strategy for the business. As part of the strategy, the management decided to exit out of the underperforming market of Delhi and Hyderabad. Post the exit, the Company has 26 operating stores across 3 cities of Mumbai, Pune and Bangalore. As part of the strategy, NBL has also realigned the portfolio allowing to position NBL as the "Daily Food Delight" stores on the base of providing the "Freshest and Finest" food to our customers. This helps improve frequency and loyalty of our customers. Overall revenue from loyal customers contribute nearly 80% of overall revenue.

The focus is to excel and be a leading Omni Channel player by focusing strongly on Instore as well on line business channels in Daily Food Delight space. Currently, NBL's online sales stands at 7% of its overall sales. NBL continues to improve its website and App experience through regular updates and improvements.

During the year, NBL has set up a Supply Chain Function to improve overall availability and inventory management, and use of technology for improving in store processes.

The brand continues to win awards in forums like Food & Grocery forum, Franchise India Retail Award for Omni Chanel performance, TRRAIN awards for Customer service etc.

GODREJ CONSUMER PRODUCTS LIMITED



Godrej Consumer Products Limited (GCPL)

Godrej Consumer Products Limited, an associate of your Company, has continued to grow ahead of the overall FMCG sector, as well as the home and personal care categories that it participates in, despite a challenging macro environment.

On a consolidated basis, GCPL reported a Total Income of ₹ 9,684 crore during the FY2016-17 compared to ₹ 8837 crore for FY2015-16. The net profit grew by 58% at ₹ 1304 crore as compared to ₹ 828 crore during the FY2015-16.

GCPL is a leading emerging markets company. As part of the 120-year young Godrej Group, GCPL is fortunate to have a proud legacy built on the strong values of trust, integrity and respect for others. At the same time, it is growing fast and has exciting, ambitious aspirations.

Today, the Godrej Group enjoys the patronage of 1.1 billion consumers globally, across different businesses. In line with its 3 by 3 approach to international expansion, GCPL is building a presence in 3 emerging markets (Asia, Africa, Latin America) across 3 categories (home care, personal wash, hair care). It ranks among the largest household insecticide and hair care players in emerging

markets. In household insecticides, it is the leader in India, the second largest player in Indonesia and expanding its footprint in Africa. It is the leader in serving the hair care needs of women of African descent, the number one player in hair colour in India and Sub-Saharan Africa, and among the leading players in Latin America. It also ranks number two in soaps in India, and is the number one player in air fresheners and wet tissues in Indonesia.

However, it is very important that besides its strong financial performance and innovative, much-loved products, GCPL remains a good company. About 23% of the holding company of the Godrej Group is held in a trust that invests in the environment, health and education. We are also bringing together our passion and purpose to make a difference through our 'Good & Green' approach to create a more inclusive and greener India.

At the heart of all of this, is a talented team. GCPL takes much pride in fostering an inspiring workplace, with an agile and high performance culture. It is also deeply committed to recognising and valuing diversity across our teams.

It was ranked the number 1 FMCG Company to work for in the 'Great Place to Work – Best Workplaces in India 2016' list; its thirteenth consecutive year on the list. It was also ranked number 12 on the 'Great Place to Work – Best Workplaces in Asia 2017' list and ranked among the top 19 'Aon Hewitt Best Employers in India - 2017' survey.

Other Subsidiaries

Godrej International Limited (GINL) is incorporated in the Isle of Man, is a wholly owned subsidiary of the company. GINL trades worldwide in vegetable oils mainly palm and soya.

Godrej International Trading & Investments Pte. Ltd. is registered and located in Singapore and also trades in palm and soya oil as well as in by-products.

Both companies enjoy a well -deserved reputation in the market and enjoyed their best year ever. Our international companies are often quoted in the media and are well-known for their in-house research with regard to S&Ds and Price Outlook.

Godrej International Limited, Labuan is incorporated in the financial centre of Labuan. This company has remained dormant and is not actively trading as yet.

Ensemble Holdings & Finance Limited (EHFL), a wholly owned subsidiary of your Company, is a Non-Banking Finance Company. The total income of EHFL for FY2016-17 was ₹ 12.36 Crore as against that of ₹ 3.10 Crore last year. The Net Profit before Tax of EHFL during the financial year ended March 31, 2017 was ₹ 11.11 Crore as against that of ₹ 3.01 Crore last year.

Pursuant to Regulation 16(1)(c) of the SEBI (Listing Obligations and disclosure requirements) Regulations, 2015 (Listing Regulations), your Company has formulated a policy for determining its 'material subsidiaries'. The said policy has been uploaded on the Company's website *http://www.godrejindustries.com/Resources/pdf/compliances/material_subsidiaries.pdf*

Financial Position

The loan funds at the end of the year stand at ₹ 2,862 crore as compared to ₹ 2,658 crore for the previous year. The net debt equity ratio is 1.76 as compared to 1.51 last year. Your Company

continues to hold the topmost rating of [ICRA] A1+ from ICRA for its commercial paper program (₹ 1000 crore) (previous year ₹ 1000 crore). ICRA has reaffirmed an [ICRA] A1+ rating for its short term debt instruments/other banking facilities (₹ 800 crore) (previous year ₹ 800 crore). This rating of ICRA represents highest-credit quality carrying lowest-credit risk. ICRA also reaffirmed [ICRA] AA rating with stable outlook for long-term debt, working capital and other banking facilities (₹ 1015 crore) (previous year ₹ 1015 crore) and a rating of [ICRA]AA with stable outlook for Non-Convertible Debenture program. These ratings represents high-credit quality carrying low-credit risk. ICRA has also assigned a rating of MAA+ with stable outlook for our Public Deposit scheme. The Public Deposit scheme under the Companies Act, 1956 has been discontinued. Instruments with this rating are considered to have the high-credit quality and low credit risk.

Manufacturing Facilities

The chemicals division of your Company has manufacturing units at Ambernath, Valia, Wadala and Dombivli.

The Ambernath factory is ISO-9001:2008, ISO 14001:2004, ISO 18001:2007, ISO 27001: 2005 certified. Over the last year the factory also got certified for FSSC 22000 and ISO 22716 for Food safety and GMP respectively. The factory has also achieved considerable energy savings over the year.

The Valia factory is ISO-9001:2008, ISO 14001:2004, ISO 18001:2007, ISO 27001: 2005 certified. The Factory has also got certification from FDA, FSSAI and Kosher. We are member of RSPO (Roundtable on Sustainable Palm Oil). The Valia factory has successfully got GMP +B2 certification for Palmitic Acid used as Animal Feed during this year. Company has invested in plants for making specialty products.

Vegoils Division (Wadala) manufactures & sells Edible Oils under “Godrej” Brand. The total turnover of Division for FY2016-17 increased to ₹ 111 Crore against ₹ 61 crore from the previous year. In FY2016-17, the division introduced two new Edible Oils “Godrej Refined Rice Bran Oil” and “Godrej Sesame Oil” for our ever growing health conscious consumers. The division is in the process of modernisation of its packing facility which will be completed early next year.

The Dombivali unit has flexibility of producing multiple value added products, mainly fatty esters and amide, used in personal and home care products.

Research and Development (R&D)

In the year under consideration, our R&D activities have resulted in the innovative process improvements for existing range of products and also launch of several new products. Majority of these new products are high value derivatives of fatty acids and fatty alcohols, with specialty applications in home, personal care products, animal feeds and agri products.

Besides our efforts to manufacture and improve the premium quality fatty acids and fatty alcohols using alternate raw materials, the endeavor to develop new processes through innovations and advanced technologies will be an ongoing activity. We will also continue to focus our attention on high value fractionated fatty acids and fatty alcohols for the polymer, oilfield, lubricant and paper industries. Parallel to all the above oleo chemicals projects, R&D continues its efforts in developing improved and customized specialty surfactants & biosurfactants through in house and external consultation routes.

Human Resource Development and Industrial Relations

During the year under review, industrial relations at all plant locations remained harmonious.

Your Company emphasizes on the safety of people working in its premises. Structured safety meetings were held and safety programmes were organized for them throughout the year.
The total number of persons employed in your Company as on March 31, 2017 were 1164.

Business Responsibility Report

SEBI, vide its circular SEBI/LAD-NRO/GN/2015-16/27 dated December 22, 2015 had mandated inclusion of Business Responsibility Reports (BRR) as part of the Annual Reports for top 500 listed entities based on market capitalization as on March, 31 of every financial year.

A detailed report on your Company's sustainability initiatives is published in the Business Responsibility Report, as 'Annexure B' and forms a part of this report. The BRR describes the initiatives taken by the Company from an environment, social and governance perspective.

Information Systems

Your Company has implemented Digital Signature to send digitally signed invoices to customers & enabled SMS alerts for dispatches which are integrated with SAP thus helping in better customer experience.

Implemented Odex Application at all our weighbridges which sends data online to DGFT site which is a statutory requirement as per the SOLAS guidelines from D.G.Shipping, the VGM Weight related information has to be transmitted electronically from the Approved/Registered Weighbridges.

Business Intelligence is implemented to get Financial Reports from SAP helping in automation of processes.

Employee Stock Grant Scheme 2011 (ESGS) and Employee Stock Option Plan (ESOP)

On May 25, 2016, the Nomination and Compensation Committee approved a total of 1,60,395 stock grants equivalent to 1,60,395 equity shares of the Company to eligible employees in terms of the ESGS 2011 Scheme. The exercise price is ₹ 1/- per equity share. As on March 31, 2017 and in terms of the ESGS Scheme, 2011, a total of 1,48,319 grants were vested and 1,50,941 were exercised and allotted. (Includes 2,622 options which were vested in the previous financial year and, exercised and allotted in the current financial year.)

Disclosure in compliance with Section 62 of the Companies Act, 2013, rule 12 of companies (share capital and debentures) rules, 2014, SEBI (Share based employee benefits) regulations, 2014 and The SEBI (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines 1999 is given in Annexure C attached and forms a part of this report.

Fixed Deposits

Your Company is currently not accepting public deposits. The management of the Company is thankful to all the investors for their continued trust in the Company. During the year ended March 31, 2017, deposits aggregating ₹ 22.86 crore have been repaid on maturity. The Company has no overdue deposits other than unclaimed deposits.

Depository System

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2017, 99.81% of the equity shares of your Company were held in demat form.

Directors

In accordance with the Articles of Association of the Company, the following directors retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment;

- Ms. T. A. Dubash (DIN 00026028)
- Mr. A. B. Godrej (DIN 00065964)

Your Company had appointed following Non-Executive (Independent) Directors pursuant to Regulation 17 of the Listing Regulations and they are not liable to retire by rotation as per Companies Act, 2013 (the Act);

- Mr. S. A. Ahmadullah (DIN 00037137)
- Mr. A. B. Choudhury (DIN 00557547)
- Mr. K. K. Dastur (DIN 00050199)
- Mr. K. M. Elavia (DIN 00003940)
- Mr. A. D. Cooper (DIN 00026134)
- Mr. K. N. Petigara (DIN 00066162)

Your Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (7) of Section 149 of the Companies Act, 2013

Your Company has conducted a formal Board Effectiveness Review as part of its efforts to evaluate, identify improvements and thus enhance the effectiveness of the Board, its Committees, and Individual Directors. This was in line with the requirements mentioned in the Act.

The HR team of the Company worked directly with the Chairman and the Nomination and Compensation Committee of the Board, to design and execute this process which was adopted by the Board. Each Board Member completed a confidential online questionnaire, providing vital feedback on how the Board currently operates and how it might improve its effectiveness.

The survey comprised four sections and compiled feedback and suggestions on:

- Board Processes (including Board composition, strategic orientation and team dynamics);
- Individual Committees;
- Individual Board Members; and
- the Chairman

The following reports were created, as part of the evaluation:

- Board Feedback Report;
- Individual Board Member Feedback Report; and
- Chairman's Feedback Report

The overall Board Feedback Report was facilitated by Mr. A. B. Godrej, Chairman. The Individual Committees and Board Members' feedback was shared with the Chairman. Following his evaluation, a Chairman's Feedback Report was also compiled.

On the recommendation of the Nomination & Compensation Committee, the Board had framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The details of the Board Appointment Policy are stated below:

Board Appointment Policy - Godrej Industries Limited (the "Company")

The Company is committed to equality of opportunity in all aspects of its business and does not discriminate on the grounds of nationality, race, colour, religion, caste, gender, gender identity or expression, sexual orientation, disability, age or marital status.

The Company recognises merit and continuously seeks to enhance the effectiveness of its Board. The Company believes that for effective corporate governance, it is important that the Board has the appropriate balance of skills, experience and diversity of perspectives.

Board appointments will be made on merit basis and candidates will be considered against objective criteria with due regard for the benefits of diversity on the Board. The Board believes that such merit-based appointments will best enable the Company to serve its stakeholders.

The Board will review this Policy on a regular basis to ensure its effectiveness.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has familiarized the Directors on Goods & Service Tax and a presentation was made to the Directors on New/Emerging products of the Company. The details of Directors familiarization program is uploaded on the Company's website. http://www.godrejindustries.com/listing-compliance.aspx

Key Managerial Personnel

Mr. N. B. Godrej (DIN: 00066195) has been reappointed as a Managing Director of the Company, for a period of three years from April 1, 2017 to March 31, 2020.

Statutory Auditors

Pursuant to section 139 of the Companies Act, 2013, the Board of the Company has subject to the approval of the shareholders, approved appointment of M/s. BSR & Co., LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022) as Auditors of the Company to hold office for the period commencing from the conclusion of the 29th Annual General Meeting (AGM) on August 11, 2017 until the conclusion of the 34th AGM in the year 2022 (subject to ratification of their appointment at every AGM), on a remuneration that will be approved by the Board.

You are requested to approve the appointment of Auditors and to authorise the Board to fix their remuneration. The auditors M/s. BSR & Co., LLP, Chartered Accountants, are eligible for appointment. A certificate from the Auditors has been received to the effect that their appointment, if made, would be within the prescribed limits. The Auditor's Report for the FY2016-17 does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors

Pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, M/s. R. Nanabhoy & Co., Cost Accountants have been appointed as Cost Auditors of the Company for the FY2017-18. They are required to submit the report to the Central Government within 180 days from the end of the accounting year.

Secretarial Auditors

The Board has appointed M/s. A. N. Ramani & Co., Practicing Company Secretaries, to conduct Secretarial Audit for the FY2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith marked as Annexure 'G' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Audit Committee

The Audit Committee, constituted pursuant to the provisions of the Act and the Listing Regulations, has reviewed the accounts for the year ended March 31, 2017. The members of the Audit Committee are Mr. K. K. Dastur, Mr. S. A. Ahmadullah, Mr. K. N. Petigara and Mr. A. B. Choudhury, all Independent Directors.

Policy to Prevent Sexual Harassment at Work Place

Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. As required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an Internal Complaints Committee. No complaints were received by the committee during the year under review. Since the number of complaints filed during the year was NIL, the Committee prepared a NIL complaints report. This is in compliance with section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Directors' Responsibility Statement

The Board has laid down Internal Financial Controls within the meaning of the explanation to section 134 (5) (e) ("IFC") of the Act. The Board believes the Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. The Board is seized of the fact that IFC are not static and are in fact a fluid set of tools which evolve over time as the business, technology and possibly even fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There might therefore be gaps in the IFC as Business evolves. The Company has a process in place to continuously identify such gaps and implement newer and/or improved controls wherever the effect of such gaps might have a material effect on the Company's operations.

Pursuant to the provisions contained in Section 134 of the Act, the Directors of your Company confirm:

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

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

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

d) that the annual accounts have been prepared on a going concern basis.

e) that the proper policies and procedures have been adopted for ensuring the orderly and efficient conduct of its business, including adherence to code of conduct and policies, the safeguarding of 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 and that such policies and procedures are adequate and were operating effectively.

f) that proper systems are in place to ensure compliance of all laws applicable to the Company and that such systems are adequate and operating effectively.

Corporate Governance

As required by the existing Regulation 34(3) of the Listing Regulation, a detailed report on Corporate Governance is included in the Annual Report. The Auditors have certified the Company's compliance of the requirements of Corporate Governance in terms of Regulation 34(3) of the Listing Regulation and the same is annexed to the Report on Corporate Governance.

Disclosures and Information under the Companies Act, 2013

Pursuant to section 134 and any other applicable sections of the Act, following disclosures and information is furnished to the shareholders:

(a) Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo

'Annexure D' to this Report gives information in respect of Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo, required under Section 134(3)(m) of the Act and forms a part of the Boards' Report

(b) Extract of Annual return

The extract of the annual return as provided under sub section (3) of Section 92 of the Act is given in Form No. MGT 9 as 'Annexure E', attached and forms a part of this report.

(c) Board meetings

The Board of Directors of your Company met 4 (four) times during the year under review. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

(d) Loans, Guarantees & Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

(e) Related Party Transactions

All related party transactions entered into by your Company during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with related parties. Prior omnibus approval of the Audit Committee was obtained for those transactions which were of routine nature. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Act in Form AOC-2 is not applicable. Attention of members is also drawn to the disclosure of transactions with related parties set out in Note No. 41 of Standalone Financial Statements, forming part of the Annual Report. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The policy on Related Party Transactions is uploaded on the Company's website http://www.godrejindustries.com/Resources/pdf/compliances/Policy-on-Related-Party-Transaction.pdf.

(f) Particulars of Employees:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure 'F' to this Report. The information required pursuant to Section 197 of the Act read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company is available for inspection by the members at registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy would be sent.

(g) Risk Management

Your Company had formed a Risk Management Committee consisting of the Managing Director and the Whole time Directors. The Committee identifies, evaluates business risks and opportunities. This Committee has formulated and implemented a policy on risk management to ensure that the company's reporting system is reliable and that the company complies with relevant laws and regulations. The Board of Directors of your Company are of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.

Your Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

(h) Nomination & Remuneration Policy for Senior Management

The details relating to ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY2016-17 is given in 'Annexure F' attached and forms part of this Report.

The policy of your Company on director's appointment and remuneration of the directors, key managerial personnel and other employees including criteria for determining qualifications, positive attributes, independence of a director, is stated below:

TOTAL REWARDS PHILOSOPHY
GODREJ INDUSTRIES LIMITED (the "Company")

Our Total Rewards Framework aims at holistically utilising elements such as fixed and variable compensation, long-term incentives, benefits and perquisites and non-compensation elements (career development, work life balance and recognition).

Highlights

The rewards framework offers you the flexibility to customise different elements, basis need. It is also integrated with our performance and talent management processes and designed to ensure sharply differentiated rewards for our best performers.

The total compensation for a given position is influenced by three factors: position, performance and potential. As a broad principle, for our high performers and potential employees, we strive to deliver total compensation at the 90th percentile of the market.

Total Compensation

The total compensation has three components:

1. 'Fixed Compensation' comprises of basic salary and retirement benefits, like provident fund and gratuity

2. 'Flexible Compensation' is a fixed pre-determined component of the compensation.

3. Variable Compensation (Performance Linked Variable Remuneration)' rewards one for delivering superior business results and individual performance. It is designed to provide a significant upside earning potential without cap for over achieving business results. It has a 'Collective' component, which is linked to the achievement of specified business results, measured by Economic Value Added or other related metrics, relative to the target set for a given financial year and an 'Individual' component, based on the performance, as measured by the performance management process.

Long Term Incentives (Employee Stock Grant Scheme)

This scheme aims at driving a culture of ownership and focus on long-term results. It is applicable to senior managers. Under this scheme, performance based stock grants are awarded on the basis of performance.

(i) Financials

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statement relates and the date of the report.

There are no qualifications, reservations or adverse remarks in the Auditors Report and the Secretarial Audit Report for the FY2016-17.

(j) Share Capital

During the year under review your company allotted 1,50,941 equity shares of ₹ 1 each upon exercise of stock option under Company's Employee Stock Grants Scheme and 38 bonus equity shares on ESGS in compliance with the scheme of amalgamation of Wadala Commodites Limited with Godrej Industries Limited. Consequently, the paid up share capital of your Company has increased from ₹ 33,59,88,807/- divided into 33,59,88,807 equity shares of ₹ 1 each to ₹ 33,61,39,786/- divided into 33,61,39,786 equity shares of ₹ 1 each.

(k) Significant Court Order received - None

Additional Information

The consolidated financial statements of the Company forms a part of this Annual Report. Accordingly, this Annual Report of your Company does not contain the financial statements of its subsidiaries. The Audited Annual Accounts and related information of the Company's subsidiaries will be made available upon request. These documents will also be available for inspection during business hours at the Company's registered office in Mumbai, India. The subsidiary companies' documents will also be available for inspection at the respective registered offices of the subsidiary companies during business hours.

Acknowledgement

Your Directors thank the Union Government, the Governments of Maharashtra and Gujarat as also all the Government agencies, banks, financial institutions, shareholders, customers, employees, fixed deposit holders, vendors and other business associates, who, through their continued support and co-operation, have helped as partners in your Company's progress.

For and on behalf of the Board of Directors

A. B. Godrej
Chairman

Mumbai, May 22, 2017.

Annexure "A"

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The highlights of overall performance are as follows:

₹ Crore

Particulars	2016-17	2015-16
Sales	1,602.17	1,393.86
Total Income	1,649.05	1,553.54
Loss / Profit Before Taxation	(145.35)	8.26
Loss After Current Taxation	(145.35)	(1.70)
Loss / Profit After Current & Deferred Taxation	(145.24)	34.21
Earnings per Equity Share (₹) - Basic	(4.32)	1.02
Earnings per Equity Share (₹) - Diluted	(4.32)	1.02
Profitability ratios are as follows:		
PBDIT/Total Income	7%	16%
PBT/Total Income	-9%	1%
PAT/Total Income	-9%	2%
Return on Capital Employed	1%	5%
Return on Net Worth	-9%	2%
The Financial risk ratios are as follows:		
Net Debt/Equity	1.76	1.51
Interest coverage	0.30	1.04

OUR CHEMICALS HELP
MAKE LIFE BEAUTIFUL

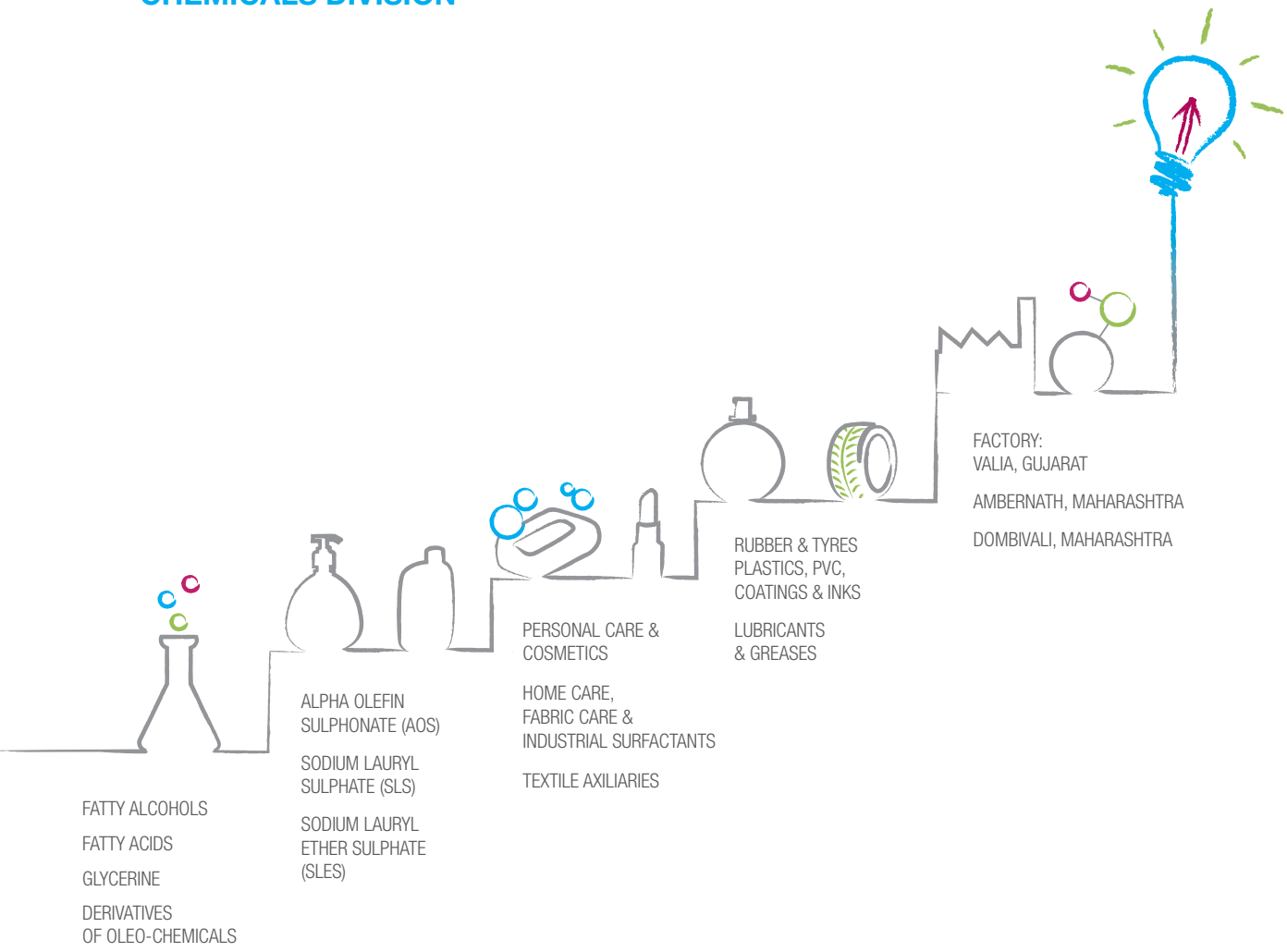






GODREJ CHEMICALS

CHEMICALS DIVISION



The Chemicals division is one of India's leading manufacturers of basic oleo-chemicals, surfactants and derivatives of oleo-chemicals. The division has a blend of domestic and international operations and is one of the leading suppliers in the Indian market. The division achieved export turnover of ₹ 399 crore in this fiscal, accounting for about 28% of its turnover.

The division is focusing on value added chemicals which have steady margins and also helps in de-risking the business.

Despite a challenging macro-economic situation the division recorded a revenue growth of 17% and has a wide distribution network.

The product category-wise review follows:

Fatty Acids

The Fatty Acids portfolio, comprising stearic acid, oleic acid, as well as value-added fatty acids,

accounted for about 41% of the turnover of the division. The division plans to enhance the sales of its value-added fatty acids in the domestic as well as export markets.

Fatty Alcohol

Fatty alcohol contributed 29% to turnover of this division. A good portion of the revenues for this category comes from exports. The division is also expanding the product basket by focusing on value-added fatty alcohol and also long chain alcohol.

Surfactants

Surfactants contributed 22% to the turnover of the division.

We have continued to grow our Sodium Lauryl Sulphate (SLS) sales in the domestic as well as international markets.

Sales of SLS grew by 19% in value terms as compared to the previous year. Our products have been approved by several multi-national companies and we can now strongly participate in their global sourcing programs. Effective sourcing of raw material and increasing customer base are important for improving margins and division has done reasonably well on both the counts.

The division also has the significant presence in Sodium Lauryl Ether Sulphate (SLES) and Alpha Olefin Sulfonate (AOS) market space.

Glycerin

Glycerin accounted for 6% of the turnover of this division. Being largely a co-product, additional sales are mostly opportunistic, depending on market conditions. With the help of R & D and a new plant at Dombivli, the division is now manufacturing value added glycerin product. Our glycerin has been approved by many pharmaceutical companies and known for its consistent quality.

Other Initiatives

Your company continues to focus on use of renewable energy over the years. In FY2016-17, more than 41% of the total energy we consumed was through renewable sources. We achieved this through use of biomass briquettes and other initiatives.



Ambernath Plant



Valia Plant

Our Valia plant & Ambernath plant has installed solar rooftop of 189kW & 198 kW respectively.

Our Valia plant was awarded the 'Energy Efficient Unit for second time in a row at CII National Awards for Energy Management 2016.

We have also initiated various other energy conservation technologies in our plants which has resulted in reducing our specific energy consumption by ~ 24%.

Outlook

The outlook for the coming year 2017-18 is good for the value-added fatty acids at this point in time. International demand is showing signs of improvement and procurement of indigenous raw material will be an edge over overseas competition.

Overall, we expect stronger demand in FY2017-18.

Finance and Investments

During the year, your company continued to earn return from its investments in the form of Dividend of ₹47 crore (previous year ₹ 92 crore).

Your company acquired an additional stake in Godrej Agrovet Limited by investing ₹ 200.73 crore. The stake of your company in Godrej Agrovet Limited now stands at 63.7%. Your company also invested ₹ 84 crore in Natures Basket Limited to support their growth plans.

Veg Oils

The veg oils business started direct sales of edible Oils under 'Godrej Brand' in bulk and consumer packs from September, 2015. The business clocked a revenue of ₹ 111 crore and has a reach of 7000+ retail outlets in Mumbai Metropolitan Region (MMR) and 2000+ retail outlets in western Maharashtra and Goa. The products of this business has been well received in the market.



We are expanding our reach globally and our products are exported to over 60+ countries in North and South America, Asia, Europe, Australia and Africa.



Godrej Industries (Chemicals) has bagged the prestigious "CHEMEXCIL" 'Award of Excellency' for its Outstanding Export Performance.

The award was presented to Mr. N S Nabar, Executive Director and President, Godrej Industries Limited (Chemicals) by Hon'ble Minister of State for Commerce & Industry (Independent Charge). Smt. Nirmala Sitharaman.

Human Resource Development and Industrial Relations

Industrial relations at all plant locations remained harmonious.

The total number of persons employed in your Company as on March 31, 2017 were 1,164.

Policy to Prevent Sexual Harassment at the work place

Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. Your Company has strengthened its existing Policy on Prevention of Sexual Harassment at the workplace. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by the law and the Group. Structured sessions on prevention of sexual harassment at workplace were organized at all locations to spread awareness on security & safety of women employees as well as to apprise all employees of the legislative updates on prevention of sexual harassment at workplace.

A Complaints Committee as required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, headed by Ms. T. A. Dubash, Executive Director & Chief Brand Officer, exists to redress any complaints of sexual harassment. While the Act is applicable

only to women employees, our Company policy would be covering all employees and all premises of the Company in India.

Internal Control Systems and Their Adequacy

Your Company has a proper and adequate system of Internal Controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transactions are authorized, recorded and reported correctly. Your Company's Corporate Audit and Assurance Department which is ISO 9001 certified, issues well documented operating procedures and authorities with adequate built-in controls at the beginning of any activity and revised procedures if there is any major change. The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the management. The system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

Corporate Audit & Assurance Department during the year, facilitated a review of your company's risk management programme. The risks and mitigation measures were reviewed by your company's Risk Committee and corrective measures initiated.

During the year the Corporate Audit & Assurance Department carried out various reviews and provided assurance on compliances to lay down policies, processes and internal controls.

Information Security

Your Company accords great importance to the security of its information assets. To ensure that this gets desired focus and attention, a Chief Information Security Officer, who is attached to the Corporate Audit and Assurance Department, is entrusted with the task of ensuring that your Company has the requisite security posture.

Your Company has in place, all the procedures and practices that are in line with the ISO Security Standards. Your company is ISO 27001:2005 certified.

Opportunities and Threats

Post the remonetisation of currency, the demand has improved in India. We are now getting back to the recovery seen during the pre-demonetisation levels. We look forward to the GST implementation. While there could be some temporary volatility in the channel around the GST implementation date as the trade adjusts to the new tax structure, we are confident that end consumer demand will remain intact. The implementation of GST will be transformative for the Indian economy and will significantly boost consumption and GDP growth. It will also create a level playing field for the organized players by bringing the tax evaders under compliance. Once the legislation comes into effect it will be give boost to the domestic industry and thus our businesses will be able to leverage the same.

Risks and Concerns

Your Company had put a risk management framework in place post a comprehensive review of its risk management process. Your Company has taken a fresh look at the risk management framework. The review involved understanding the existing risk management initiatives, zero-based identification and assessment

of risks in the various businesses as also the relative control measures and arriving at the desired counter measures keeping in mind the risk appetite of the organization. The Risk Committee has periodically reviewed the risks in the various businesses and recommended appropriate risk mitigating actions.

The Commodity based businesses are likely to be affected by vagaries of the weather, demand for edible oil, oilseed production, etc. The business is exposed to commodity price risks relating to raw materials which account for the largest portion of the costs of both the Chemicals and Vegoils businesses. The Chemicals business growth will also depend on the growth of end user industries like polymer, detergent, cosmetic and personal care.

As a significant employer and chemicals producer, to ensure occupational safety, employment standards, production safety, and environmental protection, your Company maintains strict safety, health, environmental protection and quality control programs to monitor and control these operational risks.

Macro-economic factors including economic and political developments, natural calamities which affect the industrial sector generally would also affect the businesses of your Company. Legislative changes resulting in a change in the taxes, duties and levies, whether local or central, also impact business performance and relative competitiveness of the businesses.

Cautionary Statement

Some of the statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in industry, significant changes in political and economic environment in India and abroad, tax laws, import duties, litigation and labour relations.

BUSINESS RESPONSIBILITY REPORT



Sustainability Efforts By The Godrej Group

"Much benefit can be seen
From our program Good and Green.
Society and business gain
From all the people that we train.
We thought we'd have to pay a price
For green energy but it's very nice
The costs have fallen very low
And every day our savings grow!."

- Nadir Godrej

SUSTAINABILITY EFFORTS BY THE GODREJ GROUP

The Godrej Group has been at the forefront of philanthropic and social activities for several decades. About Twenty-four per cent of the shares of the Godrej Group are held in trusts that invests back in initiatives that support the environment as well as improve the quality and availability of healthcare and education.

Through investment and oversight by the trust, a large tract of mangrove forests in Mumbai have been protected, developed, and maintained for several years and serve as a second set of lungs for the city. The Godrej Group has continually supported education and supports the Udayachal pre-primary and primary schools, which focus on the all-round development of children. The Udayachal high school has been accredited with the International School Award in recognition of the school incorporating global education into its curriculum and innovation into classroom teaching.

In addition, the Godrej Group has supported initiatives in healthcare through the Godrej Memorial Hospital, which aims to provide quality healthcare at affordable costs. One such initiative is our partnership with 'Smile Train', a US-based NGO, which helps in performing corrective cleft lip and palate surgeries for children from low-income families. The Group offers surgery and hospitalisation to the patients free of cost.

SUSTAINABILITY IN GODREJ'S CORE VISION

Godrej Industries Limited (GIL), part of the larger Godrej Group shares the group's vision for playing an active part in creating a more inclusive and greener India. This vision is 'Godrej Good & Green', that is founded on shared value impact. The concept of shared value is defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. As part of this initiative, we as a Group aspire to create a more employable Indian workforce, a greener India and innovate for good and green products by 2020.

Good & Green



As part of this vision, our Group-level goals till the year 2020 are:

- Train 1 million rural and urban youth in skilled employment
- Achieve zero waste to landfill, carbon neutrality, and a positive water balance along with reducing our specific energy consumption and increasing the proportion of renewable energy use
- Have one-third of our portfolio revenues comprise good and/or green products and services: defined as products that are environmentally superior or address a critical social issue (e.g. health, sanitation, and disease prevention) for consumers at the bottom of the income pyramid.

These goals are supplemented by Brighter Giving, a structured volunteering platform through which our team members can offer their time and skills to help address a non-profit organisation's needs.

ACTUALIZING THE VISION

Here are a few of our social and environmental achievements for the year that helped us to actualise our commitment to sustainability:



We implemented innovative projects to reduce our specific energy consumption such as installing heat pipes and screw expander.

GIL has ranked on the CDP India's Climate Disclosure Leadership Category for the second time in a row 2016.

CDP™
CLIMATE
DISCLOSURE
LEADER 2015



Our GIL Ambernath installed a 198 kW solar rooftop plant and GIL Valia installed 189 kW solar rooftop plant. This has helped us grow our renewable energy portfolio to 41%.

Our GIL Valia plant was awarded the 'Energy Efficient Unit' in Chemicals sector for the second time in a row at the Confederation of Indian Industries' National Awards for Excellence in Energy Management 2016. The Valia Plant also won the 'Innovative Project' award for their consistent effort in introducing new energy efficiency technologies.



Our GIL Ambernath plant recently installed an RO (Reverse Osmosis) plant to recycle waste water from its processes and reuse it in the plant. With this initiative, the Ambernath plant will be our first plant to achieve zero discharge in industrial waste water.



SEBI, vide its circular CIR/CFD/DIL/8/2012 dated August 13, 2012 had proposed to mandate inclusion of Business Responsibility Reports as part of the Annual Reports for listed entities. Pursuant to notification of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the aforesaid circular dated August 13, 2012 was rescinded. As per clause (f) of sub regulation (2) of regulation 34 of Listing Regulations, the annual report shall now contain a business responsibility report describing the initiatives taken by the listed entity from an environmental, social and governance perspective, in the format as specified by SEBI. Accordingly, listed entities shall be guided by the format as per Annexure I shared in Circular CIR/CFD/CMD/10/2015 dated November 04, 2015

Annexure "B"

FORMING PART OF THE BOARD'S REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Godrej Industries Limited [GIL], is a part of the diversified conglomerate with a significant presence in Home and Personal Care, Animal Feeds and Agri-products, poultry, Oil Palm Plantation, Dairy, Real Estate Development, Oleo-chemicals and Vegetable Oils directly through subsidiaries/associate companies.

Vora Soaps Ltd. and Godrej Family members are the Promoters of the Company and the shareholding of promoter/promoter group constitutes 74.77% of the paid up capital of the Company as at March 31, 2017.

- Name of Company — Godrej Industries Limited
- Corporate Identity Number (CIN) — L24241MH1988PLC097781
- Registered Office — Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079.
- Email id — investor@godrejinds.com
- Website — www.godrejindustries.com

- The three key products that the company (standalone) manufactures and the Sector(s) that the Company is engaged in (industrial activity code-wise) are:

Sr. No.	Name & Description of Main Products or Services	NIC Code
1	Fatty Acid	24118
2	Fatty Alcohol	24118
3	Surfactant	24243

- The company operates from its factories at the following locations:
  - Ambernath, Maharashtra
  - Valia, Gujarat
  - Wadala, Maharashtra
  - Dombivali, Maharashtra

- The company has spread its wings both in the domestic and international market.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

FY 2016-17	Amount (₹ crore)
Paid up Capital	33.61
Total Income	1,649.05
Net Loss	145.24
Total Spending on Corporate Social Responsibility (CSR) as a % of Net Profit after Tax	N.A.
Market capitalization (as on March 31, 2017)	16,958

SECTION C: OTHER DETAILS

Godrej Industries Limited has 7 subsidiaries. The subsidiaries which are required to comply with Section 135 of the Companies Act have their own CSR projects, and other subsidiaries do not participate in the business responsibility initiatives of the parent company.

The other entities with whom the Company does business with viz suppliers, distributors etc. don't participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1 (a) Details of Director/Directors responsible for BR

At Godrej we have established a CSR Committee in accordance with Section 135 of the Companies Act 2013 which is spearheaded by Mr. Nadir B Godrej as its Chairman for its various business responsibility initiatives. The CSR committee of the Board of Directors is responsible for the CSR projects undertaken. The committee reports to the Board of Directors.

The CSR Policy made in accordance with the CSR guidelines focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with the Godrej group's Good & Green vision and goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

The Committee met once in the last year to assess the CSR Requirements of the Company. CSR Requirements as per Section 135 is NIL for the current year there was no legal obligation for CSR contribution for the said Financial Year. Consequently, no business responsibility initiatives undertaken by the company have been tagged and reported as CSR spends.

The CSR Committee comprises of the following members:

Name of the Director	Designation	DIN Number
Mr. N. B. Godrej	Managing Director	00066195
Ms. T. A. Dubash	Executive Director & Chief Brand Officer	00026028
Mr. K. N. Petigara	Director	00066162
Mr. A. B. Choudhury	Director	00557547

1 (b) Details of Business Responsibility Head

Name	- Mr. N. B. Godrej
Designation	- Managing Director
Telephone	- 022-25188010
Email id	- nb.godrej@godrejinds.com

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

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board?	N	N	N	N	N	N	N	N	N
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	N	N	N	N	N	Y	N	N	N
6	Indicate the link for the policy to be viewed online?	-	-	-	-	-	-	-	-	-
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	Y	N	N	Y	N	N	N

SECTION E: PRINCIPLE-WISE PERFORMANCE BY GODREJ INDUSTRIES LIMITED

As per the Business Responsibility guidelines established by the Ministry of Corporate Affairs and SEBI, following are updates for Godrej Industries Limited on each of the Principles as stated in the Guidelines.

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

The Company pursues good Corporate Governance by ensuring regulatory compliance, transparency in disclosures, efficient operational practices, strong internal controls, risk management systems, and by engaging and operating with fairness and integrity with all its stakeholders namely shareholders, customers, employees, suppliers, regulatory authorities and general public.

Organization Structure

At the Apex is the Board of Directors headed by a non-executive Chairman. The Board provides guidance and support to the management in terms of broad strategy, direction, governance and compliance. The Company's Board of Directors has six committees.



They monitor and provide direction to the senior leadership team. This ensures greater focus on specific aspects of Corporate Governance and expeditious resolution of issues of governance as and when they arise. These Committees have clearly defined areas of operation and they operate as empowered by the Board.

Code of Conduct

The Board of Directors and Senior Management of the Company comply with the Code of Conduct. An annual confirmation affirming compliance with the code of conduct is obtained from Board Members and senior management every year and the same has been obtained for the year ended March 2017.

The Company also has a code of conduct which is applicable to all individuals working in the company. The Company encourages its Business Partners also to follow the code.

A Whistleblower policy has also been put in place .The purpose of the Whistleblower Policy is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their supervisors. A Whistleblowing Officer has been designated for the purpose of receiving and recording any complaints under this policy.

95 shareholder complaints were received in the past financial year and all such complaints were satisfactorily resolved by the management.

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

Godrej Group's Good & Green vision supports the development of goods that are environmentally sustainable. As part of the vision, we aspire to develop products that consume fewer resources (energy, water), emit fewer greenhouse gases and include a hundred percent of recyclable, renewable, and/or natural materials.

Sustainable Sourcing

GIL Chemicals is one of the first Indian entity to become a member of the Roundtable on Sustainable Palm Oil (RSPO), a worldwide alliance of stake holders in the palm oil industry. Its aim is to prevent deforestation and to encourage sustainable oil palm plantations. Godrej Industries participates actively at the RSPO and sources palm products from suppliers who are themselves active members of the Roundtable. Additionally, biodegradable vegetable oils are used as the raw material for the manufacture of fatty acids, glycerin, fatty alcohols and surfactants.

Local Sourcing

GIL Chemicals consumed 68% of the requirement from local sources, where as 32% was imported.

Waste Recycling

Details relating to recycling of products and waste has been discussed later under Principle 6.

Principle 3: Promoting the well-being of all employees

The total number of persons employed in your Company as on March 31, 2017 were 1164. Your Company has made concerted efforts towards creating learning and development opportunities that continually enhance the employee value in line with the organizational objectives.

Your Company focuses on ensuring well-being of all its employees. Safety and health of employees is extremely important to the Company and we are committed to building and maintaining a safe and healthy workplace. The following are essential parts of the Code of Conduct

Diversity & Zero discrimination | Health & Safety | Good working environment

All employees who join the company demonstrate their commitment to follow the code of ethics by signing in their acceptance to adhere to the same. Examples of a few of the principles of this code of conduct are listed below.

Diversity and equal opportunities

We value diversity within the Godrej Group and are committed to offering equal opportunities in employment. We do not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, gender, gender identity/ expression, sexual orientation, disability, age, or marital status and always allow for equal opportunities for all team members. We are proud to share that out of the total employee count of 1164, the number of permanent female employees is 85.

Diversity & Inclusion initiatives are taken care of at the corporate level by the Diversity & Inclusion Department, and is supported by the Diversity Council comprising of business leaders and HR representatives from across businesses in the Godrej Industries Limited & Associated Companies (GILAC) group.

Some of the initiatives taken by our Diversity & Inclusion Team includes the following;

- Godrej Careers 2.0
  The Careers 2.0 programme offers live business projects of 6-9 months duration to women who are currently on a career break. This programme is designed to reintegrate women back into the workforce who have taken a break due to various reasons.

- Godrej Women's Leadership Network
  The Godrej Women's Leadership Network provides women at Godrej several opportunities to network, learn and grow.

- Godrej Alliance for Parents [GAP]
  Godrej Alliance for Parents is a great resource for working parents and their spouses to share experiences and discuss issues ranging from childcare to children's education and their own work-life balance.

- Diversity Sensitization workshops:
  A special diversity sensitization workshop focusing on gender inclusion is being conducted for all people managers across the GILAC group. The workshop focuses on unconscious biases and how managers can tackle them in the workplace to create an inclusive culture.

- Policy for prevention of sexual harassment:
  The Company is committed to creating and maintaining an atmosphere in which all employees can work together, without fear of sexual harassment, exploitation or intimidation. A gender- neutral policy on prevention of sexual harassment has been in place for years. The existing policy was further strengthened by adoption of the Policy on Sexual Harassment of Women at Workplace Act, 2013 (also known as the Vishaka Guidelines).

A Complaints Committee has been formed to redress any complaints of sexual harassment. This committee is headed by Ms. Tanya Dubash, Executive Director & Chief Brand Officer.

All employees go through mandatory training on Prevention of Sexual Harassment.

Health & Safety

- On-campus:
  We have canteen facility, where food and refreshments are provided to ensure that hygienic and healthy food is available at the premises.

  All company premises are non-smoking zones. Smoking is strictly prohibited in the campus.

  GIL, Wadala team celebrated National Road Safety Week celebration 2017 by various events between 11th Jan to 17th Jan 2017. We hosted a week long campaign to create and enhance general safety awareness, at our Godrej One campus.



During the National Safety Week we focused on importance of safety in all occupations. Various number of activities were conducted like learning tips on general safety, a session on ergonomics, a life safety session of evacuation through fire escape chute, basics of fire & safety and more.

- Health Check-up
  The Company has initiated a policy for health checkup of employees who are above the age of 40 years, wherein they can have the health checkup done at designated hospitals, once in two years.

Good Working Environment

- Progressive Human Resource policies
  Your Company prides itself as a great place to work, a fact recognized and acknowledged externally as well. HR policies like flexible working hours, work from home arrangements, part-time work, leave and benefits, adoption leave and benefits, extended maternity leave and benefits, paternity leave and benefits – to name a few – go a long way in ensuring that the employees successfully strike a work-life balance.

- Engagement Forums
  There are multiple touch points for leadership team to interact with employees through forums like open houses, town halls, the long range plan and annual operating plan cascades, focus groups around engagement surveys, HR connect sessions, skip level meetings by senior leadership etc. The organization invests in functional training for all employees in line with their current and future career aspirations.

  The learning suite encompasses functional training, leadership development programs and behavioral training geared towards leading self, leading others and leading business.

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

We at GIL have identified and prioritised our key stakeholders and continue our engagement with them through various mechanisms such as, consultations with local communities, supplier/ vendor meets, customer/ employee satisfaction surveys, investor forums, etc.

The identification of all relevant stakeholders and understanding their expectations is of high concern

for GIL in our quest to remain sustainable. Key stakeholders are identified on the basis of their influence on the Company's operations and impact of the Company's operations on them.

Community Development

Last year, in order to align our community development programmes to UN's sustainable development goals we carried out a detailed community needs assessment. We invited an external agency to carry out the assessment. The team followed a three-step approach, where they connected with our plant and corporate office, held extensive field based assessments, backed by thorough secondary research to validate key facts and add on additional information available from official sources. The result is a comprehensive report of the community, their needs, gaps in the system and our way forward. We have now started to streamline our activities and implemented high impact programmes.

- At Valia, we work closely with our neighbouring village Kanerao. As part of our community initiative, we are engaging with the primary school in Kanerao to make it a model school. We are also working with the community to better the health and sanitation condition of the village.

- We have also directed our special efforts towards the less privileged in the society through various ways. Recruitment of candidates from the Scheduled Caste/Scheduled Tribe and Physically Challenged categories has been taken up as one of the major performance measures of the recruitment process owner.

- We participate in government fairs for recruiting candidates from the categories of Scheduled Caste/Scheduled Tribe and Physically Challenged. We have has also partnered with NGOs to provide employment opportunities and counselling to marginalised people. Till March 2017 we have over 150 of our team members working with us that fall in one of these categories

- As part of the employee referral policy, referrals of Scheduled Caste/Scheduled Tribe/Physically Challenged candidates are offered higher referral amounts than that offered to the general category candidates.

- As part of the Godrej Global Volunteering day, over 120 of our team members volunteered at local schools in Mumbai, Valia and Ambernath to improve the teaching, learning experience of the students. Additionally, we also provided a mobile library to the schools. We also provided regular assistance to the Primary School, Kanerao. The unit distributes school supplies to students at the start of the year and also supports the sports day activity.

- Our Good & Green vision inspires each one of us at GIL to continue to work towards building a brighter, greener and more inclusive India. Employee volunteering at our corporate offices and factories is a key focus for us. Some of our employees ran the Standard Chartered Mumbai Marathon in January 2017 in support of Teach for India by spreading awareness about the movement and also raising funds.

- During the year 2016-17 the company made donations to several organisations. Our charitable donations span a wide range of good causes. The company also sponsors a lot of events to promote social causes.

- Additionally, through our Workplace giving programme, our team members contribute to Save the Children India, Teach For India and World Wildlife Fund for India. As a Group, we raised over INR 4,50,000 for these non-profits.

GIL, Valia distributed sports supplies at the Kanerao Primary School (cricket kit, football, carrom board etc). Prior to this, the school had no sports equipment for students. We will now work closely with school to ensure the equipment are used regularly and help the students participate in sports tournaments.





Principle 5: Businesses should respect and promote human rights

GIL respects and promotes human rights for all individuals. No violations in this regard have occurred.

Our Code of Conduct covers aspects like Diversity, Anti-Discrimination, equal opportunity, compliance with the law and integrity which all contribute to respecting and promoting human rights. We also have policies like Whistleblower, Prevention of Sexual Harassment that encourage respect and promotion of human rights. Any violation of the Code of Conduct can result in stern disciplinary action including termination of employment and / or other appropriate actions as permissible under the law.

The Company has a policy which is applicable to all employees. The Company encourages its Business Partners to follow the policy.

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

Godrej as a group believes in conserving the various resources of mother earth. As part of its Good & Green vision there is a specific commitment at Godrej group to create a “Greener India”. The details of our strategy is available at: http://www.godrej.com/good-and-green.html

We at GIL focus on five major areas related to climate change i.e.

- Energy conservation,
- Water conservation,
- Use of renewable energy,
- Green House Gas (GHG) mitigation &
- Waste minimization.

A dedicated team of ‘Good & Green’ has been set up to identify the risks and opportunities for individual manufacturing facilities respectively. After identifying the risks and opportunities, the team proposes necessary action to be taken. Several measures proposed by the ‘Good & Green’ team have been

implemented which yielded excellent benefits.

We are proud to share that the emissions/waste generated by the company are within the permissible limits given by CPCB/SPCB for the financial year being reported.

Our business has undertaken various initiatives towards:

- Reducing specific energy consumption,
- Increasing our renewable energy portfolio
- Becoming carbon neutral and water positive
- Reducing waste to landfills.

Reducing specific energy consumption

Our efforts for energy conservation have resulted in reducing our specific energy consumption. In the last six years, we reduced our specific energy by 24%. Our Valia and Ambernath plants have adopted various energy conservation technologies and implemented short-term and long-term projects to achieve our targets. Some of the major initiatives we undertook during FY2016-17 are:

- We identified high-energy consumption equipment and replaced them with cost effective energy efficient equipment. We also installed heat pumps, heat pipes and screw expander.
- We monitored the operations and build capacity optimisation of pumps, compressors, motors and cooling tower operations.
- We have installed several heat recovery systems including air preheater and air compressor heat recovery.

Increasing our renewable energy portfolio

- Increasing use of renewable energy by 30%

  Our renewable energy usage as a percentage of overall energy used has increased substantially over the years. In FY2016-17, more than 41% of the total energy we consumed was through renewable sources. We achieved this through use of biomass briquettes, solar energy consumption and other such initiatives.

  GIL Ambernath installed a 198 kW solar rooftop plant. This installation helps us generate 3 lakh units of clean electricity per annum. We also installed a 189 kW solar rooftop plant at GIL Valia manufacturing unit.

Becoming carbon neutral and water positive

- Reducing carbon footprint through manufacturing processes (at our manufacturing plants in Valia and Ambernath)

  Our specific GHG emission has reduced substantially by 36% from our baseline in FY11. We achieved this through various environment friendly projects such as, replacing of fossil fuel with biomass for boilers, utilisation of pitch in boilers that enables organic waste to be reused as fuel and reduce carbon emissions in the plant processes. We are also starting our third briquette boiler for our hot oil system.

  We have also shifted some of our transport from roadways to railways and minimised the distance

of travel. We continue to drive a relentless focus on optimising the distance of travel, increasing loading ability of our products and enhance truck utilisation to reduce GHG emission.

- Water Conservation through wastewater treatment plant
  Since FY11, we have reduced our specific water consumption by 25%. We treat waste water in our water treatment plants and reuse the same in our process. We have also reduced our dependency on raw water consumption by installing condensate recovery systems that recovers the condensate and reuses it in the process.



Our waste water treatment plant at GIL Ambernath

- Water Treatment Plant at our Ambernath manufacturing plant
  In line with our Greener India goal of achieving water positivity, we are constantly adopting greener alternatives in our manufacturing processes. Our Ambernath plant recently commissioned an RO (Reverse Osmosis) plant to recycle waste water from its processes and reuse it in the plant. The commissioned RO plant has a capacity to treat 500m3 / day and the recycled water will be used in the plant's boilers and cooling towers. This will help us to further reduce our specific water consumption. By installing it we have achieved a reduction in specific water consumption by 34% from FY16.

Reducing waste to landfill

We segregate biological and chemical sludge from ETP. This has reduced the amount of waste going to landfill substantially. Biological sludge is converted into compost and used in gardening.

We are also exploring waste to energy technologies to process our industrial waste. We are in the process of exploring trials to convert industrial waste into oil through pyrolysis or energy using plasma gasification process. **Our specific waste to landfill has reduced by 74% from our baseline in FY11.**

Awards & Accolades

- GIL is listed as a leader in CDP India's Climate Disclosure Leadership Category index second time in a row
- CII energy efficient Award - 2016
- CII energy innovation Award - 2016
- CII Western Region Responsible Growth - A Business Imperative and Best Practices Competition in Energy - 2016

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

For any policy advocacy, GIL ensures that it does so with the highest degree of responsible and ethical behaviour and also works with collective platforms such as trade and industry chambers and associations.

GIL is a signatory to the Confederation of Indian Industry's (CII) Mission of Sustainable Growth and the CII-ASSOCHAM Code of Conduct for Affirmative Action respectively. We are also a member of Indian Chemical Council which is the apex national body representing all branches of the chemical industry in India.

Principle 8: Businesses should support inclusive growth and equitable development

Our Good & Green vision inspires each one of us at GIL to continue to work towards building a brighter, greener and more inclusive India.

We work in collaboration with NGOs and social enterprises to design and run a number of employability training programmes across GILAC. The focus of these programmes is to improve the earning potential of our graduates, through skill building. We also help to facilitate self-employment or job placements.

In FY2016-17, the Godrej Group has trained close to 73,000 people in skills that will enhance their earning potential. Since the inception of the programme, the Group has trained over 2,48,000 people. The Good & Green team also undertakes impact assessments for the skill development initiatives.

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

We are a customer centric company and greatly value the trust, satisfaction and loyalty of our customers across the world. Our primary focus is delighting our customers, both external and internal. Customer centricity is part of our 'Code of Conduct'. We strive to ensure that customer needs are satisfied and that our products and services offer value to the customer. Our customer focus does not only extend to external customers alone, but includes internal customers as well. We continue to invest significantly in R&D to develop newer products or variants to suit the needs of the customers.

The Valia factory which operates on Distributed Control System is ISO 9001 & ISO 14001 certified and has been Kosher certified for manufacturing Fatty Acids, Fatty Alcohols and Glycerin and is well equipped to deliver the products of superior quality, in time and at competitive price.

GIL regularly conducts consumer surveys to know the consumer satisfaction trends. No customer complaints/ consumer cases are pending as on the end of the financial year.

GIL displays adequate information to enable safe and effective usage of its products. GIL is a member of fatty alcohol consortium which was formed as per ECHA/REACh guidelines. REACh stands for Regulation for Evaluation, Authorization & Registration of all substances entering into Europe. As per REACh and GHS requirement we have developed MSDS where all the characteristics of the product are clearly stated with instructions how to handle and use the product safely.



Annexure "C"

FORMING PART OF THE BOARD'S REPORT

As per Section 62 of the Companies Act, 2013, Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, SEBI (Share Based Employee Benefits) Regulations, 2014 and The SEBI (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines 1999, following information is disclosed for FY2016-17 in respect of Godrej Industries Limited Employee Stock Option Plan I and II, and Employee Stock Grant Scheme, 2011 :

Sr. No.	Heading	Particulars (ESOP)	Particulars (ESGS)
A	Options granted during the year	Nil	1,60,395
B	The pricing formula	ESOP I : Market Price plus Interest at such a rate not being less than the Bank Rate then prevailing compound-able on an annual basis for the period commencing from the date of Grant of the Option and ending on the date of intimating Exercise of the Option to the Company or March 31, 2012, whichever is earlier. ESOP II : Grant Price* plus Interest at such a rate as may be decided from time to time compoundable on an annual basis for the period commencing from the date of Granting of the Options and ending on the date of intimating Exercise of the Option to the Company or March 31, 2012, whichever is earlier. ** Grant Price means higher of market price or average cost of shares purchased by the Trust for that specific grant, including any unallotted shares lying with the Trust if utilized for that specific grant, plus interest on the loan taken to purchase the said shares at such rate as may be decided from time to time and compoundable on annual basis till the date of grant or March 31, 2012, whichever is earlier.*	₹ 1 per equity share
C	Options vested during the year	ESOP I : Nil ESOP II : Nil	1,48,319
D	Options exercised during the year	ESOP I : 16,45,000 ESOP II : 2,30,500	1,50,941
E	The total number of shares arising as a result of exercise of option	Nil. As shares purchased from secondary market, there is no further issue of shares as a result of exercise of options.	1,50,941

Sr. No.	Heading	Particulars (ESOP)	Particulars (ESGS)
F	Options lapsed/revoked during the year	ESOP I : 2,00,250 ESOP II: Nil	43,949
G	Variation of terms of options	None	-
H	Money realized by exercise of options	ESOP I : ₹ 69,22,85,260/- ESOP II : ₹ 8,71,27,620/-	₹ 1,50,941
I	Total number of options in force	ESOP I : 2,04,250 equity shares of nominal value of ₹ 1/- each ESOP II : Nil.	2,98,601
J	Employee wise details of options granted to;- i) senior managerial personnel; ii) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year. iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	 Nil Nil Nil	 Annexure 1 (Table 1) Annexure 1 (Table 1) Nil
K	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'.	There is no fresh issue of shares hence, not applicable.	Basic EPS : ₹ -4.32 Diluted EPS : ₹ -4.32
L	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	The company has calculated the employee compensation cost using the fair value method for stock options.	The company has calculated the employee compensation cost using the fair value method.

Sr. No.	Heading	Particulars (ESOP)	Particulars (ESGS)
M	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	No options were granted during the year hence the Weighted average exercise price and Weighted Average fair value has not been computed.	-
N	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information: i) risk-free interest rate, ii) expected life, iii) expected volatility, iv) expected dividends, and v) the price of the underlying share in market at the time of option grant	No options granted during the year.	The fair value of the options granted has been calculated using Black–Scholes Options pricing formula and the significant assumptions made in this regard are as follows: 7.88% - 7.94% 1 - 3 years 33% - 34% 0.50 % ₹ 1.75 per share Weighted average market price at the time of grant of option ₹ 347.05 per option.

Annexure 1 (ESGS)

Table 1: Senior Managerial Personnel:

Sr. No	Name	Options granted
1	Shireesh Joshi	7,779
2	Sumit Mitra*	9,336
3	V. Swaminathan	6,225
4	V. Chakradhar	6,225
5	Robert Menzies	6,225
6	Shailesh Deshpande	4,149
7	Sujit Patil	5,187
8	Parmesh Shahani	4,149
9	Manasi Narasimhan	2,880
10	Vikas Goswami	4,149
11	Mohit Khattar	5,187
12	Avani Davda	5,763
13	Shekhar Iyer	4,149
14	N S Nabar*	18,672

Sr. No	Name	Options granted
15	Dorab Mistry	4,150
16	Atul Prakash	3,459
17	Arvinder Singh	3,459
18	Clement Pinto	3,459
19	Rohinton Khajotia	3,573
20	Balram Singh Yadav*	15,849
21	P N Narkhede	3,530
22	Varadaraj S.	6,051
23	Praful J Bhat	6,051
24	V V Mishra	4,320
25	Rakesh Dogra	4,320
26	Sanjivani Sadani	3,459
27	Nasim Ali	4,320
28	Sandeep Kumar Singh	4,320
Total		**1,60,395**

** Options granted to all above is in excess of 5% of the total options granted during the year.*

Note: As per the Scheme of Amalgamation of Wadala Comomodities Limited with the Company (Scheme), 303 bonus shares on ESGS were granted. In the current year 38 bonus shares (previous year 85 bonus shares) were alloted pursuant to the scheme.

Annexure "D"

FORMING PART OF THE BOARDS' REPORT

Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo.

A. Conservation of Energy

I. Steps taken or impact on conservation of energy:

Valia:

1. Installation of the heat recovery units in the reformer and alcohol fractionation had resulted in saving of natural gas
2. Installation of heat pipe for heat recovery from the spray dryer stack, which had resulted into the saving of 20% energy to the spray dryer
3. Installation of the energy efficient pumps instead of old pumps
4. Taking advantage of seasonal changes for energy saving such as stopping cooling tower fan in winter, stopping one chiller instead of two chiller operation
5. Thermal imaging of the plant to improve electrical condition and safety of the plant
6. Installation of the screw expander which is first installation in India and 20th installation in world, which generate electrical energy from pressure reduction in the steam instead of Pressure Reducing Valve (PRV)
7. Energy efficiency in lightening systems like LED ligating, use of high energy efficient equipment's like IE 3 grade motors, provision of variable frequency drives are the ongoing projects which saves lots of energy
8. Installation of the Solar panel had started a way towards the renewable energy.

Ambernath:

1. Heat Pipe installation in Spray Dryer to achieve efficient Heat recovery
2. Installation of Air preheater in Heater of Distillation Plant
3. Installed roof top Solar Installations of 198 Kw capacity
4. Increase in roof cover for rain water harvesting
5. Installation of Energy Efficient Equipment and other energy conservation projects like pump replacement, Compressor operation optimization & Variable Frequency Drive (VFD) installation in Cooling Tower Fans & Pump
6. Installed Reverse Osmosis (RO) and Multiple Effect Evaporator (MEE) plant to achieve Zero Liquid Discharge (ZLD) status and also reduce water consumption. A reduction of 30% achieved.

II. Steps taken by company to utilise alternate sources of energy

1. Use of briquette (renewable resource) as fuel in place of natural gas
2. Use of Solar energy in the form of solar roof top
3. Use of fatty acid distillation bottom (pitch) as fuel in place of furnace oil

Wadala:

1. Made process optimisation in the Vanaspati plant resulting in saving of fuel as well as electricity
2. Commissioned a Non-IBR boiler for reducing fuel consumption
3. Installation of Energy Efficient LED lights across the unit
4. Rain water collection for use in Boiler
5. Use of VFDs at appropriate places
6. Always maintaining power factor of 1.

III. **Your Company made capital investments amounting to approx. ₹ 1 crore during the financial year 2016-17on energy conservation equipments.**

B. Technology Absorption

I. Specific areas in which R&D carried out by the Company:

During the year under review, Research & Development efforts in the following areas strengthened our Company's operations through technology absorption, adaptation and innovation:

- Vegetable Oils
- Fatty Acids
- Fatty Alcohols
- Surfactants & Bio-surfactants
- Glycerin
- Derivatives of Fatty acids and Fatty alcohols, designed for Personal and Home care industries
- Customer centric support for Home, Personal and Oral Care Products, as well as Oilfield Chemicals
- Formulations and Performance Evaluation

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

- Premium quality fatty acids and fatty alcohols from alternate raw materials
- Understanding the impact of raw material quality and manufacturing process on the quality of the finished goods
- Value added fatty alcohol and fatty acid derivatives, so as to enter niche markets
- Manufacture of high value, fractionated fatty acids and fatty alcohols, specifically for the lubricant, photography, oilfield, paper and polymer industries.

III. Future Plan of Action:

- Tailor-made value-added fatty alcohols and fatty acids for low volume, high value markets.
- Value-added chemicals, derived from Glycerin, Fatty Acids and Fatty Alcohols so as to enter niche markets in the field of Pharmaceuticals, Personal Care , Industrial Lubricants and agriproducts.
- Enhancing our knowledge base of product applications and formulations, through customer engagement and market information.
- Development of Biosurfactant with viable applications.

IV. Expenditure on R&D:

₹ Crore

Particulars	2016-17	2015-16
(a) Capital	**0.31**	0.15
(b) Recurring	**1.78**	2.55
(c) Total	**2.09**	2.70
(d) Total R & D expenditure as a percentage of total sales turn over	**0.13**	0.20

C. Foreign Exchange earnings and outgo

The Chemicals Division's exports were ₹ 399.5 crore in the current year as compared to ₹ 391.8 crore in the previous year. The Company continues to export refined glycerin, fatty alcohol and other chemicals to over 60 plus countries including Brazil, Mexico, U.S.A., Japan, South Korea, Nigeria, Russia, Argentina, Belgium, China, U.A.E.

₹ Crore

Particulars	2016-17	2015-16
Foreign exchange used	**385.76**	304.20
Foreign exchange earned	**390.84**	477.54

Annexure "E"

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

CIN	**L24241MH1988PLC097781**
Registration Date	March 7, 1988
Name of the Company	Godrej Industries Limited
Category / Sub-Category of the Company	Public Company limited by shares
Address of the Registered Office and contact details	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079 Tel: +91-22-2518 8010/20/30
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	M/s. Computech Sharecap Limited 147 Mahatma Gandhi Road, Fort, Mumbai 400 001 Tel: +91-22-22635000-01

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Products / services	% to total turnover of the company
1	Fatty Acid	24118	37
2	Fatty Alcohol	24118	26
3	Surfactant	24243	20

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held
Holding Company [Section 2(46)]				
1	Vora Soaps Ltd. Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai- 400079	U24241MH1979PLC021804	Holding	57.69

Subsidiary Companies [Section 2{87}(ii)]				
1	Godrej Properties Ltd. [GPL]*	L74120MH1985PLC035308	Subsidiary	56.70
2	Godrej Agrovet Ltd. [GAVL] @	U15410MH1991PLC135359	Subsidiary	63.67
3	Natures Basket Ltd. @	U15310MH2008PLC182816	Subsidiary	100
4	Ensemble Holdings & Finance Ltd. Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai- 400079	U67120MH1992PLC065457	Subsidiary	100
5	Godrej International Ltd. (Labuan) Kensington Gardens, No. U1317, Lot 7616, Jalan Jumidar Buyong ,87000 Labuan F.T	Foreign Company	Subsidiary	100
6	Godrej International Ltd. 284A Chase Road, Southgate, London- N14 6HF	Foreign Company	Subsidiary	100
7	Godrej International Trading & Investments Pte. Ltd. 111 North Bridge Road, #16-04 Peninsula Plaza, Singapore 179098	Foreign Company	Subsidiary	100
8	Godrej One Premises Management Private Limited*	U70102MH2015PTC266773	Subsidiary	58
9	Godvet Agrochem Ltd. @	U01400MH2014PLC252382	Subsidiary of GAVL	-
10	Creamline Dairy Products Ltd. H.No.6-3-1238/B/21, Asif Avenue, Rajbhavan Road, Hyderabad-500082	U15201TG1986PLC006912	Subsidiary of GAVL	-
11	Astec Lifesciences Limited 7th Floor, Elite Square, 274 Perin Nariman Street, Fort Mumbai- 400001	L99999MH1994PLC076236	Subsidiary of GAVL	-
12	Behram Chemicals Private Limited Arman Residency, Ist Floor, 102, R.W. Sawant Road, Oss, Mumbai-Nasik Fly Over, Thane (W) Thane-400601	U24100MH1993PTC071480	Subsidiary of GAVL	-
13	Astec Europe Sprl, Belgium, Europe	Foreign Company	Subsidiary of GAVL	-
14	Comercializadora Agricola Agroastrachem Cia Ltda, Bogota, Columbia	Foreign Company	Subsidiary of GAVL	-
15	Nagavalli Milkline Private Limited H.No: 6-3-1238/B/21, Asif Avenue, Raj Bhavan Road, Hyderabad- 500082	U15209TG1999PTC031625	Subsidiary of GAVL	-
16	Godrej Realty Private Ltd.*	U70100MH2005PTC154268	Subsidiary of GPL	-
17	Godrej Landmark Redevelopers Private Limited*	U70102MH2012PTC228114	Subsidiary of GPL	-
18	Godrej Redevelopers (Mumbai) Private Limited*	U70102MH2013PTC240297	Subsidiary of GPL	-
19	Godrej Real Estate Private Limited*	U45200MH2007PTC168818	Subsidiary of GPL	-
20	Godrej Projects Development Private Limited*	U70102MH2010PTC210227	Subsidiary of GPL	-
21	Godrej Garden City Properties Private Limited*	U74900MH2011PTC213782	Subsidiary of GPL	-
22	Godrej Buildcon Private Limited*	U70102MH2010PTC207957	Subsidiary of GPL	-
23	Godrej Green Homes Limited*	U70200MH2013PLC251378	Subsidiary of GPL	-
24	Godrej Hillside Properties Private Limited*	U70102MH2015PTC263237	Subsidiary of GPL	-
25	Godrej Home Developers Private Limited*	U70102MH2015PTC263223	Subsidiary of GPL	-
26	Godrej Prakriti Facilities Private Limited*	U70102MH2015PTC265345	Subsidiary of GPL	-
27	Godrej Investment Advisers Private Limited*	U65190MH2015PTC265708	Subsidiary of GPL	-
28	Godrej Highrises Properties Private Limited*	U70200MH2015PTC266010	Subsidiary of GPL	-
29	Godrej Genesis Facilities Management Private Limited*	U70100MH2016PTC273316	Subsidiary of GPL	-
30	Prakritiplaza Facilities Management Private Limited*	U70109MH2016PTC284197	Subsidiary of GPL	-
31	Godrej Skyline Developers Private Limited*	U45309MH2016PTC287858	Subsidiary of GPL	-
32	Godrej Vikhroli Properties India Limited*	U70109MH2017PLC289911	Subsidiary of GPL	-

33	Godrej Residency Private Limited*	U70109MH2017PTC292515	Subsidiary of GPL	-
34	Happy Highrises Limited*	U51909MH1993PLC180464	Subsidiary of GPL	-
35	Godrej Fund Management Pte. Ltd. 8 Marina, Boulevard, #05-02, Marina Bay Financial Centre, Singapore 018981	Foreign Company	Subsidiary of GPL	-
36	Citystar Infraprojects Limited Godrej waterside, tower- ii unit no. 109, d.p. 5, sector- v, salt lake Kolkata West Bengal 700091	U45400WB2008PLC122810	Subsidiary of GPL	-
37	Godrej Property Developers LLP*	AAA-4369	Subsidiary of GPL	-
38	Mosiac Landmarks LLP*	AAA-5797	Subsidiary of GPL	-
39	Dream World Landmarks LLP*	AAA-8207	Subsidiary of GPL	-
40	Oxford Realty LLP*	AAC-1059	Subsidiary of GPL	-
41	Godrej SSPDL Green Acres LLP*	AAA-5137	Subsidiary of GPL	-
42	Oasis Landmarks LLP*	AAC-4016	Subsidiary of GPL	-
43	M S Ramaiah Ventures LLP*	AAC-2431	Subsidiary of GPL	-
44	Caroa Properties LLP*	AAA-8234	Subsidiary of GPL	-
45	Godrej Construction Projects LLP*	AAD-0882	Subsidiary of GPL	-
46	Godrej Housing Projects LLP*	AAD-0883	Subsidiary of GPL	-
47	Godrej Land Developers LLP*	AAD-7998	Subsidiary of GPL	-
48	Godrej Developers & Properties LLP*	AAD-7997	Subsidiary of GPL	-
49	Godrej Highrises Realty LLP*	AAD-7994	Subsidiary of GPL	-
50	Godrej Project Developers & Properties LLP*	AAE-1835	Subsidiary of GPL	-
51	Godrej Highview LLP*	AAH-5060	Subsidiary of GPL	-
52	Prakhhyat Dwellings LLP*	AAE-2222	Subsidiary of GPL	-
53	Godrej Skyview LLP*	AAH-6366	Subsidiary of GPL	-
54	Bavdhan Realty @ Pune 21 LLP*	AAH-6993	Subsidiary of GPL	-
55	Godrej Green Properties LLP*	AAH-7127	Subsidiary of GPL	-
56	Godrej Projects (Pune) LLP*	AAI-4645	Subsidiary of GPL	-
57	Godrej Projects (Bluejay) LLP*	AAI-7141	Subsidiary of GPL	-
58	Godrej Projects (Soma) LLP*	AAI-7488	Subsidiary of GPL	-
59	Godrej Century LLP*	AAI-8236	Subsidiary of GPL	-
60	A R Landcraft LLP A-66, Sector-63, Gautam Buddha Nagar, Noida, Uttar Pradesh - 201301	AAF-6499	Subsidiary of GPL	-
Associate Company [Section 2(6)]				
1	Godrej Consumer Products Ltd. Godrej One, 4th Floor, Pirojshanagar Eastern Express Highway, Vikhroli (East) Mumbai – 400079	L24246MH2000PLC129806	Associate	23.76

@ Registered office at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079

*Registered office at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East),i Mumbai – 400079

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 the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5,74,31,786	0	5,74,31,786	17.09	5,74,33,547*	0	5,74,33,547*	17.09	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	19,39,04,681	0	19,39,04,681	57.71	19,39,04,681	0	19,39,04,681	57.69	(0.02)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	**25,13,36,467**	**0**	**25,13,36,467**	**74.81**	**25,13,38,228***	**0**	**25,13,38,228***	**74.77**	**(0.04)**
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**25,13,36,467**	**0**	**25,13,36,467**	**74.81**	**25,13,38,228***	**0**	**25,13,38,228***	**74.77**	**(0.04)**
B. Public shareholding									
1. Institutions:									
a) Mutual Funds	11,98,857	0	11,98,857	0.36	12,37,335	0	12,37,335	0.37	0.01
b) Banks / FI	41,399	5,072	46,471	0.01	17,770	5,072	22,842	0.01	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	94,56,001	0	94,56,001	2.81	94,56,001	0	94,56,001	2.81	0

g) FIIs	4,78,43,641	4,802	4,78,48,443	14.24	4,97,25,125	4,802	4,97,29,927	14.79	0.55
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1):-	**5,85,39,898**	**9,874**	**5,85,49,772**	**17.43**	**6,04,36,231**	**9,874**	**6,04,46,105**	**17.98**	**0.55**
2. Non-Institutions:									
a) Bodies Corp.	83,37,351	7,902	83,45,253	2.48	62,88,211	7,312	62,95,523	1.87	(0.61)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,07,98,816	6,16,830	1,14,15,646	3.40	1,26,50,379	5,80,765	1,32,31,144	3.94	0.54
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	53,45,249	0	53,45,249	1.59	36,29,474	0	36,29,474	1.08	(0.51)
iii) Any others (NRIs)	9,63,744	32,676	9,96,420	0.30	11,68,526	30,786	11,99,312	0.36	0.06
Sub-total (B) (2):-	**2,54,45,160**	**6,57,408**	**2,61,02,568**	**7.77**	**2,37,36,590**	**6,18,863**	**2,43,55,453**	**7.25**	**(0.52)**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**8,39,85,058**	**6,67,282**	**8,46,52,340**	**25.19**	**8,41,72,821**	**6,28,737**	**8,48,01,558**	**25.23**	**0.04**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**33,53,21,525**	**6,67,282**	**33,59,88,807**	**100**	**33,55,11,049**	**6,28,737**	**33,61,39,786**	**100**	**0**

**includes 1761 shares erroneously credited by Motilal Oswal Asset Management Company Limited into Mr. N. B. Godrej's Account. Motilal Oswal Asset Management Company Limited has reversed the allocation on retrospective basis. Accordingly the total shareholding by promotor, promoter group, and persons acting in concert as at 31st March, 2017 is 251336467 equity shares constituting 74.77% of the Equity Share Capital of Godrej Industries Limited.*

ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year 31.03.2016			Shareholding at the end of the year 31.03.2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ Encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ Encumbered to total shares	
1	Burjis Nadir Godrej	54,46,740	1.62	0.00	61,39,080	1.83	0.00	0.21
2	Freyan Crishna Bieri	31,03,175	0.92	0.00	31,03,175	0.92	0.00	0.00
3	Nadir Barjorji Godrej	12,20,572	0.36	0.00	5,29,993*	0.16	0.00	(0.20)
4	Navroze Jamshyd Godrej	64,03,181	1.91	0.00	64,03,181	1.90	0.00	(0.01)
5	Nisaba Adi Godrej	42,68,781	1.27	0.00	42,68,781	1.27	0.00	0.00
6	Nyrika Holkar	31,03,175	0.92	0.00	31,03,175	0.92	0.00	0.00
7	Pirojsha Adi Godrej	42,68,786	1.27	0.00	42,68,786	1.27	0.00	0.00
8	Jamshyd Godrej, Pheroza Godrej And Navroze Godrej [(Trustees of Raika Godrej Family Trust) (Beneficial Interest Is of Raika Godrej)	64,03,169	1.91	0.00	64,03,169	1.90	0.00	(0.01)
9	Rishad Kaikhushru Naoroji	1,28,06,350	3.81	0.00	50	0.00	0.00	(3.81)
10	Rishad Kaikhushru Naoroji (As A Partner of RKN Enterprises)	0	0.00	0.00	1,28,06,300	3.81	0.00	3.81
11	Sohrab Nadir Godrej	55,39,074	1.65	0.00	61,39,074	1.83	0.00	0.18
12	Tanya Arvind Dubash	42,68,783	1.27	0.00	42,68,783	1.27	0.00	0.00
13	Adi B. Godrej	0	0.00	0.00	0	0.00	0.00	0.00
14	Jamshyd Naoroji Godrej	0	0.00	0.00	0	0.00	0.00	0.00
15	Pheroza J. Godrej	0	0.00	0.00	0	0.00	0.00	0.00
16	Raika Jamshyd Godrej	0	0.00	0.00	0	0.00	0.00	0.00
17	Vijay M. Crishna	0	0.00	0.00	0	0.00	0.00	0.00
18	Smita V. Crishna	0	0.00	0.00	0	0.00	0.00	0.00
19	Hormuzd N. Godrej	0	0.00	0.00	0	0.00	0.00	0.00
20	Rati Nadir Godrej	6,00,000	0.18	0.00	0	0.00	0.00	(0.18)
21	Godrej & Boyce Mfg. Co. Ltd.	19,39,04,681	57.71	0.00	0	0.00	0.00	(57.71)
22	Vora Soaps Ltd.	0	0.00	0.00	19,39,04,681	57.69	0.00	57.69
	Total:	**25,13,36,467**	**74.81**	**0.00**	**25,13,38,228***	**74.77**	**0.00**	**(0.04)**

**includes 1761 shares erroneously credited by Motilal Oswal Asset Management Company Limited into Mr. N. B. Godrej's Account. The Actual holding of Mr. N. B. Godrej in Godrej Industries Limited as on 31st March 2017 was 528232 shares. Motilal Oswal Asset Management Company Limited has reversed the allocation on retrospective basis. Accordingly the total shareholding by promotor, promoter group, and persons acting in concert as at 31st March, 2017 is 251336467 equity shares constituting 74.77% of the Equity Share Capital of Godrej Industries Limited.*

iii) Change in Promoters' Shareholding

Sr. No.	Name of Promoters	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	**Godrej & Boyce Mfg. Co. Ltd.**				
	At the beginning of the Year	19,39,04,681	57.71	19,39,04,681	57.71
	(Sold)/Transferred during the year				
	30th March 2017	(19,39,04,681)	(57.69)	0	0.00
	At the end of the year	0	0.00	0	0.00
2	**Vora Soaps Ltd.**				
	At the beginning of the Year	0	0.00	0	0.00
	Bought/Transferred during the year				
	30th March 2017	19,39,04,681	57.69	19,39,04,681	57.69
	At the end of the year	19,39,04,681	57.69	19,39,04,681	57.69
3	**Nadir Barjorji Godrej**				
	At the beginning of the Year	12,20,572	0.36	12,20,572	0.36
	Bought/(Sold) during the year				
	3rd Sept 2016	(6,92,340)	(0.21)	5,28,232	0.16
	6th-10th Feb 2017	1,761*	0.00	5,29,993*	0.16
	At the end of the year	5,29,993*	0.16	5,29,993*	0.16
4	**Rati Nadir Godrej**				
	At the beginning of the Year	6,00,000	0.18	6,00,000	0.18
	(Sold)/Transferred during the year				
	3rd Sept 2016	(6,00,000)	(0.18)	0	0
	At the end of the year	0	0.00	0	0.00
5	**Rishad Kaikhushru Naoroji**				
	At the beginning of the Year	1,28,06,350	3.81	1,28,06,350	3.81
	(Sold)/Transferred during the year				
	20th Dec 2016	(32,21,472)	(0.96)	95,84,878	2.85
	20th Dec 2016	(95,84,828)	(2.85)	50	0.00
	At the end of the year	50	0.00	50	0.00
6	**Rishad Kaikhushru Naoroji (As a Partner of RKN Enterprises)**				
	At the beginning of the Year	0	0.00	0	0.00
	Bought during the year				
	20th Dec 2016	1,28,06,300	3.81	1,28,06,300	3.81
	At the end of the year	1,28,06,300	3.81	1,28,06,300	3.81

7	**Burjis Nadir Godrej**				
	At the beginning of the Year	54,46,740	1.62	54,46,740	1.62
	Bought/Transferred during the year				
	3rd Sept 2016	6,92,340	0.21	61,39,080	1.83
	At the end of the year	61,39,080	1.83	61,39,080	1.83
8	**Sohrab Nadir Godrej**				
	At the beginning of the Year	55,39,074	1.65	55,39,074	1.65
	Bought/Transferred during the year				
	3rd Sept 2016	6,00,000	0.18	61,39,074	1.83
	At the end of the year	61,39,074	1.83	61,39,074	1.83

**Includes 1761 shares erroneously credited by Motilal Oswal Asset Management Company Limited into Mr. N. B. Godrej's Account. The Actual holding of Mr. N. B. Godrej in Godrej Industries Limited as on 31st March 2017 was 528232 shares. Motilal Oswal Asset Management Company Limited has reversed the allocation on retrospective basis.*

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

Sr No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	**Life Insurance Corporation Of India**				
	At the beginning of the year	94,56,001	2.81	94,56,001	2.81
	Bought /(Sold) during the year	-	-	-	-
	At the end of the year	94,56,001	2.81	94,56,001	2.81
2	**Blackrock Global Funds Asian Dragon Fund**				
	At the beginning of the year	51,06,068	1.52	51,06,068	1.52
	Bought /(Sold) during the year				
	8th Apr 2016	63,919	0.02	51,69,987	1.54
	15th Jul 2016	48,257	0.01	52,18,244	1.55
	22nd Jul 2016	9,535	0.00	52,27,779	1.56
	19th Aug 2016	32,939	0.01	52,60,718	1.57
	26th Aug 2016	2,27,351	0.07	54,88,069	1.63
	2nd Sep 2016	90,353	0.03	55,78,422	1.66
	16th Sep 2016	2,22,436	0.07	58,00,858	1.73
	7th Oct 2016	1,40,213	0.04	59,41,071	1.77

	21st Oct 2016	1,30,561	0.04	60,71,632	1.81
	28th Oct 2016	1,51,763	0.05	62,23,395	1.85
	4th Nov 2016	1,34,466	0.04	63,57,861	1.89
	11th Nov 2016	1,53,077	0.05	65,10,938	1.94
	16th Dec 2016	1,50,717	0.04	66,61,655	1.98
	20th Dec 2016	1,09,718	0.03	67,71,373	2.02
	6th Jan 2017	44,660	0.01	68,16,033	2.03
	27th Jan 2017	1,726	0.00	68,17,759	2.03
	17th Feb 2017	22,302	0.01	68,40,061	2.04
	24th Feb 2017	1,66,627	0.05	70,06,688	2.09
	31st Mar 2017	1,58,224	0.05	71,64,912	2.13
	At the end of the year	71,64,912	2.13	71,64,912	2.13
3	**J P Morgan Sicav Investment Company (Mauritius) Limited**				
	At the beginning of the year	33,37,920	0.99	33,37,920	0.99
	Bought /(Sold) during the year				
	15th Jul 2016	1,95,981	0.06	35,33,901	1.05
	22nd Jul 2016	1,67,472	0.05	37,01,373	1.10
	29th Jul 2016	1,66,547	0.05	38,67,920	1.15
	17th Mar 2017	(78,808)	(0.02)	37,89,112	1.13
	24th Mar 2017	(56,009)	(0.02)	37,33,103	1.11
	31st Mar 2017	(2,50,844)	(0.07)	34,82,259	1.04
	At the end of the year	34,82,259	1.04	34,82,259	1.04
4	**JP Morgan India Fund**				
	At the beginning of the year	30,09,687	0.90	30,09,687	0.90
	Bought /(Sold) during the year				
	15th Jul 2016	1,90,891	0.06	32,00,578	0.95
	22nd Jul 2016	1,62,421	0.05	33,62,999	1.00
	29th Jul 2016	1,56,688	0.05	35,19,687	1.05
	17th Mar 2017	(75,105)	(0.02)	34,44,582	1.03
	24th Mar 2017	(54,356)	(0.02)	33,90,226	1.01
	31st Mar 2017	(2,46,224)	(0.07)	31,44,002	0.94
	At the end of the year	31,44,002	0.94	31,44,002	0.94
5	**JP Morgan Indian Investment Company (Mauritius) Limited**				
	At the beginning of the year	25,27,407	0.75	25,27,407	0.75
	Bought /(Sold) during the year				
	8th Jul 2016	65,523	0.02	25,92,930	0.77
	15th Jul 2016	3,98,427	0.12	29,91,357	0.89
	22nd Jul 2016	1,58,538	0.05	31,49,895	0.94
	29th Jul 2016	1,85,398	0.06	33,35,293	0.99
	17th Mar 2017	(78,202)	(0.02)	32,57,091	0.97

	24th Mar 2017	(56,599)	(0.02)	32,00,492	0.95
	31st Mar 2017	(1,11,274)	(0.03)	30,89,218	0.92
	At the end of the year	30,89,218	0.92	30,89,218	0.92
6	**HDFC Standard Life Insurance Company Limited**				
	At the beginning of the year	52,10,954	1.55	52,10,954	1.55
	Bought /(Sold) during the year				
	8th Apr 2016	2,51,895	0.07	54,62,849	1.63
	15th Apr 2016	(38,429)	(0.01)	54,24,420	1.61
	22nd Apr 2016	(20,919)	(0.01)	54,03,501	1.61
	29th Apr 2016	(38,016)	(0.01)	53,65,485	1.60
	6th May 2016	(3,872)	0.00	53,61,613	1.60
	13th May 2016	(2,42,688)	(0.07)	51,18,925	1.52
	20th May 2016	(5,00,166)	(0.15)	46,18,759	1.37
	27th May 2016	(2,00,000)	(0.06)	44,18,759	1.32
	30th Jun 2016	(5,00,000)	(0.15)	39,18,759	1.17
	8th Jul 2016	(1,00,000)	(0.03)	38,18,759	1.14
	15th Jul 2016	(4,88,730)	(0.15)	33,30,029	0.99
	22nd Jul 2016	(12,059)	0.00	33,42,088	0.99
	29th Jul 2016	(41,027)	(0.01)	33,01,061	0.98
	9th Sep 2016	10,576	0.00	33,11,637	0.99
	16th Sep 2016	(3,78,177)	(0.11)	29,33,460	0.87
	23rd Sep 2016	94,384	0.03	30,27,844	0.90
	30th Sep 2016	(48,951)	(0.01)	29,78,893	0.89
	07th Oct 2016	(6,72,193)	(0.20)	23,06,700	0.69
	14th Oct 2016	(12,868)	0.00	22,93,832	0.68
	21st Oct 2016	(1,17,534)	(0.03)	21,76,298	0.65
	11th Nov 2016	5,00,733	0.15	26,77,031	0.80
	18th Nov 2016	(11,069)	0.00	26,65,962	0.79
	25th Nov 2016	92,098	0.03	27,58,060	0.82
	2nd Dec 2016	1,46,723	0.04	29,04,783	0.86
	09th Dec 2016	6,190	(0.00)	29,10,973	0.87
	16th Dec 2016	(39,323)	(0.01)	28,71,650	0.85
	30th Dec 2016	(9,639)	0.00	28,62,011	0.85
	27th Jan 2017	5,889	0.00	28,67,900	0.85
	3rd Feb 2017	19,111	0.01	28,87,011	0.86
	10th Feb 2017	(24,058)	(0.01)	28,62,953	0.85
	17th Feb 2017	(65,070)	(0.02)	27,97,883	0.83
	24th Feb 2017	58,070	0.02	28,55,953	0.85
	3rd Mar 2017	48,750	0.01	29,04,703	0.86
	10th Mar 2017	31,677	0.01	29,36,380	0.87
	24th Mar 2017	11,541	0.00	29,47,921	0.88
	31st Mar 2017	45,659	0.01	29,93,580	0.89
	At the end of the year	29,93,580	0.89	29,93,580	0.89

7	**Abu Dhabi Investment Authority - Jhelum**				
	At the beginning of the year	30,24,373	0.90	30,24,373	0.90
	Bought /(Sold) during the year				
	24th Mar 2017	(1,20,952)	(0.04)	29,03,421	0.86
	24th Mar 2017	(87,539)	(0.03)	28,15,882	0.84
	31st Mar 2017	(94,701)	(0.03)	27,21,181	0.81
	At the end of the year	27,21,181	0.81	27,21,181	0.81
8	**Acacia Institutional Partners, LP**				
	At the beginning of the year	25,95,545	0.77	25,95,545	0.77
	Bought /(Sold) during the year				
	19th Aug 2016	(7,75,545)	(0.23)	18,20,000	0.54
	At the end of the year	18,20,000	0.54	18,20,000	0.54
9	**Government Of Singapore**				
	At the beginning of the year	16,97,250	0.51	16,97,250	0.51
	Bought /(Sold) during the year				
	8th Apr 2016	(23,281)	(0.01)	16,73,969	0.50
	At the end of the year	16,73,969	0.50	16,73,969	0.50
10	**First State Indian Subcontinent Fund**				
	At the beginning of the year	12,29,716	0.37	12,29,716	0.37
	Bought /(Sold) during the year				
	6th May 2016	16,022	0.00	12,45,738	0.37
	13th May 2016	1,11,351	0.03	13,57,089	0.40
	10th Jun 2016	54,792	0.02	14,11,881	0.42
	8th Jul 2016	(20,050)	(0.01)	13,91,831	0.41
	15th Jul 2016	(75,884)	(0.02)	13,15,947	0.39
	12th Aug 2016	1,32,377	0.04	14,48,324	0.43
	19th Aug 2016	38,807	0.01	14,87,131	0.44
	26th Aug 2016	1,44,416	0.04	16,31,547	0.49
	16th Sep 2016	74,283	0.02	17,05,830	0.51
	18th Nov 2016	99,078	0.03	18,04,908	0.54
	2nd Dec 2016	61,713	0.02	18,66,621	0.56
	13th Jan 2017	(12,005)	0.00	18,54,616	0.55
	20th Jan 2017	(46,685)	(0.01)	18,07,931	0.54
	27th Jan 2017	(22,938)	(0.01)	17,84,993	0.53
	3rd Feb 2017	(97,979)	(0.03)	16,87,014	0.50
	10th Feb 2017	(49,682)	(0.01)	16,37,332	0.49
	10th Mar 2017	(70,048)	(0.02)	15,67,284	0.47
	At the end of the year	15,67,284	0.47	15,67,284	0.47

v) Shareholding of Directors:

Sr. No.	Name of Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	**J. N. Godrej (as a trustee of Raika Godrej Family Trust)**				
	At the beginning of the Year 31.03.2016	64,03,169	1.91	64,03,169	1.91
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	64,03,169	1.90	64,03,169	1.90
2	**Mr. N. B. Godrej**				
	At the beginning of the Year 31.03.2016	12,20,572	0.36	12,20,572	0.36
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	3rd Sept 2016 $	(6,92,340)	(0.21)	5,28,232	0.16
	6th-10th Feb 2017	1,761*	0.00	5,29,993*	0.16
	At the end of the year 31.03.2017	5,29,993*	0.16	5,29,993*	0.16
3	**Mr. S. A. Ahmadullah**				
	At the beginning of the Year 31.03.2016	6,004	0.00	6,004	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	6,004	0.00	6,004	0.00
4	**Mr. K. K. Dastur**				
	At the beginning of the Year 31.03.2016	3,608	0.00	3,608	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0
	At the end of the year 31.03.2017	3,608	0.00	3,608	0.00
5	**A. B. Choudhury**				
	At the beginning of the Year 31.03.2016	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year				
	16th Sept 2016	300	0.00	300	0.00
	At the end of the year 31.03.2017	300	0.00	300	0.00
6	**T. A. Dubash**				
	At the beginning of the year 31.03.2016	42,68,783	1.27	42,68,783	1.27
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	42,68,783	1.27	42,68,783	1.27

7	**Mr. N. S. Nabar**				
	At the beginning of the Year 31.03.2016	15,450	0.00	15,450	0.00
	Increase/Decrease in shareholding during the year				
	1st Apr 2016 - Sale of Shares	(3,000)	(0.00)	12,450	0.00
	24th Jun 2016- Sale of Shares	(10,000)	(0.00)	2,450	0.00
	29th Jul 2016 @	16,750	0.00	19,200	0.00
	29th Jul 2016 %	4	0.00	19,204	0.00
	24th Feb 2017 - Sale of Shares	(2,000)	0.00	17,204	0.00
	17th Mar 2017 - Sale of Shares	(450)	0.00	16,754	0.00
	At the end of the year 31.03.2017	16,754	0.00	16,754	0.00

@ Allotment of Shares through Godrej Industries Limited - Employee Stock Grant Scheme, 2011
% Bonus Shares issued pursuant to the court approved scheme of amalgamation of Wadala Commodities Limited with Godrej Industries Limited.
$ Inter – se transfer to Mr. Burjis N Godrej (Promotor of the Company)
*Includes 1761 shares erroneously credited by Motilal Oswal Asset Management Company Limited into Mr. N. B. Godrej's Account. The Actual holding of Mr. N. B. Godrej in Godrej Industries Limited as on 31st March 2017 was 528232 shares. Motilal Oswal Asset Management Company Limited has reversed the allocation on retrospective basis.

The following directors did not hold any shares during financial year 2016-17

Mr. A. B. Godrej, Mr. V. M. Crishna, Mr. K. N. Petigara, Mr. K. M. Elavia, Mr. A. D. Cooper

vi) Shareholding of Key Managerial Personnel:

Sr. No.	Name of key Mangerial Personnel	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	**Clement Pinto**				
	At the beginning of the year	37,303	0.01	37,303	0.01
	Increase/Decrease in shareholding during the year				
	24th June 2016 - Sale of Shares	(28,000)	(0.01)	9,303	0.00
	30th June 2016 - Sale of Shares	(1303)	0.00	8,000	0.00
	29th July 2016 @	3,723	0.00	11,723	0.00
	29th July 2016 %	1	0.00	11,724	0.00
	At the end of the year	11,724	0.00	11,724	0.00
2	**Nilufer Shekhawat**				
	At the beginning of the year	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year: Nil				
	At the end of the year	0	0.00	0	0.00
3	**Mr. P. Ganesh#**				
	At the beginning of the year	10	0.00	10	0.00
	Increase/Decrease in shareholding during the year: Nil				
	At the end of the year	10	0.00	10	0.00

#Resigned on 30th April 2016
@ Allotment of Shares through Godrej Industries Limited - Employee Stock Grant Scheme, 2011
% Bonus Shares issued pursuant to the court approved scheme of amalgamation of Wadala Commodities Limited with Godrej Industries Limited

V) INDEBTEDNESS

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

₹ in Crore

Sr. No.	Particulars	Secured Loans	Unsecured Loans	Deposits	Total
	Indebtedness at the beginning of the financial year				
i	Principal amount	22.8	2614.3	21.3	2658.4
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	-	7.1	1.5	8.6
	Total (i+ii+iii)	**22.8**	**2621.4**	**22.8**	**2667.0**
	Change in Indebtedness during the financial year				
	Addition	0.3	2798.9	-	2799.2
	Reduction	-22.8	-2552.9	-22.8	-2598.5
	Net Change	**-22.5**	**246.0**	**-22.8**	**200.7**
	Indebtedness at the end of the financial year				
i	Principal amount	0.3	2861.3	-	2861.6
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	-	6.1	-	6.1
	Total (i+ii+iii)	**0.3**	**2867.4**	**-**	**2867.7**

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to MD/WTD/Manager and Remuneration to KMP other than MD/Manager/WTD (CEO, CS & CFO)

₹ Crore

Sr. no.	Particulars of Remuneration	Name of Managing Director and Whole-time Directors			Total	KMP other than MD/Manager/ WTD		
		N. B. Godrej (Managing Director)	T. A. Dubash (Executive Director & Chief Brand Officer)	N. S. Nabar (Executive Director & President-Chemicals)	Amount	Clement Pinto (CFO)*	Nilufer Shekhawat (CS)*	P. Ganesh (CFO & CS upto 30th April 2016)
1	Gross salary:							
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.45	4.68	1.55	10.68	0.63	0.20	0.11
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.25	0.35	0.06	0.66	-	0.01	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-			-
2	Stock Option	-	-	0.57	0.57	0.13	-	-
3	Sweat Equity	-	-	-	-	-	-	-
4	Commission - as a % of profit - others , specify	-	-	-	-	-	-	-
5	Others	-	-	-	-	-	-	-
	Total(A)	**4.70**	**5.03**	**2.18**	**11.91**	**0.76**	**0.21**	**0.11**

Ceiling as per the Act	Remuneration paid to the Managing Director is as per approval received from the Ministry of Corporate Affairs. Applications have been filed with the Central Government for approval of remuneration of the Whole time Directors.

*Mr. Clement Pinto has been appointed as the Chief Financial Officer w.e.f. close of working hours on April 30, 2016 and Ms. Nilufer Shekhawat has been appointed as Company Secretary w.e.f. May 25, 2016.

B. Remuneration to other directors ₹

Sr. No.	Particulars of Remuneration	Non Executive			Independent Directors						Total
		A.B. Godrej	J.N. Godrej	V.M. Crishna	S.A. Ahmadullah	A.B. Choudhury	K.K. Dastur	K.M. Elavia	K.N. Petigara	A. D. Cooper	Amount
1	Fee for attending Board/Committee Meetings	7,40,000	3,00,000	2,00,000	5,20,000	5,40,000	5,00,000	4,00,000	5,40,000	4,00,000	41,40,000
2	Commission	-	-	-	-	-	-	-	-	-	-
3	Others, please specify	-	-	-	-	-	-	-	-	-	-
	Total	7,40,000	3,00,000	2,00,000	5,20,000	5,40,000	5,00,000	4,00,000	5,40,000	4,00,000	41,40,000
	Ceiling as per Act	Sitting Fees paid to all the Non Executive Directors was within the limits as prescribed under the Act									

VII). PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	None				
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

Annexure "F"

FORMING PART OF THE BOARD'S REPORT

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Note: The information provided below is on standalone basis for Indian Listed entity.

(1) Ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year;

Sr. No.	Name of Director	Ratio
1	Mr. Nadir Godrej	85:1
2	Ms. Tanya Dubash	91:1
3	Mr. Nitin S Nabar	39:1

(2) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

The percentage increase in the remuneration of each director ranges between -20% to 51%.
The percentage increase in the remuneration of the following KMPs is not comparable:

Name	Designation	Reason
Mr. P. Ganesh	Chief Financial Officer & Company Secretary (till April 30, 2016)	Employed for a part of the year
Mr. C. G. Pinto	Chief Financial Officer	Appointed w.e.f. 30th April 2016
Ms. Nilufer Shekhawat	Company Secretary	Appointed w.e.f. 25th May 2016

(3) The percentage increase/(decrease) in the median remuneration of employees in the financial year was -3.6%

(4) The number of permanent employees on the rolls of company as on 31st March, 2017: 1164

(5) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average increase in salary of Company's employees other than the managerial personnel was 15.1% in the last financial year. On the other hand, managerial remuneration increased by 10% year-on-year. The total managerial remuneration comprises of remuneration of the Managing Director and Executive Directors. The remuneration to Managerial personnel is as approved by the shareholders under the provisions of Companies Act 2013.

(6) Remuneration is as per the remuneration policy of the company.

Annexure "G"

Form No MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2017

[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,
Godrej Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godrej Industries 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 Godrej Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 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 Godrej Industries Limited for the financial year ended on 31st March, 2017 according to the provisions of:

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

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

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

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

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

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

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

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

(d) The Securities and Exchange Board of India (Share based Employee Benefit) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The following laws are specifically applicable to the Company, as per the representation given by the company :

(a) The Food Safety and Standards Act, 2006 & Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
(b) The Boilers Act, 1923 & The Boiler Attendant's Rules, 2011.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / the Listing Agreements entered into by the Company with Bombay Stock Exchange Limited & National Stock Exchange of India Limited.

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. There were no changes in the nature of appointment of independent directors and Managing Director in terms in the composition of the Board of Directors that took place during the period under review.

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

Majority decisions were carried through and are recorded as a part of minutes and there are no dissenting views from the Board members.

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

We further report that during the audit period the company has :

i. Issued shares upon exercising Employee Stock Grant Scheme, 2011.
ii. Enhanced limit from ₹ 500 Crores to ₹ 600 Crores for unsecured loan to be obtained from HDFC Bank.
iii. Approved availing of facility of ₹ 100 Crores from Kotak Mahindra Bank for factoring / Bill discounting and related activities.
iv. Approved facilitating unsecured loan from Shinhan Bank of ₹ 50 Crores.
v. Approved enhancement in limit of unsecured loan to be obtained from DBS Bank from ₹ 50 Crores to ₹ 150 Crores.
vi. Approved availment of unsecured credit facilities of ₹1400 Crores from Kotak Mahindra Bank Ltd..
vii. Approved limit of unsecured Non-fund based banking facility and unsecured loan to be availed from DBS Bank Limited upto ₹ 400 Crores.
viii. Approved issue of Surety Bonds on behalf of Godrej Consumer Products Limited for ₹ 33 Crores.

For A. N. Ramani & Co.,
Company Secretaries
Unique code - P2003MH000900

Place:- Thane
Date:- May 22, 2017

Bhavana Shewakramani
Partner
FCS – 8636, COP – 9577

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
Godrej Industries Limited

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

1. Maintenance of Statutory and other records are the responsibility of the management of the company. Our responsibility is to express an opinion on these records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in 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. We have relied on the report of the statutory auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.

4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. Company was following system of obtaining reports from various departments to ensure compliance with applicable laws and now is in the process of implementing electronic system for compliance management to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

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

For A. N. Ramani & Co.,
Company Secretaries
Unique code - P2003MH000900

Place:- Thane
Date:- May 22, 2017

Bhavana Shewakramani
Partner
FCS – 8636, COP – 9577



REPORT ON **CORPORATE GOVERNANCE**

The Company is in compliance with the requirements stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with regard to corporate governance.

1. THE COMPANY'S PHILOSOPHY

The Company is a part of the Godrej Group which has established a reputation for honesty and integrity. The Company's philosophy of corporate governance is to achieve business excellence by enhancing the long-term welfare of all its stakeholders. The Company believes that corporate governance is about creating organisations that succeed in the marketplace with the right approach and values. This will enhance the value for all its stakeholders.

THE GOVERNANCE STRUCTURE

2. BOARD OF DIRECTORS

a) Board Structure

The Board of Directors of the Company comprises twelve Directors, which includes a Managing Director i.e. Mr. N. B. Godrej and two Whole-time Executive Directors, i.e. Ms. T. A. Dubash and Mr. N. S. Nabar. The remaining nine are Non-Executive Directors, with six of them being Independent Directors. No Director is related to any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 2013 (The Act), except (1) Mr. A. B. Godrej and Mr. N. B. Godrej, who are brothers, (2) Ms. T. A. Dubash who is the daughter of Mr. A. B. Godrej. The details are given in Table 1.

b) Board meetings held and Directors' attendance record

The Board meets at least once in a quarter to consider among other businesses, quarterly performance of the Company and financial results. To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information is made available to the Board. During the year four Board meetings were held on May 25, 2016, August 11, 2016, November 14, 2016, and February 14, 2017. One separate meeting of Independent Directors was also held on March 23, 2017, which was attended by all the Independent Directors, except Mr. K. M. Elavia. The details are given in Table 1.

Table 1: The names and categories of the Directors on the Board, number of Board meetings held during the year under review and their attendance at Board Meetings and at the last Annual General Meeting (AGM), as also the number of Directorships and Committee positions held by them in other companies as on March 31, 2017 is given hereunder:

Name of Director	Category	Board meetings attended during the year	Attendance at last AGM held on August 11, 2016	Directorships held in other public companies incorporated in India as at year- end [$]	Number of Chairmanship/ membership in Board Committees in other companies as at the year-end[@]	
					Chairmanship (excluding membership of committees)	Membership
Mr. A. B. Godrej	Chairman, Non-Executive, Promoter	4	Yes	4(2)	1	1
Mr. J. N. Godrej	Non-Executive, Promoter	3	Yes	5(3)	-	2
Mr. N. B. Godrej	Managing Director, Promoter	4	Yes	9(5)	1	2
Mr. S. A. Ahmadullah	Non-Executive-Independent	4	Yes	-	-	-
Mr. V. M. Crishna	Non-Executive , Promoter	2	No	3(1)	-	-
Mr. K. K. Dastur	Non-Executive-Independent	4	Yes	1	-	-
Mr. A. D. Cooper	Non-Executive, Independent	4	Yes	-	-	-
Mr. A. B. Choudhury	Non-Executive-Independent	4	Yes	2(1)	-	3
Mr. K. N. Petigara	Non-Executive - Independent	4	Yes	2	2	1
Mr. K. M. Elavia	Non-Executive - Independent	4	Yes	9(6)	5	4
Ms. T. A. Dubash	Whole-time, Promoter	3	Yes	6(1)	1	-
Mr. N. S. Nabar	Whole-time	4	Yes	1	-	-

Note:

1. $ Alternate Directorships and Directorships in private companies, section 8 companies, foreign companies are excluded.
2. Figures in ( ) denote listed companies.
3. @ Represents Chairmanships / Memberships of Audit Committee and Stakeholders Relationship Committee of Indian companies.
4. None of the Directors of the Company were members of more than 10 Committees or acted as Chairperson of more than 5 Committees, across all the companies in which he / she was a Director. The necessary disclosures regarding Committee positions have been made by the Directors.
5. None of the Directors held directorship in more than 10 public limited companies.

6. None of the Independent Directors of the Company served as Independent Director in more than 7 listed companies.
7. Mr. N. B. Godrej, Managing Director, is an Independent Director of two listed Companies and Ms. T. A. Dubash and Mr. N. S. Nabar, Executive Directors, are not Independent Directors of any other listed company
8. All Independent Directors of the Company have been appointed as per the provisions of the Act. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website: www.godrejindustries.com
9. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company

c) Information supplied to the Board

Among others, this includes:

- Annual operating plans and budgets, capital budgets, and any updates thereon.
- Quarterly results of the Company.
- Minutes of meetings of audit committee and other committees.
- Information on recruitment and remuneration of senior officers just below the Board level.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences, any materially significant effluent or pollution problems.
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue which involves possible public or product liability claims of a substantial nature.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions.
- Significant development in the human resources and industrial relations front.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement.
- Non-compliance of any regulatory, statutory nature or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.

d) Familiarization Programme

The details of the familiarization programme have been disclosed on the Company’s website www.godrejindustries.com. During the financial year the Company has also familiarized the Directors on Goods & Service Tax and a presentation was made to the Directors on New/Emerging products of the Company.

3. COMMITTEES OF THE BOARD

(A) Audit Committee

The Company has set up an Audit Committee in accordance with Section 177 of the Act and Regulation 18 of the Listing Regulations.

Table 2: Composition of the Audit Committee of Directors (Audit Committee) and details of meetings attended by the Directors during the year under review:

Names of the Directors	Category	No. of meetings attended
Mr. K. K. Dastur (Chairman)	Independent, Non-executive	5
Mr. S. A. Ahmadullah		5
Mr. A. B. Choudhury		5
Mr. K. N. Petigara		5

5 Audit Committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates of the meetings are as under:
May 25, 2016, August 11, 2016, November 14, 2016, February 14, 2017 and March 23, 2017

The necessary quorum was present for all the meetings.

The terms of reference for the Audit Committee include the matters as specified in Section 177 of the Act and Regulation 18(3) of the Listing Regulations, as follows:

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommendation for appointment, re-appointment and terms of appointment of the statutory auditor and the fixation of audit fees
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of the Act
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions; and
  - Modified opinion(s) in the draft audit report.

- Reviewing along with the management, the quarterly financial statements before submission to the board for approval.
- 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.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit

process;

- Approval of any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, whenever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- 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.
- Discussion with internal auditors of any significant findings and follow up thereon.
- 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.
- 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.
- 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.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of chief financial officer after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Review of information by Audit Committee.

  - Management discussion and analysis of financial condition and results of operations.
  - Statement of significant related party transactions (as defined by the audit committee), submitted by management.
  - Management letters / letters of internal control weaknesses issued by the statutory auditors.
  - Internal audit reports relating to internal control weaknesses.
  - The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
  - Statement of deviations:
    (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(7) of the Listing Regulations.
    (b)Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function), to be present at its meetings. Ms. Nilufer Shekhawat, Company Secretary was the Secretary for all the Board Committees during FY2016-17.

(B) Nomination and Compensation Committee

Nomination and Compensation Committee (NCC) is formed in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations.

Table 3: Composition of the NCC and details of meetings attended by the Directors during the year under review:

Names of the Directors	Category	No. of meetings attended
Mr. S. A. Ahmadullah (Chairman)	Independent, Non-executive	1
Mr. A. B. Choudhury		1
Mr. K. N. Petigara		1

Nomination and Compensation Committee meeting was held on May 25, 2016.

The terms of reference of Nomination and Compensation Committee are as below:

- Review the human resources policies and practices of the Company and in particular, policies regarding remuneration of Directors and senior managers of the Company.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- Devising a policy on diversity of board of directors.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to Board their appointment and removal, and evaluate every Director's performance.
- Formulate the criteria in determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration of Directors, key management personnel and other employees.
- Matters required under Securities and Exchange Board of India (SEBI) (Share Based Employee Benefits) Regulations.
- Such other matters as may be required under the Act / Listing Regulations.

The NCC is also responsible for recommending to the Board a policy relating to the appointment of the Directors, Key Managerial Personnel, Senior Management and their remuneration. In line with this requirement, the Board has adopted the 'Board Appointment Policy' and the 'Total Rewards Philosophy of Godrej Industries Ltd.' These policies form part of the Board's Report.

Remuneration of Directors

The details of remuneration package of Directors and their relationships with each other are given in table below:

Table 4: Details of Remuneration to Non-Executive Directors (NED) for the year ended March 31, 2017:

Names of Directors	Relationship with other Directors	Sitting fees (₹)	Commission
Mr. A. B. Godrej	Brother of Mr. N. B. Godrej Father of Ms. T. A. Dubash	7,40,000	Nil
Mr. J. N. Godrej	None	3,00,000	Nil
Mr. S. A. Ahmadullah	None	5,20,000	Nil
Mr. A. B. Choudhury	None	5,40,000	Nil
Mr. V. M. Crishna	None	2,00,000	Nil
Mr. K. K. Dastur	None	5,00,000	Nil
Mr. A. D. Cooper	None	4,00,000	Nil
Mr. K. N. Petigara	None	5,40,000	Nil
Mr. K. M. Elavia	None	4,00,000	Nil

Table 5: Details of remuneration and perquisites paid and/or value calculated as per the Income-tax Act, 1961, to the Managing Director and Executive Directors:

Names of Directors	Relationship with other Directors	Salary and Allowances (₹)	Perquisites (₹)	Retirement Benefits (₹)	Total (₹)
Mr. N. B. Godrej	Brother of Mr. A. B. Godrej	41,815,957	2,471,709	2,748,435	47,036,101
Ms. T. A. Dubash	Daughter of Mr. A. B. Godrej	44,858,558	3,543,832	1,932,772	50,335,162
Mr. N. S. Nabar	None	14,725,096	6,293,512	773,260	21,791,868

Notes:

(a) The service contract of Mr. N. B. Godrej is for a period of three years beginning from April 1, 2017. The service contracts of Ms. T. A. Dubash and Mr. N. S. Nabar are for a period of three years beginning from April 1, 2016. The Agreements may be terminated by either party giving to the other party three months' notice in writing. There is no separate provision for payment of severance fees.

(b) The remuneration paid to two Directors is in excess of the limits prescribed under section 197 read with Schedule V to the Companies Act, 2013, by Rs. 4.54 Crore. The Company has made an application to the Central Government for payment of the said remuneration which is in excess of the prescribed limits, the approval for which is awaited. Pending such approval, the amount is held in trust on behalf of the Company.

The Total Rewards Philosophy of the Company is given in the section on 'Board's Report' of this Annual Report.

None of the NEDs had any pecuniary relationship or transactions with the Company other than the Directors' fees received by them.

Table 6: Number of shares and convertible instruments held by Non-Executive Directors as on March 31, 2017 is given below:

Names of Non-Executive Directors	Equity Shares	Convertible Instruments
Mr. A. B. Godrej	-	Nil
Mr. A. B. Godrej *	1,121,226	Nil
Mr. J. N. Godrej@	6,403,169	Nil
Mr. S. A. Ahmadullah	6,004	Nil
Mr. S. A. Ahmadullah *	11,708	Nil
Mr. K. M. Elavia	-	Nil
Mr. V. M. Crishna	-	Nil
Mr. A. D. Cooper	-	Nil
Mr. A. B. Choudhury	300	Nil
Mr. K. N. Petigara	-	Nil
Mr. K. K. Dastur	3,608	Nil
Mr. K. K. Dastur *	10,677	Nil
Mr. K. K. Dastur **	27,421	Nil

* Shares held as second holder
** Shares held as third holder
@ Shares held as trustee of Raika Godrej Family Trust.

Stock Options:
The Company has not granted any Stock Options to any of its Promoter Directors and Independent Directors. Mr. N. S. Nabar, Executive Director & President (Chemicals) was allotted 16,750 equity shares under the Employee Stock Grant Scheme.

(C) Stakeholders Relationship / Shareholders Committee

The Stakeholder's Relationship / Shareholders Committee (SRC) is formed in accordance with Section 178 of the Act and Regulation 20 of the Listing Regulations. This Committee looks into redressal of shareholder complaints regarding transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends, as well as those required under the Act and the Listing Regulations.

Table 7: Composition of the SRC and details of meetings attended by the Directors during the year under review:

Names of the Directors	Category	No. of meetings attended
Mr. A. B. Godrej (Chairman)	Non-executive Director	12
Mr. N. B. Godrej	Executive Director	8
Ms. T. A. Dubash		7
Mr. N. S. Nabar		10

During the year under review 12 SRC meetings were held on April 18, 2016, May 25, 2016, June 2, 2016, July 18, 2016, August 11, 2016, September 13, 2016, October 4, 2016, November 23, 2016, December 2, 2016, January 10, 2017, February 14, 2017 and March 27, 2017.

Name, designation and address of Compliance Officer:
Ms. Nilufer Shekhawat, Company Secretary was the Compliance Officer during FY2016-17.

Address:
Godrej Industries Limited
Godrej One, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai – 400079.
Tel: 022-25188010 Fax:022-25188066

Number of Shareholder's complaints during the year:

Complaints outstanding as on April 1, 2016	Nil
Complaints received during the year ended March 31, 2017	95
Complaints resolved during the year ended March 31, 2017	95
Complaints outstanding as on March 31, 2017	Nil

D) Risk Management Committee

A Risk Management Committee (RMC) is constituted under Regulation 21 of the Listing Regulations

Table 8: Composition of the RMC and details of meetings attended by the Directors during the year under review:

Names of Directors	Category	No. of meetings attended
Mr. N. B. Godrej (Chairman)	Executive Director	4
Ms. T. A. Dubash		3
Mr. N. S. Nabar		4

Risk Management Committee meetings were held on April 29, 2016, August 1, 2016, October 7, 2016, and January 25, 2017.

The Company's Risk Management Committee has the following role, duties, responsibilities and authority:

a) Risk Policy and its periodic review.
b) Ensuring appropriate risk management systems and controls are in place and its evaluation and review.
c) Risk assessment and risk minimisation procedures.

This Committee shall be responsible to monitor and review the risk management plan of the Company and the existing Forex Committee and the Business Risk Committee of the Company shall report to this Committe

(E) Corporate Social Responsibility Committee

Table 9: Composition of the Corporate Social Responsibility (CSR) Committee and details of meetings attended by the Directors during the year under review:

Names of Directors	Category	No. of meetings attended
Mr. N. B. Godrej (Chairman)	Executive Director	1
Ms. T. A. Dubash		1
Mr. K. N. Petigara	Non-executive Director	1
Mr. A. B. Choudhury		1

The CSR Committee met once in the year under review on February 14, 2017.

4. GENERAL BODY MEETINGS

(a) Table 10: Details of last three Annual General Meetings (AGMs)

Year	Venue	Date	Time
2013-14	Y. B. Chavan Centre, Nariman Point, Mumbai 400 021.	August 9, 2014	3.30 P.M
2014-15	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079	August 11, 2015	
2015-16		August 11, 2016	

(b) Table 11: Details of Special Resolutions passed in previous three Annual General Meetings

Date of AGM	Number of Special Resolution passed	Details of Special Resolution passed
August 9, 2014	1	1. Investment in Verseon Corporation u/s 186 of the Companies Act, 2013.
August 11, 2015	2	1. Reappointment and remuneration payable to Ms. T. A. Dubash as Whole –time Director 2. Reappointment and remuneration payable to Mr. N. S. Nabar as Whole –time Director.
August 11, 2016	4	1. Reappointment of and remuneration payable to Mr. N. B. Godrej as Managing Director 2. Investment in Godrej Properties Limited upto a sum of ₹ 300 crore. 3. Investment in Godrej Agrovet Limited upto a sum of ₹ 300 crore. 4. Investment in OPGS Power Gujarat Private Limited upto a sum of ₹ 4 lac.

(c) Details of Special Resolutions passed at the Extraordinary General Meetings (EGM) in the last three years-Nil

(d) Postal Ballot - Nil

(e) Procedure adopted for Postal Ballot: N. A.

5. MEANS OF COMMUNICATION

All vital information relating to the Company and its performance, including quarterly results, official press releases and presentations made to institutional investors / analysts are posted on the website of the Company. The Company's web-site address is www.godrejindustries.com. The quarterly and annual results of the Company's performance are published in leading English dailies like Economic Times, Business Line, etc. and regional language daily, Maharashtra Times. The quarterly results of the Company are also available on the websites of BSE Ltd. and National Stock Exchange of India Ltd viz. www.bseindia.com and www.nseindia.com, respectively.

The Company files electronically the quarterly results, Corporate Governance report, Share holding pattern, etc. in the BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).

6. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting:

Date : August 11, 2017
Time : 3.30 p.m.
Venue : Auditorium, Godrej One, Pirojshanangar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079.

b) Financial Year :

Financial year : April 1, 2016 to March 31, 2017
For the Year Ended March 31, 2017, results announced on:
- August 11, 2016 : First quarter
- November 14, 2016 : Half year
- February 14, 2017 : Third quarter
- May 22, 2017 : Annual

c) Record Date / Book Closure:

A dividend of ₹ 1.75 per equity share of ₹ 1 each has been recommended by the Board of Directors of the Company. For payment of dividend, the book closure is from August 4, 2017 to August 11, 2017 (both days inclusive)

d) Listing information:

The Company's equity shares are listed on the following Stock Exchanges:

Name of Stock Exchange and address	Stock Code
BSE Limited (BSE), Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001.	500164
National Stock Exchange of India Limited (NSE) 'Exchange Plaza', Bandra-Kurla Complex Bandra (E), Mumbai 400 051.	GODREJIND

The Company has paid the requisite Annual Listing Fees to the two Stock Exchanges for Financial Year 2017-18. The securities have not been suspended from trading.
The ISIN Number of the Company is INE233A01035.

e) Market Information

Table 12: Market Price Data: High, Low during each month and trading volumes of the Company's Equity Shares during the last financial year at BSE and NSE are given below :

Stock Exchange	BSE			NSE		
Month	HIGH (₹)	LOW (₹)	VOLUME (No. of shares)	HIGH (₹)	LOW (₹)	VOLUME (No. of Shares)
April 2016	379.05	345.00	341,721	379.95	345.00	46,19,144
May 2016	358.00	334.20	422,262	358.40	334.00	61,05,120
June 2016	414.50	341.30	904,840	414.80	341.35	80,20,937
July 2016	449.80	395.50	670,918	451.00	394.35	78,71,210
Aug 2016	445.00	388.55	638,276	443.70	388.00	1,25,20,132
Sept 2016	440.00	410.55	568,709	441.15	410.00	68,54,910
Oct 2016	467.00	420.55	639,338	467.50	416.00	62,39,090
Nov 2016	446.00	363.90	490,543	444.75	363.60	89,38,979
Dec 2016	483.30	375.00	481,221	437.60	373.20	64,55,445
Jan 2017	450.35	418.5	190,177	448.00	418.50	46,98,127

Feb 2017	524.90	424.00	1,155,738	524.70	423.45	1,51,99,502
Mar 2017	515.90	474.00	923,312	516.60	475.40	93,42,182

Chart A – The Company's share performance compared to the BSE Sensex for FY 2016-2017



f) Registrar and Share Transfer Agents:

Computech Sharecap Limited
147, M.G. Road, Fort, Mumbai 400 001. Tel: 022-22635000, 22635001; Fax: 022-22635005
Email: helpdesk@computechsharecap.in
Website: www.computechsharecap.com

Investor correspondence should be addressed to them.

g) Share Transfer system:

Share transfers and related operations for the Company are conducted by Computech Sharecap Limited, which is registered with the SEBI as a Category 1 Registrar. Share transfer is normally effected within the maximum period of 15 days from the date of receipt, if all the required documentation is submitted.

h) Distribution of shareholding:

Table 13 and 14 gives the distribution pattern of shareholding of the Company by size and ownership, respectively as on March 31, 2017.

Table 13: Distribution of shareholding by size as on March 31, 2017:

Number of shares	Number of share-holders	Shareholders (%)	Number of shares held	Shareholding (%)
1 – 500	51,181	91.23%	4,912,318	1.46%
501 – 1000	2,611	4.65%	1,989,554	0.59%
1001 – 2000	1,036	1.85%	1,473,366	0.44%
2001 – 3000	415	0.74%	980,259	0.29%
3001 – 4000	205	0.37%	690,654	0.21%
4001 – 5000	109	0.19%	482,809	0.14%
5001 – 10000	220	0.39%	1,495,282	0.44%
10001 & above	326	0.58%	324,115,544	96.42%
Total	**56,103**	**100.00%**	**336,139,786**	**100.00%**

Table 14: Distribution of shareholding by ownership as on March 31, 2017:

Category	No. of shares held	Percentage of share holding (%)
PROMOTER'S HOLDING		
Promoters		
-Indian Promoters #	251,336,467	74.77
-Foreign Promoters	0	0.00
Persons acting in Concert	0	0.00
Sub-Total #	251,336,467	74.77
NON-PROMOTER'S HOLDING		
Institutional Investors		
Mutual Funds & UTI	1,237,335	0.37
Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions /Non-Government Institutions)	9,478,843	2.82
Foreign Institutional Investors	49,729,927	14.79
Sub-Total	60,446,105	17.98
Others		
Private Corporate Bodies	6,295,523	1.87
Indian Public #	16,862,379	5.02
NRIs/OCBs	1,199,312	0.36
Any other (please specify)	0	0.00
Sub-Total	24,357,214	7.25
Total	**336,139,786**	**100.00**

#1,761 equity shares were erroneously credited by Motilal Oswal Asset Management Company Limited in the promotors holding which was subsequently reversed.

i) Dematerialization of shares and liquidity:

Table 15: As on March 31, 2017, 99.81 percent of the Company's shares were held in dematerialized form and the remaining 0.19 percent in physical form. The break up is listed below:

Category	Number of shareholders	Shareholders (%)	Number of shares held	Shareholding (%)
Physical	2,112	3.76%	628,737	0.19%
Electronic	53,991	96.24%	335,511,049	99.81%
Total	**56,103**	**100.00%**	**336,139,786**	**100.00%**

j) Outstanding GDRs/ADRs/Warrants/Convertible instruments and their impact on equity

The Company does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

k) Plant locations

Location	Address
Ambernath	Plot No. N - 73, Additional Ambernath Industrial Area, Village Jambivali, Taluka Ambernath East, District Thane, Maharashtra. 421 506.
Valia	Burjorjinagar, Plot No. 3, Village Kanerao, Taluka - Valia, District Bharuch, Gujarat 393 135.
Wadala	L.M. Nadkarni Marg, Near M.P.T. Hospital, Wadala (East), Mumbai 400 037.
Dombivali	Plot No: W-61, MIDC Phase II, Sagaon, Sonarpada, Dombivali - East, Thane, Maharashtra , 421204.

l) Address for Correspondence:

Godrej Industries Limited
Godrej One, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai – 400079.
Tel: 022-25188010 Fax:022-25188066

7. OTHER DISCLOSURES

a) Materially significant related party transactions that may have potential conflict of interests of Company at large.

During Financial Year 2016-17, there were no materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The Policy on related party transactions and policy for determining material subsidiaries is available on www.godrejindustries.com. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Financial Statements, forming part of the Annual Report.

b) Details of Non-compliance

There has not been any non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets.

c) Whistle Blower Policy

With a view to establish a mechanism for protecting the employees reporting unethical behaviour, fraud, violation of Company's Code of Conduct, the Board had a Whistle Blower Policy during FY2016-17. The Board amended the existing Whistle Blower Policy to extend the applicability of the Policy to all the stakeholders of the Company and incorporate the applicable provisions of the Listing Regulations in the Policy and no personnel have been denied access to the Audit Committee.

d) Policy to Prevent Sexual Harassment at the work place

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and by the Godrej group. The Company has formed an Internal Complaints Committee headed by Ms. T. A. Dubash, Executive Director & Chief Brand Officer, pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. While the Act is applicable only to the women employees, our company policy covers all employees.

e) Details of compliance with mandatory requirement

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of listing regulations. The Company has submitted quarterly compliance report on Corporate Governance with Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

Corporate Governance Report for the whole of financial year is given in table below:
Table 16:

I. Disclosure on website in terms of Listing Regulations:	
Item	**Compliance status (Yes / No / NA)**
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Not Applicable
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes

Details of agreements entered into with the media companies and/or their associates	Not Applicable
New name and the old name of the listed entity	Not Applicable

II. Annual Affirmations:

Particulars	Regulation Number	Compliance status (Yes / No / NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2) & (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & (5)	Yes

f) Commodity price risk or foreign exchange risk and hedging activities:

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

Commodities form a major part of the raw materials required for Company's Products portfolio and hence Commodity price risk is one of the important market risk for the Company. Your Company has a robust framework and governance mechanism in place to ensure that the organization is adequately protected from the market volatility in terms of price and availability.

g) Discretionary Disclosures:

The status of compliance with non-mandatory recommendations of the Listing Regulations:

- Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.
- Audit Qualifications: The Company's financial statements for FY2016-17 do not contain any audit qualification.
- Separate posts of Chairman and CEO: The positions of the Chairman and the CEO in the Company are separate.
- Reporting of Internal Auditor: The Internal Auditors of the Company make presentation to the Audit Committee on their reports.

8. DECLARATION BY MANGING DIRECTOR

The declaration by the Managing Director stating that all the Board Members and senior management personnel have affirmed their compliance with the laid down code of conduct for the year ended March 31, 2017, is annexed to the Corporate Governance Report.

9. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

As stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India, the auditor's certificate regarding compliance of conditions of corporate governance is annexed to the Boards' Report.

Declaration by Managing Director

I, N. B. Godrej, Managing Director of Godrej Industries Limited (GIL), hereby confirm pursuant to Regulation 34(3) read with Schedule V (D) of the SEBI, (Listing Obligations and disclosure Requirements) Regulations, 2015 that:

The Board of Directors of GIL has laid down a code of conduct for all Board members and senior management of the Company. The said code of conduct has also been posted on the Company's website viz. www.godrejindustries.com. All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2017.

N. B. Godrej
Managing Director

Mumbai, May 22, 2017

Auditor's Certificate on Corporate Governance

To the Members of **Godrej Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Godrej Industries Limited ('the Company'), for the year ended on March 31, 2017, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations').

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

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

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

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

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

Opinion
In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above-mentioned Listing Regulations as applicable during the year ended March 31, 2017.

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.

For
KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
PARTNER
M. No.: 42454

Place : Mumbai
Date : May 22, 2017.



CONSOLIDATED **FINANCIAL STATEMENTS**

Independent Auditor's Report

TO THE MEMBERS OF

GODREJ INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **GODREJ INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Godrej Industries Group" or "Group"), its associate companies and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility 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 (hereinafter referred to as "the Act"), that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity of the Group including its associate companies and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group including its associate companies and jointly controlled entities 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Independent Auditor's Report

Basis for Qualified Opinion:

We draw attention to Note No. 61(2) to the Consolidated Ind AS Financial Statements, where one of the subsidiary company has paid remuneration to its Managing Director during the year, which is in excess of the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013, by ₹ 86.61 crores.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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 Ind AS, of the consolidated financial position of the Group, its associate companies and jointly controlled entities as at March 31, 2017, their consolidated financial performance, including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Emphasis of Matters

a) We draw attention to Note No. 61(1) to the Consolidated Ind AS Financial Statements, relating to remuneration paid to two Directors by the Holding Company which is in excess of the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013, by ₹ 4.54 crores. The Holding Company has made an application to the Central Government for payment of the said remuneration which is in excess of the prescribed limits, the approval for which is awaited. Pending such approval, the amount is held in trust on behalf of the Company.

b) We draw attention that the financial statements of a subsidiary have been prepared on a going concern basis notwithstanding substantial erosion in net worth in view of further infusion of the additional funds from its promoters / shareholders.

c) We draw attention to the following Notes to the Consolidated Ind AS Financial Statements for the year ended on March 31, 2017, in respect of various Schemes of Amalgamation approved by The Honourable High Court of Judicature at Bombay :

   i) Sub-note 4(ii) of Note 19: Other Equity, regarding the Scheme of Arrangement whereby the Seeds business of Godrej Seeds and Genetics Limited (Transferor Company) merged into Godrej Agrovet Limited (Transferee Company) with effect from April 01, 2015, vide Order of the Court dated January 08, 2016.

   In accordance with the Scheme:

   (i) The excess of the face value of the preference shares held by the Transferee Company over the book value of the net assets of the Transferor Company taken over, along with face value of preference shares issued on account of amalgamation, amounting to ₹ 16.94 crores has been debited to Surplus as per the Scheme.

   Had the Scheme not prescribed the above treatment, the Surplus would have been higher by ₹ 16.94 crores.

   ii) Sub-note 4(iii) of Note 19: Other Equity, regarding the Scheme of Amalgamation between Goldmuhor Agrochem & Feeds Limited (Transferor Company) with Godrej Agrovet Limited (Transferee Company), whereby the assets and liabilities of the Transferor Company have been taken over by the Transferee Company with effect from October 1, 2013.

   In accordance with the Scheme:

   a) The excess of face value of the shares held by the Transferee Company over book value of the net assets of the Transferor Company taken over, amounting to ₹ 0.71 crores on account of Goodwill on Merger has been debited to the General Reserve of the Transferee Company.

   b) The cost and expenses arising out of or incurred in carrying out and implementing the Scheme amounting to ₹ 0.41 crores have been directly charged against the balance in General Reserve of the Transferee Company.

   c) An amount of ₹ 20 crores has been transferred from the General Reserve of the Transferee Company and has been utilised to increase the Reserve for Employee Compensation Expenses of the Transferee Company.

   Had the Scheme not prescribed the above treatment, the balance in General Reserve would have been higher by ₹ 21.12 crores.

Independent Auditor's Report

iii) Sub-note 4(iv) of Note 19: Other Equity, regarding the Scheme of Amalgamation between Golden Feed Products Limited (Transferor Company), with Godrej Agrovet Limited (Transferee Company), whereby the assets and liabilities of the Transferor Company have been taken over by the Transferee Company with effect from March 31, 2014.

In accordance with the Scheme:

The excess of face value of the shares held by the Transferee Company over book value of the net assets of the Transferor Company taken over, amounting to ₹ 0.97 crores has been debited to Surplus.

Had the Scheme not prescribed the above treatment, the Surplus would have been higher by ₹ 0.97 crores.

iv) Sub-note 4(v) of Note 19: Other Equity, regarding the Scheme of Amalgamation whereby the assets and liabilities of certain subsidiary companies viz. Godrej Gokarna Oil Palm Ltd (GGOPL), Godrej Oil Palm Ltd (GOPL) and Cauvery Palm Oil Ltd. (CPOL), (Transferor Companies), have been taken over by Godrej Agrovet Limited (Transferee Company) with effect from April 01, 2011.

In accordance with the Scheme:

a) Amortisation of Intangible Assets of the Transferor Companies amounting to ₹ 4.25 crores in the current year recorded in the books of the Transferee Company is charged against the balance in the General Reserve Account of the Transferee Company.

b) An amount of ₹ 60.55 crores on account of Goodwill on Merger has been charged to the Securities Premium Account.

Had the Scheme not prescribed the above treatment, the balance in the Securities Premium Account would have been higher by ₹ 60.55 crores, the balance in General Reserve would have been higher by ₹ 8.50 crores, the balance in Surplus would have been lower by ₹ 64.80 crores and the profit for the year would have been lower by ₹ 4.25 crores.

v) Sub-note 4(vi) of Note 19: Other Equity, regarding the Scheme of Amalgamation of Godrej Gold Coin Aquafeed Ltd. (Transferor Company), with Godrej Agrovet Limited (Transferee Company) whereby the assets and liabilities of the Transferor Company have been taken over by the Transferee Company with effect from April 1, 2010.

In accordance with the Scheme, an amount of ₹ 16.69 crores on account of the book value of the intangible assets and an amount of ₹ 25.06 crores on account of Goodwill on Merger, aggregating to ₹ 41.75 crores, has been charged to the Securities Premium Account instead of amortising the same in the Statement of Profit and Loss.

Had the Scheme not prescribed this treatment, the balance in Securities Premium Account would have been higher by ₹ 41.75 crores and the balance in Surplus would have been lower by ₹ 41.75 crores.

The above treatment prescribed under the respective Court Schemes differs from the treatment prescribed under the Accounting Standards according to which, the said amounts should have been debited to Goodwill, Intangibles or the Statement of Profit and Loss, as the case may be. Had the Schemes not prescribed this accounting treatment, the Company's share in the profit for the year ended March 31, 2017, would have been lower by ₹ 2.71 crores, the Surplus would have been lower by ₹ 56.43 crores, General Reserve would have been higher by ₹ 18.86 crores, the Securities Premium would have been higher by ₹ 65.14 crores.

Our opinion is not modified in respect of these matters.

Other Matters:

a) We did not audit the financial statements of five subsidiaries included in the Consolidated Ind AS Financial Statements, whose financial statements reflect the Group's share of total assets of ₹ 604.52 crores as at March 31, 2017, as well as the Group's share of total revenue of ₹ 871.29 crores and net cash flows amounting to ₹ 10.15 crores for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. We also did not audit the financial statements of one jointly controlled entity included in the Consolidated Ind AS Financial Statements, whose financial statements reflect the Group's share of profit for the year ended March 31, 2017, amounting to ₹ 7.18 crores. These financial statements have been audited by other auditors whose reports 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 these subsidiaries and jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

Independent Auditor's Report

b) We did not audit the financial statements of a subsidiary included in the Consolidated Ind AS Financial Statements, whose financial statements reflect the Group's share of total assets of ₹ 11.97 crores as at March 31, 2017, as well as the Group's share of total revenue of ₹ 88.99 crores and net cash flows amounting to ₹ 2.76 crores for the year ended on that date. Further, we did not audit the financial statements of two associates and one jointly controlled entity included in the Consolidated Ind AS Financial Statements, whose financial statements reflect the Group's share of net profit for the year ended March 31, 2017, amounting to ₹ 2.63 crores. These 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 these two associates and one jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary company, associates and one jointly controlled entity, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Ind AS Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on the separate financial statements of five subsidiaries, and a jointly controlled entity, as noted in sub-paragraph (a) of the Other Matters paragraph above, 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), and the Statement of Consolidated Cash Flows and Consolidated Statement of Changes in Equity 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 (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

   e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2017 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and its jointly controlled entity incorporated in India, none of the Directors of the Group companies, its associate companies and jointly controlled entities incorporated in India, is disqualified as on March 31, 2017, 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 Group, its associates and jointly controlled entities incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the separate financial statements of certain subsidiaries and a jointly controlled entity, as noted in sub-paragraph (a) of the Other Matters paragraph above:

      i) The Group has disclosed the impact of pending litigations on its consolidated financial position in its Consolidated Ind AS Financial Statements. Refer Note No. 30 to the Consolidated Ind AS Financial Statements.

Independent Auditor's Report

ii) Provisions have been made in the Consolidated Ind AS Financial Statements, as required under applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts, including derivative contracts. Refer Note No. 63 to the Consolidated Ind AS Financial Statements.

iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Group companies, its associate companies or jointly controlled entities incorporated in India.

iv) The requisite disclosures in the Consolidated Ind AS Financial Statements for holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016, have been provided with respect to the Holding Company and its subsidiary companies incorporated in India. Based on audit procedures and relying on the Management representations, we report that the disclosures are in accordance with the books of account and other records maintained by the Holding Company and its subsidiary companies incorporated in India and as produced to us by the Management of the Holding Company except in the case of two subsidiary companies whose Closing Cash on hand as on November 08, 2016, of Specified Bank Notes aggregated to ₹ 3.11 crore, where these two subsidiary companies have provided requisite disclosures in their respective Ind AS Financial Statements. However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures are in accordance with the books of account maintained by the aforesaid two subsidiary companies and as produced to us by the Management.

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

Daraius Z. Fraser
Partner
M. No.: 42454

Mumbai: May 22, 2017

Annexure A to the Independent Auditor's Report

Referred to in Paragraph (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Consolidated Ind AS Financial Statements for the year ended March 31, 2017.

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

We have audited the internal financial controls over financial reporting of **GODREJ INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled entities, incorporated in India, as of March 31, 2017, in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities, 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 and its subsidiaries, its associate companies and jointly controlled entities incorporated in India 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 Companies Act, 2013 ("the Act" or "the Companies Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiaries, its associate companies and jointly controlled entities incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, 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 judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports 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, its subsidiaries, its associate companies and jointly controlled entities incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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 Ind AS 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

Annexure A to the Independent Auditor's Report

3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Ind AS 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, its subsidiary companies, its associate companies and jointly controlled entities, 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, 2017, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities, incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the 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 three subsidiary companies and one jointly controlled company incorporated in India is based on the reports of the auditors of those companies incorporated in India.

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

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

Daraius Z. Fraser
Partner
M. No.: 42454

Mumbai: May 22, 2017

Consolidated Balance Sheet as at March 31, 2017

Amount ₹ in Crore

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	**2,591.56**	2,259.08	1,162.36
Capital Work-in-Progress	3a	**57.28**	271.95	722.76
Investment Property	3b	**126.21**	128.46	48.88
Goodwill		**500.29**	500.27	501.37
Other Intangible Assets	3c	**63.06**	68.69	32.17
Intangible Assets Under Development		**0.25**	2.13	0.10
Biological Assets	3d	**4.67**	8.87	12.34
Equity Accounted Investees	4	**2,480.28**	2,219.44	1,971.09
Financial Assets				
Other Investments	5	**353.67**	276.65	377.63
Trade Receivables		**13.33**	-	-
Loans	6	**100.25**	135.01	127.33
Others	7	**7.83**	10.32	9.17
Deferred Tax Assets (Net)	8	**268.45**	152.68	158.61
Other Tax Assets (Net)		**169.77**	121.90	68.10
Other Non-Current Assets	9	**87.76**	60.41	73.31
Current Assets				
Inventories	10	**5,020.34**	4,879.48	4,395.53
Financial Assets				
Investments	11	**369.33**	427.39	614.93
Trade Receivables	12	**896.84**	855.60	600.38
Cash & cash equivalents	13	**186.79**	128.13	175.99
Othe bank balances	14	**48.12**	72.79	72.13
Loans	15	**760.21**	606.07	574.85
Others	16	**811.59**	764.16	605.67
Current Tax Assets (Net)		**1.28**	0.64	0.64
Other Current Assets	17	**299.37**	335.53	279.68
TOTAL ASSETS		**15,218.53**	14,285.65	12,585.02
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	18	**33.61**	33.60	33.59
Other Equity	19	**3,162.01**	2,968.11	2,985.15
Non-controlling interest		**1,474.59**	1,280.67	926.93
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	20	**1,508.26**	1,574.35	1,620.47
Trade Payables		**0.52**	-	1.42
Others	21	**-**	6.54	4.46
Provisions	22	**17.28**	14.66	14.58
Deferred Tax Liabilities (Net)	23	**229.25**	154.23	114.25
Other Non-Current Liabilities	24	**50.57**	47.10	7.08
Current Liabilities				
Financial Liabilities				
Borrowings	25	**5,588.39**	5,188.97	4,022.93
Trade Payables	26	**1,641.86**	1,148.96	1,169.16
Others	27	**902.01**	1,106.06	962.52
Other Current Liabilities	28	**571.25**	731.69	695.57
Provisions	29	**26.56**	22.60	20.41
Current Tax Liabilities (Net)		**12.37**	8.11	6.50
TOTAL EQUITY & LIABILITIES		**15,218.53**	14,285.65	12,585.02
Significant Accounting Policies	2			

The accompanying notes form an integral part of the financial statements

As per our Report attached

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Regn. No. 104607W/W100166

Daraius Z. Fraser
Partner
M. No. 42454

Mumbai, May 22, 2017

For and on behalf of the Board

A. B. Godrej
Chairman
DIN:00065964

N. B. Godrej
Managing Director
DIN:00066195

N. S. Nabar
Executive Director
& President (Chemicals)
DIN:06521655

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2017

Amount ₹ in Crore

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from Operations	32	**8,482.53**	7,549.30
Other Income	33	**175.84**	207.58
Total Income		**8,658.37**	7,756.88
Expenses			
Cost of Materials Consumed	34	**4,727.59**	3,686.28
Purchases of Stock-in-Trade		**515.04**	489.27
Cost of Property Development	35	**1,073.31**	1,732.47
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	36	**(45.90)**	(97.98)
Excise Duty		**117.40**	95.71
Employee Benefits Expenses	37	**429.21**	364.86
Finance Costs	38	**399.52**	343.04
Depreciation and Amortisation Expense		**148.14**	117.21
Other Expenses	39	**1,027.25**	888.16
Total Expenses		**8,391.56**	7,619.02
Profit Before Exceptional Items and Tax		**266.81**	137.86
Exceptional Items	40	**22.76**	48.74
Profit Before Tax		**289.57**	186.60
Share in Profit of Equity Accounted Investees (Net of Income Tax)		**336.66**	245.08
Tax Expense			
Current Tax		**185.92**	123.89
Deferred Tax		**(18.51)**	(15.20)
		167.41	108.69
Net Profit for the Year		**458.82**	322.99
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit liability		**(10.44)**	(6.05)
Income Tax relating to Items that will not be reclassified to Profit or Loss		**3.17**	1.63
Items that will be reclassified to Profit or Loss			
Exchange differences in translating financial statements of foreign operations		**(21.84)**	(16.92)
Deferred gains/(losses) on cash flow hedges		**6.38**	-
Income Tax relating to Items that will be reclassified to Profit or Loss		**(1.09)**	-
Total Comprehensive Income for the Year		**435.00**	301.65
Net Profit Attributable to :			
Owners of the Company		**256.45**	160.77
Non-Controlling Interest		**202.37**	162.22
Other Comprehensive Income Attributable to :			
Owners of the Company		**(23.08)**	(20.29)
Non-Controlling Interest		**(0.74)**	(1.05)
Total Comprehensive Income Attributable to :			
Owners of the Company		**233.37**	140.48
Non-Controlling Interest		**201.63**	161.17
Earnings Per Equity Shares (Face Value ₹ 1 each)	41		
Basic		**7.13**	4.51
Diluted		**7.12**	4.51
Significant Accounting Policies	2		

The accompanying notes form an integral part of the financial statements

As per our Report attached

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Regn. No. 104607W/W100166

Daraius Z. Fraser
Partner
M. No. 42454

Mumbai, May 22, 2017

For and on behalf of the Board

A. B. Godrej
Chairman
DIN:00065964

N. B. Godrej
Managing Director
DIN:00066195

N. S. Nabar
Executive Director
& President (Chemicals)
DIN:06521655

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2017

(a) Equity Share Capital

Particulars	As at March 31, 2017 No. of Shares	Amount ₹ in Crore	As at March 31, 2016 No. of Shares	Amount ₹ in Crore	As at April 01, 2015 No. of Shares	Amount ₹ in Crore
Balance at the beginning of the year	**335,988,807**	**33.60**	335,881,974	33.59	335,455,260	33.55
Changes in equity share capital during the year	**150,979**	**0.01**	106,833	0.01	426,714	0.04
Balance at the end of the year	**336,139,786**	**33.61**	335,988,807	33.60	335,881,974	33.59

(b) Other Equity

Amount ₹ in Crore

Particulars	Reserves and Surplus												Items of Other Comprehensive Income			Total Before Non Controlling Interest	Non Controlling Interest	Total
	Retained Earnings	General Reserve	Securities Premium Account	Capital Redemption Reserve	Capital Reserve	Capital Reserve on account of Amlagamation	Special Reserve	Employee Stock Grants Outstanding	Treasury Stock	Reserve for Employee Compensation Expenses	Debenture Redemption Reserve	Cash flow Hedge Reserve	Foreign Currency Monetary Item Translation Difference	Remeasurements of the net defined benefit Plans	Foreign Operations – Foreign Currency Translation Differences	Deferred Gains/ (Losses) on Cash Flow Hedges			
Balance at April 1, 2015	1,427.22	57.89	1,469.21	31.46	9.88	-	3.84	66.58	(103.79)	22.86	-	-	-	-	-	-	2,985.15	926.93	3,912.08
Profit for the year	160.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	160.77	162.22	322.99
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	(3.81)	(16.48)	-	(20.29)	(1.05)	(21.34)
Transfer from employee stock option grant	-	-	6.84	-	-	-	-	-	-	-	-	-	-	-	-	-	6.84	-	6.84
Transfer from Surplus	-	1.33	-	-	-	-	0.17	-	-	-	18.75	-	-	-	-	-	20.25	-	20.25
Amortisation of Intangibles as per Merger Scheme	-	(2.86)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.86)	-	(2.86)
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)								13.05									13.05	-	13.05
Transfer to Securities Premium on exercise of Stock Grants								(6.84)									(6.84)	-	(6.84)
Adjustment of employee compensation expense recognised										(11.35)							(11.35)	-	(11.35)
ESOP shares subscribed									22.52								22.52	-	22.52
Final Dividend Paid	(58.80)																(58.80)	-	(58.80)
Interim dividend declared and paid	(58.80)																(58.80)	-	(58.80)
Dividend Distribution Tax on Interim and Final Dividend	(32.46)																(32.46)	-	(32.46)
Dividend Distribution Tax credit from Subsidiaries	9.75																9.75	-	9.75
Foreign Currency Monetary Item Translation													(16.05)				(16.05)	-	(16.05)
Income Recognised on Deferral Government Grants	(0.36)																(0.36)	-	(0.36)
Adjustment for IND AS Put option Liability	(32.21)																(32.21)	-	(32.21)
Transfer to Debenture Redemption Reserve	(18.75)																(18.75)		(18.75)
Transfer to Special Reserve	(0.17)																(0.17)	-	(0.17)
Transfer to General Reserve	(1.33)																(1.33)		(1.33)
Additions during the year			14.26														14.26	-	14.26
Adjustment arising on acquisition / Deletion and Non Controlling Interest	0.36	0.44	(8.17)			1.81	(0.03)	5.19		3.01	(6.82)						(4.21)	192.57	188.36
Balance at March 31, 2016	**1,395.22**	**56.80**	**1,482.14**	**31.46**	**9.88**	**1.81**	**3.98**	**77.98**	**(81.27)**	**14.52**	**11.93**	**-**	**(16.05)**	**(3.81)**	**(16.48)**	**-**	**2,968.11**	**1,280.67**	**4,248.78**
Profit for the year	256.45																256.45	202.37	458.82
Other Comprehensive Income														(5.12)	(21.74)	3.78	(23.08)	(0.74)	(23.82)
Transfer from employee stock option grant			137.32														137.32		137.32
Transfer from Surplus		1.25			7.20						(18.75)						(10.30)		(10.30)
Transfer from Reserve for Employee Compensation Expense		0.14															0.14		0.14
Amortisation of Intangibles as per Merger Scheme		(2.85)															(2.85)		(2.85)
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)								7.45									7.45		7.45
Transfer to Securities Premium on exercise of Stock Grants								(137.32)									(137.32)		(137.32)
Adjustment of employee compensation expense recognised										(23.76)							(23.76)		(23.76)
ESOP shares subscribed									76.46								76.46		76.46
Utilisation for issue of Bonus Shares during the year	(92.57)																(92.57)		(92.57)
Adjustment for IND AS Put option Liability	(14.52)																(14.52)		(14.52)
Transfer to Debenture Redemption Reserve	18.75																18.75		18.75
Transfer to General Reserve	(1.25)									(0.14)							(1.39)		(1.39)
Additions during the year			4.30														4.30		4.30
Foreign Currency Monetary Item Translation													(6.83)				(6.83)		(6.83)
Exchange difference arising on currency translation cash flow hedge reserve												2.08					2.08		2.08
Adjustment arising on acquisition / Deletion and Non Controlling Interest	(9.10)	0.60	(70.58)		(3.07)	0.57		59.09		9.38	6.82	(0.82)	10.68				3.57	(7.71)	(4.14)
Balance at March 31, 2017	**1,552.98**	**55.94**	**1,553.18**	**31.46**	**14.01**	**2.38**	**3.98**	**7.20**	**(4.81)**	**-**	**-**	**1.26**	**(12.20)**	**(8.93)**	**(38.22)**	**3.78**	**3,162.01**	**1,474.59**	**4,636.60**

Refer Note 19 for Nature and Purpose of Reserve

The accompanying notes form an integral part of the financial statements

As per our Report attached

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Regn. No. 104607W/W100166

Daraius Z. Fraser
Partner
M. No. 42454

Mumbai, May 22, 2017

For and on behalf of the Board

A. B. Godrej
Chairman
DIN:00065964

N. B. Godrej
Managing Director
DIN:00066195

N. S. Nabar
Executive Director
& President (Chemicals)
DIN:06521655

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2017

Amount ₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
A. Cash Flow From Operating Activities:		
Profit Before Tax	**626.23**	431.68
Adjustments for:		
Depreciation	**148.14**	117.21
Unrealised Foreign Exchange revaluation	**(11.25)**	(0.52)
Profit on Sale of Investments	**(27.37)**	(55.88)
Profit / (Loss) on Sale, Write off and Provision of Fixed Assets (Net)	**15.78**	1.14
Grant amortisation	**(1.16)**	(1.21)
Share issue expense	**-**	0.05
Expenses on Amalgamation	**1.35**	3.90
Interest and Other Financial Income	**(114.73)**	(97.38)
Interest & Finance Charges	**399.52**	341.29
Employee Stock Grant Scheme Compensation	**9.71**	10.00
Other Comprehensive Income items	**(2.70)**	(1.70)
Income from Investment measured at FVTPL	**(21.77)**	(83.62)
Bad Debts written off	**7.99**	6.19
Share of Profit/(Loss) of Associates and Jointly Controlled Entities (Net of Tax)	**(328.51)**	(237.02)
Provision / (Write-back) for Doubtful Debts and Sundry Balances (net)	**7.27**	6.93
Others	**(0.77)**	(0.60)
Operating Profit Before Working Capital Changes	**707.73**	440.46
Adjustments for :		
Increase/(Decrease) in Non-financial Liabilities	**(131.81)**	19.73
Increase/(Decrease) in Financial Liabilities	**139.31**	(55.24)
(Increase)/Decrease in Inventories	**70.07**	32.33
(Increase)/Decrease in Biological assets	**4.20**	3.47
(Increase)/Decrease in Non-Financial Assets	**75.46**	91.24
(Increase)/Decrease in Financial Assets	**(256.97)**	(177.07)
Cash Generated from Operations	**607.99**	354.92
Direct Taxes Paid	**(249.30)**	(156.37)
Net Cash Generated from Operating Activities	**358.69**	198.55
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	**(285.22)**	(366.23)
Proceeds from Sale of Fixed Assets	**13.08**	8.82
Capital Subsidy Received	**-**	3.00
Purchase of Investment	**(1,009.93)**	(1,188.67)
Proceeds from Sale of Investments	**1,068.45**	1,352.81
Intercorporate Deposits / Loans (net)	**55.40**	(31.48)
Expenses on Amlgamation	**(1.35)**	(0.47)
Interest Received	**100.16**	34.06
Other Income	**-**	0.50
Net Cash used in Investing Activities	**(59.41)**	(187.66)

Consolidated Cash Flow Statement for the year ended March 31, 2017

Amount ₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
C. Cash Flow from Financing Activities:		
Proceeds from issue of Equity shares	**1.54**	1.34
Proceeds from sale of Treasury shares	**35.59**	3.90
Transactions with non-controlling interests	**-**	(45.28)
Share issue expense	**-**	(0.05)
Merger Expense	**-**	(0.19)
Repayment of Preference Share Capital	**-**	(3.50)
Proceeds from / (Repayment of) Borrowings	**116.42**	944.31
Interest & Finance Charges Paid	**(615.99)**	(712.83)
Dividend Paid	**(0.17)**	(154.02)
Tax on Distributed Profits	**(0.08)**	(31.34)
Net Cash (used in) / generated from Financing Activities	**(462.69)**	2.34
Net Increase / (Decrease) in Cash and Cash Equivalents	**(163.41)**	13.23
Cash and Cash Equivalents (Opening Balance)	**73.67**	57.29
Add: Cash and Cash equivalents taken over pursuant to Business Acquisition	**0.29**	3.15
Cash and Cash Equivalents (Closing Balance)	**(89.45)**	73.67

Notes :

(Amount ₹ in Crore)

Particulars	As at March 31, 2017	As at March 31, 2016
1. Cash and Cash Equivalents		
Cash on Hand and Balances with Banks	**186.79**	128.13
Bank Overdraft / Cash Credit	**(276.24)**	(54.46)
Cash and Cash Equivalents	**(89.45)**	73.67

2. The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Regn. No. 104607W/W100166

Daraius Z. Fraser
Partner
M. No. 42454

Mumbai, May 22, 2017

For and on behalf of the Board

A. B. Godrej
Chairman
DIN:00065964

N. B. Godrej
Managing Director
DIN:00066195

N. S. Nabar
Executive Director
& President (Chemicals)
DIN:06521655

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Notes to the Consolidated Financial Statements

Note 1 : General Information

1. Group Overview

Godrej Industries Limited ("the Company") including its Subsidiaries, Joint Ventures, Associates, Limited Liability Partnerships, collectively referred to as ("the Group") is engaged in the business of Chemicals, Agri Inputs, Real Estate Construction, Property Development, Vegetable Oil, Finance and Investments, Animal Feeds, Innovative crop protection, Agricultural Inputs, Palm Oil and allied products, Milk and milk products, and other related activities. The Company is domiciled in India and is listed on BSE Limited and The National Stock Exchange of India Limited (NSE)

2. Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These Consolidated Financial Statements for the year ended March 31, 2017 are the first the Group has prepared under Ind AS. For all periods upto and including the year ended March 31, 2016 , the Group prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The consolidated financial statements for the year ended March 31, 2016 and the opening Balance Sheet as at April 01, 2015 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Equity, Total Comprehensive Income and Cash Flows are provided in Note 58.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2015 being the 'date of transition to Ind AS'.

All assets and liabilities have been classified as current or non current as per the normal operating cycle of each entity in the Group and other criteria as set out in Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities except for under construction real estate projects.

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed & realization of project into cash & cash equivalents and range from 3 to 7 years. Accordingly project related assets & liabilities have been classified into current & non-current based on operating cycle of respective projects.

The financial statements of the Group for the year ended March 31, 2017 were approved for issue in accordance with the resolution of the Board of Directors on May 22, 2017.

3. Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

4. Functional and presentation currency

The financial statements are presented in Indian rupees, which is the Group's functional currency. All amounts have been rounded to the nearest crore, unless otherwise indicated.

Notes to the Consolidated Financial Statements

5. Key estimates and assumptions

The preparation of financial statements requires Management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows

- Evaluation of Control
- Evaluation of Percentage Completion

  Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined.
- Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized.
- Impairment Property, Plant and Equipments
- Recognition and measurement of defined benefit obligations
- Recognition of deferred tax assets
- Fair valuation of employee share options
- Recognition and measurement of other provisions
- Discounting of long-term financial liabilities
- Determining whether an arrangement contains a lease
- Rebate and Sales Incentives
- Fair value of financial instruments
- Provisions and Contingent Liabilities

6. Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Group from April 01, 2017. The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Group is currently evaluating the effect of the above amendments

In March 2017, the Ministry of Corporate Affairs had made amendments to Classification and Measurement of Share-based Payment Transactions under Ind AS 102. Paragraphs 19, 30-31 and 52 of Ind AS 102 were amended and paragraphs 33A-33H, 59A-59B, 63D and B44A-B44C and their related headings were added. It mainly deals with accounitng for a modification of a share-based payment transaction that changes its classification from Cash Settled to Equity Settled. The Group is currently evaluating the effect of the above amendments.

Notes to the Consolidated Financial Statements

7. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) 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 (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

8. Basis of Consolidation

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Group is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/ losses, unless cost/revenue cannot be recovered.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and

Notes to the Consolidated Financial Statements

(b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Statement of Profit and Loss and Statement of Changes in Equity.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of Profit & Loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost and the differential is recognised in Statement of Profit or Loss. Subsequently, it is accounted for as an equity-accounted investee depending on the level of influence retained.

(ii) Associates and jointly controlled entities (equity accounted investees)

Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Joint arrangements are those arrangements over which the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Group does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

(iii) Acquisition of non-controlling interests

Acquisition of some or all of the non-controlling interest ("NCI") is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to retained earnings that is attributable to the parent company. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

9. Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets

Notes to the Consolidated Financial Statements

acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2015. As such, Previous GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward as at the date of transition to Ind AS.

Note 2 : Significant Accounting Policies

1. Property, Plant and Equipment (PPE)

(i) Recognition and measurement

Property, plant and equipment are measured at Original cost net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Advances paid towards the acquisition of PPE outstanding at each reporting date are classified as capital advances under Other Non-Current Assets and Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Capital expenditure on tangible assets for Research and Development is classified under Property, Plant and Equipment and is depreciated on the same basis as other property, plant and equipment.

Property, Plant and Equipment are eliminated from financial statement on disposal and gains or losses arising from disposal are recognised in the Statement of Profit and Loss in the year of occurence.

Exchange differences on repayment and year end translation of foreign currency loans availed upto March 31, 2016 relating to acquisition of depreciable capital assets are adjusted to the carrying cost of the assets.

(ii) Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

When Significant parts of Property, Plant and equipments are required to be replaced, the Group derecognises the replaced part and recognises the new part with it's own associated useful life and it is depreciated accordingly.

(iii) Depreciation

Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except in the case of Plant and Machinery where the Group, based on technical evaluation, the condition of the plants, regular maintenance schedule, material of construction and past experience, has considered useful life of certain items of PPE different from that prescribed in Schedule II to the Act.

However, depreciation on Property, Plant and Equipment of one of the Subsidiaires has been provided as per the written down value method as per the useful lives of the respective item of property, plant and equipment.

Assets costing less than ₹ 5,000 are depreciated at 100% in the year of acquisition.

Notes to the Consolidated Financial Statements

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Assets acquired on lease and leasehold improvements are depreciated over the period of the lease on straight line basis.

(iv) First Time adoption of IND AS

Upon first-time adoption of Ind AS, the Group has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 01, 2015.

2. Investment Property

(i) Recognition and measurement

Investment Property comprise of Freehold Land and Building.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Consolidated Statement of Profit and Loss in the period of derecognition.

(ii) Depreciation

Depreciation on Investment Property is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013.

(iii) First Time adoption of IND AS

Upon first-time adoption of Ind AS, the Group has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 01, 2015.

3. Intangible Assets

(i) Recognition and measurement

Intangible assets are recognised when it is probable that future economic benefits that are attributable to assets will flow to the Group and the cost of the assets can be measured reliably.

Gain or loss arising from derecognition of an intangible asset is recognised in the Consolidated Statement of Profit and Loss.

(ii) Depreciation

Intangible assets are amortised over their estimated useful life on Straight Line Method. The useful life of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Notes to the Consolidated Financial Statements

(iii) First Time adoption of IND AS

Upon first-time adoption of Ind AS, the Group has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 01, 2015.

4. Biological Assets

Biological assets are measured at fair value less costs to sell, with any change therein recognised in the Consolidated Statement of Profit or Loss.

5. Construction contracts

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion.

Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

Measurement of construction contract revenue and expense:

The Group uses the 'percentage-of-completion' method to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

6. Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

Goodwill on business combinations is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

7. Equity accounted investees

Investments in Associates and Jointly controlled entities are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in Associates and Jointly controlled entities, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in Associates and Jointly controlled entities at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. April 01, 2015.

8. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using the weighted average method. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at lower of cost and net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

Land development project in progress includes cost of land, development management fees, construction cost, allocated interest and expenses attributable to the construction of the project undertaken by the Group.

If payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost should be recognised as interest expense over the period of financing under the effective interest method.

Inventories comprising of completed flats and construction Work-in-Progress are valued at lower of cost or net realizable value.

Construction Work in Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Group.

9. Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand, bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

10. Grants and Subsidies

Grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as a deferred grant which is recognised as income in the Consolidated Statement of Profit and Loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognised in the Consolidated Statement of Profit and Loss in the same period as the related cost which they are intended to compensate are accounted for.

11. Assets held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

Notes to the Consolidated Financial Statements

12. Financial Assets

(i) Initial recognition and measurement

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

(ii) Subsequent measurement

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI)."

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

(iii) Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently,these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(iv) Debt Instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

(v) Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value , the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

Notes to the Consolidated Financial Statements

The Group makes such election on an instrument-by-instrument basis.Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

(vi) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

(vii) Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Groups trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

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

13. Financial Liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

14. Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

15. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes to the Consolidated Financial Statements

16. Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. The Group also uses commodity futures contracts to hedge the exposure to oil price risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

17. Share Capital

(i) Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognized as a deduction from equity.

(ii) Treasury shares

The group has created an Employee Stock Options Trust (ESOP) for providing share-based payment to its employees. The group uses ESOP as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP buys shares of the respective companies from the market, for giving shares to employees. The group treats ESOP as its extension and shares held by ESOP are treated as treasury shares.

Treasury shares are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in capital reserve. Share options exercised during the reporting period are deducted from treasury shares.

18. Provisions and Contingent Liabilities

Provisions are recognized when the Group has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

Notes to the Consolidated Financial Statements

19. Revenue Recognition

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Sales are inclusive of excise duty and net of returns, trade discounts, rebates and sales taxes.

Income from processing operations is recognised on completion of production / dispatch of the goods, as per the terms of contract.

Dividend income, including share of profit in LLP, is recognised when the right to receive the same is established , it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

Income on assets given on operating lease is recognised on a straight line basis over the lease term in the Consolidated Statement of Profit and Loss.

20. Revenue Recognition for Property Development

The Group is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognized in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Group on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), construction revenue on such projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognized on percentage of completion method provided the following thresholds have been met:

(a) All critical approvals necessary for the commencement of the project have been obtained;

(b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;

(c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and

(d) At least 10 percent of the contract consideration is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined. Revenue from projects is recognized net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

The Group has been entering into Development & Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

The Group receives maintenance amount from the customers and utilizes the same towards the maintenance of the respective projects. Revenue is recognized to the extent of maintenance expenses incurred by the Group towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

Notes to the Consolidated Financial Statements

21. Loyalty Program

Sales is allocated between the loyalty programme and the other components of the transaction. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the points under the programme will be redeemed.

22. Employee Benefits

(i) Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short Term benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

The Group has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on Economic Value Added (EVA) or Profit Before Tax (PBT). The PLVR amount is related to actual improvement made in EVA or PBT over the previous year when compared with expected improvements.

(ii) Post Employment Benefits

(a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund and Family Pension maintained with Regional Provident Fund Office are charged as an expense in the Statement of Profit and Loss as they fall due.

(b) Defined Benefit Plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Pension

Pension plan for eligible employees are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet.

(iii) Other Long-Term Employee Benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurement are recognized in Statement of Profit and Loss in the period in which they arise.

(iv) Terminal Benefits

All terminal benefits are recognized as an expense in the period in which they are incurred.

Notes to the Consolidated Financial Statements

23. Share-Based Payments

Employees of the Group receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated basis Black Scholes model. At the end of each reporting period, apart from the non market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares.

When the terms of an equity-settled award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

24. Leases

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

(i) Finance Lease

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) Operating Leases

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight line basis over the lease term, unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

(iii) Lease Assets

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

25. Research and Development Expenditure

Revenue expenditure on Research & Development is charged to the Statement of Profit and Loss of the year in which it is incurred. Capital expenditure incurred during the year on Research & Development is included under additions to Property, Plant and Equipment.

26. Borrowing Costs

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use.

Notes to the Consolidated Financial Statements

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognized as an expense in the period which they are incurred.

27. Foreign Exchange Transactions

(i) Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the Group.

(ii) Transactions in foreign currency are recorded at exchange rates prevailing on the day of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

(iii) The difference in translation of long term monetary assets acquired and liabilities incurred prior to April 01, 2016 and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset; and in other cases, accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset / liability, by recognition as income or expense but not beyond March 31, 2020.

(iv) Realised gain or losses on cancellation of forward exchange contracts are recognised in the Statement of Profit and Loss of the period in which they are cancelled.

(v) In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income/ (loss) and presented within equity as part of FCTR. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the Consolidated Statement of Profit and Loss.

28. Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in the Consolidated Statement of Profit and Loss.

Amounts accumulated in equity are reclassified to the Consolidated Statement of Profit and Loss in the periods when the hedged item affects profit or loss.

29. Taxes on Income

Income tax expense comprises current and deferred tax. It is recognized in Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

(i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Notes to the Consolidated Financial Statements

(ii) Deferred Tax

Deferred tax is recognized in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments such as unrealized profit on inventory etc.).

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

30. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

31. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Notes to Consolidated Financial Statements

Note 3 : Property, Plant and Equipments

Amount ₹ in Crore

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles - Own	Vehicles - Under Finance Lease	Computer Hardware	Office Equipments	Tree Development Cost	Leasehold Improvements	Livestock used for R&D	Research Centre	Total
Gross Carrying Amount														
Deemed Cost as at April 01, 2015	**47.03**	**33.16**	**274.94**	**709.37**	**19.54**	**37.06**	**-**	**4.98**	**20.15**	**0.80**	**14.51**	**0.44**	**0.38**	**1,162.36**
Additions	2.79	20.64	535.81	169.17	31.64	9.73	-	14.71	24.81	-	13.49	0.12	0.15	823.06
Acquisition through business Combination	250.21	2.50	61.74	72.25	1.39	2.90	-	-	1.94	-	-	-	-	392.93
Disposals / Adjustments	0.52	-	(13.47)	4.94	7.41	2.43	-	0.65	6.66	-	0.62	0.10	0.11	9.97
Balance as at March 31, 2016	**299.51**	**56.30**	**885.96**	**945.85**	**45.16**	**47.26**	**-**	**19.04**	**40.24**	**0.80**	**27.38**	**0.46**	**0.42**	**2,368.38**
Additions	16.44	-	102.59	298.69	15.34	18.79	-	2.33	19.11	-	3.33	0.06	0.31	476.99
Acquisition through business Combination	16.39	-	24.80	18.42	0.09	4.73	-	-	0.22	-	-	-	-	64.65
Disposals / Adjustments	6.45	-	3.33	47.26	6.79	3.38	-	0.45	3.89	-	7.32	0.06	0.13	79.06
Balance as at March 31, 2017	**325.89**	**56.30**	**1,010.02**	**1,215.70**	**53.80**	**67.40**	**-**	**20.92**	**55.68**	**0.80**	**23.39**	**0.46**	**0.60**	**2,830.96**
Accumulated Depreciation														
Balance as at April 01, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	0.50	22.73	52.57	6.47	7.14	-	6.13	8.73	0.40	5.24	0.04	0.01	109.96
Disposals / Adjustments	-	-	0.03	0.13	0.10	0.22	-	0.04	0.12	-	0.01	0.01	-	0.66
Balance as at March 31, 2016	**-**	**0.50**	**22.70**	**52.44**	**6.37**	**6.92**	**-**	**6.09**	**8.61**	**0.40**	**5.23**	**0.03**	**0.01**	**109.30**
Additions	-	0.66	28.18	72.75	7.09	8.72	-	7.48	9.86	0.40	5.57	0.05	0.10	140.86
Disposals / Adjustments	-	-	0.35	2.70	1.75	1.26	-	0.31	1.50	-	2.84	0.01	0.05	10.76
Balance as at March 31, 2017	**-**	**1.16**	**50.53**	**122.49**	**11.72**	**14.38**	**-**	**13.26**	**16.98**	**0.80**	**7.96**	**0.07**	**0.06**	**239.40**
Net Carrying Amount														
Balance as at April 01, 2015	47.03	33.16	274.94	709.37	19.54	37.06	-	4.98	20.15	0.80	14.51	0.44	0.38	1,162.36
Balance as at March 31, 2016	299.51	55.80	863.26	893.41	38.79	40.34	-	12.95	31.63	0.40	22.15	0.43	0.41	2,259.08
Balance as at March 31, 2017	325.89	55.14	959.49	1,093.21	42.09	53.02	-	7.67	38.70	-	15.43	0.39	0.54	2,591.56

Notes

1. The Group has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 01, 2015 under the previous GAAP.

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles - Own	Vehicles - Under Finance Lease	Computer Hardware	Office Equipments	Tree Development Cost	Leasehold Improvements	Livestock used for R&D	Research Centre	Total
Gross Block as on April 01, 2015	47.03	35.00	327.62	1,083.73	38.27	59.20	0.03	20.47	42.94	4.15	30.38	0.46	0.83	1,690.11
Accumulated Depreciation till March 31, 2015	-	1.84	52.68	374.36	18.73	22.14	0.03	15.49	22.79	3.35	15.87	0.02	0.45	527.75
Net Block treated as Deemed cost upon transition	47.03	33.16	274.94	709.37	19.54	37.06	-	4.98	20.15	0.80	14.51	0.44	0.38	1,162.36

2. Refer Note No. 31 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.
3. Addition to Fixed Assets includes ₹ (-) 7.85 crore for the year ended March 31, 2017 (previous year ₹ 43.01 crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets.
4. Plant & Equipments and Buildings amounting to ₹ 0.55 crore as on March 31, 2017 (₹ 3.58 crore as on March 31, 2016 and ₹ 3.93 crore as on April 01, 2015) are classified as Assets held for Sale.
5. Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Hyderabad (as part of the merger of Godrej Plant Biotech Limited), Dhule (as part of the merger of Goldmohur Foods & Feeds Ltd.), Hanuman Jn. (as part of the merger of Golden Feed Products Ltd.), Chintampalli (as part of the merger of Godrej Gokarna Oilpalm Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited) and at Kolkata are being complied with. Stamp duty payable thereon is not presently determinable.
6. To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account.
7. Depreciation is provided based on useful lives specified in Schedule II to the Companies Act, 2013 except for Plant and Equipment (7.5 years to 30 years) and Computers (3 years to 4 years)

Notes to the Consolidated Financial Statements

Note 3a : Capital Work-in-Progress

Capital work-in-progress includes ₹ Nil (March 31, 2016 - ₹ 35.29 crore and April 01, 2015 - ₹ 16.31 crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets. Capital work-in-progress also includes net borrowing cost capitalised amounting to ₹ Nil (March 31, 2016 - ₹ Nil crore and April 01, 2015 - ₹ 76.06 crore).

Note 3b : Investment Property

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Gross Carrying Amount			
Deemed Cost as at April 01, 2015	**0.38**	**48.50**	**48.88**
Additions	-	81.59	81.59
Disposals / Adjustments	-	-	-
Balance as at March 31, 2016	**0.38**	**130.09**	**130.47**
Additions	-	0.02	0.02
Disposals / Adjustments	-	0.15	0.15
Balance as at March 31, 2017	**0.38**	**129.96**	**130.34**
Accumulated Depreciation			
Balance as at April 01, 2015	-	-	-
Additions	-	2.01	2.01
Disposals / Adjustments	-	-	-
Balance as at March 31, 2016	**-**	**2.01**	**2.01**
Additions	-	2.16	2.16
Disposals / Adjustments	-	0.04	0.04
Balance as at March 31, 2017	**-**	**4.13**	**4.13**
Net Carrying Amount			
Balance as at April 01, 2015	0.38	48.50	48.88
Balance as at March 31, 2016	0.38	128.08	128.46
Balance as at March 31, 2017	0.38	125.83	126.21
Fair Value			
As at April 01, 2015	4.15	138.37	142.52
As at March 31, 2016	4.15	218.23	222.38
As at March 31, 2017	4.15	219.75	223.90

Notes :

1. The Group has availed the deemed cost exemption in relation to the Investment Property on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 01, 2015 under the previous GAAP.

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Gross Block as on April 01, 2015	0.38	53.97	54.35
Accumulated Depreciation till April 01, 2015	-	5.47	5.47
Net Block treated as Deemed cost upon transition	**0.38**	**48.50**	**48.88**

Notes to the Consolidated Financial Statements

Note 3b : Investment Property (Contd.)

2. Information regarding income and expenditure of Investment Property

Amount ₹ in Crore

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rental income derived from investment properties	6.22	7.63
Direct operating expenses	3.64	2.02
Profits arising from investment properties before depreciation	2.58	5.61
Less: Depreciation	2.16	2.01
Profits arising from investment properties	0.42	3.60

3. The Group's investment properties consist of 10 properties in India. The Management has determined that the investment property consists of two class of assets - Land and building - based on the nature, characteristics and risks of each property.

4. The Group has no restriction on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

5. The fair valuation is based on current prices in the active market for similar properties. The main input used are quantum, area, location, demand, age of building and trend of fair market rent in the location of the property.

   The fair value is based on valuation performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy.

6. Reconciliation of Fair Value

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Opening balance as at April 01, 2015	4.15	138.37	142.52
Fair value differences	-	(1.73)	(1.73)
Purchases	-	81.59	81.59
Opening balance as at April 01, 2016	4.15	218.23	222.38
Fair value differences	-	1.50	1.50
Purchases	-	0.02	0.02
Closing balance as at March 31, 2017	4.15	219.75	223.90

Notes to the Consolidated Financial Statements

Note 3c : Other Intangible Assets

Amount ₹ in Crore

Particulars	Trademark	Brand Building	Technical Know-how	Product Registration	Computer Software	Total
Gross Carrying Amount						
Deemed Cost as at April 01, 2015	**18.70**	**-**	**-**	**-**	**13.47**	**32.17**
Additions	-	-	-	0.26	3.74	4.00
Acquisition through business Combination	-	38.22	-	2.45	1.61	42.28
Disposals / Adjustments	-	-	-	-	0.32	0.32
Balance as at March 31, 2016	**18.70**	**38.22**	**-**	**2.71**	**18.50**	**78.13**
Additions	-	-	-	-	5.96	5.96
Disposals / Adjustments	-	-	-	-	0.11	0.11
Balance as at March 31, 2017	**18.70**	**38.22**	**-**	**2.71**	**24.35**	**83.98**
Accumulated Depreciation						
Balance as at April 01, 2015	-	-	-	-	-	-
Additions	4.23	-	-	1.15	4.06	9.44
Disposals / Adjustments	-	-	-	-	-	-
Balance as at March 31, 2016	**4.23**	**-**	**-**	**1.15**	**4.06**	**9.44**
Additions	6.44	-	-	0.57	4.58	11.59
Disposals / Adjustments	-	-	-	-	0.11	0.11
Balance as at March 31, 2017	**10.67**	**-**	**-**	**1.72**	**8.53**	**20.92**
Net Carrying Amount						
Balance as at April 01, 2015	18.70	-	-	-	13.47	32.17
Balance as at March 31, 2016	14.47	38.22	-	1.56	14.44	68.69
Balance as at March 31, 2017	8.03	38.22	-	0.99	15.82	63.06

Note

1. The Group has availed the deemed cost exemption in relation to Other Intangible Assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 01, 2015 under the previous GAAP.

Amount ₹ in Crore

Particulars	Trademark	Brand Building	Technical Know-how	Product Registration	Computer Software	Total
Gross Block as on April 01, 2015	49.14	-	2.00	-	38.55	89.69
Accumulated Depreciation till April 01, 2015	30.44	-	2.00	-	25.08	57.52
Net Block treated as Deemed cost upon transition	18.70	-	-	-	13.47	32.17

Notes to the Consolidated Financial Statements

Note 3d: Biological Assets

1. Reconciliation of carrying amount

Amount ₹ in Crore

Particulars	Poultry		Oil palm saplings		Total
	Quantity (Nos.)	Amount	Quantity (Nos.)	Amount	
Balance as April 01, 2015	325,469.00	1.81	1,294,667.00	10.53	12.34
Add : Purchases	14,013.00	0.25	492,200.00	1.78	2.03
Add : Production / Cost of Development	488,736.00	0.77	-	1.20	1.97
Less :Sales / Disposals	(828,218.00)	(3.01)	(581,409.00)	(4.53)	(7.54)
Change in fair value less cost to sell:	-	0.18	-	(0.11)	(0.07)
Realised	-	0.18	-	(0.24)	(0.06)
Unrealised	-	-	-	0.13	0.13
Balance as at March 31, 2016	**-**	**0.00**	**1,205,458.00**	**8.87**	**8.87**
Add : Purchases	-	-	60,000.00	0.12	0.12
Add : Production / Cost of Development	-	-	-	0.42	0.42
Less: Sales / Disposals	-	-	(653,286.00)	(4.66)	(4.66)
Change in fair value less cost to sell:	-	-	-	(0.08)	(0.08)
Realised	-	-	-	(0.16)	(0.16)
Unrealised	-	-	-	0.08	0.08
Balance as at March 31, 2017	**-**	**0.00**	**612,172.00**	**4.67**	**4.67**

Subsidiary Company has trading operations in oil palm plantations whereby the subsidiary company purchases the saplings and sell the saplings once it has achieved the desired growth. During the year 2016-17, the subsidiary company purchased 60,000 (March 31, 2016: 4,92,200) number of saplings, out of which 60,000 (March 31, 2016: 4,92,200) were still under cultivation.

2. Measurement of Fair value

i. Fair Value hierarchy

The fair value measurements for poultry and oil palm saplings has been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

The following table shows a break down of the total gains (losses) recognised in respect of Level 3 fair values-

Amount ₹ in Crore

Particulars	March 31, 2017	March 31, 2016
Gain/(loss) included in 'other operating revenue'	**(0.08)**	0.07
Change in fair value (realised)	**(0.16)**	(0.06)
Change in fair value (unrealised)	**0.08**	0.13

Notes to the Consolidated Financial Statements

Note 3d: Biological Assets (Contd.)

iii. Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Poultry stock-it comprises of parent chicken, eggs and livebirds	Discounted cashflows	Discounting is not done considering the plan to sell the inventory is less than one year.	The estimated fair valuation would increase/(decrease) if, - estimated price of each component of poultry stock was higher (lower) - discounting is done for the expected cashflows
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation ₹ 18.63 to ₹ 41.33 per sapling	The estimated fair valuation would increase/(decrease) if - estimated cost to complete was lower (higher) - estimated selling price per sapling is higher (lower)

3. Risk Management strategies related to agricultural activities

The subsidiary company is exposed to the following risks relating to its plantations

i. Regulatory and enviromental risks

The subsidiary company is subject to laws and regulations in the country in which it operates. It has established various enviromental policies and procedures aimed at compliance with the local enviromental and other laws.

ii. Supply and demand risks

The subsidiary company is exposed to risks arising from fluctuations in the price and sales volume of plants. When possible, the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing.

iii. Climate and other risks

The subsidiary company's plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The subsidiary company has extensive processes in place aimed at monitoring and mitigating those risks, including regular plantation health surveys and industry pest and disease surveys.

A reasonably possible change of 10% in Estimated cost of completing the stock under cultivation at the reporting date would have increased (decreased) profit or loss by the amounts shown below:

Amount ₹ in Crore

Particulars	Profit or (Loss) March 31, 2017		Profit or (Loss) March 31, 2016	
	10% Increase	10% Decrease	10% Increase	10% Decrease
Variable-rate instruments	**(0.70)**	**0.76**	(5.57)	5.93
Cash flow sensitivity (net)	**(0.70)**	**0.76**	(5.57)	5.93

Notes to the Consolidated Financial Statements

Note 4 : Equity accounted investees

(Refer Note No. 2 sub note 7 for Accounting Policy on Equity accounted investees)

Amount ₹ in Crore

Particulars	Note	Face Value	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
			Number	Value	Number	Value	Number	Value
1. Investment in Equity Instruments (Fully Paid up unless stated otherwise)								
(a) Quoted Investment								
(i) Associates								
Godrej Consumer Products Ltd.		1	**80,937,620**	**2,251.30**	80,937,620	2,031.94	80,277,620	1,821.49
(b) Unquoted Investment								
(i) Associates								
Polchem Hygiene Laboratories Private Limited		10	**-**	**-**	-	-	455,000	5.85
Al Rahaba International Trading Limited Liability Company		AED 1500	**24.00**	**0.20**	24	3.16	24	4.07
Personalitree Academy Ltd.	a	10	**389,269.00**	**1.10**	389,269	1.10	389,269	1.10
Less: Provision for Impairment in value of Investments				**(1.10)**		(1.10)		(1.10)
(ii) Joint Ventures								
Godrej Tyson Foods Limited		10	**97,461.00**	**84.65**	97,461	74.64	97,461	65.51
ACI Godrej Agrovet Private Limited		100	**1,850,000**	**62.73**	1,850,000	51.45	1,850,000	34.78
Joint Ventures of Property Business				**81.40**		58.25		39.39
				2,480.28		2,219.44		1,971.09
Aggregate Amount of Quoted Investments				**2,251.30**		2,031.94		1,821.49
Aggregate Amount of Unquoted Investments				**230.08**		188.60		150.70
Aggregate Amount of Impairment in Value of Investments				**(1.10)**		(1.10)		(1.10)
Market Value of Quoted Investments				**13,516.58**		11,164.13		8,355.29

Note

1. Includes ₹ 300,000 paid towards share application money to Personalitree Academy Limited which is considered Doubtful.

Notes to the Consolidated Financial Statements

Note 5 : Non Current Financial Assets - Investments

Amount ₹ in Crore

Particulars	Note	Face Value	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
			Number	Value	Number	Value	Number	Value
1. Investment in Equity Instruments (Fully Paid up unless stated otherwise)								
At Fair Value Through Profit and Loss								
(a) Quoted Investment				6.20		7.05		8.23
(b) Unquoted Investment								
Bharuch Eco-Aqua Infrastructure Ltd.		10	440,000	0.44	440,000	0.44	440,000	0.44
Less : Provision for Impairment in the Value of Investment				(0.44)		(0.44)		(0.44)
				-		-		-
Avesthagen Ltd.		7	469,399	12.43	469,399	12.43	469,399	12.43
Less : Provision for Impairment in the Value of Investment				(12.43)		(12.43)		(12.43)
				-		-		-
CBay Infotech Ventures Pvt. Ltd.		10	112,579	2.33	112,579	2.33	112,579	2.33
Less : Provision for Impairment in the Value of Investment				(2.33)		(2.33)		(2.33)
				-		-		-
Gharda Chemicals Ltd.	a	100	114	0.12	114	0.12	114	0.12
Less : Provision for Impairment in the Value of Investment				(0.12)		(0.12)		(0.12)
				-		-		-
HyCa Technologies Pvt. Ltd.		10	12,436	1.24	12,436	1.24	12,436	1.24
Less : Provision for Impairment in the Value of Investment				(1.24)		(1.24)		(1.24)
				-		-		-
Tahir Properties Ltd. (Partly paid) *	b	100	25	-	25	-	25	-
Boston Analytics Inc.		$1	1,354,129	6.91	1,354,129	6.91	1,354,129	6.91
Less : Provision for Impairment in the Value of Investment				(6.91)		(6.91)		(6.91)
				-		-		-
Others				2.67		1.58		13.41
2. Investment in Preference Shares								
At Fair Value Through Profit and Loss								
(a) Unquoted Investment								
Tahir Properties Ltd. (Class - A) (partly paid)*		100		-	25	-	25	-
Less: Forfeited				-		-		-
				-		-		-
Verseon Corporation - Class A & Class B Preferred Shares	c	$0.001		-		-	3,347,246	134.77
3. Investment in Debentures								
At Fair Value Through Profit and Loss								
(a) Unquoted Investment								
Joint Ventures								
Godrej Realty Private Limited		10	2,989,095	2.99	2,989,095	2.99	2,989,095	2.99
Wonder City Buildcon Private Limited		1000	307,833	31.94	307,833	30.59	307,833	30.48
Wonder Space Properties Private Limited		1000	365,541	37.52	353,618	35.40	353,618	34.84
Godrej Home Constructions Private Limited		1000	413,949	41.34	413,949	41.23	-	-
Godrej Redevelopers (Mumbai) Private Limited		1000	843,736	85.71	843,736	85.33	611,182	60.49
Godrej Landmark Redevelopers Private Limited		1000	2,988,471	15.16	4,364,039	43.64	7,936,120	79.36
Wonder Projects Development Private Limited		1000	133,019	13.30	-	-		-
Pearlite Real Properties Private Limited		1000	674,975	67.49	-	-		-
Godrej Real View Developers Private Limited		1000	33,440	3.34	-	-		-
Godrej Greenview Housing Private Limited		1000	136,880	13.55	-	-		-

Notes to the Consolidated Financial Statements

Note 5 : Non Current Financial Assets - Investments (Contd.)

Amount ₹ in Crore

Particulars	Note	Face Value	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
			Number	Value	Number	Value	Number	Value
4. Investment in Partnership Firms								
At Fair Value Through Profit and Loss								
View Group LP *	d			**0.00**		0.00		0.00
Less : Provision for Impairment in the Value of Investment				**(0.00)**		(0.00)		(0.00)
				-		-		-
5. Other Investment								
At Fair Value Through Profit and Loss								
(a) Investment in Units of Venture Capital Fund								
Indian Fund for Sustainable Energy (Infuse Capital)		100	**461,732**	**4.58**	294,570	2.91	101,952	0.96
Omnivore India Capital Trust		100000	**2,125**	**27.88**	1,875	25.93	1,250	12.10
				353.67		276.65		377.63
Aggregate Amount of Quoted Investments				**6.20**		7.05		8.23
Aggregate Amount of Unquoted Investments				**370.94**		293.07		392.87
Aggregate Provision for Impairment in the Value of Investments				**(23.47)**		(23.47)		(23.47)
Market Value of Quoted Investments				**6.20**		7.05		8.23

* Amount less than ₹ 0.01 crore.

Notes:

a. The said shares have been refused for registration by the investee company.

b. Uncalled Liability on partly paid shares

- Tahir Properties Ltd. - Equity - ₹ 80 per share (Previous year - ₹ 80 per share).

c. As on April 01, 2015, the outstanding principal amount of Optionally Convertible Notes (OCN) amounting to ₹ 3.98 crore along with accrued interest thereon amounting to ₹ 6.64 crore have been converted into Class B Preferred Shares. The entire investment in Verseon Corporation is measured at fair value.

In the year ended March 31, 2016, the Company's holding of 2,631,578 Class A Preferred Shares and 715,668 Class B Preferred Shares were converted into 6,694,492 New Common Shares in Verseon Corporation. The Company invested in warrants in respect of 85,587 Class B Preferred shares which were been converted into 171,174 New Common Shares in Verseon Corporation.

Verseon Corporation was listed on Alternate Investment Market on London Stock Exchange. The entire Investment in Common Shares have been sold during the year ended March 31, 2016.

d. View Group LP has been dissolved on December 14, 2012, however, the Company has still not received an approval from RBI for writing-off the investment.

Notes to the Consolidated Financial Statements

Note 6 : Non Current Financial Assets - Loans

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Security Deposit						
(a) Secured and Considered Good (Refer Note 1 below)		**74.72**		97.08		99.35
(b) Unsecured and Considered Good		**24.50**		23.33		23.68
(c) Unsecured and Considered Doubtful Deposits	**1.22**		0.68		-	
Less : Allowance for Bad and Doubtful Deposits	**(1.22)**		(0.68)		-	
		-		-		-
2. Other Loans						
(a) Secured and Considered Doubtful (Refer note 2 below)	**10.33**		10.33		10.33	
Less : Allowance for Bad and Doubtful Loans	**(10.33)**		(10.33)		(10.33)	
		-		-		-
(b) Unsecured and Considered Good						
Loans to employees		**1.03**		0.99		0.95
Other Loans		**-**		13.61		3.35
(c) Unsecured and Considered Doubtful	**0.32**		0.24		0.22	
Less : Allowance for Bad and Doubtful Loans	**(0.32)**		(0.24)		(0.22)	
		-		-		-
		100.25		135.01		127.33

Notes

1. Secured Deposits - Projects, are Secured against Terms of Development Agreement.
2. The Company had advanced an amount of ₹ 10.33 crore to certain individuals who also pledged certain equity shares as security against the said advance. The Company has enforced its security and lodged the shares for transfer in its name. The said transfer application was rejected and Company has preferred an appeal to the Company Law Board (CLB). The CLB rejected the application and advised the parties to approach the High Court. The Company had filed an appeal before the Honorable High Court against the order of the Company Law Board under Section 10F of the Companies Act, which was disposed of with the direction to keep the transfer of shares in abeyance till the arbitration proceedings between the parties are on. The Honorable Bombay High Court passed an interim order dated September 18, 2012, restraining the Company from inter alia, dealing, selling or creating third party rights, etc. in the pledged shares and referred the matter to arbitration. The Company had filed a Special Leave Petition (SLP) before the Supreme Court against this interim order of the Honorable Bombay High Court which the Supreme Court has dismissed and the matter is presently before the Arbitrator.

   The Management is confident of recovery of this amount as underlying value of the said shares is substantially greater than the amount of loan and interest thereon. However, on a conservative basis, the Company has provided for the entire amount of ₹ 10.33 crore in the books of account.
3. Details of Loans under section 186 (4) of Companies Act, 2013.

Amount ₹ in Crore

Particulars	As at March 31, 2017 Maximum Balance During the Year	As at March 31, 2017 Amount outstanding	As at March 31, 2016 Maximum Balance During the Year	As at March 31, 2016 Amount outstanding	As at April 01, 2015 Maximum Balance During the Year	As at April 01, 2015 Amount outstanding
1. Loans where there is no repayment schedule						
(i) Federal & Rashmikant	**5.83**	**5.83**	5.83	5.83	5.83	5.83
(ii) M/s Dhruv & Co. (Regd.)	**4.18**	**4.18**	4.18	4.18	4.18	4.18
(iii) D. R. Kavasmaneck & Dr. P. R. Kavasmaneck	**0.32**	**0.32**	0.32	0.32	0.32	0.32

Notes to the Consolidated Financial Statements

Note 7 : Non Current Financial Assets - Others

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Bank Deposit with more than 12 months maturity (Refer Note 1 below)		**1.47**		1.71		1.37
2. Secured						
(a) Interest Accrued on Loans (Refer Note 2 below)	**3.15**		3.15		3.16	
Provision for Doubtful Interest Receivable	**(3.15)**		(3.15)		(3.15)	
		-		-		0.01
3. Unsecured						
(a) Interest Accrued on Loans	**1.08**		1.16		1.11	
Provision for Doubtful Interest Receivable	**(1.03)**		(1.03)		(1.11)	
		0.05		0.13		-
4. Others						
(a) Lease Receivable		**3.16**		3.80		-
(b) Claim Receivable		**1.46**		1.46		1.46
(c) Deposits		**1.48**		3.05		6.25
(d) Others		**0.21**		0.17		0.08
		7.83		10.32		9.17

Notes

1. Bank Deposit with more than 12 months maturity includes.
   (i) Fixed Deposits of ₹ 0.04 crore, (As at March 31, 2016 ₹ 0.15 crore and As at April 01, 2015 ₹ 0.13 crore) are pledged with a Bank for guarantees issued.
   (ii) ₹ 0.76 crore (As at March 31, 2016 ₹ 0.70 Crore and As at April 01, 2015 ₹ Nil) received from flat buyers by a subsidiary and held in trust on their behalf in a corpus fund
   (iii) ₹ 0.01 crore (As at March 31, 2016 ₹ 0.33 Crore and As at April 01, 2015 ₹ 0.34 crore) held as margin money and lien marked for issuing bank guarantee.
2. Interest on loan referred to in sub note (2) under Note 6, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.

Notes to the Consolidated Financial Statements

Note 8 : Deferred Tax Assets (Net)

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Liabilities			
(a) WDV of Assets	**130.18**	110.52	2.13
(b) Others	**0.23**	0.23	-
2. Assets			
(a) Provision for Retirement Benefits	**2.31**	2.38	-
(b) Provision for Doubtful Debts / Advances	**6.27**	6.66	-
(c) Other Provisions	**276.26**	155.69	153.33
(d) Unabsorbed Depreciation	**111.37**	96.17	7.15
(e) Indexation benefit	**2.65**	2.53	0.26
	268.45	152.68	158.61

Note 9 : Other Non Current Assets

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Capital Advances						
Considered Good	**45.42**		31.89		41.83	
Considered Doubtful	**0.35**		0.35		0.03	
Provision for Doubtful Advance	**(0.35)**		(0.35)		(0.03)	
		45.42		31.89		41.83
2. Other Advances						
(a) Statutory Deposits		**35.75**		21.74		25.32
(b) Prepaid Expenses		**1.88**		2.75		2.20
(c) Others		**4.71**		4.03		3.96
		87.76		60.41		73.31

Note 10 : Inventories

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Raw Materials	**534.35**	551.26	310.86
2. Packing Materials	**3.41**	2.83	2.19
3. Work-in-Progress	**126.18**	96.29	94.53
4. Construction Work-in-Progress	**3,909.37**	3,866.34	3,740.94
5. Project in Progress	**60.72**	-	-
6. Finished Goods	**206.83**	191.03	114.31
7. Finished Product - Property Development (Refer Note 2 below)	**56.73**	56.74	46.16
8. Stock in Trade	**91.23**	86.82	68.54
9. Stores and Spares	**31.52**	28.17	18.00
	5,020.34	4,879.48	4,395.53

Notes

1. Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of cenvat.
2. Finished goods includes shares of Tahir Properties Limited - at cost or net realisable value (whichever is lower)
   i) 70 Equity shares of INR 100/- each, INR 20/- paid up.
   ii) 75 Redeemable Preference Class A shares of INR 100/- each, INR 70/- paid up.

Notes to the Consolidated Financial Statements

Note 11 : Current Financial Assets - Investments

Amount ₹ in Crore

Particulars	Note	Face Value	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Investment in Equity Instruments								
At Fair Value Through Profit and Loss								
(a) Quoted Investment								
Future Consumer Enterprises Limited (As at April 01, 2015 - 3,02,56,870 Equity Shares)		6	-		-		38.60	
Less : Provision for Impairment in the Value of Investments			-		-		(1.99)	
				-		-		36.61
(b) Unquoted Investment								
(i) Associates								
Creamline Dairy Products Limited (upto December 20, 2015) (As at April 01, 2015 - 26,71,993 Equity Shares)		10		-		-		30.81
Polchem Hygiene Laboratories Private Limited (As at March 31, 2016 - 4,55,000 Equity Shares)		10		-		7.62		-
2. Investment in Mutual Funds				**369.33**		419.77		547.51
At Fair Value Through Profit and Loss								
3. Other Investment								
At Fair Value Through Profit and Loss								
(a) Unquoted Investment								
Optionally Convertible Loan Notes/Promissory Notes								
Boston Analytics Inc. (15%)	a	$ 750,000	**3.00**		3.00		3.00	
Less : Provision for Impairment in the Value of Investment			**(3.00)**		(3.00)		(3.00)	
				-		-		-
Boston Analytics Inc. (20%)	a	$ 15,50,000	**6.73**		6.73		6.73	
Less : Provision for Impairment in the Value of Investment			**(6.73)**		(6.73)		(6.73)	
				-		-		-
Boston Analytics Inc. (12%)	b	$ 950,000	**4.69**		4.69		4.69	
Less : Provision for Impairment in the Value of Investment			**(4.69)**		(4.69)		(4.69)	
				-		-		-
				369.33		427.39		614.93
Aggregate Amount of Quoted Investments				-		-		38.60
Aggregate Amount of Unquoted Investments				**383.75**		441.81		592.74
Aggregate Amount of Impairment in Value of Investments				**(14.42)**		(14.42)		(16.41)
Market Value of Quoted Investments				-		-		36.64

Notes

a. The Optionally Convertible Promissory Notes (15%) of Boston Analytics Inc. in respect of which the Group did not exercise the conversion option and Boston Analytics Inc. promissory notes (20%) where there was a partial conversion option which the Group did not exercise, were due for redemption on June 30, 2009 and August 21, 2009, respectively. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.

b. 12% promissory notes were repayable on or before December 31, 2011, along with interest on maturity. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.

Notes to the Consolidated Financial Statements

Note 12 : Current Financial Assets - Trade Receivables

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Secured and Considered Good (Refer Note 1 below)		**87.93**		90.34		89.22
2. Unsecured and Considered Good		**808.91**		765.26		511.16
3. Unsecured and Considered Doubtful	**2.89**		1.14		1.41	
Less : Allowance for Bad and Doubtful Debt	**(2.89)**	**-**	(1.14)	-	(1.41)	-
		896.84		855.60		600.38

Note

1. Secured by Security Deposits collected from Customers, Letter of Credit or Bank Guarantees held against them.

Note 13 : Current Financial Assets - Cash and Cash Equivalents

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Balances with Banks			
(a) Current Accounts	**148.98**	106.01	87.37
(b) Deposit having maturity less than 3 months	**26.66**	12.05	85.27
2. Cheques, Drafts on Hand	**5.88**	4.83	1.16
3. Cash on Hand	**5.27**	5.24	2.19
	186.79	128.13	175.99

Note 14 : Current Financial Assets - Other Bank Balances

1. Deposit with more than 3 months but less than 12 months maturity (Refer Note 3 below)	**46.13**	62.14	71.73
2. Other Bank Balance (Refer Notes 1 & 2)	**1.99**	10.65	0.40
	48.12	72.79	72.13

Notes

1. Fixed Deposit of ₹ 0.96 crore as on March 31, 2017 (₹ 0.27 crore as on March 31, 2016 and ₹ 0.27 crore as on April 01, 2015) is held by bank as security against guarantees issued.
2. Balance of ₹ 0.39 crore as on March 31, 2017 (₹ 0.57 crore as on March 31, 2016 and ₹ 0.39 crore as on April 01, 2015) held against unclaimed dividend.
3. (i) Include ₹ 3.15 crore (₹ 3.14 crore as on March 31, 2016 and ₹ 3.80 crore as on April 01, 2015) received from flat buyers and held in trust on their behalf in a corpus fund.
   (ii) Deposits held as Deposit Repayment Reserve amouting to ₹ 1.15 crores (₹ 31 crores as on March 31, 2016, ₹ 22 crores as on April 01, 2015).
   (iii) Include fixed deposits held as margin money and lien marked for issuing bank guarantee of ₹ 9.53 crore (₹ 4.99 crore as on March 31, 2016 and ₹ 2.56 crore as on April 01, 2015).

Notes to the Consolidated Financial Statements

Note 15 : Current Financial Assets - Loans

Amount ₹ in Crore

Particulars		As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Security Deposit							
(a) Secured and Considered Good (Refer Note 1 below)			**169.54**		183.53		207.00
(b) Unsecured and Considered Good			**4.20**		3.09		1.90
2. Loans to Related Parties							
(a) Unsecured and Considered Good			**537.60**		305.77		281.47
3. Other Loans							
(a) Unsecured and Considered Good							
Loans to employees			**0.83**		0.77		0.55
Other Loans & Advances			**48.04**		45.42		49.08
(b) Unsecured and Considered Doubtful							
Inter Corporate Deposit		**5.77**		73.26		40.62	
Less : Allowance for Bad and Doubtful Deposit		**(5.77)**		(5.77)		(5.77)	
			-		67.49		34.85
			760.21		606.07		574.85

Note

1. Secured Deposits are Secured against Terms of Development Agreement.

Note 16 : Current Financial Assets - Others

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Other Receivables	**140.43**	180.61	50.73
2. Unbilled Revenue	**518.23**	452.31	485.65
3. Fair Value of Derivative Contracts	**0.12**	1.35	2.23
4. Forward Cover Contracts Receivable	**2.26**	0.30	-
5. Interest Accrued on Loans and Deposits	**146.98**	120.38	58.87
6. Income Accrued	**3.01**	7.51	5.08
7. Advances to vendors and service providers	**0.56**	1.70	3.11
	811.59	764.16	605.67

Notes to the Consolidated Financial Statements

Note 17 : Other Current Assets

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Deposits						
(a) Statutory Deposits	**113.78**		94.26		70.00	
(b) Other Deposits	**2.25**		1.83		1.83	
		116.03		96.09		71.83
2. Other Advances						
(a) Advance to Suppliers						
Considered Good (Refer Note 1 below)	**81.97**		93.37		111.52	
Considered Doubtful	**0.65**		0.65		0.37	
Provision for Doubtful Advance	**(0.65)**		(0.65)		(0.37)	
		81.97		93.37		111.52
(b) Employee Advance		**0.08**		0.02		0.03
(c) Prepaid and other advances		**17.30**		19.81		21.76
3. Other Receivables - Considered Good		**68.00**		107.67		60.06
4. Export Benefit Receivables		**15.44**		14.99		10.54
5. Assets held for Sale		**0.55**		3.58		3.94
		299.37		335.53		279.68

Note

1. Advances to Suppliers and Contractors include advances amounting to ₹ 30.09 crore (As at March 31, 2016 ₹ 17.7 crore and As at April 01, 2015 ₹ 49.02 crore) secured against Bank Guarantee.

Notes to the Consolidated Financial Statements

Note 18 : Equity

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
1. Authorised Share Capital						
(a) Equity shares of ₹ 1 each	**800,000,000**	**80.00**	800,000,000	80.00	800,000,000	80.00
(b) Unclassified Shares of ₹ 10 each	**100,000,000**	**100.00**	100,000,000	100.00	100,000,000	100.00
		180.00		180.00		180.00
2. Issued, Subscribed and Paid up Share Capital						
Equity Shares of ₹ 1 each fully paid up	**336,139,786**	**33.61**	335,988,807	33.60	335,881,974	33.59
Par Value of Equity Share is ₹ 1 each						
Par Value of Unclassified Share is ₹ 10 each						
3. Reconciliation of number of Shares						
Equity Shares						
Number of Shares outstanding at the beginning of the year	**335,988,807**	**33.60**	335,881,974	33.59	335,455,260	33.55
Issued during the year	**150,979**	**0.01**	106,833	0.01	426,714	0.04
Number of Shares outstanding at the end of the year	**336,139,786**	**33.61**	335,988,807	33.60	335,881,974	33.59
4. Rights, Preferences And Restrictions attached to Shares						
Equity Shares : The Company has one class of equity shares. Each equity share entitles the holder to one vote. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.						
5. Shareholding Information						
(a) Equity Shares held by Holding Company:						
Vora Soaps Limited	**193,904,681**	**19.39**	-	-	-	-
Godrej & Boyce Manufacturing Company Limited	**-**	**-**	193,904,681	19.39	193,904,681	19.39
(b) Shareholders holding more than 5% of Equity Shares in the Company						
Vora Soaps Limited - 57.69%	**193,904,681**	**19.39**	-	-	-	-
Godrej & Boyce Manufacturing Company Limited - As at March 31, 2016 - 57.71% (As at April 01, 2015 - 57.73%)	**-**	**-**	193,904,681	19.39	193,904,681	19.39
6. Equity Shares Reserved for Issue Under Employee Stock Grant (₹ 1 each)						
(a) Employee Stock Grant vesting on 31/03/15 (*)	**-**	**-**	-	-	5,487	0.00
(b) Employee Stock Grant vesting on 31/05/15	**-**	**-**	-	-	98,987	0.01
(c) Employee Stock Grant vesting on 31/07/15 (*)	**-**	**-**	-	-	2,274	0.00
(d) Employee Stock Grant vesting on 31/03/16 (*)	**-**	**-**	1,297	0.00	1,297	0.00
(e) Employee Stock Grant vesting on 31/05/16	**-**	**-**	164,102	0.02	108,074	0.01
(f) Employee Stock Grant vesting on 31/05/17	**148,998**	**0.01**	111,669	0.01	55,641	0.01
(g) Employee Stock Grant vesting on 30/11/17	**1,513**	**-**	-	-	-	-
(h) Employee Stock Grant vesting on 31/03/18	**2,075**	**-**	-	-	-	-
(I) Employee Stock Grant vesting on 31/05/18	**97,223**	**0.01**	56,028	0.01	-	-
(j) Employee Stock Grant vesting on 30/09/18	**807**	**-**	-	-	-	-
(k) Employee Stock Grant vesting on 31/05/19	**47,985**	**-**	-	-	-	-

The exercise period in respect of the stock grants mentioned above is one month.

7. During the period of five years immediately preceeding the date as at which the Balance Sheet is prepared :

Pursuant to the Scheme of Amalgamation of Wadala Commodities Limited (WCL) with the Company :

(i) 2,00,243 equity shares allotted as fully paid up to the Equity Shareholders of WCL and 10 equity shares allotted as fully paid up to the Perference Shareholders of WCL, without payment being received in cash.

(ii) 67,627 equity shares have been allotted as fully paid up bonus shares to the non-promoter shareholders of the Company.

8. There are no calls unpaid.

9. There are no forfeited shares.

(*) Amount less than ₹ 0.01 crore.

Notes to the Consolidated Financial Statements

Note 19 : Other Equity (Contd.)

Refer Statement of Changes in Equity for detailed movement in Equity balance

1. Summary of Other Equity Balance

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Capital Reserve on Account of Amalgamation	**2.38**	1.81	-
2. Capital Redemption Reserve	**31.46**	31.46	31.46
3. Securities Premium Account	**1,553.18**	1,482.14	1,469.21
4. Capital Reserve	**14.01**	9.88	9.88
5. Special Reserve	**3.98**	3.98	3.84
6. Foreign Currency Monetary Items Translation Reserve	**(12.20)**	(16.05)	-
7. Items of Other Comprehensive Income	**(43.37)**	(20.29)	-
8. Employee Stock Grants Outstanding	**7.20**	77.98	66.58
9. Treasury Stock	**(4.81)**	(81.27)	(103.79)
10. Reserve for Employee Compensation Expenses	**-**	14.52	22.86
11. General Reserve	**55.94**	56.80	57.89
12. Debenture Redemption Reserve	**-**	11.93	-
13. Cash flow Hedge Reserve	**1.26**	-	-
14. Retained Earnings	**1,552.98**	1,395.22	1,427.22
	3,162.01	2,968.11	2,985.15

2. Nature and purpose of reserve

a. Capital Reserve on Account of Amalgamation : Capital reserves is created on Amalgamation.

b. Capital Redemption Reserve : The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings.

c. Securities Premium Account : The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

d. Capital Reserve : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve and also created on Sale of treasury Shares.

e. Special Reserve : Reserve created under Section 45IC of RBI Act, 1934.

f. Foreign Currency Translation Reserve : The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

g. Employee Stock Grants Outstanding : The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

h. Treasury Reserve : The reserve for treasury shares of the respective companies held by the respective ESOP trusts.

i. Reserve for Employee Compensation Expense : The expenses in respect of the Subsidiary Company's ESOP scheme will be charged against the Reserve for employee compensation expense as per court Scheme.

j. General Reserve : The Company has transferred a portion of the net profit of the Group before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

k. Debenture Redemption Reserve : The Group is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

l. Cash Flow Hedge Reserve : One of the subsidiary companies uses hedging instruments as part of its management of foreign currency risk associated with foreign currency borrowings. For hedging foreign currency risk, the said subsidiary used foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to statement of profit & loss when the hedged item affects the profit & loss.

m. Retained Earnings : Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Notes to the Consolidated Financial Statements

Note 19 : Other Equity (Contd.)

3. Other Comprehensive Income accumulated in Other Equity, net of tax

Amount INR

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Remeasurement of Defined Benefit Plans			
Opening Balance	**(21.34)**	-	-
Remeasurement Gain or Loss on Defined Benefit Plans	**(10.44)**	(6.05)	-
Income Tax effect on Remeasurement Gain or Loss on Defined Benefit Plans	**3.17**	1.63	-
Exchange Difference in translating financial statements of foreign operations	**(21.84)**	(16.92)	-
Deferred gains / (lossses) on cash flow hedges	**6.38**	-	-
Income Tax effect on Exchange Difference in translating financial statements of foreign operations & Deferred gains / (lossses) on cash flow hedges	**(1.09)**	-	-
	(45.16)	(21.34)	-

4. Notes

i. In Financial Year 2014-15, the Hono'ble Bombay High Court and High Court of Madhya Pradesh, Indore Bench approved a Scheme of Amalgamation ("Scheme") of Wadala Commodities Limited (WCL), whose business was trading in Vegetable Oils, with the Company effective from April 01, 2014 being the appointed date. The Effective Date is November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC.
In accordance with the Scheme :
   a) The Company had followed Purchase Method of accounting and as per the Scheme of Arrangement approved by the Bombay High Court.
   b) All the assets and liabilities of the erstwhile WCL have been transferred to and vest in the Company and have been recorded at their book value which are also their fair value. The excess of net assets of WCL acquired over the amount credited as share capital is ₹ 1.30 crore and is credited to Capital Reserves.
   c) Income of ₹ 0.09 crore and Expense of ₹ 0.25 crore of WCL from April to November 2014 has been considered in Statement of Profit and Loss of the Company.

ii. A Scheme of Arrangement ("the Scheme") for the demerger of Seeds business of Godrej Seeds and Genetics Limited ("the Demerged Company") into Godrej Agrovet Limited ("the Resulting Company") effect from April 01, 2015, ("the Appointed date") was sanctioned by the Hono'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated January 08, 2016 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on February 09, 2016 (the "Effective Date").
To give effect to the Hono'ble Bombay High Court's Order dated January 08, 2016 regarding Scheme of the Arrangement, the following actions have been performed.
   (a) The excess of face value of the preference shares held by the Transferee Company over book value of the net assets of the Transferor Company taken over, along with face value of preference shares issued on account of the amalgamation, amounting to ₹16.94 crore has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.
   (b) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 0.19 crore had been directly charged against the Surplus in Statement of Profit and Loss of the Resulting Company.
   Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by ₹ 16.94 crore.

iii. A Scheme of Amalgamation ("the Scheme") for the amalgamation of Goldmuhor Agrochem & Feeds Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from October 01, 2013, ("the Appointed date") was sanctioned by the Hono'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated September 20, 2013 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on December 13, 2013 (the "Effective Date").

Notes to the Consolidated Financial Statements

Note 19 : Other Equity (Contd.)

To give effect to the Hono'ble Bombay High Court's Order dated September 20, 2013 regarding Scheme of the Arrangement, the following actions have been performed:

(a) The excess of face value of the shares held by the Transferee Company over book value of the net assets of the Transferor Company taken over, amounting to ₹ 0.71 crore has been debited to the General Reserve Account of the Transferee Company as per the Scheme.

(b) The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting ₹ 0.41 crore have been directly charged against the balance in General Reserve Account of the Transferee Company.

(c) An amount of ₹ 20 crore standing to the credit of the General Reserve Account of the Transferee Company has been utilised to increase the Reserve for Employee Compensation Account of the Transferee Company. The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for Employee Compensation Account.

Had the Scheme not prescribed the above treatment, the balance in General Reserve would have been higher by ₹ 21.12 crore.

iv. A Scheme of Amalgamation ("the Scheme") for the amalgamation of Golden Feed Products Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from March 31, 2014, ("the Appointed date") was sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated April 29, 2014 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on May 19, 2014 (the "Effective Date").

To give effect to the Honourable Bombay High Court's Order dated April 29, 2014 regarding Scheme of the Arrangement, the following actions have been performed.

The excess of face value of the shares held by the Transferee Company over book value of the net assets of the Transferor Company taken over, amounting to ₹ 0.97 crore has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.

Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by ₹ 0.97 crore.

v. As per the Scheme of Amalgamation ("the Scheme") of Godrej Gokarna Oil Palm Ltd. (GGOPL), Godrej Oil Palm Ltd. (GOPL) and Cauvery Palm Oil Ltd (CPOL), ("the Transferor Companies"), with Godrej Agrovet Limited (the " Transferee Company"), with effect from April 01, 2011, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated March 16, 2012, the following entries have been passed.

(a) Amortisation on Intangible Assets of the Transferor Companies amounting to ₹ 4.25 crore in the current year and ₹ 4.25 crore in the previous year recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the Transferee Company is ₹ 42.51 crore.

(b) The excess of book value of the net assets of the Transferor Company taken over, amounting to ₹ 60.55 crore over the face value of the shares held by the Transferee Company has been credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the above treatment, the balance in the Securities Premium Account would have been higher by ₹ 60.55 crore, the balance in General Reserve would have been higher by ₹ 8.50 crore.

vi. As per the Scheme of Amalgamation ("the Scheme") of Godrej Gold Coin Aquafeed Ltd. (the "Transferor Company"), with Godrej Agrovet Limited with effect from April 01, 2010, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated January 05, 2011, the following entries have been passed.

(a) The Intangible assets held by GGCAL amounting to ₹ 16.69 crore were adjusted against the balance in the Securities Premium Account of the Holding Company.

(b) The excess of book value of the net assets of the Transferor Company taken over, amounting to ₹ 25.06 crore over the face value of the shares held by the Transferee Company was credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the treatment of adjusting Intangibles against the balance in the Securities Premium Account, the balance in Securities Premium Account would have been higher by ₹ 41.75 crore, the Surplus in Statement of Profit & Loss would have been lower by 41.75 crore.

Notes to the Consolidated Financial Statements

Note 20 : Non Current Financial Liabilities - Borrowings

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Secured Borrowings			
(a) Term Loans			
(i) From Banks (Refer Notes 1, 2 & 3)	**489.20**	525.97	509.47
(ii) From Other Parties (Refer Note 4)	**11.88**	19.62	24.90
2. Unsecured Borrowings			
(a) Term Loans			
(i) From Banks (Refer Note 5 below)	**931.89**	921.87	980.19
(ii) From Other Parties (Refer Note 6 below)	**66.67**	100.00	75.00
(b) Deferred Payment Liabilities (Refer Notes 7 & 8 below)	**6.70**	6.89	3.93
(c) Deposits			
(i) Public Deposit (Refer Note 9 below)	**-**	-	26.98
(ii) Other Deposit	**1.33**	-	-
(d) Other Loans			
(i) Preference Share Capital (Refer Note 10)	**0.01**	0.01	-
(ii) Vehicle Loan	**0.58**	-	-
	1,508.26	1,574.35	1,620.47

Notes:

1. Secured term loan of ₹ 474.75 crore bearing interest @ CPLR minus 7.30% p.a. and secured by way of exclusive mortgage and charge of movable and immovable property, right, title interest in the designated account / escrow account and receivables of the project situated at Bandra-Kurla Complex at Mumbai and pledge of 51% of equity shares of Godrej Buildcon Pvt. Ltd. held by a Subsidiary Company. Godrej Buildcon Private Limited will repay a certain percentage of all sales receipts from the project, which percentage receivables is subject to review on a quarterly basis. However maximum principle outstanding shall not exceed as below from the date of first disbursement :

   At the end of 56th Month - ₹ 400 crore
   At the end of 57th Month - ₹ 300 crore
   At the end of 58th Month - ₹ 200 crore
   At the end of 59th Month - ₹ 100 crore
   At the end of 60th Month - Nil
2. Term loan availed by a subsidiary company from AXIS Bank of ₹ 4.94 crore carries interest rate of 9.65% p.a. to 11.50% p.a. repayable by August 2020 is secured by hypothecation of the said subsidiary company's moveable plant and machinery, furniture, fixtures consisting of refrigeration and interior work, both present and future of funded stores.
3. Term loan availed by a subsidiary company from Yes Bank of ₹ 9.50 crore carries interest rate of 10.30% p.a. repayable from December 2017 to December 2022 is secured by hypothecation of the said subsidiary company's moveable plant and machinery, furniture, fixtures consisting of refrigeration and interior work, both present and future of funded stores.
4. Term loan availed by a subsidiary company from Tata Capital Financial Services Ltd. of ₹ 11.88 crore carries interest rate from 9.70% p.a. to 10.35% p.a. repayable from October 2018 to March 2020 is secured by hypothecation of the Fixed Assets and Current Assets of the funded stores & head office of the said subsidiary company.

Notes to the Consolidated Financial Statements

Note 20 : Non Current Financial Liabilities - Borrowings (Contd.)

5. Unsecured Loans from Bank

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Loan carries interest rate at Base Rate for an original term upto 36 months and repayable starting September 2018 to March 2019.	**100.00**	100.00	-
Loan carries interest rate at Base Rate + 0.7% p.a. for an original term upto 60 months and repayable by April 2017.	**-**	18.75	93.73
Loan carries interest rate at Base Rate + 0.5% p.a. for an original term upto 36 months and repayable by February 2018.	**-**	100.00	100.00
Loan carries interest at 10.40% p.a. for an original term upto 36 months and repayable starting June 2016 to December 2016.	**-**	-	50.00
Loan carries interest at Base Rate for an original term upto 36 months and repayable starting December 2018 to June 2019.	**50.00**	-	-
Loan carries interest at 3 month MCLR for an original term upto 36 months and repayable starting March 2019 to September 2019.	**100.00**	-	-
Loan carries interest at Fixed rate of 8.50% p.a for an original term upto 60 months and repayable starting June 2018 to March 2022.	**125.00**	-	-
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting June 2018 to March 2022.	**90.00**	-	-
Loan carries interest at 6 month MCLR + 1.50% p.a. for an original term upto 36 months and repayable starting June 2018 to March 2019.	**100.00**	100.00	-
Loan carries interest at 3 year MCLR + 0.05% p.a. for an original term upto 36 months and repayable starting November 2018 to August 2019.	**50.00**	-	-
Loan carries interest at SBI Base Rate + 0.35% p.a. for an original term upto 36 months and repayable starting July 2017 to April 2018.	**25.00**	100.00	75.00
Loan carries interest at LIBOR + 2.17% p.a. for an original term upto 60 months and repayable by September 2016.	**-**	-	31.25
Loan carries interest at LIBOR + 2.50% p.a. for an original term upto 60 months and repayable by December 2017.	**-**	66.25	125.00
Loan carries interest at LIBOR + 2.05% p.a. for an original term upto 60 months and repayable by August 2018.	**32.43**	99.38	125.00
Loan carries interest at LIBOR + 2.40% p.a., fixed under IRS at 4.28% p.a. for an original term upto 60 months and repayable by July 2019.	**122.92**	167.42	157.96
Loan carries interest at LIBOR + 2.35% p.a., fixed under IRS at 4.25% p.a. for an original term upto 60 months and repayable by July 2019.	**82.42**	109.40	101.81
Loan carries interest at LIBOR + 2.45% p.a., fixed under IRS at 4.39% p.a. for an original term upto 60 months and repayable by July 2019.	**40.82**	55.59	52.44

Notes to the Consolidated Financial Statements

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Loan carries interest rate of 5.98% p.a. for an original term upto 36 months and repayable 50% at the end of 18 months and 50% at the end of 36 months.	**5.20**	5.20	-
Loan carries interest rate of 9.50% p.a. repayable in 18 equal quarterly instalments commencing from six months from the date of first disbursement	**5.96**	5.70	-
Loan carries interest rate of 9.10% p.a. repayable in 16 structured quarterly instalments commencing from January 01, 2018 .	**3.75**	3.75	-
Loan carries interest rate of BBR plus 3% p.a. to BBR plus 3.50% p.a. repayable by December 2018.	**7.36**	-	-

6. Unsecured Loans from Others

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Loan carries interest at SBI Base Rate + 0.35% p.a. for an original term upto 60 months and repayable by March 2020.	**33.33**	50.00	37.50
Loan carries interest at SBI Base Rate + 0.35% p.a. for an original term upto 60 months and repayable by March 2020.	**33.33**	50.00	37.50

7. Deferred Loan against acquisition of Leasehold Land by a Subsidiary Company is availed at interest rate 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on an Six monthly (period) basis 6 years from July 01, 2016 up to January 01, 2022. Total loan availed was ₹ 6.18 crore and outstanding as at March 31, 2017 was ₹ 5.15 crore with current maturity at ₹ 1.03 crore.
8. Deferred Sales Tax Loan, an interest free loan, availed by a subsidiary under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, commencing from March 2014 upto March 2021. Total loan availed was ₹ 4.67 crore and outstanding as at March 31, 2017 was ₹ 3.77 crore with current maturity at ₹ 0.35 crore .
9. Fixed deposits from public had a maturity period of 13, 24 or 36 months.
10. Non-Convertible Redeemable Preference Shares having a par value of ₹ 10 per share. Each eligible Shareholder is entitled to 8% dividend on par value of the shares.
11. The Group does not have any default as on the Balance Sheet date in repayment of loan or interest.

Notes to the Consolidated Financial Statements

Note 21 : Non-Current Financial Liabilities - Others

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Liability towards beneficiary of ESOP Trust	**-**	6.54	4.46
	-	6.54	4.46

Note 22 : Non-Current Provisions

1. Provision for Employee Benefits	**17.28**	14.66	14.58
	17.28	14.66	14.58

Note 23 : Deferred Tax Liabilities (Net)

1. Liabilities			
(a) WDV of Assets	**169.54**	145.46	139.23
(b) VRS Expenses	**-**	-	0.22
(c) Others	**64.57**	21.25	49.36
2. Assets			
(a) Provision for Retirement Benefits	**1.63**	0.13	2.91
(b) Provision for Doubtful Debts / Advances	**3.23**	2.16	7.64
(c) Other Provisions	**-**	3.44	23.21
(d) Unabsorbed Depreciation	**-**	6.75	36.19
(e) Indexation Benefit	**-**	-	4.61
	229.25	154.23	114.25

Note 24 : Other Non-Current Liabilities

Deferred Grant	**15.24**	14.44	7.08
Put Option Liability	**35.33**	32.66	-
	50.57	47.10	7.08

Notes to the Consolidated Financial Statements

Note 25 : Current Financial Liabilities - Borrowings

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Secured Borrowings			
(a) Term Loan from Bank (Refer Note 1 below)	**815.54**	715.18	950.00
(b) Loans Repayable on Demand From Banks (Refer Note 1 & 2 below)	**482.11**	615.36	604.70
2. Unsecured Borrowings			
(a) Term Loans From Banks (Refer Note 3 below)	**1,474.22**	1,532.15	733.34
(b) Loans Repayable on Demand From Banks (Refer Note 4, 5 & 7 below)	**381.52**	441.28	649.39
(c) Other Loans			
(i) Commercial Papers (Refer Note 6 below)	**2,435.00**	1,885.00	1,085.50
	5,588.39	5,188.97	4,022.93

1. Term Loans from Bank includes :
   - (i) Secured Working Capital Demand Loan of ₹ 400 crore availed by a subsidiary from Bank is secured by Hypothecation of Current Assets of the said subsidiary company. Mortgage of Immovable property of the said subsidiary company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and Hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 26, 2017.
   - (ii) Secured Working Capital Demand Loan of ₹ 100 crore availed by a subsidiary from Bank is secured by Mortgage of Immovable property of the said subsidiary company at Unit No 5C, on the 5th Floor in Godrej One (alongwith car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and Hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 15, 2017.
   - (iii) Secured Working Capital Demand Loan of ₹ 100 crore availed by a subsidiary from Bank is secured by Mortgage of Immovable property of the said subsidiary company at Unit No 5C, on the 5th Floor in Godrej One (alongwith car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and Hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 19, 2017.
   - (iv) Secured Working Capital Demand Loan of ₹ 100 crore availed by a subsidiary from Bank is secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and Hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a. (Fixed) repayable on April 09, 2017.
   - (v) Secured Working Capital Demand Loan of ₹ 100 crore availed by a subsidiary from Bank is secured by Mortgage of Immovable property of the said subsidiary company at Unit No 5C, on the 5th Floor in Godrej One (alongwith car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and Hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 13, 2017.
   - (vi) Loan Repayable on demand availed by a subsidiary from Bank is secured by Hypothecation of the Current Assets of the Company. Mortgage of Immovable property of the said subsidiary company at Unit No 5C, on the 5th Floor in Godrej One (alongwith car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and Hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest at 1 Year Marginal Cost of Fund Based Lending Rate (MCLR)+ 0.35% p.a. Present effective rate 9.55% p.a.
2. Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts.

Notes to the Consolidated Financial Statements

Note 25 : Current Financial Liabilities - Borrowings (Contd.)

3. Unsecured Loans from Bank

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Loan carries interest rate at 1 month MCLR repayable by May 2017	**90.00**	-	-
Loan carries interest rate at 3 month MCLR repayable by May 2017	**50.00**	-	-
Loan carries interest rate at 1 month MCLR + 0.05% p.a. repayable by April 2017	**30.00**	-	-
Loan carries interest rate at 3 month MCLR + 0.10 % p.a. repayable by April 2017	**75.00**	-	-
Loan carries interest rate at 3 month MCLR repayable by June 2017.	**130.00**	-	-
Loan carries interest rate of 1 month MCLR repayable by April 2017.	**90.00**	-	-
Loan carries interest at Base Rate repayable within 6 months	**62.15**	53.26	90.44
Loan carries interest at Base Rate repayable by April 2016	**-**	50.00	-
Loan carries interest at Base Rate repayable by May 2016	**-**	185.00	-
Loan carries interest at Base Rate repayable by August 2016	**-**	75.00	-
Loan carries interest at Base Rate repayable by September 2016	**-**	50.00	-
Loan carries interest at Base Rate repayable by April 2015	**-**	-	25.00
Loan carries interest at Base Rate + 0.10% p.a. repayable by June 2015	**-**	-	25.00
Loan carries interest at 10.20% p.a. repayable by September 2015	**-**	-	50.00
Loan carries interest rate of 5.96% p.a. to 13.60% p.a.	**200.33**	393.95	45.00
Loan carries interest at 1 Month MCLR + 10 basis point p.a. repayable by September 2017	**150.00**	-	-
Loan carries interest at 3 Month MCLR repayable by January 2018	**100.00**	-	-
Loan carries interest at 6 Month MCLR + 02 basis point p.a. repayable by August 2017	**50.00**	-	-
Loan carries interest at 3 Month MCLR repayable by August 2017	**200.00**	-	-
Loan carries interest at 8.30% repayable by September 2017	**125.00**	-	-
Loan carries interest at 8.30% repayable by August 2017	**125.00**	-	-
Overdraft facility at Base Rate + 0.25% p.a.	**-**	10.82	116.60
Invoice Financing at 9.30% pa (FY 2014-15 9.95% p.a.)	**-**	11.20	36.61
Loan carries interest at base rate + 0.10% p.a. repayable by October 2016	**-**	200.00	-
Loan carries interest at 9.20% repayable by August 2016	**-**	120.00	-
Loan carries interest at base rate + 0.50% p.a. repayable by August 2016	**-**	100.00	-
Loan carries interest at base rate + 0.10% p.a. repayable by September 2015	**-**	-	200.00
Loan carries interest at 9.65% p.a. repayable by September 2015	**-**	-	120.00
Loan carries interest at 9.25% p.a.	**10.00**	-	-

Notes to the Consolidated Financial Statements

Note 26 : Current Financial Liabilities - Borrowings (Contd.)

4. Working Capital Loans availed by a subsidiary from Banks for ₹ 8.28 crore are payable on demand and at an Interest Rate of HDFC Bank Base rate + 0.25% p.a. Secured Working Capital Loans by Astec Lifesciencce Limited are payable on 90 to 365 days and at an Interest Rate of LIBOR + 1.16% p.a. which are secured by way of First Pari passu Charge on the Current Assets of Astec Lifescience Limited, including inventory and receivables both present & future and second charge on Fixed Assets of the Astec Lifescience Limited present & future (including Equitable Mortgage/Hypothecation of Factory Land & Bldg/Plant & Machinery). Unsecured Working Capital Loans by Astec Lifesciencce Limited are payable on 60 to 365 days at an Interest Rate of LIBOR + 1.08% p.a. for ₹ 19.04 crore and 15 to 180 days at an Interest Rate of 7.85% to 14% for ₹ 70 crore.
5. Loan Repayable by a subsidiary on Demand includes:
   (i) Over Draft facility amounting to ₹ 248.12 crore carries interest at 1 Month MCLR + 0.2% p.a. Present effective rate is 8.10% p.a.
   (ii) ₹ 6.17 crore of Overdraft carries interest at Base Rate. Present effective rate is 9.50% p.a.
   (iii) ₹ 0.26 crore of Overdraft facility carries interest at 1 Month MCLR + 1.0% p.a. Present effective rate is 9.15% p.a.
6. Commercial Papers

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Commercial Papers carries interest at 6.30% p.a. to 6.70% p.a. repayable during the period April to June 2017.	**910.00**	-	-
Commercial Papers carries interest at 7.69% p.a. to 8.65% p.a. repayable during the period April to August 2016.	**-**	875.00	-
Commercial Papers carries interest at 8.48% p.a. to 9.00% p.a. repayable during the period April to August 2015.	**-**	-	590.00
Commercial Papers carries interest at 5.95% p.a. to 8.85% p.a.	**275.00**	400.00	125.00
Commercial Papers carries interest at 6.50% p.a. to 6.87% p.a. repayable during the period May to June 2017.	**1,250.00**		
Commercial Papers carries interest at 7.94% p.a. to 9% p.a. repayable during the period April to June 2016.		610.00	
Commercial Papers carries interest at 9.04% p.a. to 9.64% p.a. repayable during the period April to June 2015.			360.00

7. Cash Credit of availed by a subsidiary company from banks are repayable on demand and carries interest at 9.55% p.a. to 11.85% p.a.. This cash credit fom Bank is secured against inventories and receivables of a the said subsidiary company. Cash Credit Loan by Astec Lifescience Limited are repayable on demand and carries interest at BBR + 3.75% p.a. to 4% p.a. This cash credit fom Bank is secured by way of First Pari passu Charge on the Current Assets of Astec Lifescience Limited, including inventory and receivables both present & future and second charge on Fixed Assets of the Astec Lifescience Limited present & future (including Equitable Mortgage/ Hypothecation of Factory Land & Building / Plant & Machinery).
8. The Group does not have any default as on the Balance Sheet date in repayment of loan or Interest.

Note 26 : Current Financial Liabilities - Trade Payables

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Trade Payables			
(a) Outstanding dues of Micro and Small Enterprise (Refer Note 1 below)	**20.80**	21.86	13.24
(b) Others	**1,092.96**	1,098.33	898.41
2. Acceptances	**528.10**	28.77	257.51
	1,641.86	1,148.96	1,169.16

Note

1. Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2017, to Micro, Small and Medium Enterprises on account of principal or interest.

Notes to the Consolidated Financial Statements

Note 27 : Current Financial Liabilities - Others

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Current Maturities of Long Term Debts						
(a) Secured						
Term Loan from Bank	**11.06**		24.33		9.43	
(b) Unsecured						
Term Loan from Bank	**407.13**		309.85		193.74	
Term Loan from Others	**33.33**		-		-	
Public Deposit	**-**		26.79		230.17	
		451.52		360.97		433.34
2. Current Maturities of Deferred Sales Tax Liability		**1.38**		1.20		0.31
3. Debentures		**-**		74.89		-
4. Interest Accrued but not Due		**11.36**		13.72		11.35
5. Unclaimed Dividends		**0.45**		0.61		0.39
6. Unclaimed Matured Deposits						
(a) Principal Amount	**2.81**		5.10		5.11	
(b) Interest accrued	**0.09**		0.17		0.17	
		2.90		5.27		5.28
7. Others						
(a) Sundry Creditors	**105.08**		115.79		68.12	
(b) Deposits	**70.50**		68.61		59.00	
(c) Forward Cover Contracts Payable	**2.92**		4.82		-	
(d) Derivative Liabilities	**2.23**		0.39		1.96	
(e) Put Option Liabilities	**-**		243.85		211.64	
(f) Others	**253.67**		215.94		171.13	
		434.40		649.40		511.85
		902.01		1,106.06		962.52

Note 28 : Other Current Liabilities

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Other Advances			
(a) Amount received against Sale of Flats / Units and Advances from Customers	**447.93**	627.14	604.45
2. Others			
(a) Other Liabilities	**60.48**	44.41	36.91
(b) Statutory Liabilities	**61.71**	59.15	53.68
(c) Deferred Grants	**1.13**	0.99	0.53
	571.25	731.69	695.57

Notes to the Consolidated Financial Statements

Note 29 : Current Provisions

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Provision for Employee Benefits	**5.82**	5.96	8.86
2. Others			
Provision for Sales Return	**20.74**	16.60	11.53
Other provision	**-**	0.04	0.02
	26.56	22.60	20.41

Note 30 : Contingent Liabilities

1.	**Claims against the Group not acknowledged as debts**			
	(a)	Excise duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Group has contested and is in appeal at various levels.	**139.25**	129.48	71.07
	(b)	Customs Duty demands relating to lower charge, differential duty, classification, etc.	**4.57**	4.33	4.29
	(c)	Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc. at various levels.	**87.97**	71.43	47.64
	(d)	Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	**0.29**	0.29	0.29
	(e)	Stamp duties claimed on certain properties which are under appeal by the Group.	**13.31**	17.44	2.67
	(f)	Income tax demands against which the Group has preferred appeals.	**87.82**	77.85	76.41
	(g)	Industrial relations matters under appeal.	**2.60**	2.36	2.44
	(h)	Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Group as advised by our advocates. In the opinion of the management the claims are not sustainable.	**112.71**	10.32	5.53
	(i)	Others.	**2.71**	2.36	8.10

Notes to the Consolidated Financial Statements

Note 30 : Contingent Liabilities (Contd.)

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
2. Surety Bonds			
(a) Surety Bonds given by the Holding Company in respect of refund received from excise authority for exempted units of associate company (Refer Note 1 below)	**26.88**	24.88	19.86
(b) Bonds issued by Group on behalf of fellow subsidiary	**0.77**	0.73	12.33
3. Other money for which the Group is Contingently liable			
(a) Case/Claim filed by Processors for claiming various expense	**47.64**	43.98	4.08

Notes

1. The Corporate surety bond of ₹ 26.88 crore (₹ 24.88 crore as on March 31, 2016 and ₹ 19.86 crore as on March 31, 2015) is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an associate company.
2. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.
3. It is not practicable to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

Note 31 : Commitments

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	**81.32**	49.84	69.51
2. Uncalled liability on partly paid shares / debentures (*)	**0.00**	0.00	0.00
3. Outstanding Export Obligation under EPCG Scheme	**24.80**	23.47	21.12

* Amount less than ₹ 0.01 crore

Notes

1. One of the Subsidiary Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.
2. One of the Subsidiary Company has entered into development agreements with owners of land for development of projects. Under the agreements the company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

Notes to the Consolidated Financial Statements

Note 32 : Revenue From Operations

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1.	Sales	**8,243.73**	7,383.97
2.	Licence Fees and Service Charges	**115.26**	86.85
3.	Other Operating Revenue		
	(a) Export Incentives	**19.62**	14.29
	(b) Process Charges	**5.47**	0.95
	(c) Sale of Scrap	**26.43**	24.28
	(d) Dividend Income	**0.03**	0.08
	(e) Profit on sale of Investments	**-**	0.69
	(f) Compensation received from Project	**-**	17.05
	(g) Others	**71.99**	21.14
		8,482.53	7,549.30

Note 33 : Other Income

1.	Interest Income	**112.63**	96.80
2.	Gain on Foreign Exchange Translation	**1.75**	1.88
3.	Profit on sale of Fixed Assets	**0.98**	4.95
4.	Profit on Sale of Current Investments (Refer Note 1 below)	**5.69**	48.14
5.	Income from Investment measured at FVTPL (Refer Note 2 below)	**21.77**	34.27
6.	Claims Received	**0.49**	-
7.	Liabilities no longer required written back	**1.04**	1.47
8.	Recovery of Bad Debts written off	**0.29**	0.42
9.	Royalty & Technical Know-how	**2.48**	2.85
10.	Grant amortisation	**1.16**	1.21
11.	Miscellaneous Income	**27.56**	15.59
		175.84	207.58

Notes

1. Profit on sale of investment includes profit of ₹ 2.21 crore on sale of investment in subsidiary company Godrej Seeds and Genetics Limited.
2. Income from investments measured at FVTPL includes fair valuation impact of ₹ 3.46 Crore (Previous Year ₹ (-) 12.60 Crore)

Notes to the Consolidated Financial Statements

Note 34 : Cost of Material Consumed

Amount ₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1. Raw Material Consumed		
Inventory at the Commencement of the Year	**551.26**	310.86
Add : Purchases (Net)	**4,668.83**	3,888.36
	5,220.09	4,199.22
Less : Inventory at the Close of the Year	**(534.35)**	(551.26)
	4,685.74	3,647.96
2. Packing Material Consumed		
Inventory at the Commencement of the Year	**2.83**	2.19
Add : Purchases (Net)	**42.43**	38.96
	45.26	41.15
Less : Inventory at the Close of the Year	**(3.41)**	(2.83)
	41.85	38.32
Total Material Consumed (1+2)	**4,727.59**	3,686.28

Note 35 : Cost of Property Development

Inventory at the Commencement of the Year		
Finished Goods	**56.74**	46.16
Construction Work in Progress	**3,866.34**	3,740.94
Add : Expenditure During the Year		
Land / Development Rights	**165.42**	490.03
Construction, Material & Labour	**591.18**	790.98
Architect Fees	**8.47**	13.37
Other Cost	**162.07**	217.72
Finance Cost	**190.33**	366.11
	5,040.55	5,665.31
Less :		
Transferred to Expenses	**(0.65)**	(7.47)
Transferred to Fixed Assets	**-**	(2.05)
Transferred to Capital WIP	**-**	(0.24)
Transferred to Joint Venture (On Loss of Control)	**(0.49)**	-
Less : Inventory at the Close of the Year		
Finished Goods	**(56.73)**	(56.74)
Construction Work in Progress	**(3,909.37)**	(3,866.34)
Total Cost of Sales - Property Development	**1,073.31**	1,732.47

Notes to the Consolidated Financial Statements

Note 36 : Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1.	Inventory at the Commencement of the Year		
	Finished Goods	**191.03**	114.31
	Stock in Trade	**86.82**	68.54
	Work in Progress	**96.29**	94.53
		374.14	277.38
2.	Stock adjustment for mergers	**-**	(4.68)
3.	Consumption of Poultry Stock and Stock under Cultivation - Biological assets	**4.20**	3.46
4.	Inventory at the end of the Year		
	Finished Goods	**(206.83)**	(191.03)
	Stock in Trade	**(91.23)**	(86.82)
	Work in Progress	**(126.18)**	(96.29)
		(424.24)	(374.14)
	Changes in Inventories	**(45.90)**	(97.98)

Note 37 : Employee Benefit Expense

1.	Salaries and Wages	**368.87**	307.91
2.	Contribution to Provident and Other Funds	**22.60**	22.87
3.	Employee Share based payments	**9.71**	9.60
4.	Staff Welfare Expenses	**28.03**	24.48
		429.21	364.86

Note 38 : Finance Costs

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1.	Interest Expenses	**508.88**	568.35
	Less: Capitalized to Projects/transfer to Inventory	**(193.27)**	(367.71)
	Less: Recovery of Finance Cost	**(24.32)**	-
	Net Interest Expenses	**291.29**	200.64
2.	Exchange Differences regarded as an adjustment to Borrowing Costs	**3.31**	3.61
3.	Other Borrowing Costs	**104.92**	138.79
		399.52	343.04

Notes to the Consolidated Financial Statements

Note 39 : Other Expenses

Amount ₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1. Consumption of Stores and Spares	**31.39**	24.94
2. Power and Fuel	**171.51**	156.76
3. Processing Charges	**93.07**	71.07
4. Rent (Refer Note 1 below)	**54.22**	37.89
5. Rates & Taxes	**30.52**	17.07
6. Repairs and Maintenance		
(a) Machinery	**20.93**	24.21
(b) Buildings	**13.81**	11.27
(c) Other Assets	**9.16**	4.82
7. Insurance	**6.41**	4.63
8. Freight	**60.37**	59.07
9. Commission	**4.43**	4.33
10. Advertisement and Publicity	**59.18**	84.93
11. Selling and Distribution Expenses	**84.80**	71.44
12. Bad Debts Written Off	**7.99**	4.57
13. Provision / (Write back) for Doubtful Debts and Advances (Net)	**6.98**	4.44
14. Loss on Foreign Exchange Translation	**0.95**	4.02
15. Loss on Sale of Fixed Assets	**14.50**	1.75
16. Loss on Sale of Investments	**1.20**	-
17. Research Expense	**3.00**	2.49
18. Legal and Professional fees	**50.95**	34.39
19. Corporate Social Responsibility (Refer Note 2 below)	**7.92**	4.46
20. Miscellaneous Expenses	**293.96**	259.61
	1,027.25	888.16

Notes

1. Rental expenses of the holding company amounting to ₹ 6.95 crore (previous year ₹ 5.84 crore) are netted off with rental income in respect of certain premises in the same building.
2. Corporate Social Responsibility
   The Group has spent ₹ 7.92 crore during the Financial Year (Previous Year: ₹ 4.46 crore) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities.
   (a) Gross amount required to be spent during the year - ₹ 7.92 Crore
   (b) Amount spent during the year on :

Amount ₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(i) Construction / Acquisition of any Asset	**-**	-
(ii) On purposes other than (i) above		
Amount Spent in Cash	**7.69**	4.33
Amount yet to be paid in Cash	**0.23**	0.13
	7.92	4.46

Note 40 : Exceptional Items

Profit on sale of Non Current Investments	**22.76**	48.74
	22.76	48.74

Notes to the Consolidated Financial Statements

Note 41 : Earnings Per Share

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1.	Calculation of weighted average number of equity shares - Basic		
	(i) Number of equity shares at the beginning of the year	**335,988,807**	335,881,974
	(ii) Number of equity shares issued during the year	**150,979**	106,833
	(iii) Number of equity shares outstanding at the end of the year	**336,139,786**	335,988,807
	(iv) Weighted average number of equity shares outstanding during the year	**336,032,962**	335,914,188
2.	Calculation of weighted average number of equity shares - Diluted		
	(i) Number of potential equity shares at the beginning of the year	**336,321,903**	336,153,734
	(ii) Number of potential equity shares at the end of the year	**336,482,336**	336,321,903
	(iii) Weighted average number of potential equity shares outstanding during the year	**336,404,105**	336,235,519
3.	Net Profit Attributable to Owners of the Company	**256.45**	160.77
	Less : Impact of Court approved Scheme regarding various amounts directly debited to Reserves	**(16.90)**	(9.18)
	Adjusted Net Profit Attributable to Owners of the Company	**239.55**	151.59
	(i) Basic Earnings Per Share of ₹ 1 each	**7.13**	4.51
	(ii) Diluted Earnings Per Share of ₹ 1 each	**7.12**	4.51

Notes to the Consolidated Financial Statements

Note 42 : Information on Subsidiaries, Joint Ventures and Associates :

a. The subsidiary Companies considered in the Consolidated Financial Statements are :

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding		
			As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Companies					
1.	Godrej Agrovet Ltd.	India	**63.67%**	60.81%	60.81%
2.	Godrej Seeds and Genetics Ltd. (90% subsidiary of Godrej Agrovet Ltd.) (upto March 30, 2017)	India	**N.A.**	54.73%	54.73%
3.	Godvet Agrochem Ltd.	India	**63.67%**	60.81%	60.81%
4.	Astec LifeSciences Ltd. (w.e.f. October 31, 2015)	India	**35.36%**	32.62%	N.A.
5.	Creamline Dairy Products Ltd. (w.e.f. December 21, 2015)	India	**33.05%**	31.57%	N.A.
6.	Natures Basket Ltd.	India	**100.00%**	100.00%	100.00%
7.	Godrej Properties Ltd.	India	**57.37%**	57.37%	57.10%
8.	Godrej Real Estate Private Ltd.	India	**57.37%**	57.37%	57.10%
9.	Happy Highrises Ltd.	India	**N.A.**	29.26%	29.12%
10.	Godrej Buildcon Pvt. Ltd.	India	**57.37%**	57.37%	57.10%
11.	Godrej Project Development Pvt. Ltd.	India	**57.37%**	57.37%	57.10%
12.	Godrej Premium Builders Pvt. Ltd.	India	**-**	-	57.10%
13.	Godrej Garden City Properties Pvt. Ltd.	India	**57.37%**	57.37%	57.10%
14.	Godrej Hillside Properties Pvt. Ltd.	India	**57.37%**	57.37%	57.10%
15.	Godrej Home Developers Pvt. Ltd.	India	**57.37%**	57.37%	57.10%
16.	Godrej Green Homes Ltd.	India	**57.37%**	57.37%	57.10%
17.	Godrej Greenview Housing Pvt. Ltd. (ceased to be Subsidiary from June 30, 2016)	India	**N.A.**	57.37%	N.A.
18.	Godrej Investment Advisers Pvt. Ltd. (100% subsidiary from June 17, 2015)	India	**57.37%**	57.37%	N.A.
19.	Godrej Prakriti Facilities Private Limited (51% subsidiary from June 09, 2015)	India	**57.37%**	57.37%	N.A.
20.	Wonder Projects Development Private Limited (ceased to be Subsidiary from September 19, 2016)	India	**N.A.**	57.37%	N.A.
21.	Godrej Highrises Properties Private Limited (100% subsidiary from June 26, 2015)	India	**57.37%**	57.37%	N.A.
22.	Godrej Genesis Facilities Management Private Limited (100% subsidiary from February 19, 2016)	India	**57.37%**	57.37%	N.A.
23.	Godrej Fund Management Pte. Ltd. (100% subsidiary from January 25, 2016) (100% Subsidiary of Godrej Investment Advisers Private Limited)	Singapore	**57.37%**	57.37%	N.A.

Notes to the Consolidated Financial Statements

Note 42 : Information on Subsidiaries, Joint Ventures and Associates : (Contd.)

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding		
			As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
24.	Prakritiplaza Facilities Management Private Ltd. (Incorporated on July 28, 2016)	India	**57.37%**	N.A.	N.A.
25.	Godrej Vikhroli Properties India Limited (Converted to Company on January 25, 2017)	India	**57.37%**	N.A.	N.A.
26.	Citystar Infra Projects Limited (w.e.f. January 12, 2017)	India	**57.37%**	N.A.	N.A.
27.	Godrej Skyline Developers Private Limited (Incorporated on November 22, 2016)	India	**57.37%**	N.A.	N.A.
28.	Godrej Residency Private Limited (Incorporated on March 16, 2017)	India	**57.37%**	N.A.	N.A.
29.	Ensemble Holdings & Finance Ltd.	India	**100%**	100%	100%
30.	Godrej International Ltd.	Isle of Man	**100%**	100%	100%
31.	Godrej International Ltd. (w.e.f. March 11, 2015)	Labuan	**100%**	100%	100%
32.	Godrej International Trading & Investments Pte. Ltd.	Singapore	**100%**	100%	100%
33.	Godrej One Premises Management Pvt. Ltd.	India	**39.72%**	39.72%	N.A.
Limited Liability Partnership (LLP)					
1.	Godrej Vikhroli Properties LLP (w.e.f. August 01, 2015)	India	**N.A.**	57.37%	74.26%
2.	Godrej Land Developers LLP (Incorporated on April 22, 2015)	India	**57.37%**	57.37%	N.A.
3.	Godrej Developers & Properties LLP (Incorporated on April 22, 2015)	India	**57.37%**	57.37%	N.A.
4.	Godrej Highrises Realty LLP (Incorporated on April 22, 2015)	India	**57.37%**	57.37%	N.A.
5.	Godrej Project Developers & Properties LLP (Incorporated on June 16, 2015)	India	**57.37%**	57.37%	N.A.
6.	Godrej Highview LLP (Incorporated on September 29, 2016)	India	**57.37%**	N.A.	N.A.
7.	Godrej Skyview LLP (Incorporated on October 19, 2016)	India	**57.37%**	N.A.	N.A.
8.	Godrej Green Properties LLP (Incorporated on October 27, 2016)	India	**57.37%**	N.A.	N.A.
9.	Godrej Projects (Pune) LLP (Incorporated on February 05, 2017)	India	**57.37%**	N.A.	N.A.
10.	Godrej Projects (Soma) LLP (Incorporated on March 06, 2017)	India	**57.37%**	N.A.	N.A.
11.	Godrej Projects (Bluejay) LLP (Incorporated on March 02, 2017)	India	**57.37%**	N.A.	N.A.
12.	Godrej Century LLP (Incorporated on March 14, 2017)	India	**57.37%**	N.A.	N.A.

Notes to the Consolidated Financial Statements

Note 42 : Information on Subsidiaries, Joint Ventures and Associates : (Contd.)

b. Interests in Joint Ventures :

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding		
			As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Companies					
1.	ACI Godrej Agrovet Pvt. Ltd. (joint venture partner of Godrej Agrovet Ltd.)	Bangladesh	**31.84%**	30.41%	30.41%
2.	Godrej Tyson Foods Ltd. (joint venture partner of Godrej Agrovet Ltd.)	India	**31.20%**	29.80%	29.80%
3.	Wonder Space Properties Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	**14.40%**	14.40%	14.33%
4.	Wonder City Buildcon Pvt. Ltd. (w.e.f. June, 2014) (joint venture partner of Godrej Properties Ltd.)	India	**14.40%**	14.40%	14.33%
5.	Godrej Home Constructions Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.) (incorporated on April 15, 2015,100% upto July 10, 2015)	India	**14.40%**	14.40%	N.A.
6.	Godrej Realty Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	**29.26%**	29.26%	29.12%
7.	Godrej Landmark Redevelopers Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	**29.26%**	29.26%	29.12%
8.	Godrej Redevelopers (Mumbai) Pvt. Ltd. (joint venture partner of Godrej Properties Ltd.)	India	**29.26%**	29.26%	29.12%
9.	Godrej Greenview Housing Pvt. Ltd. (w.e.f. July 01, 2016) (joint venture partner of Godrej Properties Ltd.)	India	**11.47%**	N.A.	N.A.
10.	Wonder Projects Development Private Limited (w.e.f. September 20, 2016) (joint venture partner of Godrej Properties Ltd.)	India	**11.47%**	N.A.	N.A.
11.	Godrej Real View Developers Private Limited (Incorporated on September 01, 2016) (joint venture partner of Godrej Properties Ltd.)	India	**11.47%**	N.A.	N.A.
12.	Pearlite Real Properties Private Limited (Incorporated on September 02, 2016) (joint venture partner of Godrej Properties Ltd.)	India	**28.11%**	N.A.	N.A.
Limited Liability Partnership (LLP)					
1.	Mosiac Landmarks LLP (w.e.f. April 01, 2015) (Control through Majority Voting Rights)	India	**0.57%**	0.57%	29.12%
2.	Dream World Landmarks LLP (Control through Majority Voting Rights)	India	**22.95%**	22.95%	22.84%

Notes to the Consolidated Financial Statements

Note 42 : Information on Subsidiaries, Joint Ventures and Associates : (Contd.)

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding		
			As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
3.	Oxford Realty LLP (Control through Majority Voting Rights) (w.e.f. March 21, 2015)	India	**20.08%**	15.30%	15.23%
4.	Godrej SSPDL Green Acres LLP, Formerly known as SSPDL Green Acres LLP (Control through Majority Voting Rights)	India	**21.23%**	25.24%	25.12%
5.	Oasis Landmarks LLP (Control through Majority Voting Rights)	India	**21.80%**	21.80%	21.70%
6.	M S Ramaiah Ventures LLP (Control through Majority Voting Rights)	India	**28.40%**	28.40%	28.26%
7.	Caroa Properties LLP (Control through Majority Voting Rights)	India	**20.08%**	20.08%	19.99%
8.	Godrej Construction Projects LLP (w.e.f. June 01, 2015) (Control through Majority Voting Rights)	India	**19.51%**	22.95%	57.10%
9.	Godrej Housing Projects LLP (Control through Majority Voting Rights)	India	**28.69%**	22.95%	22.84%
10.	Amitis Developers LLP (w.e.f. March 10, 2015) (Control through Majority Voting Rights)	India	**26.39%**	26.39%	26.27%
11.	A R Landcraft LLP (w.e.f June 07, 2016)	India	**22.95%**	N.A.	N.A.
12.	Prakhhyat Dwellings LLP (w.e.f September 02, 2016)	India	**24.67%**	N.A.	N.A.
13.	Bavdhan Realty @ Pune 21 LLP (Incorporated on October 26, 2016)	India	**25.82%**	N.A.	N.A.
14.	Godrej Property Developers LLP (joint venture partner of Godrej Properties Ltd.)	India	**18.36%**	18.36%	18.27%
c.	**Investment in Associates :**				
1.	Godrej Consumer Products Ltd.	India	**23.76%**	23.77%	23.58%
2.	Personalitree Academy Ltd. (Associate of Ensemble Holdings & Finance Ltd.)	India	**25.49%**	25.49%	25.49%
3.	Creamline Dairy Products Ltd. (Associate of Godrej Agrovet Ltd. upto December 21, 2015)	India	**N.A.**	N.A.	15.81%
4.	Al Rahaba International Trading LLC (Associate of Godrej Agrovet Ltd.)	U.A.E.	**15.28%**	14.59%	14.59%
5.	Polchem Hygiene Laboratories Pvt. Ltd. (Associate of Godrej Agrovet Ltd.)	India	**N.A.**	N.A.	15.81%

Notes to the Consolidated Financial Statements

Note 43 : Business Combination

1. Astec Lifesciences Limited

On October 12, 2015, Subsidiary Company acquired 45.29% equity stake in Astec LifeSciences Limited ('Astec'), a broad based producer of agrochemicals and pharmaceutical intermediates listed on BSE Limited and National Stock Exchange of India Limited.

The business acquisition was conducted by entering into a Share Purchase Agreement for (SPA), through which the Subsidiary Company acquired 45.29% stake in Astec. Consequent to this acquisition, mandatory open offer was made to the shareholders of Astec & the Subsidiary Company acquired a further 6.99% stake in Astec. Subsequently, 1.35% stake in Astec has been acquired through purchase from Open Market.

In accordance with certain covenants of the abovementioned SPA, the Subsidiary Company has deposited part of the consideration aggregating to ₹ 31.70 crore in escrow accounts pending completion of certain conditions precedent.

For period ended March 31, 2016, Astec contributed revenue of ₹113.37 crore and loss (before tax) of ₹ 7.05 crore to the Group's results.

If the acquisition had occurred on April 01, 2015, management estimates that consolidated revenue would have been ₹ 3,888.58 crore and consolidated profit before tax would have been ₹ 338.44 crore.

(a) Purchase consideration

	Amount ₹ in Crore
Cash Paid	167.42
Fair value of Astec ESOP (pre-combination charge)	0.91
Total purchase consideration	**168.33**

Acquisition related cost:

The Group incurred acquisition related cost of ₹ 0.78 crore on legal fees and due diligence costs. These costs have been included in "Other expenses" in Statement of Profit and Loss and in operating cash flows in the Statement of cash flows.

(b) Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

Particulars	Amount ₹ in Crore
Property, plant and equipment	73.83
Identifiable intangible assets	3.71
Investments	0.52
Inventories	63.94
Receivables	73.45
Other financial assets	5.75
Loans and advances	0.42
Cash and cash equivalents	11.78
Other current assets	4.86
Other non-current assets	28.15
Fair value of assets acquired	**266.41**
Loans and borrowings	(81.22)
Current and deferred tax liabilities	(1.19)
Other current liability	(1.29)
Provisions	(6.48)
Other financial liability	(18.17)
Trade payables	(61.17)
Fair value of liabilities acquired	**(169.52)**
Deferred tax on business combination	13.88
Total identifiable net assets acquired	**110.77**

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 73.45 crore. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

Notes to the Consolidated Financial Statements

Note 43 : Business Combination (Contd.)

(c) Goodwill

Particulars	Amount ₹ in Crore
Consideration transferred	168.33
Non-controlling interest in the acquired entity	60.61
Less: Net identifiable assets acquired	(110.77)
Goodwill	**118.17**

The goodwill on acquisition can be attributable to Astec's considerable experience in the development and production of intermediates and its enduring relationships with large and small companies all over the world. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

(d) Purchase consideration - Cash Outflow

Particulars	Amount ₹ in Crore
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash Consideration	167.42
Less : Balance acquired	
Cash and Cash equivalents	(7.01)
Net outflow of cash - Investing activities	**160.41**

2. Creamline Dairy Products Ltd.

On December 21, 2015, Subsidiary Company acquired 25.91% of the shares and voting rights in Creamline Dairy Products Ltd. ('Creamline'). As a result, the Group's equity interest in Creamline increased from 26% to 51.91%, obtaining control of the entity.

Taking control of Creamline will enable the Group to add value through its association with Indian dairy farmers and in-depth knowledge of agri-businesses & rural marketing. Creamline will also get leverage through the Godrej Agrovet brand, which has strong recall with dairy farmers through the cattle feed business.

For the year ended March 31, 2016, Creamline contributed revenue of ₹ 272.89 crore and profit before tax of ₹1.20 crore to the group's results.If the acquisition had occurred on April 01, 2015 , management estimates that consolidated revenue would have been ₹ 4,409.53 crore and consolidated profit would have been ₹ 366 crore.

In determining these amounts, management has assumed that the fair value adjustments,determined provisionally, that arose on date of acquisition would have been same if the acquisition had occurred on April 01, 2015.

(a) Purchase consideration

	Amount ₹ in Crore
Cash Paid	148.19
Equity shares issued	-
Total consideration transferred	**148.19**

The Group incurred acquisition related cost of ₹ 1.47 crore on legal fees and due diligence costs.These costs have been included in "administrative expenses".

Notes to the Consolidated Financial Statements

Note 43 : Business Combination (Contd.)

(b) Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

Particulars	Amount ₹ in Crore
Property, plant and equipment	342.17
Identifiable intangible assets	38.22
Inventories	72.24
Receivables	8.82
Recoverable Taxes	1.05
Investments	-
Other loans & advances	16.91
Advance to suppliers/capital advances/employees	4.91
Loans and advances to related parties	0.39
Cash and cash equivalents	58.35
Fair value of assets acquired	**543.06**
Loans and borrowings	(11.80)
Current & Deferred tax liabilities	(17.54)
Provisions for employee benefits	(0.85)
Advance from customers	(9.07)
Statutory dues and other payables	(8.47)
Security deposits	(7.29)
Trade payables	(25.30)
Deferred government grant	(2.74)
Fair value of liabilities acquired	**(83.06)**
Deferred tax on business combination	(75.78)
Total identifiable net assets acquired	**384.22**

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 8.82 crore. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

(c) Goodwill

Particulars	Amount ₹ in Crore
Consideration transferred	148.19
Non-controlling interest in the acquired entity	186.85
Fair value of previously held equity interest	125.88
Less: Net identifiable assets acquired	(384.22)
Goodwill	76.70

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition and long-standing relationships with farmers, which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

The remeasurement to fair value of the Group's existing 26% interest in Creamline Dairy resulted in a gain of ₹ 91.50 crore, which has been recognised in other income.

(d) Purchase consideration - Cash Outflow

Particulars	Amount ₹ in Crore
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash Consideration	148.19
Less : Balance acquired	
Cash and Cash equivalents	(7.23)
Net outflow of cash - Investing activities	**140.96**

Notes to the Consolidated Financial Statements

Note 43 : Business Combination (Contd.)

3. Creamline Dairy Products Ltd.'s Business Combination

Name & Description of Acquiree	Nutramaax Food Specialities Private Limited, located in RR District, Telangana	RBS Dairy Farm, Nellai District, Tamilnadu
Nature of business	Processor of milk and milk products	Processor of milk and milk products
Date of Control	July 01, 2016	February 01, 2017
Type of Acquisition	Slump Sale of Assets	Slump Sale of Assets
Primary reasons for business combination	The processing facilities and chilling centers from RR district, Telangana is predominently for setup of state of art facilities for manufacture of long shelf life of products including UHT and short shelf life products through cold chain infrastructure.	As regards the acquisition of facility in VK Pudur we had considered the catchment area of southern Tamilnadu & Kerala which is being presently operated upon. We have also considered this acquisition due to the available processing infrastructure at strategic locations, running operations, profitability and opportunities to expand the market in the present area of operations & contigous areas.

(a) Purchase consideration

Amount ₹ in Crore

Particulars	Nutramaax Food Specialities Private Limited	RBS Dairy Farm
Purchase consideration	30.00	32.95

(b) Identifiable assets acquired and liabilities assumed

Amount ₹ in Crore

Particulars	Nutramaax Food Specialities Private Limited	RBS Dairy Farm
Land & Building	17.37	23.82
Plant and Machinery	10.99	5.09
Other Assets	1.57	0.91
Vehicles	0.42	4.48
Security deposits	0.03	
Total identifiable net assets acquired	30.38	34.30

(c) Goodwill / (Capital Reserve)

Amount ₹ in Crore

Particulars	Nutramaax Food Specialities Private Limited	RBS Dairy Farm
Consideration transferred	30.00	32.95
Less: Net identifiable assets acquired	(30.38)	(34.30)
Goodwill / (Capital Reserve)	(0.38)	(1.35)

Acquisition related cost of ₹ 0.82 crore that were not directly attributable to the issue of shares are included in other expenses in profit or loss and in operating cash flows in the statement of cash flows.

Notes to the Consolidated Financial Statements

Note 44 : Disclosures of Joint Ventures and Associates :

1. Equity accounted investees

Financial information of joint ventures and associates that are material to the Group is provided below :

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying Amounts		
					March 31, 2017	March 31, 2016	April 01, 2015
Godrej Consumer Products Limited	India	23.76%	Associate	Equity method	**2,251.30**	2,031.94	1,821.49
Godrej Tyson Foods Limited*	India	49%	Joint Venture	Equity method	**84.65**	74.64	65.51
ACI Godrej Agrovet Private Limited*	Bangladesh	50%	Joint Venture	Equity method	**62.73**	51.45	34.78
Al Rahaba International Trading Limited Liability Company	U.A.E	24%	Associate	Equity method	**0.20**	3.16	4.07
Polchem Hygiene Laboratories Private Limited	India	26%	Associate	Equity method	**-**	-	5.85
Personalitree Academy Ltd.	India	25.49%	Associate	Equity method	**-**	-	-
Joint Ventures of Property Business	India		Joint Venture	Equity method	**81.40**	58.25	39.39
Total equity accounted investments					**2,480.28**	**2,219.44**	**1,971.09**
Omnivore India Capital Trust			Investment entity	FVTPL	**27.86**	25.93	12.11

2. Summary financial information of material Joint Venture and Associates not adjusted for the percentage ownership held by the Company, is as follows:

Name of the entity	Godrej Consumer Products Limited			Godrej Tyson Foods Limited			ACI Godrej Agrovet Private Limited		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	**As at March 31, 2017**	As at March 31, 2016	As at April 01, 2015	**As at March 31, 2017**	As at March 31, 2016	As at April 01, 2015
Ownership	23.76%	23.77%	23.58%	49%	49%	49%	50%	50%	50%
Cash and cash equivalent	895.05	612.59	554.93	19.53	5.54	5.31	3.35	2.95	1.12
Other current assets	3,322.09	2,880.21	2,527.30	48.46	54.60	44.60	111.86	116.78	50.94
Total Current Assets	4,217.14	3,492.80	3,082.23	67.99	60.14	49.91	115.21	119.73	52.06
Total Non-Current Assets	8,814.18	6,260.93	6,064.61	159.36	148.81	138.51	200.05	193.13	153.60
Total Assets	**13,031.32**	**9,753.73**	**9,146.84**	**227.35**	**208.95**	**188.42**	**315.26**	**312.86**	**205.66**
Current Liabilities									
Financial liabilities (excluidng trade payables and provisions)	1,255.19	810.98	1,396.54	21.68	18.45	15.85	80.80	119.69	32.29
Other liabilities	2,127.75	1,903.62	1,776.42	14.97	17.72	15.57	31.74	29.58	19.01
Total Current Liabilities	3,382.94	2,714.60	3,172.96	36.65	36.17	31.42	112.54	149.27	51.30
Non-Current Liabilities									
Financial liabilities (excluidng trade payables and provisions)	4,019.49	2,516.22	2,029.39	-	-	-	58.61	57.91	84.02
Other liabilities	326.94	245.93	214.20	12.21	10.13	8.21	4.92	3.00	0.84
Total Non-Current Liabilities	4,346.43	2,762.15	2,243.59	12.21	10.13	8.21	63.53	60.91	84.86
Total Liabilities	**7,729.37**	**5,476.75**	**5,416.55**	**48.86**	**46.30**	**39.63**	**176.07**	**210.18**	**136.16**
Net Assets	5,301.95	4,276.98	3,730.29	178.49	162.65	148.79	139.19	102.68	69.50
Groups' share of net assets	1,259.91	1,016.55	879.60	87.46	79.70	72.91	69.60	51.34	34.75
Carrying amount of interest in Associate / Joint Venture	2,251.30	2,031.94	1,821.49	84.65	74.64	65.51	62.73	51.45	34.78

Notes to the Consolidated Financial Statements

Note 44 : Disclosures of Joint Ventures and Associates : (Contd.)

Amount ₹ in Crore

Name of the entity	Godrej Consumer Products Limited		Godrej Tyson Foods Limited		ACI Godrej Agrovet Private Limited	
	Year ended March 31, 2017	Year ended March 31, 2016	**Year ended March 31, 2017**	Year ended March 31, 2016	**Year ended March 31, 2017**	Year ended March 31, 2016
Revenues	**9,608.80**	8,753.06	**447.54**	451.01	**604.04**	535.26
Interest income	**40.81**	44.76	**0.97**	0.46	**0.08**	0.20
Depreciation and amortisation	**141.57**	100.63	**(15.12)**	(14.32)	**-**	-
Interest expense	**145.22**	119.01	**(0.01)**	(0.06)	**(10.91)**	(5.53)
Income tax expense	**379.16**	336.05	**(9.92)**	(6.31)	**(5.49)**	(7.36)
Profit from continuing operations	**1,304.08**	827.61	**15.99**	14.07	**22.56**	34.89
Profit from discontinued operations	**-**	-	**-**	-	**-**	-
Profit for the year	**1,304.08**	827.61	**15.99**	14.07	**22.56**	34.89
Other comprehensive income	**(83.41)**	(70.93)	**(0.15)**	(0.21)	**-**	-
Total comprehensive income	**1,220.67**	756.68	**15.84**	13.86	**22.56**	34.89
Group's share of profit as per Associate/JV	**309.89**	196.71	**7.84**	6.89	**11.28**	17.45
Add: Adjustments at GAVL	**-**	-	**2.33**	2.33	**-**	-
Group's share of profit	**-**	-	**10.17**	9.22	**-**	-
Group's share of Other comprehensive income	**(19.82)**	(16.86)	**(0.07)**	(0.10)	**-**	-
Group's share of Total comprehensive income	**290.07**	179.85	**10.10**	9.12	**11.28**	17.45

Note 45 : Financial Information of subsidiaries that have material non-controlling interests

1. Subsidiaries that have material non-controlling interests is provided below :

Name of the entity	Place of business / country of incorporation	Ownership interest held by the group			Ownership interest held by non-controlling interest			Principal activities
		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	**As at March 31, 2017**	As at March 31, 2016	As at April 01, 2015	
Godrej Agrovet Limited	India	**63.67%**	60.81%	60.81%	**36.33%**	39.19%	39.19%	Animal Feeds, Agri Inputs, Vegetable Oil, Dairy, Integrated Poultry business, Cultivaiton of Seeds
Godrej Properties Limited	India	**57.37%**	57.37%	57.10%	**42.63%**	42.63%	42.90%	Estate and Property Development

2. The following table summarises Financial Information of subsidiaries that have material non-controlling interests, before any inter-company eliminations

(i) Summarised statement of profit or loss

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	Year ended March 31, 2017	Year ended March 31, 2016	**Year ended March 31, 2017**	Year ended March 31, 2016
Total Income	**5,005.40**	3,907.42	**1,708.35**	2,252.07
Profit for the year	**248.82**	263.92	**206.80**	158.56
Other Comprehensive Income	**(0.26)**	(2.27)	**(0.67)**	(0.63)
Profit allocated to non-controlling interests	**90.40**	103.43	**88.16**	67.59
OCI allocated to non-controlling interests	**(0.09)**	(0.89)	**(0.29)**	28.82
Dividends paid to non-controlling interests	**-**	16.12	**-**	20.47

Notes to the Consolidated Financial Statements

Note 45 : Financial Information of subsidiaries that have material non-controlling interests (Contd.)

(ii) Summarised Balance Sheet

Amount ₹ in Crore

	Godrej Agrovet Limited			Godrej Properties Limited		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	**As at March 31, 2017**	As at March 31, 2016	As at April 01, 2015
Non-current liabilities	**242.47**	222.47	**142.47**	**482.18**	**505.49**	511.49
Current liabilities	**1,709.11**	1,885.99	**973.10**	**4,693.18**	**4,308.15**	4,329.69
	1,951.58	2,108.46	**1,115.57**	**5,175.36**	**4,813.64**	4,841.18
Non-current assets	**1,792.31**	1,657.34	**868.96**	**862.57**	**725.05**	685.93
Current assets	**1,422.12**	1467.10	**886.60**	**6,316.52**	**5,853.41**	5,889.18
	3,214.43	3,124.44	**1,755.56**	**7,179.09**	**6,578.46**	6,575.11
Net assets	**1,262.85**	1,015.98	**639.99**	**2,003.73**	**1,764.82**	1,733.93
Net assets attributable to non-controlling interest	**620.67**	520.09	**242.41**	**853.92**	**760.58**	684.52

(iii) Summarised Cash Flow

Amount ₹ in Crore

	Godrej Agrovet Limited		Godrej Properties Limited	
	Year ended March 31, 2017	Year ended March 31, 2016	**Year ended March 31, 2017**	Year ended March 31, 2016
Cash flows from (used) in operating activities	**897.30**	168.33	**(563.78)**	486.15
Cash flows from (used) in investing activities	**(86.82)**	(427.81)	**11.62**	186.10
Cash flows from (used) in financing activities	**(788.07)**	278.38	**334.73**	(550.72)
Net increase /(decrease) in cash and cash equivalents	**22.41**	18.90	**(217.43)**	121.53

(iv) Acquisition of Non Controlling Interest

During the current year, the Group has acquired 2.86% of additional interest in Godrej Agrovet Limited. The carrying amount of such additional Non Controlling Interest stake acquired is ₹ 36.12 crore. The total consideration paid for the same was ₹ 200.72 crore.

Notes to the Consolidated Financial Statements

Note 46 : Impairment Charge

The Goodwill and Indefinite life intangible assets are tested for impairment and accordingly no impairment charges were identified for FY 2016-17 (Nil for FY 2015-16)

The Goodwill arises from the following Group's Cash Generating Units as follows:

Amount ₹ in Crore

Particulars	As at March 31, 2016	As at March 31, 2015
CGUs of Godrej Agrovet Limited	308.76	308.76
CGUs of Godrej Properties Limited	177.28	177.28
Others	14.25	14.23
	500.29	500.27

1. Godrej Agrovet Limited

   The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using pre tax discount rate.

   Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Particulars	**As at March 31, 2017**	As at March 31, 2016
Pre Tax discount rate	**12% - 18%**	12% - 18%
Long term growth rate beyond 5 years	**6% - 9%**	6% - 9%

   The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

2. Godrej Properties Limited

   The recoverable amount of this CGU is the higher of its fair value less cost to sell and its value in use. The goodwill allocated to estate & property development pertains to a listed entity and accordingly, the fair value of the CGU is determined based on market capitalisation.

Notes to the Consolidated Financial Statements

Note 47 : Income Tax Expense

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1.	Tax Expense recognised in the statement of Profit and Loss		
	Current Income Tax	**185.90**	123.73
	Current Income Tax of Previous Year	**0.02**	0.16
	Deferred Income Tax Liability / (Asset), net		
	Origination and reversal of temporary differences	**9.47**	31.07
	Reduction in tax rate	**0.69**	1.00
	Recognition of previously unrecognised tax losses	**(28.67)**	(47.27)
	Deferred Tax Expense	**(18.51)**	(15.20)
	Tax Expense for the Year	**167.41**	108.69
2.	Amounts recognised in other comprehensive income		
	Items that will not be reclassified to profit or loss		
	Remeasurements of defined benefit liability (asset)	**(7.36)**	(4.50)
	Income Tax	**1.60**	1.22
	Items that will be reclassified to profit or loss		
	Foreign operations – foreign currency translation differences	**(0.30)**	(1.20)
	Associate's share of other comprehensive income	**(19.82)**	(16.86)
	The effective portion of gains and loss on hedging instruments in a cash flow hedge	**3.15**	-
	Income Tax	**(1.09)**	-
		(23.82)	(21.34)
3.	Amounts recognised in Equity		
	Share based payments	**(3.24)**	(0.95)
	Tax (expense) benefit	**1.12**	0.09
	Share based payments (Net of tax)	**(2.12)**	(0.86)
	Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court	**4.25**	4.25
	Tax (expense) benefit on	**(1.47)**	(1.39)
	Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (Net of tax)	**2.78**	2.86
		0.66	2.00
4.	Reconciliation of effective tax rate		
	Profit Before Tax	**626.23**	431.68
	Tax using the Company's domestic tax rate	**210.53**	146.07
	Reduction in tax rate		
	Tax effect of		
	Tax impact of income not subject to tax	**(29.28)**	(120.03)
	Tax effects of amounts which are not deductible for taxable income	**37.53**	110.46
	Previously unrecognised tax losses and unabsorbed depreciation now recouped to reduce deferred tax expense	**(46.81)**	(57.49)
	Deferred tax assets not recognized because realization is not probable	**114.96**	94.94
	Change in recognised deductible temporary differences	**(6.49)**	(10.37)
	Adjustment for current tax of prior years	**3.27**	(3.81)
	Tax on share of (profit)/loss of equity accounted investees	**(116.60)**	(71.51)
	Utilization of MAT credit during the year	**(0.02)**	(0.03)
	Extra provision made	**-**	0.00
	Effect of different tax rate	**(3.43)**	11.76
	Additional tax paid on book profits	**-**	6.01
	Others	**3.75**	6.15
	Undistributed earnings of subsidiaries and equity accounted investees	**-**	(3.47)
		167.41	108.69

Notes to the Consolidated Financial Statements

Note 47 : Income Tax Expense (Contd.)

5. Movement in deferred tax balances

Amount ₹ in Crore

Particulars	Net balance As at April 01, 2016	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Others	Net balance As at March 31, 2017	Deferred tax asset As at March 31, 2017	Deferred tax liability As at March 31, 2017
Deferred tax Asset / Liabilities									
Property, plant and equipment	(255.98)	(44.94)	-	1.20	-	-	**(299.72)**	**-**	**(299.72)**
Intangible Assets	(1.22)	1.22	-	-	-	-	**(0.00)**	**-**	**-**
Indexataion benefit on land and shares	2.54	0.12	-	-	-	-	**2.66**	**2.66**	**-**
Investments	1.68	(0.95)	-	-	-	-	**0.73**	**0.73**	**-**
Inventories	102.99	(9.48)	-	-	-	-	**93.51**	**93.51**	**-**
Employee benefits	4.45	2.97	(0.96)	-	-	-	**6.46**	**6.46**	**-**
Equity-settled share-based payments	0.26	1.02	-	-	-	-	**1.28**	**1.28**	**-**
MAT Credit Entitlment	23.49	1.57	-	-	-	21.85	**46.91**	**46.91**	**-**
Biological Assets	(0.14)	(0.10)	-	-	-	-	**(0.24)**	**-**	**(0.24)**
Provision for Doubtful Debts / Advances	8.82	0.69	-	-	-	-	**9.51**	**9.51**	**-**
Broughtforward Losses	3.76	(3.76)	-	-	-	-	**(0.00)**	**-**	**-**
Unabsorbed Depreciation	102.92	8.45	-	-	-	-	**111.37**	**111.37**	**-**
Other provisions	9.59	1.15	-	-	-	-	**10.74**	**10.74**	**-**
Other items	(4.63)	60.47	0.15	-	-	-	**55.99**	**120.54**	**(64.56)**
Undistributed profits of Subsidiaries, Joint ventures , Associates	(0.08)	0.08	-	-	-	-	**-**	**-**	**-**
Net tax assets	(1.55)	18.51	(0.81)	1.20	-	21.85	**39.20**	**403.71**	**(364.52)**

Amount ₹ in Crore

Particulars	Net balance As at April 01, 2015	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Others	Net balance As at March 31, 2016	Deferred tax asset As at March 31, 2016	Deferred tax liability As at March 31, 2016
Deferred tax Asset / Liabilities									
Property, plant and equipment	(141.36)	(41.79)	-	1.03	(73.86)	-	(255.98)	-	(255.98)
Intangible Assets	8.50	(9.72)	-	-	-	-	(1.22)	-	(1.22)
Indexataion benefit on land and shares	4.61	(2.07)	-	-	-	-	2.54	2.54	-
Investments	(19.21)	9.82	-	-	11.07	-	1.68	(1.75)	3.43
Inventories	118.97	(15.98)	-	-	-	-	102.99	102.99	-
Loans and borrowings	(12.92)	12.92	-	-	-	-	0.00	-	-
Employee benefits	5.08	(1.19)	0.56	-	-	-	4.45	4.45	-
Equity-settled share-based payments	2.45	(2.28)	0.09	-	-	-	0.26	0.26	-
MAT Credit Entitlment	10.37	13.12	-	-	-	-	23.49	23.49	-
Biological Assets	(0.27)	0.13	-	-	-	-	(0.14)	-	(0.14)
Provision for Doubtful Debts / Advances	7.64	1.18	-	-	-	-	8.82	8.82	-
Broughtforward Losses	6.82	(3.06)	-	-	-	-	3.76	3.76	-
Unabsorbed Depreciation	36.19	66.73	-	-	-	-	102.92	102.92	-
Other provisions	15.76	(6.17)	-	-	-	-	9.59	9.59	-
Other items	1.73	(6.36)	-	-	-	-	(4.63)	18.84	(23.47)
Undistributed profits of Subsidiaries, Joint ventures , Associates	-	(0.08)	-	-	-	-	(0.08)	-	(0.08)
Net tax assets	44.36	15.20	0.65	1.03	(62.79)	-	(1.55)	275.91	(277.46)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Details of unused tax losses and unused tax credit is given in note 5 & 6 below.

Notes to the Consolidated Financial Statements

Note 47 : Income Tax Expense (Contd.)

6. Tax losses carried forward

Amount ₹ in Crore

Particulars		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Expiry date				
	3/31/2018	**33.25**	33.25	33.25
	3/31/2020	**42.22**	42.22	-
	3/31/2021	**47.45**	47.45	47.45
	3/31/2022	**4.63**	4.63	4.63
	3/31/2023	**153.69**	153.69	153.69
	3/31/2024	**110.09**	110.09	-
	3/31/2025	**138.09**	-	-
		529.42	391.33	239.02
Unabsorbed Depreciation never expires		**113.52**	17.33	63.62

7. Tax credit carried forward

Expiry date				
	3/31/2016	**-**	2.12	2.12
	3/31/2017	**2.45**	2.45	2.45
	3/31/2018	**10.92**	10.92	10.92
	3/31/2020	**7.48**	7.48	7.48
	3/31/2021	**19.04**	19.04	19.04
	3/31/2022	**16.87**	16.87	16.87
	3/31/2025	**3.90**	3.90	3.90
	3/31/2026	**6.01**	6.01	-
		66.67	68.79	62.78

Notes to the Consolidated Financial Statements

Note 48 : Leases

(1) Operating Leases Granted by the Company

The Group's significant leasing arrangements are in respect of operating leases for Commercial premises. Lease income from operating leases is recognized on a straight-line basis over the period of lease. The particulars of the premises given under operating leases are as under:

Amount ₹ in Crore

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Future Lease Income			
- Within one year	**10.28**	10.02	14.56
- Later than one year and not later than five years	**20.11**	23.67	43.98
- Later than five years	**51.41**	53.14	48.82

(2) Lease Taken by the Company

The Company's significant leasing arrangements are in respect of operating lease for land, office premises, residential premises, machinery and storage tanks. The aggregate lease rentals paid by the Company are charged to the Statement of Profit and Loss.

Amount ₹ in Crore

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Future Lease Commitments			
- Within one year	**43.74**	50.62	47.34
- Later than one year and not later than five years	**104.19**	148.10	147.62
- Later than five years	**16.28**	17.17	39.21

(3) Finance Lease

The Group assessed one of its arrangements as an embedded lease transaction and determined the same as finance lease. Accordingly, Property, plant and equipment have been derecognised and finance lease receivable have been accounted at present value of minimum lease payments and resultant difference have been charged to retained earnings. Revenue elements identified as fixed charges towards leasing as per the agreement which are covered under minimum lease receivable definition for finance lease accounting is adjusted partly against finance lease receivable to the extent of principal amount and partly recognised as finance income.

At March 31, the future minimum lease receivable under finance lease arrangement as follows.

	Future value of minimum lease receivables	Unearned finance income	Present value of minimum lease receivables
Less than one year	109.12	52.85	56.08
Previous Year	*111.36*	*61.16*	*50.20*
Between one and five years	435.74	119.64	316.08
Previous Year	*445.44*	*162.49*	*282.94*
More than five years	-	-	-
Previous Year	*111.36*	*13.85*	*97.51*

Notes to the Consolidated Financial Statements

Note 49 : Employee Benefits

a) Defined Contribution Plan

Provident Fund :

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

b) Defined Benefit Plan

Gratuity :

Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act or as per the Group's policy whichever is beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Provident Fund :

The Group manages the Provident Fund plan through a Provident Fund Trust for a majority of its employees which is permitted under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

Pension :

The Group has Pension plan for eligible employees. The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Notes to the Consolidated Financial Statements

Note 49 : Employee Benefits (Contd.)

c) The amounts recognised in the Company's financial statements as at the year end are as under :

Amount ₹ in Crore

	Gratuity			Pension		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	**As at March 31, 2017**	As at March 31, 2016	As at April 01, 2015
1. Change in Present Value of Obligation						
Present value of the obligation at the beginning of the year	**60.05**	54.00	44.03	**0.46**	0.26	0.42
Current Service Cost	**4.21**	3.56	2.55	**-**	-	-
Interest Cost	**4.76**	4.43	3.95	**-**	-	-
Contribution by Plan Participants						
Actuarial (Gain) / Loss on Obligation	**8.00**	4.62	11.07	**0.21**	0.27	(0.10)
Effect of Liability Transfer in / out	**0.03**	0.07	(0.60)	**-**	-	-
Benefits Paid	**(9.86)**	(8.83)	(7.00)	**(0.14)**	(0.07)	(0.06)
Amalgamations	**-**	2.20	-	**-**	-	-
Present value of the obligation at the end of the year	**67.19**	60.05	54.00	**0.53**	0.46	0.26
2. Change in Plan Assets						
Fair value of Plan Assets at the beginning of the year	**46.72**	40.38	40.64	**-**	-	-
Expected return on Plan Assets	**4.30**	3.33	3.80	**-**	-	-
Actuarial (Gain) / Loss on Plan Assets	**(0.43)**	0.84	(1.48)	**-**	-	-
Contributions by the Employer	**7.88**	9.18	1.03	**-**	-	-
Benefits Paid	**(8.67)**	(7.39)	(6.57)	**-**	-	-
Amalgamations	**-**	2.06	-	**-**	-	-
Fair value of Plan Assets at the end of the year	**50.66**	46.72	40.38	**-**	-	-
3. Amounts Recognised in the Balance Sheet :						
Present value of Obligation at the end of the year	**67.19**	60.05	54.00	**-**	-	-
Fair value of Plan Assets at the end of the year	**50.66**	46.72	40.38	**-**	-	-
Net Obligation at the end of the year	**16.53**	13.33	13.62	**-**	-	-
4. Amounts Recognised in the Statement of Profit and Loss :						
Current Service Cost	**4.21**	3.56	2.55	**-**	-	-
Interest cost on Obligation	**4.76**	4.43	3.95	**-**	-	-
Expected return on Plan Assets	**(4.30)**	(3.33)	(3.80)	**-**	-	-
Net Cost Included in Personnel Expenses	**4.67**	4.66	2.70	**-**	-	-
5. Amounts Recognised in Other Comprehensive Income (OCI):						
Actuarial (Gain) / Loss on Obligation for the Year	**6.63**	4.63	-			
Return on Plan Assets, Excluding Interest Income	**0.95**	0.41	-			
Net (Income) / Expense for the Period Recognised in OCI	**7.58**	5.04	-			
6. Actual Return on Plan Assets	**4.73**	2.49	5.28	**-**	-	-
7. Actuarial Assumptions						
i) Discount Rate	**7.39%-12.00% p.a.**	7.86%-12.00% p.a.	7.86%-9.30% p.a.	**7.39% p.a.**	7.86% p.a.	7.92% p.a.
ii) Expected Rate of Return on Plan Assets	**7.39%-8.07% p.a.**	7.86%-8.07% p.a.	7.86%-9.30% p.a.	**-**	-	-
iii) Salary Escalation Rate	**4.00%-7.50% p.a.**	4.00%-7.50% p.a.	4.00%-5.00% p.a.	**-**	-	-
iv) Employee Turnover	**1.00% p.a.**	1.00% p.a.	1.00% p.a.	**1.00% p.a.**	1.00% p.a.	1.00% p.a.
v) Mortality	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to the Consolidated Financial Statements

Note 49 : Employee Benefits (Contd.)

d) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Amount ₹ in Crore

	As at March 31, 2017		As at March 31, 2016	
	Increase	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**(7.58)**	**9.12**	(5.68)	6.83
Future salary growth (1% movement)	**9.14**	**(7.69)**	6.92	(5.79)
Rate of employee turnover (1% movement)	**3.99**	**(5.11)**	3.08	(3.83)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

e) Expected future benefit payments of Gratuity

	Amount ₹ in Crore
March 31, 2018	11.46
March 31, 2019	4.88
March 31, 2020	6.29
March 31, 2021	6.16
March 31, 2022	5.26
Thereafter	24.20

Note 50 : Employee Stock Benefit Plans

1. Employee Stock Option Plans

(i) Employee Stock Option Plans of Godrej Industries Limited

In December 2005, Godrej Industries Limited had instituted an Employee Stock Option Plan I (GIL ESOP I) as approved by the Board of Directors and the Shareholders, for the allotment of 15,00,000 options, increased to 90,00,000 options on split of shares convertible into 90,00,000 equity shares of ₹ 1 each to eligible employees of participating companies. The maximum number of options that may be granted per employee per year shall not exceed 600,000 options.

In July 2009, the Company had instituted an Employee Stock Option Plan II (GIL ESOP II) as approved by the Board of Directors and the Shareholders, for the allotment of 90,00,000 options convertible into 90,00,000 shares of the nominal value of ₹ 1 each to eligible employees of participating companies.The maximum number of options that may be granted per employee per year shall not exceed 10,00,000 options.

The Plans are administered by an independent ESOP Trust created with IL&FS Trust Co. Ltd which purchased from the market shares equivalent to the number of options granted by the Compensation Committee. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market. The particulars of the plans and movements during the year are as under :

Notes to the Consolidated Financial Statements

Note 50 : Employee Stock Benefit Plans (Contd.)

ESOP I

	Year ended March 31, 2017		Year ended March 31, 2016	
	No. of Options	Wt. average exercise price ₹ (*)	No. of Options	Wt. average exercise price ₹ (*)
Options Outstanding at the Beginning of the Year	**2,049,500**	**420.63**	2,447,000	399.70
Options Exercised During the Year	**1,645,000**	**420.84**	249,000	249.74
Options Forfeited / Expired During the Year	**200,250**	**423.73**	148,500	239.09
Options Outstanding at the Year end	**204,250**	**406.52**	2,049,500	420.63

ESOP II

	Year ended March 31, 2017		Year ended March 31, 2016	
	No. of Options	Wt. average exercise price ₹ (*)	No. of Options	Wt. average exercise price ₹ (*)
Options Outstanding at the Beginning of the Year	**230,500**	**377.99**	398,750	376.84
Options Exercised During the Year	**230,500**	**377.99**	68,250	369.06
Options Forfeited / Expired During the Year	**-**	**-**	100,000	355.60
Options Outstanding at the Year end	**-**	**-**	230,500	377.99

(*) The Wt. average exercise price stated above is the price of the equity shares on the grant date increased by the interest cost to the ESOP Trust at the prevailing rates upto March 31, 2012.

The total excess shares at the year end are 66,250 (Previous Year 5,66,298).

The weighted average balance life of ESOP I options outstanding as on March 31, 2017 is 0.14 years.

The Options granted shall vest after three / five years from the date of grant of option, provided the employee continues to be in employment and the option is exercisable within two / four years after vesting.

(ii) Employee Stock Option Plans of Godrej Properties Limited

In F.Y. 2007-08, Godrej Properties Limited (GPL) instituted an Employee Stock Option Plan (GPL ESOP) approved by GPL's Board of Directors, Shareholders and the Remuneration Committee which provided for the allotment of 8,85,400 options convertible into 8,85,400 Equity Shares of GPL of ₹ 5/- each to eligible employees of GPL and its Subsidiary Companies (the participating companies) with effect from December 28, 2007.

The Scheme is administered by an Independent ESOP Trust which has purchased shares from Godrej Industries Limited (The Holding Company), equivalent to the number of options granted to the eligible employees of the Participating Companies.

	Year ended March 31, 2017 No. of Options	Year ended March 31, 2016 No. of Options	Wt. average exercise price
Options outstanding at the beginning of the year	**245,400**	357,400	₹ 310 (Plus Interest till March 31, 2012)
Options forfeited / expired during the year	**245,400**	112,000	-
Options outstanding at the year end	**-**	245,400	₹ 310 (Plus Interest till March 31, 2012)

The exercise period of the GPL ESOP has expired on December 27, 2016 and consequently all the unexercised options were rendered lapsed. The GPL ESOP now stands terminated and the shares held by the Trust have been sold during the year.

Notes to the Consolidated Financial Statements

Note 50 : Employee Stock Benefit Plans (Contd.)

(iii) Employee Stock Option Plans of Godrej Agrovet Limited

Employee Stock Options - Cash Settled

Godrej Agrovet Limited (GAVL) has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of GAVL has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is ₹ 1 per equity share as provided in the scheme. GAVL has provided ₹ 1.90 crore (Previous Year ₹ 1.87 crore) for the aforesaid eligible employees for the current financial year.

Employee Stock Options - Equity Settled

In December 2012, Godrej Agrovet Limited (GAVL) instituted an Employee Stock Option Plan (GAVL ESOP) as approved by GAVL's Board of Directors and the Shareholders, for the allotment of 5,86,764 options convertible into 5,86,764 equity shares of GAVL of ₹ 10 each and Bonus Shares issued against the initial allotment for 35,20,584 shares of ₹ 10 each to eligible employees of the Company.

The scheme is administered by an independent ESOP Trust created. GAVL has issued 586,764 equity shares and Bonus Shares issued against the initial allotment for 76,27,932 shares to the said ESOP Trust at face value of ₹ 10 each amounting to ₹ 0.59 crore. During the current year, all the stock options were vested, exercised and transferred to the eligible employees by March 31, 2017.

Category A	**Year ended March 31, 2017**		Year ended March 31, 2016	
	No. of options	**Exercise price**	No. of options	Exercise price
Options Outstanding at the Beginning of the Year	**1,843,457**	**10**	1,843,457	10
Bonus shares issued against the initial allotment	**1,843,457**	**-**	-	-
Options Granted During the Year	**148,463**	**10**	-	-
Options Forfeited / Expired during the Year	**(148,463)**	**-**	-	-
Options Exercised during the Year	**(3,686,914)**	**10**	-	-
Options Outstanding at the Year end	**-**	**-**	1,843,457	10

Category B	**Year ended March 31, 2017**		Year ended March 31, 2016	
	No. of options	**Exercise price**	No. of options	Exercise price
Options Outstanding at the Beginning of the Year	**2,263,891**	**10**	2,263,891	10
Bonus shares issued against the initial allotment	**2,263,891**	**10**	-	-
Options Granted During the Year	**-**	**-**	-	-
Options Forfeited / Expired during the Year	**-**	**-**	-	-
Options Exercised during the Year	**(4,527,782)**	**10**	-	-
Options Outstanding at the Year end	**-**	**-**	2,263,891	10

The weighted average fair value of options granted during the year ended March 31, 2017 is ₹ 154.60 (Previous Year - ₹ 309.20) per option, respectively. The weighted average share price during the year ended March 31, 2017 is ₹ 297.17 per share.

During the year, the stock options granted under the Company's stock option scheme were fully vested, exercised and transferred to the eligible employees including the Managing Director of the Company. The perquisite value of the said stock options have been included in the managerial remuneration which resulted in the same exceeding the limits prescribed under Section 197 of the Companies Act, 2013 by an amount of ₹ 86.61 crore. The Company is in the process of obtaining approval from the Shareholders and Central Government of India for ratification of payment of excess remuneration.

Notes to the Consolidated Financial Statements

Note 50 : Employee Stock Benefit Plans (Contd.)

2. Employee Stock Grant Scheme

(i) Employee Stock Grant Scheme of Godrej Industries Limited

a) The Company had set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders at their Meeting held on January 17, 2011.

b) The ESGS Scheme is effective from April 01, 2011, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2011 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.

c) The Scheme applies to the Eligible Employees, who are in whole-time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Compensation Committee of the respective Company based on the employee's performance, level, grade, etc.

d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

e) The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years or as may be determined by Compensation Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

f) The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Compensation Committee.

g) The Exercise Price of the shares has been fixed at ₹ 1 per share. The intrinsic value, being the difference between market price and exercise price is treated as Employee Compensation Expenses and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2017:

Particulars	For the year March 31, 2017	For the year March 31, 2016	Description of the Inputs used
Dividend yield %	0.50%	0.48%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	33%-34%	32%-34%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	7.88% to 7.94%	7.94% to 8.02%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	₹ 347.05	₹ 363.73	

Notes to the Consolidated Financial Statements

Note 50 : Employee Stock Benefit Plans (Contd.)

h) The Status of the above plan is as under:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Weighted average Exercise Price	Weighted average Share Price
	Nos.	Nos.	(₹)	(₹)
Options Outstanding at the Beginning of the Year	**333,096**	271,760		
Options Granted	**160,395**	168,084		
Options Vested	**148,319**	109,370	1.00	345.49
Options Exercised	**150,941**	106,748		
Options Lapsed / Forfeited	**43,949**	-		
Total Options Outstanding at the End of the Year	**298,601**	333,096		

i) The weighted average exercise price of the options outstanding as on March 31, 2017 is ₹ 1 (Previous year 2016: ₹ 5 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2017 is 0.83 years (As on March 31, 2016: 0.84 years, As on April 01, 2015: 0.98 years)

(ii) Employee Stock Grant Scheme of Godrej Properties Limited

The Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, shareholders and the Remuneration Committee.

Details of Stock Grant Scheme are as under:

Particulars	No. of Options		Exercise Price
	As on March 31, 2017	As on March 31,2016	(₹)
Options Outstanding at the Beginning of the Year	**254,597**	298,380	5.00
Options Granted	**122,127**	163,507	
Options Exercised	**104,326**	156,816	
Less : Options Lapsed	**57,861**	50,474	
Options Outstanding at the Year end	**214,537**	254,597	5.00

The weighted average remaining contractual life of the options outstanding as on March 31, 2017 is 0.89 years (Previous Year : 0.89 years).

The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is ₹ 279.78 (Previous Year : ₹ 234.68).

Particulars	For the year March 31, 2017	For the year March 31, 2016	Description of the Inputs used
Dividend yield %	-	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	29%-43%	28%-43%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	6.31% to 8.57%	7.38% to 8.57%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	₹ 286.40	₹ 243.39	

The expense arising from ESGS scheme during the year is ₹ 2.49 crore (Previous Year : ₹ 2.98 crore).

Notes to the Consolidated Financial Statements

Note 51 : Segment Information

Amount ₹ in Crore

Information about primary business segments	Chemicals		Animal Feed		Veg Oils		Estate & Property Development		Finance & Investments		Dairy		Agri		Others		Total	
	Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
(A) Revenue																		
External Sales	1,435.78	1,226.52	2,620.82	2,544.20	728.26	586.30	1,725.49	2,251.61	33.98	89.61	1,009.92	272.89	764.73	495.93	362.16	338.56	8,681.14	7,805.62
Intersegment Sales	1.32	-	-	-	0.03	-	22.07	15.29	166.08	121.04	-	-	-	-	11.85	1.10	201.35	137.43
Total Sales	1,437.10	1,226.52	2,620.82	2,544.20	728.29	586.30	1,747.56	2,266.90	200.06	210.65	1,009.92	272.89	764.73	495.93	374.01	339.66	8,882.49	7,943.05
Less: Intersegment Sales	(1.32)	-	-	-	(0.03)	-	(22.07)	(15.29)	(166.08)	(121.04)	-	-	-	-	(11.86)	(1.10)	(201.36)	(137.43)
Total Revenue	1,435.78	1,226.52	2,620.82	2,544.20	728.26	586.30	1,725.49	2,251.61	33.98	89.61	1,009.92	272.89	764.73	495.93	362.15	338.56	8,681.13	7,805.62
(B) Results																		
Segment result before interest and tax	77.12	91.29	167.69	184.69	120.95	71.40	340.77	221.34	32.86	89.23	36.67	1.47	170.79	96.33	(87.45)	(64.50)	859.40	691.25
Unallocated expenses																	(170.31)	(161.61)
Finance Costs																	(399.52)	(343.04)
Profit before tax																	289.57	186.60
Taxes																	(167.41)	(108.69)
Profit after taxes																	122.16	77.91
Share of profit in Associates and JVs																	336.66	245.08
Net Profit for the year																	458.82	322.99
Segment Assets	1,373.71	1,433.21	947.66	958.70	324.64	357.54	7,624.48	7,142.24	2,623.84	2,279.89	693.57	649.55	867.37	766.25	136.13	174.72	14,591.40	13,762.10
Unallocated Assets																	627.13	523.55
Total Assets																	15,218.53	14,285.65
Segment Liabilities	348.85	241.01	719.89	583.00	30.86	73.16	5,189.17	4,827.51	2.73	3.85	226.43	198.94	368.71	451.89	117.93	147.75	7,004.57	6,527.11
Unallocated Liabilities																	3,543.75	3,476.16
Total Liabilities																	10,548.32	10,003.27
Cost incurred during the year to acquire segment assets	78.41	114.01	46.28	51.90	18.17	31.01	22.05	157.49	-	0.15	110.04	110.91	27.27	166.23	1.10	217.74	303.32	849.44
Cost incurred on unallocated assets																	23.55	17.97
Total Cost incurred during the year to acquire segment assets																	326.87	867.41
Segment Depreciation	30.34	24.28	26.85	24.00	13.33	11.92	27.46	25.81	-	-	16.19	4.17	12.16	6.07	12.44	11.57	138.77	107.82
Unallocated Depreciation																	9.37	9.39
Total Depreciation																	148.14	117.21

Information about Secondary Business Segments	Amount ₹ in Crore	
Revenue by Geographical markets	Year ended March 31, 2017	Year ended March 31, 2016
India	8,170.90	6,954.45
Outside India	510.23	851.17
Total	8,681.13	7,805.62
Carrying Amount of Segment assets		
India	15,004.96	14,095.96
Outside India	213.57	189.69
Total	15,218.53	14,285.65

Notes :

1. The Group has disclosed Business Segments as the Primary Segment. Segments have been identified taking into account the nature of the products, the different risks and returns, the organisational structure and the internal reporting system.
2. Chemicals segment includes the business of production and sale of Oleochemicals and Surfactants such as Fatty Acids, Fatty Alcohols, Esters and Waxes, refined glycerin, Alpha Olefin Sulphonates, Sodium Lauryl Sulphate and Sodium Lauryl Ether Sulphate.
3. Animal Feed segment includes the business of production and sale of compound feeds for cattle, poultry, shrimp and fish.
4. Veg Oils segment includes the business of processing and bulk trading of refined vegetable oils & vanaspati, international vegetable oil trading and Oil Palm Plantation.
5. Estate & property development segment includes the business of development and sale of real estate and leasing and leave and licensing of properties.
6. Finance & Investments includes investments in associates companies and other investments.
7. Dairy Business includes millk and milk products.
8. Others includes Integrated Poultry and tissue culture, Seeds business, energy generation through windmills and gourmet foods and fine beverages.
9. Unallocable expenditure includes expenses incurred on common services at the corporate level and relate to the Group as a whole.
10. The geographical segments consists of Sales in India represent sales to customers located in India and Sales outside India represent sales to customers located outside India.

Notes to the Consolidated Financial Statements

Note 52 : Related Party Information

a) Names of related parties and description of relationship

Parties where control exists

Godrej & Boyce Mfg. Co. Ltd., (Holding Co. up to March 29, 2017)
Vora Soaps Ltd. (Holding Co. w.e.f. March 30, 2017)

Fellow Subsidiaries (up to March 29, 2017) :

Godrej (Malaysia) Sdn Bhd (Incorporated in Malaysia)
Godrej (Singapore) Pte Ltd. (Incorporated in Singapore)
- JT Dragon Pte. Ltd. (Incorporated in Singapore)
  - Godrej (Vietnam) Co. Ltd. (Incorporated in Vietnam)

Godrej Infotech Ltd.
- Godrej Infotech Americas Inc. (a wholly-owned subsidiary incorporated in North Carolina, USA)
- Godrej Infotech (Singapore) Pte. Ltd. (a wholly-owned subsidiary incorporated in Singapore)
- LVD Godrej Infotech NV (incorporated in Belgium)

Veromatic International BV (Incorporated in Netherlands)
Mercury Mfg. Co. Ltd.
Busbar Systems (India) Ltd. (a Wholly-owned subsidiary)
Godrej Americas Inc. (a wholly-owned subsidiary incorporated in the USA)
MiracleTouch Developers P. Ltd. (a wholly-owned subsidiary)
India Circus Retail P. Ltd.
Godrej South Africa Pty Ltd.
Laboratoria Cuenca S.A.

Other related parties with whom the Reporting entity had transactions during the year

Associate / Joint Venture Companies

Godrej Consumer Products Ltd. (also a fellow subsidiary)
- Godrej Global Mideast FZE, Sharjah
- PT Megasari Makmur, Indonesia
- Godrej Household Products Lanka P. Ltd., Sri lanka

Bhabhani Blunt Hairdressing P. Ltd.
ACI Godrej Agrovet P. Ltd., Bangladesh
Polchem Hygiene Laboratories P. Ltd. (up to December 12, 2016)
Crop Science Advisors LLP
Al Rahba International Trading LLC
Godrej Realty P. Ltd.
Godrej Landmark Redevelopers P. Ltd.
Godrej Redevelopers (Mumbai) P. Ltd.
Mosiac Landmarks LLP
Dream World Landmarks LLP
Oxford Realty LLP
Godrej SSPDL Green Acres LLP
Caroa Properties LLP

Notes to the Consolidated Financial Statements

Note 52 : Related Party Information (Contd.)

M S Ramaiah Ventures LLP
Oasis Landmarks LLP
Amitis Developers LLP
Godrej Construction Projects LLP
Godrej Housing Projects LLP
Godrej Greenview Housing P. Ltd. (w.e.f. June 30, 2016)
Wonder Space Properties P. Ltd.
Wonder City Buildcon P. Ltd.
Godrej Home Construction P. Ltd.
Wonder Projects Development P. Ltd. (w.e.f. Septemer 19, 2016)
Godrej Property Developers LLP
Prakhhyat Dwellings LLP (w.e.f. September 02, 2016)
Godrej Real View Developers P. Ltd. (w.e.f. March 29, 2017)
Pearlite Real Properties P. Ltd. (w.e.f. March 29, 2017)
Bavdhan Realty @ Pune 21 LLP (w.e.f. October 26, 2016)
AR Landcraft LLP (w.e.f. June 07, 2016)

Companies under common control (w.e.f. March 30, 2017)
Godrej & Boyce Mfg. Co. Ltd.
- Godrej (Malaysia) Sdn Bhd (Incorporated in Malaysia)
- Godrej (Singapore) Pte Ltd. (Incorporated in Singapore)
  - JT Dragon Pte. Ltd. (Incorporated in Singapore)
    - Godrej (Vietnam) Co. Ltd. (Incorporated in Vietnam)
- Godrej Infotech Ltd.
  - Godrej Infotech Americas Inc. (a wholly-owned subsidiary incorporated in North Carolina, USA)
  - Godrej Infotech (Singapore) Pte. Ltd. (a wholly-owned subsidiary incorporated in Singapore)
  - LVD Godrej Infotech NV (incorporated in Belgium)
- Veromatic International BV (Incorporated in Netherlands)
- Mercury Mfg. Co. Ltd.
- Busbar Systems (India) Ltd. (a Wholly-owned subsidiary)
- Godrej Americas Inc. (a wholly-owned subsidiary incorporated in the USA)
- MiracleTouch Developers P. Ltd. (a wholly-owned subsidiary)
- India Circus Retail P. Ltd.

Godrej South Africa Pty Ltd.
Laboratoria Cuenca S.A.

Key Management Personnel
Executive Directors
- Mr. A. B. Godrej - Chairman
- Mr. N. B. Godrej - Managing Director
- Ms. T. A. Dubash - Executive Director & Chief Brand Officer
- Mr. N. S. Nabar - Executive Director & President (Chemicals)

Mr. P. Ganesh - Chief Financial Officer & Company Secretary (up to April 30, 2016)
Mr. C. G. Pinto - Chief Financial Officer (w.e.f. April 30, 2016)
Ms. Nilufer Shekhawat - Company Secretary (w.e.f. May 25, 2016)

Notes to the Consolidated Financial Statements

Note 52 : Related Party Information (Contd.)

Independent Non-Executive Directors
Mr. J.N. Godrej
Mr. V.M. Crishna
Mr. K.K. Dastur
Mr. K.M. Elavia
Mr. K.N. Petigara
Mr. S.A. Ahmadullah
Mr. A.B. Choudhury
Mr. A.D. Cooper (w.e.f October 28, 2015)
Mr. N.D. Forbes (up to August 11, 2015)

Relatives of Key Management Personnel
Late Ms. P. A. Godrej - Wife of Mr. A. B. Godrej
Ms. N. A. Godrej - Daughter of Mr. A. B. Godrej
Mr. P. A. Godrej - Son of Mr. A. B. Godrej
Ms. R. N. Godrej - Wife of Mr. N. B. Godrej
Mr. B. N. Godrej - Son of Mr. N. B. Godrej
Mr. S. N. Godrej - Son of Mr. N. B. Godrej
Mr. H. N. Godrej - Son of Mr. N. B. Godrej
Mr. A. D. Dubash - Husband of Ms. Tanya Dubash
Ms. N. N. Nabar - Wife of Mr. N. S. Nabar

Enterprises over which key management personnel exercise significant influence
Anamudi Real Estates LLP
Godrej Investments P. Ltd.
Vora Soaps Ltd. (upto March 29, 2017)
Godrej Tyson Foods Ltd.
Mr. J.N. Godrej

Enterprises over which relative of key management personnel exercise significant influence
Shata Trading & Finance P. Ltd.
Shilawati Trading & Finance P. Ltd.

Post Employment Benefit Trust where the reporting entity exercises significant influence
Godrej Industries Employees Provident Fund
Godrej Industries Ltd. Group Gratuity Trust
Godrej Industries Ltd. Employee Stock Option Trust

Notes to the Consolidated Financial Statements

Note 52 : Related Party Information (Contd.)

b) Transactions with Related Parties

Amount ₹ in Crore

Nature of Transaction	Holding Company	Fellow Subsidiaries	Associate/ Joint Venture Companies	Companies under common control	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Mangement Personnel exercise significant influence	Enterprises over which Relative of Key Mangement Personnel exercise significant influence	Post Employment Benefit Trust	Total
Sale of Goods	1.09	3.73	38.39	-	-	-	231.82	-	-	275.03
Previous Year	*0.77*	*4.75*	*24.28*	-	-	-	*64.52*	-	-	*94.32*
Advance received	-	-	20.78	-	-	-	-	-	-	20.78
Previous Year	-	-	*1.91*	-	-	-	-	-	-	*1.91*
Loans & Advances given	0.28	-	502.20	-	-	-	-	-	-	502.48
Previous Year	*1.56*	-	*13.15*	-	-	-	-	-	-	*14.71*
Sale of Fixed Assets	0.03	-	-	-	-	-	-	-	-	0.03
Previous Year	-	-	-	-	-	-	*0.04*	-	-	*0.04*
Purchase of goods*	0.53	-	15.17	0.00	-	-	2.93	-	-	18.63
Previous Year	*0.53*	-	*10.55*	-	-	-	*1.00*	-	-	*12.08*
Purchase of Fixed Assets	5.54	-	-	-	-	-	-	-	-	5.54
Previous Year	*29.21*	-	-	-	-	-	-	-	-	*29.21*
Net Guarantee given	-	-	67.57	-	-	-	-	-	-	67.57
Previous Year	-	-	*3.83*	-	-	-	-	-	-	*3.83*
Commission / Royalty received	-	-	0.14	-	-	-	-	-	-	0.14
Previous Year	-	-	*0.33*	-	-	-	-	-	-	*0.33*
Commission / Royalty paid	-	-	0.47	-	-	-	-	-	-	0.47
Previous Year	-	-	-	-	-	-	-	-	-	-
Licence fees / Service charges / Storage Income *	0.00	-	3.55	-	-	-	0.01	-	-	3.56
Previous Year	*0.01*	-	*5.95*	-	-	-	*0.04*	-	-	*6.00*
Other Income *	0.00	-	3.09	0.09	-	-	0.35	-	-	3.53
Previous Year	*0.01*	-	*1.56*	-	-	-	*0.06*	-	-	*1.63*
Recovery of establishment & Other Expenses	1.72	0.15	110.61	2.08	-	-	12.53	-	-	127.09
Previous Year	*3.38*	-	*11.34*	-	-	-	*2.88*	-	-	*17.60*
Rent, Establishment & other exps paid	27.30	0.06	9.46	0.02	-	0.84	6.43	0.13	-	44.24
Previous Year	*56.74*	*0.04*	*8.13*	-	-	*2.71*	*0.12*	-	-	*67.74*
Interest received	0.84	-	94.72	-	-	-	1.45	-	-	97.01
Previous Year	-	-	*67.25*	-	-	-	*2.08*	-	-	*69.33*
Interest paid *	-	-	-	-	0.00	0.01	-	-	-	0.01
Previous Year	-	-	-	-	-	*0.11*	-	-	-	*0.11*
Dividend paid	51.94	-	-	-	-	-	-	-	-	51.94
Previous Year	*120.79*	-	-	-	*1.93*	*7.04*	-	-	-	*129.76*
Remuneration to Key Management Personnel										
Short term employee benefit	-	-	-	-	11.74	-	-	-	-	11.74
Post employment benefit	-	-	-	-	0.59	-	-	-	-	0.59
Share based payment	-	-	-	-	0.77	-	-	-	-	0.77
Previous Year	-	-	-	-	-	-	-	-	-	-
Short term employee benefit	-	-	-	-	*11.48*	-	-	-	-	*11.48*
Post employment benefit	-	-	-	-	*0.56*	-	-	-	-	*0.56*
Share based payment	-	-	-	-	*0.67*	-	-	-	-	*0.67*
Remuneration	-	-	-	-	-	0.06	-	-	-	0.06
Previous Year	-	-	-	-	-	-	-	-	-	-
Redemption of Debenture	-	-	28.51	-	-	-	-	-	-	28.51
Previous Year	-	-	*34.32*	-	-	-	-	-	-	*34.32*
Purchase of Investments	200.73	-	-	-	-	-	-	-	-	200.73
Previous Year	*79.34*	-	-	-	-	-	-	-	-	*79.34*
Sale of Investments	-	-	-	-	-	-	-	-	-	-
Previous Year	*175.28*	-	*0.01*	-	-	-	-	-	-	*175.29*
Sale of Units	1.19	-	-	-	-	-	219.65	-	-	220.84
Previous Year	*1.08*	-	*1.35*	-	-	-	*4.92*	-	-	*7.35*
Inter Corporate Deposits advanced	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	*35.75*	-	-	*35.75*
Inter Corporate Deposits -Refund Received	-	-	-	-	-	-	5.20	-	-	5.20
Previous Year	-	-	-	-	-	-	-	-	-	-
Provision for doubtful debts related to outstanding balances	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	*5.71*	*5.71*

Notes to the Consolidated Financial Statements

Note 52 : Related Party Information (Contd.)

b) Transactions with Related Parties

Amount ₹ in Crore

Nature of Transaction	Holding Company	Fellow Subsidiaries	Associate/ Joint Venture Companies	Companies under common control	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Mangement Personnel exercise significant influence	Enterprises over which Relative of Key Mangement Personnel exercise significant influence	Post Employment Benefit Trust	Total
Other Deposits - Advanced during the year	-	-	-	-	-	-	1.51	-	-	1.51
Previous Year	-	-	-	-	-	-	*8.76*	-	-	*8.76*
Issue of equity shares	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	*1.14*	-	-	-	-	-	-	*1.14*
Other Deposits accepted	0.01	-	-	-	-	-	-	-	-	0.01
Previous Year	-	-	-	-	-	-	-	-	-	-
Other Deposits refunded	0.01	-	0.05	-	0.08	0.43	-	-	-	0.57
Previous Year	-	-	-	-	-	*2.03*	*1.65*	-	-	*3.68*
Investment in equity / preference shares / LLP	-	-	4.48	-	-	-	-	-	-	4.48
Previous Year	-	-	-	-	-	-	-	-	-	-
Investment in Debenture	-	-	94.82	-	-	-	-	-	-	94.82
Previous Year	-	-	*140.88*	-	-	-	-	-	-	*140.88*
Share of profit (net) in Joint Venture & Associates	-	-	24.71	-	-	-	-	-	-	24.71
Previous Year	-	-	*16.56*	-	-	-	-	-	-	*16.56*
Loan repaid	-	-	360.58	-	-	-	-	-	-	360.58
Previous Year	-	-	*5.64*	-	-	-	-	-	-	*5.64*
Sale of Services	1.38	-	25.78	-	-	-	-	-	-	27.16
Previous Year	*35.34*	-	-	-	-	-	-	-	-	*35.34*
Sitting Fees	-	-	-	-	0.42	-	-	-	-	0.42
Previous Year	-	-	-	-	*0.56*	-	-	-	-	*0.56*
Income Received from Other Companies	-	-	0.75	-	-	-	-	-	-	0.75
Previous Year	-	-	-	-	-	-	-	-	-	-
Contribution to Post-employment Benefit Plans	-	-	-	-	-	-	-	-	5.45	5.45
Previous Year	-	-	-	-	-	-	-	-	*8.70*	*8.70*
Repayment of loan Received	-	-	-	-	-	-	-	-	24.62	24.62
Previous Year	-	-	-	-	-	-	-	-	*38.84*	*38.84*
Balance Outstanding as on March 31, 2017										
Receivables	-	-	631.56	2.02	-	-	0.76	-	-	634.34
Previous Year	*4.65*	*1.12*	*7.96*	-	-	-	*10.41*	-	-	*24.14*
2014-15	0.20	0.70	21.48	-	-	-	5.67	-	-	28.05
Payables *	-	0.00	0.04	116.52	-	-	1.91	-	-	118.47
Previous Year	*264.76*	-	*92.13*	-	-	-	*0.12*	-	-	*357.01*
2014-15	381.92	-	80.49	-	11.85	-	-	-	-	474.26
Guarantees & Commitments Outstanding	-	-	308.21	-	-	-	-	-	-	308.21
Previous Year	-	-	*25.80*	-	-	-	-	-	-	*25.80*
2014-15	-	-	39.80	-	-	-	-	-	-	39.80
Debentures Outstanding	-	-	312.33	-	-	-	-	-	-	312.33
Previous Year	-	-	*433.01*	-	-	-	-	-	-	*433.01*
2014-15	-	-	326.45	-	0.03	-	-	-	-	326.48
Outstanding Inter Corporate Deposit Receivable	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	*56.30*	-	-	*56.30*
2014-15	-	-	-	-	-	-	26.55	-	-	26.55
Public Deposits Outstanding	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	*0.02*	-	-	-	*0.02*
2014-15	-	-	-	-	0.58	2.50	-	-	-	3.08
Outstanding Loan Receivable	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	*24.62*	*24.62*
2014-15	-	-	-	-	-	-	-	-	63.46	63.46
Deposits Receivable	-	-	-	-	-	-	3.17	-	-	3.17
Previous Year	-	-	-	-	-	-	*1.66*	-	-	*1.66*
2014-15	-	-	-	-	-	-	-	-	-	-
Debenture Interest Outstanding	-	-	87.49	-	-	-	-	-	-	87.49
Previous Year	-	-	*56.14*	-	-	-	-	-	-	*56.14*
2014-15	-	-	26.50	-	-	-	-	-	-	26.50

* Amount less than ₹ 0.01 crore

Note : All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

Notes to the Consolidated Financial Statements

Note 53 : Fair Value Measurement

Refer Note 2 sub note 10 & 11 for accounting policy on Financial Instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

1. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are as follows.

Amount ₹ in Crore

	Carrying amount				Fair value			
March 31, 2017	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Non Current								
Investments								
Debenture	-	-	312.34	312.34	-	312.34	-	312.34
Quoted Equity Shares	6.20	-	-	6.20	6.20	-	-	6.20
Unquoted Equity Shares	2.62	0.05	-	2.67	0.05	2.62	-	2.67
Others	4.58	-	-	4.58	-	4.58	-	4.58
Trade receivables	-	-	13.33	13.33	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Security Deposits	7.36	-	91.86	99.22	-	90.39	-	90.39
Loans to Employees	-	-	1.03	1.03	-	-	-	-
Other financial assets	-	-	7.62	7.62	-	-	-	-
Current								
Current investments	369.33	-	-	369.33	369.33	-	-	369.33
Trade receivables	-	-	896.84	896.84	-	-	-	-
Cash and cash equivalents	-	-	186.79	186.79	-	-	-	-
Other bank balances	-	-	48.12	48.12	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Security Deposits	-	-	173.74	173.74	-	171.57	-	171.57
Others	-	1.70	584.77	586.47	-	1.70	-	1.70
Derivative asset	2.38	-	-	2.38	-	2.38	-	2.38
Other Current Financial Assets		-	809.21	809.21	-	-	-	-
	392.47	1.75	3,125.65	3,519.87	375.58	585.58	-	961.16
Financial liabilities								
Long term borrowings	2.58	-	1,505.68	1,508.26	-	2.98	-	2.98
Non Current Trade payables	-	-	0.52	0.52	-	-	-	-
Short term borrowings	-	-	5,588.39	5,588.39	-	126.16	-	126.16
Trade and other payables	-	-	1,641.86	1,641.86	-	-	-	-
Derivative liability	5.15	-		5.15	-	5.15	-	5.15
Other Current financial liabilities	-	-	896.86	896.86	-	-	-	-
	7.73	-	9,633.31	9,641.04	-	134.29	-	134.29

Notes to the Consolidated Financial Statements

Note 53 : Fair Value Measurement (Contd.)

Amount ₹ in Crore

March 31, 2016	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Investments								
Debenture	-	-	239.18	239.18	-	239.18	-	239.18
Quoted Equity Shares	7.05	-	-	7.05	7.05	-	-	7.05
Unquoted Equity Shares	1.53	0.05	-	1.58	0.05	1.53	-	1.58
Others	2.91	-	-	2.91	-	2.91	-	2.91
Loans								
Security Deposits	8.41	-	112.00	120.41	-	111.45	-	111.45
Loans to Employees	-	-	0.99	0.99	-	-	-	-
Others	-	-	13.61	13.61	-	-	-	-
Other financial assets	-	-	10.15	10.15	-	-	-	-
Current								
Current investments	419.77	-	7.62	427.39	419.77	-	-	419.77
Trade receivables	-	-	855.60	855.60	-	-	-	-
Cash and cash equivalents	-	-	128.13	128.13	-	-	-	-
Other bank balances	-	-	72.79	72.79	-	-	-	-
Loans								-
Security Deposits	-	-	186.62	186.62	-	187.73	-	187.73
Others	0.34	-	419.11	419.45	-	0.34	-	0.34
Derivative asset	1.65	-	-	1.65	-	1.65	-	1.65
Other Current Financial Assets	-	-	762.51	762.51	-	-	-	-
	441.66	0.05	2,808.31	3,250.02	426.87	544.79	-	971.66
Financial liabilities								
Long term borrowings	2.68	-	1,571.67	1,574.35	-	10.86	-	10.86
Short term borrowings	-	-	5,188.97	5,188.97	-	118.77	-	118.77
Trade and other payables	-	-	1,148.96	1,148.96	-	-	-	-
Other Non-Current financial liabilities	-	-	6.54	6.54	-	-	-	-
Derivative liability	5.21	-	-	5.21	-	5.21	-	5.21
Other Current financial liabilities		-	1,100.85	1,100.85	-	-	-	-
	7.89	-	9,016.99	9,024.88	-	134.84	-	134.84

Notes to the Consolidated Financial Statements

Note 53 : Fair Value Measurement (Contd.)

Amount ₹ in Crore

	Carrying amount				Fair value			
April 01, 2015	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Investments								
Debenture	-	0.06	208.10	208.16	0.06	208.10	-	208.16
Quoted Equity Shares	8.23	-	-	8.23	8.23	-	-	8.23
Unquoted Equity Shares	13.36	0.05	-	13.41	-	13.41	-	13.41
Preference Shares	134.77	-	-	134.77	-	134.77	-	134.77
Others	0.96	-	-	0.96	-	0.96	-	0.96
Loans								
Security Deposits	7.89	-	115.14	123.03	-	107.24	-	107.24
Loans to Employees	-	-	0.95	0.95	-	-	-	-
Others	-	-	3.35	3.35	-	-	-	-
Other financial assets	-	-	9.09	9.09	-	-	-	-
Current				-				-
Current investments	584.12	-	30.81	614.93	584.12	-	-	584.12
Trade receivables	-	-	600.38	600.38	-	-	-	-
Cash and cash equivalents	-	-	175.99	175.99	-	-	-	-
Other bank balances	-	-	72.13	72.13	-	-	-	-
Loans								
Security Deposits	-	-	208.90	208.90	-	207.00	-	207.00
Others	-	-	365.95	365.95	-	-	-	-
Derivative asset	2.23	-	-	2.23	-	2.23	-	2.23
Other Current Assets	-	-	603.44	603.44	-	-	-	-
	751.56	0.11	2,394.23	3,145.90	592.41	673.71	-	1,257.89
Financial liabilities								
Long term borrowings	-	-	1,620.47	1,620.47	-	3.02	-	3.02
Non Current Trade payables	-	-	1.42	1.42	-	-	-	-
Short term borrowings	-	-	4,022.93	4,022.93	-	-	-	-
Trade and other payables	-	-	1,169.16	1,169.16	-	-	-	-
Other Non-Current financial liabilities	-	-	4.46	4.46	-	-	-	-
Derivative liability	1.96	-	-	1.96	-	1.96	-	1.96
Other Current financial liabilities	-	-	960.56	960.56	-	-	-	-
	1.96	-	7,779.00	7,780.96	-	4.98	-	4.98

Notes to the Consolidated Financial Statements

Note 53 : Fair Value Measurement (Contd.)

The Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments..

Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

2. Measurement of fair values

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Preference shares	The preference shares were converted into equity and listed in the near future and accordingly we have used the listing price as fair value on the date of reporting.
Fixed rates long term borrowings	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Interest rate swaps	Present value of the estimated future cash flows based on observable yield curves.

Notes to the Consolidated Financial Statements

Note 54 : Hedge accounting

The group's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time. The group uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The forward exchange forward contracts are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1. Most of these contracts have a maturity of 18 months from the reporting date. The group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, changes in timing of the hedged transactions is the main source of hedge ineffectiveness.

1. Disclosure of effects of hedge accounting on financial position as on March 31, 2017

Amount ₹ in Crore

Type of hedge	Nominal Value	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Average strike price/ rate (₹)	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Forward exchange forward contracts on outstanding borrowings	26.75	1.71	1.78	Derivative asset and derivative liablity	May 01,2017 to September 25, 2017	1:1	71.02	2.37	(2.37)
	36.99	-	-		August 2017 to January 2018		70.26	(1.42)	1.42
	63.74	**1.71**	**1.78**					**0.95**	**(0.95)**

2. Disclosure of effects of hedge accounting on financial performance for the Year ended March 31, 2017

Amount ₹ in Crore

Type of hedge	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	3.15	0.00	0.00	0.00	0.00

3. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting

Movements in cash flow hedging reserve

Amount ₹ in Crore

As at March 31, 2016	**-**
Add : Changes in fair value	**3.15**
Less: Deferred tax relating to the above	**(1.09)**
As at March 31, 2017	**2.06**

Notes to the Consolidated Financial Statements

Note 55 : Financial Risk Management

1. Financial Risk Management objectives and policies

The Group's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks and Commodity price risk. The respective Company's senior management has the overall responsibility for establishing and governing respective Company's risk management framework. Each Company in the group has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

Respective Company's risk management policies are established to identify and analyse the risks faced by each 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 audit committee oversees how management monitors compliance with the respective Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the respective Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

2. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the respective Company grants credit terms in the normal course of business.

The Group has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Group's export sales are backed by letters of credit and insured through Export Credit Guarantee Corporation. The Group bifurcates the Domestic Customers into Large Corporates, Distributors and others for Credit monitoring. Customer credit risk in property business is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore, substaintially eliminating the credit risk in this respect.

The Group maintains adequate security deposits for sales made to its distributors. For other trade receivables, the Group individually monitors the sanctioned credit limits as against the outstanding balances. Cash terms and advance payments are required for customers of lower credit standing. Accordingly, the Group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Group monitors each loans and advances given and makes any specific provision wherever required.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also Group does not have any significant concentration of credit risk.

The ageing of trade receivables that were not impaired was as follows:

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
More than 6 Months	**173.90**	153.22	108.08
Others	**736.27**	702.38	492.30
	910.17	855.60	600.38

The amounts reflected in the table above are not impaired as on the reporting date.

Notes to the Consolidated Financial Statements

Note 55 : Financial Risk Management (Contd.)

3. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Group has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other Debt instrument. The Group invests its surplus funds in bank fixed deposits and debt based mutual funds.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

Amount ₹ in Crore

	Carrying amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
March 31, 2017						
Non-derivative financial liabilities						
Borrowings	**7,548.17**	**7,872.94**	**6,227.81**	**905.81**	**737.81**	**1.51**
Trade and other payables	**1,642.38**	**1,644.54**	**1,612.42**	**20.49**	**11.63**	**-**
Other financial liabilities	**445.34**	**445.34**	**438.53**	**6.81**	**-**	**-**
Derivative financial liabilities						
Interest rate swaps	**-**	**3.08**	**1.94**	**1.03**	**0.11**	**-**
Forward exchange contracts used for hedging	**5.15**	**5.15**	**5.15**	**-**	**-**	**-**
March 31, 2016						
Non-derivative financial liabilities						
Borrowings	7,124.29	7,491.54	5,715.94	572.94	1,198.12	4.54
Trade and other payables	1,148.96	1,166.40	1,137.02	14.29	15.09	-
Other financial liabilities	746.42	749.11	733.83	15.28	-	-
Derivative financial liabilities						
Interest rate swaps	4.64	9.55	3.86	3.58	2.11	-
Forward exchange contracts used for hedging	0.57	0.57	0.57	-	-	-

Notes to the Consolidated Financial Statements

Note 55 : Financial Risk Management (Contd.)

Amount ₹ in Crore

	Carrying amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
April 01, 2015						
Non-derivative financial liabilities						
Borrowings	6,076.74	6,579.00	3,901.49	1,222.03	1,454.93	0.55
Trade and other payables	1,170.58	1,228.42	1,207.64	15.53	5.25	-
Other financial liabilities	527.22	546.01	532.55	13.46	-	-
Derivative financial liabilities						
Forward exchange contracts used for hedging	1.96	1.96	1.96	-	-	-

4. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company's exposure to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Currency risk

The Group is exposed to currency risk on account of its borrowings, Receivable for Export and Payables for Import in foreign currency. The functional currency of the Group is Indian Rupee. The Group manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

Notes to the Consolidated Financial Statements

Note 55 : Financial Risk Management (Contd.)

Exposure to currency risk (Exposure in different currencies converted to functional currency)

The currency profile of financial assets and financial liabilities as at March 31, 2017, March 31, 2016 and April 01, 2015 are as below:

Amount ₹ in Crore

	USD	EURO	SGD	GBP
March 31, 2017				
Financial assets				
Trade and other receivables	**127.55**	**2.43**	**-**	**-**
Less : Forward Contracts	**(34.24)**	**-**	**-**	**-**
	93.31	**2.43**	**-**	**-**
Financial liabilities				
Long term borrowings	**548.28**	**-**	**-**	**-**
Short term borrowings	**1.00**	**-**	**-**	**-**
Trade and other payables	**161.50**	**45.04**	**-**	**0.07**
Other Current financial liabilities	**2.41**	**-**	**-**	**-**
Less : Forward Contracts	**(127.53)**	**(35.40)**	**-**	**-**
	585.66	**9.64**	**-**	**0.07**
March 31, 2016				
Financial assets				
Trade and other receivables	112.85	4.32	-	101.18
Other Current financial assets	-	1.13	-	-
Less : Forward Contracts	(24.10)	(3.40)	-	-
	88.75	2.05	-	101.18
Financial liabilities				
Long term borrowings	710.98	-	-	-
Short term borrowings	5.96	-	-	-
Trade and other payables	121.10	0.15	0.04	-
Other Current financial liabilities	3.25	34.76	-	-
Less : Forward Contracts	(24.61)	(34.76)	-	-
	816.68	0.15	0.04	-
April 01, 2015				
Financial assets				
Trade and other receivables	84.85	3.21	-	-
Less : Forward Contracts	(60.00)	(1.81)	-	-
	24.85	1.40	-	-
Financial liabilities				
Long term borrowings	660.06	-	-	-
Short term borrowings	5.67	-	-	-
Trade and other payables	110.30	0.04	-	-
Other Non-current financial liabilities	2.39	-	-	-
Less : Forward Contracts	(14.94)	-	-	-
	763.48	0.04	-	-

Notes to the Consolidated Financial Statements

Note 55 : Financial Risk Management (Contd.)

The following significant exchange rates have been applied during the year.

	Year-end spot rate		
INR	**As at March 31, 2017**	As at March 31, 2016	As at April 01, 2015
USD 1	**64.86**	66.25	62.50
EUR 1	**69.30**	75.46	67.13
SGD 1	**-**	49.15	-
GBP 1	**80.99**	95.40	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against the foreign currencies at March 31 would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss	
	Strengthening	**Weakening**
March 31, 2017		
USD - 1% Movement	**(4.92)**	**4.92**
EUR - 2% Movement	**(0.14)**	**0.14**
GBP - 2% Movement	**(0.00)**	**0.00**
	(5.06)	**5.06**
March 31, 2016		
USD - 3% Movement	(21.84)	21.84
EUR - 2% Movement	0.04	(0.04)
SGD - 2% Movement	(0.00)	0.00
GBP - 3% Movement	3.04	(3.04)
	(18.76)	18.76

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 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.

The management is responsible for the monitoring of the Group's interest rate position. Various variables are considered by the management in structuring the Group's borrowings to achieve a reasonable, competitive, cost of funding.

Notes to the Consolidated Financial Statements

Note 55 : Financial Risk Management (Contd.)

Exposure to interest rate risk

Group's interest rate risk arises from borrowings. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

Amount ₹ in Crore

	March 31, 2017	March 31, 2016	April 01, 2015
Borrowings			
Fixed rate borrowings	**3,935.16**	4,215.64	2,918.52
Variable rate borrowings	**3,618.60**	3,264.27	3,375.77
	7,553.76	7,479.91	6,294.29

Fair value sensitivity analysis for fixed-rate instruments

The Group 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.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group by the amounts indicated in the table below. Given that one of the subsidiary companies' capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the lifecycle of projects to which such interest is capitalised. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	**Profit or (loss)**	
	100 bp increase	**100 bp decrease**
March 31, 2017		
Variable-rate instruments	**(36.19)**	**36.19**
Interest rate swaps	**3.28**	**(3.28)**
Cash flow sensitivity (net)	**(32.91)**	**32.91**
March 31, 2016		
Variable-rate instruments	(32.64)	32.64
Interest rate swaps	3.35	(3.35)
Cash flow sensitivity (net)	(29.29)	29.29

Note 56 : Capital Management

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Notes to the Consolidated Financial Statements

Note 56 : Capital Management (Contd.)

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-Current Borrowings	**1,508.26**	1,574.35	1,620.47
Current Borrowings	**5,588.39**	5,188.97	4,022.93
Current maturity of long term debt	**451.52**	360.97	433.34
Gross Debt	**7,548.17**	7,124.29	6,076.74
Less - Cash and Cash Equivalents	**(186.79)**	(128.13)	(175.99)
Less - Other Bank Balances	**(48.12)**	(72.79)	(72.13)
Less - Current Investments	**(369.33)**	(427.39)	(614.93)
Adjusted Net debt	**6,943.93**	6,495.98	5,213.69
Total equity	**3,195.62**	3,001.71	3,018.74
Adjusted Net debt to Equity ratio	**2.17**	2.16	1.73

Note 57 : Master netting or similar agreements

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2017, March 31, 2016 and April 01, 2015.

Amount ₹ in Crore

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
March 31, 2017						
Financial assets						
Derivative instruments	2.38	-	2.38	2.38	-	-
Financial liabilities						
Derivative instruments	2.92	-	2.92	(2.38)	-	0.54
March 31, 2016						
Financial assets						
Derivative instruments	1.65	-	1.65	1.65	-	-
Financial liabilities						
Derivative instruments	4.82	-	4.82	(1.65)	-	3.17
April 01, 2015						
Financial assets						
Derivative instruments	2.22	-	2.22	-	-	2.22

Notes to the Consolidated Financial Statements

Note 58 : First-time adoption of Ind AS

1. Transition to Ind AS

The Group has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2016, with a transition date of April 01, 2015. These financial statements for the year ended March 31, 2017 are the first financial statements the Group has prepared under Ind AS. For all periods upto and including the year ended March 31, 2016 , the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013, read together with the relevant Rules thereunder ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Group has prepared financial statements which comply with Ind AS for year ended March 31, 2017, together with the comparative information as at and for the year ended March 31, 2016 and the opening Ind AS Balance Sheet as at April 01, 2015, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Group has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP and have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements to Ind AS, in the opening balance sheet as at April 01, 2015 and in the financial statements as at and for the year ended March 31, 2016.

2. Optional Exemptions Availed

(i) Deemed cost

The Group has elected to continue with the carrying value for all of its property, plant and equipment, intangible assets and investment property as recognised in the financial statements as the deemed cost at the date of transition to Ind AS, measured as per the previous GAAP.

(ii) Share based payments

The Group has elected not to apply Ind AS 102 Share-based payment to equity instruments that vested before the date of transition to Ind AS. Accordingly, the Group has measured only the unvested stock options on the date of transition as per Ind AS 102.

(iii) Deemed cost for investments in joint ventures and associates

The Group has elected to continue with the carrying value of its investments in joint ventures and associates as recognised in the financial statements as at the date of transition to Ind AS. Accordingly, the Group has measured all its investments in joint ventures and associates at their previous GAAP carrying value.

(iv) Long Term Foreign Currency Monetary Items

A first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending March 31, 2016.

(v) Business Combination

Ind AS 101 provided the option to apply Ind AS 103 prospectively from the transition date or specific date prior to the transition date. The Group has elected to apply Ind AS 103 prospectively to business combination occurring after its transition date. Business combination prior to the transition date have not been restated.

Notes to the Consolidated Financial Statements

Note 58 : First-time adoption of Ind AS (Contd.)

(vi) Cumulative translation differences

As per Ind AS 101, an entity may deem that the cumulative translation differences for all foreign operations to be zero as at the date of transition by transferring any such cumulative differences to retained earnings. The group has elected to avail of the above exemption.

3. Ind AS mandatory exceptions

(i) Estimates

The estimates at April 01, 2015 and March 31, 2016 are consistent with those made for the same dates in accordance with the Indian GAAP (after adjustments to reflect any differences if any, in accounting policies). The Group has made estimates for Investment in equity instruments carried at FVTPL in accordance with Ind AS at the date of transition as these were not required under Previous GAAP.

(ii) Classification and measurement of financial assets

The Group has classified and measured the financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(iii) Non Controlling Interest (NCI)

Ind AS 110 requires that total comprehensive income should be attributed to the owners of the parent and the NCI even if this results in the NCI having a negative balance. Ind AS 101 requires this requirement to be applied prospectively from the date of transition to Ind AS. However, if an entity elects to apply Ind AS 103 retrospectively to past business combinations, it has to also apply Ind AS 110 from the same date. Since the Group has elected to apply Ind AS 103 prospectively to business combinations that occurred on or after April 01, 2015, it does not have any impact on the carrying value of NCI.

4. The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101.

(i) Reconciliation of Equity

Amount ₹ in Crore

Particulars	Note	As at March 31, 2016	As at April 01, 2015
Equity as per IGAAP		**3,482.14**	3,227.25
Obligation to acquire minority interest in a subsidiary (Put option)	2	**(228.13)**	(195.92)
Realignment for Project Cost	5	**(182.26)**	(175.27)
Fair Valuation adjustment on Business Combination net of acquisition cost	9	**108.74**	-
Fair Valuation of Investment (Net of tax) & Effective Interest Cost	12	**11.97**	134.06
Consolidation of ESOP Trust	13	**(116.93)**	(150.86)
Non Controlling Interest	2,3	**1,414.29**	1,102.50
Share in Profits of Associates and Joint Venture	8	**(215.65)**	(138.59)
Adjustment of Goodwill on sale of stake in subsidiary	4	**10.30**	-
MTM of Derivative contracts	16	**(4.33)**	(0.71)
Deferral of Revenue	6	**(4.01)**	(2.33)
Provision for Sales Return	7	**-**	(1.55)
Reversal of Proposed Dividend and Dividend Distribution Tax	11	**-**	78.89
Deferred Tax on Ind AS adjustments	14	**4.45**	64.97
Other Ind AS adjustments	10	**1.80**	3.23
Total Ind AS adjustments		**800.24**	718.42
Equity as per Ind AS		**4,282.38**	3,945.67

Notes to the Consolidated Financial Statements

Note 58 : First-time adoption of Ind AS (Contd.)

(ii) Reconciliation of Net Profit

Amount ₹ in Crore

Particulars	Note	Year ended March 31, 2016
Net Profit after tax for the year		484.43
Realignment for Project Cost	5	(62.43)
Realignment for Non Controlling Interest	3	7.79
Consolidation of ESOP Trust	13	(11.22)
Fair Valuation of Investment (Net of tax) & Effective Interest Cost	12	(141.07)
Fair Valuation of Assets on Business Combination	9	71.45
MTM of Derivative contract	16	(3.64)
Deferral of Revenue	6	(1.08)
Share of profits in Associates and JVs	8	(74.61)
Reversal of Profit on Sale of Subsidiaries Shares	4	(145.92)
Other Ind AS adjustments	10	18.16
Deferred tax on Ind AS adjustments	14	(1.38)
Total Ind AS adjustments		(343.95)
Total Comprehensive Income attributable to the owners of the Company as per Ind AS		140.48

(iii) Reconciliation of Cash Flow for the Year ended March 31, 2016

Amount ₹ in Crore

Particulars	Note	Previous GAAP	Ind AS Adjustments	Ind AS
Net Cash Flow from Operating activities	5, 6, 7, 10, 13	(44.42)	242.97	198.55
Net Cash Flow from Investing activities	8	(340.81)	153.15	(187.66)
Net Cash Flow from Financing activities	12,15,16	383.40	(381.06)	2.34
Net Increase / (Decrease) in Cash & Cash Equivalents		(1.83)	15.06	13.23
Cash & Cash Equivalents as on April 01, 2015		187.91	(130.62)	57.29
Acquisition on Amalgamation	9	18.27	(15.12)	3.15
Cash & Cash Equivalents as on March 31, 2016	15	204.35	(130.68)	73.67

(iv) Notes to the Reconciliations

1. **Consolidation :** Under Ind AS, classification of subsidiary for consolidation is based on control and not just shareholding which has resulted in certain subsidiaries being classified as joint ventures. Further under Indian GAAP, joint ventures were consolidated with reference to the proportionate consolidation method. Based on the principles of Ind AS, these joint ventures have been consolidated with reference to the equity method of accounting whereby only share of profit & loss in such entities will be directly credited to Statement of Profit & Loss account instead of line by line / proportionate consolidation. Further due to equity method of accounting, interest has been grossed up on the JV projects. Interest income has been classified under other income and corresponding interest expenses have been included as part of finance cost.
2. **Obligation to acquire minority interest in a subsidiary :** One of the Subsidiary companies has granted put option to non-controlling interest in its subsidiary, which gives the investor a right to sell their interests at guaranteed return to the Subsidiary company. On transition to Ind AS, such put option has been classified as a financial liability payable to the investor and is re-measured at each reporting date and difference is adjusted in equity.
3. **Non Controlling Interest (NCI) :** Under previous GAAP, non-controlling interests were presented in the consolidated balance sheet separately (as minority interests) from the equity and liabilities. Under Ind AS, non-controlling interests are presented in the consolidated balance sheet within total equity, separately from the equity attributable to the owners of the Company.

Notes to the Consolidated Financial Statements

Note 59 : First-time adoption of Ind AS (Contd.)

4. **Goodwill :** Under Indian GAAP, any change in the proportion of equity held by the non-controlling interest was adjusted through goodwill. Under Ind AS, the entity shall recognise directly in equity any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the parent.
5. **Realignment of Project Cost :** The Group has undertaken a detailed exercise to determine the manner of expense allocation to inventory in context of the requirements of Ind-AS and accordingly have realigned allocation of expenses to project inventory. Further, acquisition of stake in a subsidiary has been classified as an asset acquisition and consequently the Goodwill as per Indian GAAP (representing cost of land) has been reclassified to project inventory.
6. **Revenue Recognition:** Revenue from sale of goods has been recognised only when the risk and rewards in the goods passes to the buyer. Also cost corresponding to the revenue has been deferred.
7. **Sales Return :** Under Ind AS, provision for sales return is considered based on history of bad and doubtful debt
8. **Share of Profits in Associates and JVs :** This is the group's share in the Ind AS adjustments of the associates and joint ventures recorded on transition to Ind AS.
9. **Business Combination :** Under Ind AS, when additional stake is purchased in an equity accounted investee which results in gaining control over the entity, the previous stake is re-measured at fair value and the resulting gain or loss is recorded through profit and loss account. Further the business combination is accounted by using the acquisition method.

   Also the Group has granted put option to minority interests, which gives the counter party a right to sell their interests to the Company on agreed terms. On transition to Ind AS, such put option has been classified as a financial liability payable to the investor and is re-measured at fair value at each reporting date. The minority interest under previous GAAP has been de-recognised for such subsidiaries and the difference between the fair value of the put option and the carrying value of the minority interest under previous GAAP has been adjusted through retained earnings on the date of transition. Subsequently the financial liability is measured at fair value at each reporting date.
10. **Others Ind AS adjustments :** Other Ind AS adjustments include fair valuation of employee stock options, discounting of long term trade payables etc.
11. **Proposed dividend :** Under Indian GAAP, proposed dividends are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind-AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.
12. **Financial instruments:** Under Indian GAAP, investments in mutual funds were measured at lower of cost or market value while under Ind AS, such investments are required to be measured at fair value with the resultant gain or loss being recognised in profit or loss. Under Ind AS, investments in debentures and other debt instruments are required to be measured at amortised cost with interest income determined with reference to the effective interest rate.

    Under Indian GAAP, the long term investments were measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has designated such investments as FVTPL , which are measured at fair value. At the date of transition to Ind AS, difference between the instruments' fair value and Indian GAAP carrying amount has been recognised in the statement of profit and loss.

Notes to the Consolidated Financial Statements

Note 58 : First-time adoption of Ind AS (Contd.)

13. **Employee Benefit :** Under Ind AS, the ESOP Trust is consolidated as the ESOP Trust was established by the Group for the administration of Employee Stock Option Plan of the Group. As Group has control over the trust, the same is treated as a subsidiary and all assets and liabilities have been consolidated on a line by line basis.

14. **Deferred Taxes :** Under Ind AS, deferred tax on account of fair value adjustment in relation to past schemes of amalgamation and on other Ind AS differences has been appropriately recognized.

    Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Also all Ind AS adjustments may have corresponding Deferred Tax Impact.

15. **Bank Overdrafts :** The Group has availed bank overdrafts repayable on demand. Under Ind AS, bank overdrafts repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of cash flows. Under Indian GAAP, bank overdrafts used to be considered as part of borrowings and movement in bank overdrafts were shown as part of financing activities.

16. **Derivative contracts:** Under Indian GAAP, the premium and discount on forward contracts were amortised over the contract period. For other derivative contracts only mark to market losses were recognised based on prudence. However, under Ind AS all derivatives are measured at fair value at each reporting period and changes therein are recognised in profit and loss.

Note 59 : Disclosure in respect of Specified Bank Notes Held and Transacted

In accordance with the Notification No.- G.S.R 308(E) issued by the Ministry of Corporate Affairs dated March 30, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 is provided in the table below:

Amount ₹ in Crore

	Specified Bank Notes	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	3.40	1.26	4.66
(+) Permitted receipts	8.44	77.57	86.01
(-) Permitted payments	(0.11)	(10.20)	(10.31)
(-) Amount deposited in Banks	(11.72)	(64.87)	(76.59)
Closing cash in hand as on 30.12.2016	**0.01**	**3.76**	**3.77**

Notes

1. The opening balance of a subsidiary company includes imprest/advance with employees and amounts collected by field staff on or before November 08, 2016, which has been deposited into the group's bank account subsequently.
2. The closing cash on hand of one of the subsidiary companies in respect of SBNs amounting to ₹ 0.01 crore comprises of certain stolen SBNs which were recovered and seized by the local police and are the subject matter / evidence in a theft case in respect of which a complaint has been filed with the local police. The said subsidiary company had approached a Court of law for an order permitting the deposit of the said SBNs before the expiry of the deadline for deposit of the same with RBI / banks on December 30, 2016. However, the order granting permission to deposit the said SBNs in the bank, dated December 30, 2016, could not be obtained before close of business hours on December 30, 2016 and hence the SBNs could not be deposited in the bank.

Notes to the Consolidated Financial Statements

Note 60 :

Additional Information required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiaries / Limited Liability Partnership / Associates / Joint Ventures.

Amount ₹ in Crore

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
1	2	3	4	5	6	7	8	9
Parent								
Godrej Industries Limited	34.59%	1,615.43	-31.66%	(145.24)	8.06%	(1.92)	-33.83%	(147.16)
Subsidiaries								
Indian								
Godrej Agrovet Limited	19.33%	902.62	45.33%	207.98	-1.18%	0.28	47.88%	208.26
Godrej Seeds and Genetics Limited	-	-	-0.25%	(1.15)	-	-	-0.26%	(1.15)
Godvet Agrochem Limited	0.23%	10.76	0.09%	0.40	-	-	0.09%	0.40
Astec Lifesciences Limited	2.81%	131.11	6.13%	28.12	0.21%	(0.05)	6.45%	28.07
Creamline Dairy Products Limited	8.71%	406.81	5.06%	23.23	2.89%	(0.69)	5.18%	22.54
Godrej Properties Limited	41.63%	1,944.43	27.08%	124.25	1.28%	(0.30)	28.49%	123.95
Godrej Real Estate Private Limited	-0.28%	(13.18)	-0.29%	(1.35)	-	-	-0.31%	(1.35)
Godrej Buildcon Private Limited	2.60%	121.44	5.50%	25.23	-	-	5.80%	25.23
Godrej Projects Development Private Limited	2.80%	130.89	-5.80%	(26.60)	0.03%	(0.01)	-6.12%	(26.60)
Godrej Garden City Properties Private Limited	0.09%	4.33	0.35%	1.61	-	-	0.37%	1.61
Godrej Green Homes Limited	0.01%	0.48	0.02%	0.08	-	-	0.02%	0.08
Godrej Hillside Properties Private Limited	0.01%	0.50	0.02%	0.11	-	-	0.02%	0.11
Godrej Home Developers Private Limited	0.01%	0.50	0.02%	0.11	-	-	0.02%	0.11
Godrej Investment Advisers Private Limited	0.03%	1.63	0.00%	0.01	-	-	0.00%	0.01
Godrej Prakriti Facilities Private Limited	0.00%	0.23	0.04%	0.17	-	-	0.04%	0.17
PrakritiPlaza Facilities Management Private Limited	0.00%	0.01	-	-	-	-	-	-
Godrej Highrises Properties Private Limited	0.00%	0.09	0.02%	0.09	-	-	0.02%	0.09
Godrej Genesis Facilities Management Private Limited	0.00%	0.13	0.03%	0.12	-	-	0.03%	0.12
Godrej Vikhroli Properties India Limited	8.73%	407.90	37.33%	171.27	-	-	39.37%	171.27
Citystar InfraProjects Limited	0.00%	0.01	0.00%	(0.01)	-	-	0.00%	(0.01)
Godrej Skyline Developers Private Limited *	0.00%	(0.00)	0.00%	(0.01)	-	-	0.00%	(0.01)
Godrej Developers & Properties LLP	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
Godrej Land Developers LLP	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
Godrej Project Developers & Properties LLP	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
Godrej Highrises Realty LLP *	0.00%	(0.00)	0.00%	(0.00)	-	-	0.00%	(0.00)
Nature's Basket Limited	0.10%	4.85	-20.79%	(95.37)	3.28%	(0.78)	-22.10%	(96.15)
Ensemble Holdings and Finance Limited	1.51%	70.32	2.42%	11.12	-	-	2.56%	11.12
Godrej One Premises Management Private Limited	0.00%	0.01	-	-	-	-	-	-
Foreign								
Godrej International Ltd.	2.26%	105.74	3.45%	15.81	-	-	3.63%	15.81
Godrej International Trading & Investment Pte. Ltd.	0.24%	11.40	0.34%	1.55	-	-	0.36%	1.55
Godrej Fund Management Pte. Ltd.	0.16%	7.49	1.47%	6.76	1.51%	(0.36)	1.47%	6.41

Notes to the Consolidated Financial Statements

Amount ₹ in Crore

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
1	2	3	4	5	6	7	8	9
Associates (Investment as per equity method)								
Indian								
Godrej Consumer Products Limited	18.95%	885.09	65.49%	300.48	83.21%	(19.82)	64.52%	280.66
Polchem Hygiene Laboratories Private Limited	-	-	0.14%	0.62	-	-	0.14%	0.62
Foreign								
Al Rahaba International Trading LLC	0.00%	0.16	-0.64%	(2.95)	-	-	-0.68%	(2.95)
Joint Ventures (as per proportionate consolidation / Investment as per equity method)								
Indian								
Godrej Tyson Foods Limited	0.40%	18.63	2.22%	10.17	0.65%	(0.15)	2.30%	10.02
Omnivore India Capital Trust	0.14%	6.62	0.12%	0.57	-	-	0.13%	0.57
Godrej Realty Private Limited	-	-	-0.11%	(0.50)	-	-	-0.12%	(0.50)
Godrej Landmark Redevelopers Private Limited	-	-	2.85%	13.06	-	-	3.00%	13.06
Godrej Redevelopers (Mumbai) Private Limited	-	-	2.17%	9.94	-	-	2.29%	9.94
Wonder Space Properties Private Limited	-	-	-0.01%	(0.03)	-	-	-0.01%	(0.03)
Wonder City Buildcon Private Limited	-	-	0.21%	0.95	-	-	0.22%	0.95
Godrej Home Constructions Private Limited	-	-	-0.27%	(1.25)	-	-	-0.29%	(1.25)
Godrej Greenview Housing Private Limited	-	-	-0.27%	(1.24)	-	-	-0.29%	(1.24)
Wonder Projects Development Private Limited	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
Godrej Real View Developers Private Limited	-	-	-	-	-	-	-	-
Pearlite Real Properties Private Limited	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
Godrej Property Developers LLP	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
Mosiac Landmarks LLP *	-	-	0.00%	0.00	-	-	0.00%	0.00
Dream World Landmarks LLP	-	-	0.98%	4.51	-	-	1.04%	4.51
Oxford Realty LLP	-	-	0.06%	0.29	-	-	0.07%	0.29
Godrej SSPDL Green Acres LLP	-	-	-0.01%	(0.03)	-	-	-0.01%	(0.03)
Oasis Landmarks LLP	-	-	2.17%	9.95	-	-	2.29%	9.95
M S Ramaiah Ventures LLP	-	-	0.00%	(0.02)	-	-	0.00%	(0.02)
Caroa Properties LLP	-	-	-0.02%	(0.09)	-	-	-0.02%	(0.09)
Godrej Construction Projects LLP	-	-	-0.31%	(1.43)	-	-	-0.33%	(1.43)
Godrej Housing Projects LLP	-	-	-0.02%	(0.08)	-	-	-0.02%	(0.08)
Amitis Developers LLP	-	-	-0.01%	(0.03)	-	-	-0.01%	(0.03)
A R Landcraft LLP	-	-	-0.88%	(4.06)	-	-	-0.93%	(4.06)
Prakhhyat Dwellings LLP	-	-	-	-	-	-	-	-
Bavdan Realty @ Pune 21 LLP	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
Foreign								
ACI Godrej Agrovet Private Limited	1.07%	50.15	2.46%	11.28	-	-	2.59%	11.28
Inter-company Elimination & Consolidation Adjustments	-46.17%	(2,156.30)	-52.20%	(239.50)	0.08%	(0.02)	-55.06%	(239.52)
TOTAL	**-**	**4,670.21**	**-**	**458.82**	**-**	**(23.82)**	**-**	**435.00**

* Amount less than ₹ 0.01 crore

Notes to the Consolidated Financial Statements

Note 61 : Managerial Remuneration

1. Managerial Remuneration paid by the Parent Company for the year exceeded the permissible limit as prescribed under Schedule V of the Companies Act 2013 by ₹ 4.54 crore. The Parent Company is in the process of obtaining approval from Central Government of India for such excess remuneration paid. Pending such approvals, the amount is held in trust for the Company.
2. During the year, the stock options granted under the Subsidiary Company's stock option scheme were fully vested, exercised and transferred to the eligible employees including the Managing Director of a Subsidiary Company. The perquisite value of the said stock options have been included in the managerial remuneration which resulted in the same exceeding the limits prescribed under Section 197 of the Companies Act, 2013 by an amount of ₹ 86.61 crore. The Subsidiary Company is in the process of obtaining approval from the Shareholders and Central Government of India for ratification of payment of excess remuneration.

Note : 62

Details of Loans Given, Investments made and Guarantee given covered under section 186 (4) of the Companies Act, 2013 are given under the respective heads.

Note : 63

The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses, if any, on such long term contracts, including derivative contracts, has been made in the books of accounts.

Note : 64

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note : 65

The figures of the current year are not strictly comparable with those of the corresponding figures of the previous years in view of amalgamation made.

Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.



STANDALONE **FINANCIAL STATEMENTS**

Independent Auditor's Report

TO THE MEMBERS OF
GODREJ INDUSTRIES LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of **GODREJ INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

Management's Responsibility 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 Companies Act, 2013 ("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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Opinion

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 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 Ind AS, of the financial position of the Company as at March 31, 2017 and its financial performance including Other Comprehensive Income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 49 to the Standalone Ind AS Financial Statements, relating to remuneration paid to two Directors which is in excess of the limits prescribed under Section 197 read with Schedule V to the Companies

Independent Auditor's Report

Act, 2013, by ₹ 4.54 crore. The Company has made an application to the Central Government for payment of the said remuneration which is in excess of the prescribed limits, the approval for which is awaited. Pending such approval, the amount is held in trust on behalf of the Company.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said 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 (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
   e) On the basis of the written representations received from the Directors of the Company as on March 31, 2017 and taken on record by the Board of Directors, none of the Directors of the Company is disqualified as on March 31, 2017, 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, refer to our separate Report in "Annexure B".
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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. 26 to the Standalone Ind AS Financial Statements.
      ii) The Company has made provision, as required under the applicable laws or Accounting Standards for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Note No. 53 to the Standalone Ind AS Financial Statements.
      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
      iv) The Company has provided requisite disclosures in its Standalone Ind AS Financials Statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the Management representation, we report that the disclosures are in accordance with the books of account and other records maintained by the Company and as produced to us by the Management. Refer Note No. 47 to the Standalone Ind AS Financials Statements.

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

Daraius Z. Fraser
Partner
M. No.: 42454

Mumbai: May 22, 2017

Annexure A to the Independent Auditor's Report

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2017:

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

1. Fixed Assets:
   a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   b) The Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification are not material and have been properly dealt with in the books of account.
   c) According to the information and explanations given to us and on the basis of the records of the Company examined by us, the title deeds of immovable properties are held in the name of the Company.
2. The Management has conducted physical verification of inventory at reasonable intervals except goods in transit. In case of inventory lying at third party locations, written confirmations have been obtained by the Management. The discrepancies noticed on physical verification were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
3. During the year, the Company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of sub-clauses (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to parties or granted securities covered under Section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us and records examined by us, the provisions of Section 186 of the Companies Act, 2013, in respect of loans given, guarantees given and investments made have been complied with by the Company.
5. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed thereunder in respect of the deposits accepted from the public.
6. We have broadly reviewed the books of account and records maintained by the Company in respect of products covered under the Rules made by the Central Government for maintenance of cost records, under Sub Section (l) of Section 148 of the Companies Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. Statutory Dues:
   a) According to the information and explanations given to us and on the basis of the records examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other statutory dues with the appropriate authorities wherever applicable. We have been informed that there are no undisputed dues which have remained outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
   b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value added tax or Cess outstanding on account of any dispute, other than the following:

Annexure A to the Independent Auditor's Report

Name of Statute	Nature of Dues	Amount (₹ crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty / Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc., which the Company has contested and is in appeals at various levels.	0.43	2002-03, 2004-07, 2005-08, 2007-12, 2008-09, 2009-10, 2009-11, 2009-14, 2010-11, 2011-12, 2011-13, 2012-13, 2013-14, 2014-15, 2015-16	Assistant Commissioner
		1.29	1993-97, 2009-13, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 2012-14, 2013-14	Joint Commissioner
		1.40	2008-09, 2009-13, 2010-11, 2011-12, 2012-13, 2013-14, 2013-15, 2014-15, 2015-16	Additional Commissioner
		0.01	2006-10, 2009-10	Deputy Commissioner
		0.14	2010-11	Commissioner
		0.26	2005-06, 2009-10	Commissioner (Appeals)
		0.00	2009-10, 2012-14, 2013-14, 2013-15, 2014-15, 2015-16	Superintendent
		3.55	2008-11, 2009-13, 2010-11	CESTAT
		0.28	1997-98	Tribunal
		0.04	1995-96	High Court
		3.91	1993-97	The Supreme Court
The Customs Act, 1962	Custom Duty demands relating to lower charge, differential duty, classifications, etc.	2.63	2010-11	Commissioner (Appeals)
		1.32	1978-93	High Court
VAT Acts of Various States	Sales Tax demands relating to purchase tax on Branch Transfer / Disallowance of high sea sales.	0.02	1997-98	Sales Tax Officer
		0.07	2000-01	Commissioner (Appeals)
		11.07	2003-04, 2005-06, 2010-11	Deputy Commissioner
		32.91	2002-03, 2003-04, 2006-07, 2007-08, 2008-09, 2009-10, 2011-12	Joint Commissioner
		1.96	2003-04, 2004-05, 2005-06, 2006-07	Tribunal
Income-tax Act, 1961	Income-tax demands against which the company has preferred appeals.	2.96	A.Y. 2007-08	Assessing Officer
		15.29	A.Y. 1993-94, 1994-95, 1995-96, 1996-97, 1997-98, 2012-13	CIT
		16.03	A.Y. 2006-07, 2011-12, 2013-14, 2014-15	Deputy Commissioner
		16.74	A.Y. 1986-87, 1988-89, 1990-91, 1991-92,1996-97, 1998-99, 2000-01, 2001-02, 2002-03, 2003-04	ITAT
		16.90	A.Y.1989-90, 1993-94, 1997-98, 2000-01, 2001-02, 2002-03	High Court

Annexure A to the Independent Auditor's Report

Name of Statute	Nature of Dues	Amount (₹ crores)	Period to which the amount relates	Forum where dispute is pending
Octroi	Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	0.03	1997-98	Deputy Commissioner
		0.24	1997-2003	Tribunal
		0.02	1998-99, 2000-01	The Supreme Court
Stamp Duty	Stamp Duties claimed on certain properties which are under appeal by the Company.	1.82	2000-01	Controlling Revenue Authority

8. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions, Government or debenture holders.
9. According to the information and explanations given to us and the records examined by us, the term loans obtained by the Company were applied for the purpose for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
10. During the course of our examination of the books of account and records of the Company, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the Company, has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act, except for remuneration paid to two Directors which is in excess of the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013, by ₹ 4.54 crore. The Company has made an application to the Central Government for payment of the said remuneration which is in excess of the prescribed limits, the approval for which is awaited. Pending such approval, the amount is held in trust on behalf of the Company.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company; hence the provisions of Clause 3(xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

Daraius Z. Fraser
Partner
M. No.: 42454

Mumbai: May 22, 2017

Annexure B to the Independent Auditor's Report

Referred to in Paragraph 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2017.

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

We have audited the internal financial controls over financial reporting of GODREJ INDUSTRIES LIMITED ("the Company") as of March 31, 2017, 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 Companies Act, 2013 (the "Act" or the "Companies 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 over Financial Reporting

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 Standalone Ind AS 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 Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles and that receipts

Annexure B to the Independent Auditor's Report

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 Standalone Ind AS 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 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, 2017, 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 KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
Partner
M. No.: 42454

Mumbai: May 22, 2017

Balance Sheet as at March 31, 2017

Amount ₹ in Crore

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	**1,399.37**	1,171.63	598.25
Capital Work in Progress	3a	**10.01**	209.72	666.96
Investment Property	3b	**126.20**	128.46	48.88
Intangible Assets	3c	**0.90**	0.70	0.67
Financial Assets				
Investments in Subsidiaries and Associates	4	**2,785.27**	2,494.54	2,377.78
Investments	4a	**0.02**	0.02	134.79
Loans	5	**3.18**	2.88	6.68
Others	6	**-**	-	0.10
Deferred Tax Assets (Net)	7	**2.65**	2.53	-
Other tax assets (Net)		**18.99**	10.94	15.46
Other Non Current Assets	8	**22.06**	25.05	36.91
Current Assets				
Inventories	9	**296.62**	265.56	202.13
Financial Assets				
Investments	10	**-**	-	-
Trade Receivables	11	**121.71**	185.52	84.46
Cash & cash equivalents	12a	**12.01**	7.09	98.38
Other Bank balances	12b	**3.06**	4.55	8.92
Loans	13	**0.17**	19.09	46.94
Others	14	**24.94**	112.54	20.96
Other Current Assets	15	**50.12**	71.22	73.99
TOTAL ASSETS		**4,877.28**	4,712.04	4,422.26
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	16	**33.61**	33.60	33.59
Other Equity	17	**1,581.82**	1,723.26	1,817.58
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	18	**985.28**	1,016.80	1,008.68
Provisions	19	**5.15**	5.76	8.30
Deferred Tax Liabilities (Net)	20	**-**	-	33.38
Current Liabilities				
Financial Liabilities				
Borrowings	21	**1,437.41**	1,311.02	782.38
Trade Payables	22	**311.97**	171.47	414.99
Other Financial Liabilities	23	**496.04**	424.62	298.39
Other Current Liabilities	24	**21.17**	20.47	18.48
Provisions	25	**4.83**	5.04	6.49
TOTAL EQUITY & LIABILITIES		**4,877.28**	4,712.04	4,422.26
Significant Accounting Policies	2			

The accompanying notes form an integral part of financial statement

As per our Report attached

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Regn. No. 104607W/W100166

Daraius Z. Fraser
Partner
M. No. 42454

Mumbai, May 22, 2017

For and on behalf of the Board

A. B. Godrej
Chairman
DIN:00065964

N. B. Godrej
Managing Director
DIN:00066195

N. S. Nabar
Executive Director
& President (Chemicals)
DIN:06521655

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2017

Amount ₹ in Crore

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from Operations	28	**1,602.17**	1,393.86
Other Income	29	**46.88**	25.47
Total Income		**1,649.05**	1,419.33
Expenses			
Cost of Materials Consumed	30	**1,111.86**	829.00
Purchases of Stock-in-Trade		**18.68**	1.73
Changes in Inventories of Finished Goods, Stock-in-Trade and Work- in-Progress	31	**(46.05)**	(5.66)
Excise Duty		**102.08**	90.91
Employee Benefits Expenses	32	**116.25**	135.05
Finance Costs	33	**207.86**	200.24
Depreciation and Amortisation Expense		**52.43**	44.37
Other Expenses	34	**231.29**	249.64
Total Expenses		**1,794.40**	1,545.28
Loss Before Exceptional Items and Tax		**(145.35)**	(125.95)
Exceptional Items	35	**-**	134.21
(Loss) / Profit Before Tax		**(145.35)**	8.26
Tax Expense			
Current Tax		**-**	9.96
Deferred Tax		**(0.11)**	(35.91)
		(0.11)	(25.95)
(Loss) / Profit after for the Year		**(145.24)**	34.21
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit liability		**(1.92)**	(1.61)
Income Tax on Items that will not be reclassified to Profit or Loss		**-**	-
		(1.92)	(1.61)
Total Comprehensive Income for the Year		**(147.16)**	32.60
Earnings per Equity Shares (Face Values ₹ 1 each)	36		
Basic		**(4.32)**	1.02
Diluted		**(4.32)**	1.02
Significant Accounting Policies	2		

The accompanying notes form an integral part of financial statement

As per our Report attached

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Company Secretary

Statement of Changes in Equity for the year ended March 31, 2017

1. Equity Share Capital

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	No. of Shares	Amount ₹ in Crore	No. of Shares	Amount ₹ in Crore	No. of Shares	Amount ₹ in Crore
Balance at the beginning of the year	**335,988,807**	**33.60**	335,881,974	33.59	335,455,260	33.55
Changes in equity share capital during the year	**150,979**	**0.01**	106,833	0.01	426,714	0.04
Balance at the end of the year	**336,139,786**	**33.61**	335,988,807	33.60	335,881,974	33.59

2. Other Equity

Amount ₹ in Crore

Particulars	Reserves and Surplus							Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Capital Redemption Reserve	Securities Premium Reserve	Capital Reserve	Employee Stock Grant Outstanding	Foreign Currency Monetary Item Translation Difference	Remeasurements of the net defined benefit Plans	
Balance at April 01, 2015	788.22	52.70	31.46	931.37	9.88	3.95	-	-	1,817.58
Profit for the year	34.21	-	-	-	-	-	-	-	34.21
Other Comprehensive Income	-	-	-	-	-	-	-	(1.61)	(1.61)
Transfer from Employee Stock Option Grant	-	-	-	2.97	-	-	-	-	2.97
Exercise of Stock Grant (Net of Deferred Stock Grant Expense)	-	-	-	-	-	5.85	-	-	5.85
Transfer to Securities Premium on exercise of Stock Grants during the year	-	-	-	-	-	(2.97)	-	-	(2.97)
Utilization for issue of Bonus Shares during the year pursuant to Scheme of Amalgamation	-	0.00	-	-	-	-	-	-	0.00
Foreign Currency Monetary Item Translation	-	-	-	-	-	-	(0.98)	-	(0.98)
Final Dividend including DDT	(70.78)	-	-	-	-	-	-	-	(70.78)
Dividend excess provided in earlier years	0.01	-	-	-	-	-	-	-	0.01
Interim dividend declared and paid	(58.80)	-	-	-	-	-	-	-	(58.80)
DDT on interim dividend distributed	(11.97)	-	-	-	-	-	-	-	(11.97)
Dividend Distribution Tax (DDT) credit from subsidiaries	9.75	-	-	-	-	-	-	-	9.75
Balance at March 31, 2016	**690.64**	**52.70**	**31.46**	**934.34**	**9.88**	**6.83**	**(0.98)**	**(1.61)**	**1,723.26**
Loss for the year	(145.24)	-	-	-	-	-	-	-	(145.24)
Other Comprehensive Income	-	-	-	-	-	-	-	(1.92)	(1.92)
Transfer from Employee Stock Option Grant	-	-	-	4.87	-	-	-	-	4.87
Exercise of Stock Grant (Net of Deferred Stock Grant Expenses)	-	-	-	-	-	4.73	-	-	4.73
Transfer to Securities Premium on exercise of Stock Grants during the year	-	-	-	-	-	(4.87)	-	-	(4.87)
Utilization for issue of Bonus Shares during the year pursuant to Scheme of Amalgamation	-	0.00	-	-	-	-	-	-	0.00
Foreign Currency Monetary Item Translation	-	-	-	-	-	-	0.98	-	0.98
Balance at March 31, 2017	**545.40**	**52.70**	**31.46**	**939.21**	**9.88**	**6.70**	**-**	**(3.53)**	**1,581.82**

Refer Note 17 for Nature and Purpose of Reserve

The accompanying notes form an integral part of the financial statements

As per our Report attached

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Regn. No. 104607W/W100166

Daraius Z. Fraser
Partner
M. No. 42454

Mumbai, May 22, 2017

For and on behalf of the Board

A. B. Godrej
Chairman
DIN:00065964

N. B. Godrej
Managing Director
DIN:00066195

N. S. Nabar
Executive Director
& President (Chemicals)
DIN:06521655

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Cash Flow Statement for the year ended March 31, 2017

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1.	**Cash Flow from Operating Activities:**		
	(Loss) / Profit Before Tax	**(145.35)**	**8.26**
	Adjustments for:		
	Depreciation	**52.43**	44.37
	Unrealised Foreign Exchange revaluation	**(10.15)**	(1.10)
	Profit on Sale of Investments	**(0.83)**	(137.49)
	(Profit) / Loss on Sale, Write off and Provision of Fixed Assets	**1.48**	4.79
	Dividend Income	**(46.94)**	(92.18)
	Share of Profit from LLP	**-**	(1.17)
	Interest Income	**(9.34)**	(3.74)
	Interest & Finance Charges	**207.86**	200.24
	Write back of Provision of Doubtful Loan	**(5.70)**	(11.00)
	Employee Stock Grant Scheme Compensation	**3.41**	3.51
	Actuarial loss on defined benefit plan	**(1.92)**	(1.61)
	Provision for Doubtful Debts and Sundry Balances (net)	**1.75**	0.48
	Operating Profit Before Working Capital Changes	**46.70**	**13.36**
	Adjustments for :		
	Increase/(Decrease) in Non-financial Liabilities	**(0.12)**	(2.00)
	Increase/(Decrease) in Financial Liabilities	**95.49**	(247.76)
	(Increase)/Decrease in Inventories	**(31.07)**	(63.42)
	(Increase)/Decrease in Non-financial Assets	**20.46**	2.47
	(Increase)/Decrease in Financial Assets	**83.49**	(59.94)
	Cash Generated from / (used in) Operations	**214.95**	**(357.29)**
	Direct Taxes Paid	**(8.06)**	(5.44)
	Net Cash Generated from / (used in) Operating Activities	**206.89**	**(362.73)**
2.	**Cash Flow from Investing Activities:**		
	Purchase / Adjustment of Fixed Assets	**(68.20)**	(197.72)
	Proceeds from Sale of Fixed Assets	**2.49**	0.82
	Purchase of Investments	**(1,059.78)**	(986.73)
	Proceeds from Sale of Investments	**866.28**	1,047.02
	Intercorporate Deposits / Loans (Net)	**17.82**	40.12
	Interest Received	**9.34**	3.74
	Dividend Received	**46.94**	92.18
	Net Cash used in Investing Activities	**(185.11)**	**(0.57)**

Cash Flow Statement for the year ended March 31, 2017

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
3.	**Cash Flow from Financing Activities:**		
	Proceeds from issue of Equity shares	**1.54**	1.34
	Proceeds from Borrowings	**3,029.45**	2,513.25
	Repayment of Borrowings	**(2,815.85)**	(1,928.70)
	Interest & Finance Charges Paid	**(209.33)**	(202.93)
	Dividend Paid	**(0.17)**	(117.59)
	Tax on Distributed Profits	**-**	(14.19)
	Net Cash Generated from / (used in) Financing Activities	**5.64**	**251.18**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**27.42**	**(112.12)**
	Cash and Cash Equivalents (Opening Balance)	**(15.67)**	**96.45**
	Cash and Cash Equivalents (Closing Balance)	**11.75**	**(15.67)**

Notes :

(Amount ₹ in Crore)

		As at March 31, 2017	As at March 31, 2016
1.	**Cash and Cash Equivalents**		
	Cash on Hand and Balances with Banks	**12.01**	7.09
	Bank Overdraft	**(0.26)**	(22.76)
	Cash and Cash Equivalents	**11.75**	(15.67)

2. The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

As per our Report attached

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Regn. No. 104607W/W100166

Daraius Z. Fraser
Partner
M. No. 42454

Mumbai, May 22, 2017

For and on behalf of the Board

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Executive Director
& President (Chemicals)
DIN:06521655

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Notes to Standalone Financial Statements

Note 1 : General Information

1. Corporate Information

The Company was incorporated under the Companies Act, 1956 on March 7, 1988 under the name of Gujarat-Godrej Innovative Chemicals Limited. The Company is domiciled in India and is listed on the BSE Ltd. (BSE) and the National Stock Exchange (NSE). The Company's registered office is at Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079. The Company is engaged in the businesses of manufacture and marketing of oleo-chemicals, their precursors and derivatives, bulk edible oils, estate management and investment activities. The business and undertaking of the erstwhile Godrej Soaps Limited was transferred to the Company under a Scheme of Amalgamation with effect from April 1, 1994 and the Company's name was changed to Godrej Soaps Limited. Subsequently, under a Scheme of Arrangement the Consumer Products division of the Company was demerged with effect from April 1, 2001 into a separate company, Godrej Consumer Products Limited (GCPL).

The Company's name was changed to Godrej Industries Limited on April 2, 2001. The Vegetable Oils and Processed Foods Manufacturing business of Godrej Foods Limited was transferred to the Company with effect from June 30, 2001. The Foods division (except Wadala factory) was then sold to Godrej Hershey Limited, on March 31, 2006. Swadeshi Detergents Limited, 100% subsidiary of the Company, was amalgamated with the Company effective from April 01, 2013. Wadala Commodities Limited was amalgamated with the Company effective from April 01, 2014.

2. Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements for the year ended March 31, 2017 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended March 31, 2016 , the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended March 31, 2016 and the opening Balance Sheet as at April 01, 2015 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Equity, Total Comprehensive Income and Cash Flows are provided in note 46.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2015 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements of the Company for the year ended March 31, 2017 were approved for issue in accordance with the resolution of the Board of Directors on May 22, 2017.

Notes to Standalone Financial Statements

3. Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

4. Functional and presentation currency

The financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest crore, unless otherwise indicated.

5. Key estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized.
- Impairment of Property, Plant and Equipments
- Recognition and measurement of defined benefit obligations
- Recognition of deferred tax assets
- Fair valuation of employee share options
- Discounting of long-term financial liabilities
- Fair value of financial instruments
- Provisions and Contingent Liabilities

6. Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from April 1, 2017. The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is currently evaluating the effect of the above amendments.

In March 2017, the Ministry of Corporate Affairs had made amendments to Classification and Measurement of Share-based Payment Transactions under Ind AS 102. Paragraphs 19, 30-31 and 52 of Ind AS 102 were amended and paragraphs 33A-33H, 59A-59B, 63D and B44A-B44C and their related headings were added. It mainly deals with accounitng for a modificaiton of a share-based payment transaction that changes its classification from Cash Settled to Equity Settled. The Company is currently evaluating the effect of the above amendments.

7. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the

Notes to Standalone Financial Statements

evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) 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 (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Note 2 : Significant Accounting Policies

1. Property, Plant and Equipment

(i) Recognition and measurement

Property, Plant and Equipment (PPE) are measured at Original cost net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Advances paid towards the acquisition of PPE outstanding at each reporting date are classified as capital advances under Other Non-Current Assets and Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”.

Capital expenditure on tangible assets for Research and Development is classified under Property, Plant and Equipment and is depreciated on the same basis as other Property, Plant and Equipment.

Property, Plant and Equipment are eliminated from financial statement on disposal and gains or losses arising from disposal are recognised in the statement of Profit and Loss in the year of occurrence.

Exchange differences on repayment and year end translation of foreign currency loans availed upto March 31, 2016 relating to acquisition of depreciable capital assets are adjusted to the carrying cost of the assets.

(ii) Subsequent expenditure

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

When Significant parts of Property, Plant and Equipments are required to be replaced, the Company derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly.

(iii) Depreciation

Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except in the case of Plant and Machinery where the Company, based on technical evaluation, the condition of the plants, regular maintenance schedule, material of construction and past experience, has considered useful life of certain items of PPE different from that

Notes to Standalone Financial Statements

prescribed in Schedule II to the Act. Assets costing less than ₹ 5,000 are depreciated at 100% in the year of acquisition.

(iv) First Time adoption of Ind AS

Upon first-time adoption of Ind AS, the Company has elected to measure all its Property, Plant and Equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 01, 2015.

2. Investment Property

(i) Recognition and measurement

Investment Property comprise of Freehold Land and Buildings.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of derecognition.

(ii) Depreciation

Depreciation on Investment Property is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013.

3. Intangible Assets

(i) Recognition and measurement

Intangible assets are recognised when it is probable that future economic benefits that are attributable to concerned assets will flow to the Company and the cost of the assets can be measured reliably.

Gain or loss arising from derecognition of an intangible asset is recognised in the Statement of Profit and Loss.

(ii) Depreciation

The useful life of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

4. Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

Notes to Standalone Financial Statements

When there is indication that an impairment loss recognized for an asset in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

5. Investments in Subsidiaries, Associates and Jointly Controlled Entities

Investments in subsidiaries associates and jointly controlled entities are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and jointly controlled entities the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries, associates and jointly controlled entities at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 01, 2015.

6. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using the weighted average method. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

If payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost should be recognised as interest expense over the period of financing under the effective interest method.

7. Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

8. Assets held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell; (ii) the assets are available for immediate sale in its present condition; (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

9. Financial Assets

(i) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Notes to Standalone Financial Statements

(ii) Subsequent measurement

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

(iii) Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(iv) Debt Instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.

(c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss.

(v) Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis.Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

(vi) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Notes to Standalone Financial Statements

(vii) Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

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

10. Financial Liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

11. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

12. Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. The Company also uses commodity futures contracts to hedge the exposure to oil price risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

13. Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

Notes to Standalone Financial Statements

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase orders (net of advance) issued to parties for acquisition of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

14. Revenue Recognition

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Sales are inclusive of excise duty and net of returns, trade discounts, rebates and sales taxes.

Income from processing operations is recognised on completion of production / dispatch of the goods, as per the terms of contract.

Dividend income is recognised when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

Income on assets given on operating lease is recognised on a straight line basis over the lease term in the Statement of Profit and Loss.

15. Employee Benefits

(i) Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on Economic Value Added (EVA) or Profit before Tax (PBT). The PLVR amount is related to actual improvement made in EVA or PBT over the previous year when compared with expected improvements.

(ii) Post Employment Benefits

(a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund and Family Pension maintained with Regional Provident Fund Office are charged as an expense in the Statement of Profit and Loss as they fall due.

(b) Defined Benefit Plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a

Notes to Standalone Financial Statements

qualified actuary using the projected unit credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Pension plan for eligible employees are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet.

(iii) Other Long-Term Employee Benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurement are recognized in Statement of Profit and Loss in the period in which they arise.

(iv) Terminal Benefits

All terminal benefits are recognized as an expense in the period in which they are incurred.

16. Share-Based Payments

Employees of the Company also receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated basis Black Scholes model. At the end of each reporting period, apart from the non market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

When the terms of an equity-settled award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

17. Operating Leases

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized on a straight line basis over the lease term as an expense in the Statement of Profit and Loss.

18. Research and Development Expenditure

Revenue expenditure on Research & Development is charged to the Statement of Profit and Loss of the year in which it is incurred. Capital expenditure incurred during the year on Research & Development is included under additions to fixed assets.

19. Borrowing Costs

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. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to Standalone Financial Statements

20. Foreign Exchange Transactions

(i) The financial statements of the Company are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions in foreign currency are recorded at exchange rates prevailing on the day of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

(iii) The difference in translation of long term monetary assets acquired and liabilities incurred prior to April 01, 2016 and realised gains and losses on foreign currency transactions relating to acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset; and in other cases, accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset / liability, by recognition as income or expense but not beyond March 31, 2020.

21. Taxes on Income

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

(i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

(ii) Deferred Tax

Deferred tax is recognized in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

22. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes to Standalone Financial Statements

Note 3 : Property, Plant and Equipments

Amount ₹ in Crore

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles - Own	Vehicles - Under Finance Lease	Computer Hardware	Office Equipments	Research Centre	Total
Gross Carrying Amount											
Deemed Cost as at April 01, 2015	**0.76**	**19.46**	**155.15**	**391.76**	**5.06**	**20.61**	**-**	**1.33**	**3.75**	**0.37**	**598.25**
Additions	-	3.61	493.92	82.72	13.97	3.36	-	10.06	12.82	0.15	620.61
Disposals / Adjustments	-	-	(14.12)	3.65	6.94	1.67	-	0.58	6.29	0.11	5.12
Balance as at March 31, 2016	**0.76**	**23.07**	**663.19**	**470.83**	**12.09**	**22.30**	**-**	**10.81**	**10.28**	**0.41**	**1,213.74**
Additions	-	-	75.43	217.86	8.95	7.79	-	1.67	9.54	0.31	321.55
Disposals / Adjustments	0.24	-	3.33	38.80	1.58	0.89	-	0.13	0.49	0.12	45.58
Balance as at March 31, 2017	**0.52**	**23.07**	**735.29**	**649.89**	**19.46**	**29.20**	**-**	**12.35**	**19.33**	**0.60**	**1,489.71**
Accumulated Depreciation											
Balance as at April 01, 2015	-	-	-	-	-	-	-	-	-	-	-
Additions	-	0.24	13.56	17.11	2.14	3.54	-	2.49	3.18	0.01	42.27
Disposals / Adjustments	-	-	-	-	0.01	0.15	-	-	-	-	0.16
Balance as at March 31, 2016	**-**	**0.24**	**13.56**	**17.11**	**2.13**	**3.39**	**-**	**2.49**	**3.18**	**0.01**	**42.11**
Additions	-	0.28	15.96	20.44	2.10	3.87	-	3.98	3.14	0.10	49.87
Disposals / Adjustments	-	-	0.35	0.07	0.65	0.37	-	0.04	0.11	0.05	1.64
Balance as at March 31, 2017	**-**	**0.52**	**29.17**	**37.48**	**3.58**	**6.89**	**-**	**6.43**	**6.21**	**0.06**	**90.34**
Net Carrying Amount											
Balance as at April 01, 2015	0.76	19.46	155.15	391.76	5.06	20.61	-	1.33	3.75	0.37	598.25
Balance as at March 31, 2016	0.76	22.83	649.63	453.72	9.96	18.91	-	8.32	7.10	0.40	1,171.63
Balance as at March 31, 2017	0.52	22.55	706.12	612.41	15.88	22.31	-	5.92	13.12	0.54	1,399.37

Notes :

1. The Company has availed the deemed cost exemption in relation to the Property, Plant and Equipments on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2015 under the previous GAAP.

Amount ₹ in Crore

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles - Own	Vehicles - Under Finance Lease	Computer Hardware	Office Equipments	Research Centre	Total
Gross Block as on April 01, 2015	0.76	20.66	185.94	660.31	14.80	36.18	0.03	9.61	14.95	0.67	943.91
Accumulated Depreciation till April 01, 2015	-	1.20	30.79	268.55	9.74	15.57	0.03	8.28	11.20	0.30	345.66
Net Block treated as Deemed cost upon transition	0.76	19.46	155.15	391.76	5.06	20.61	-	1.33	3.75	0.37	598.25

2. Refer Note No. 27 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.
3. No Property, Plant and Equipment is pledged as security by the Company.
4. Addition to Fixed Assets includes ₹ (-) 7.85 crore for the year ended March 31, 2017 (previous year ₹ 43.01 crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets.
5. Plant & Equipments and Buildings at Vikhroli location amounting to ₹ 3.58 crore as on March 31, 2016 (₹ 3.93 crore as on March 31, 2015) are classified as Assets held for Sale. [Refer note 15]
6. Buildings includes certain Office Premises given on lease in exchange for similar Office Premises in the same building. [Gross Block - ₹ 94.72 crore (As at March 31, 2016 - ₹ 94.72 crore and as at April 01, 2015 Nil) and Net Carrying Amount - ₹ 91.90 crore (As at March 31, 2016- ₹ 93.40 crore and as at April 01, 2015 Nil)]
7. Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except in the case of Plant and Equipments where the Company, based on technical evaluation, the condition of the plants, regular maintenance schedule, material of construction and past experience, has considered useful life of Plant and Machinery as 30 years instead of 20 years useful life as prescribed in Schedule II of the Act.

Notes to Standalone Financial Statements

Note 3a : Capital Work-in-Progress

Capital work-in-progress includes ₹ Nil (March 31, 2016 - ₹ 35.29 crore and April 01, 2015 - ₹ 16.31 crore) on account of Exchange Difference arising on conversion of Long Term Foreign Currency Monetary Items relating to acquisition of depreciable assets. Capital work-in-progress also includes net borrowing cost capitalised amounting to ₹ Nil (March 31, 2016 - ₹ Nil and April 01, 2015 - ₹ 76.06 crore).

Note 3b : Investment Property

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Gross Carrying Amount			
Deemed Cost as at April 01, 2015	**0.38**	**48.50**	**48.88**
Additions	-	81.59	81.59
Disposals / Adjustments	-	-	-
Balance as at March 31, 2016	**0.38**	**130.09**	**130.47**
Additions	-	0.02	0.02
Disposals / Adjustments	-	0.15	0.15
Balance as at March 31, 2017	**0.38**	**129.96**	**130.34**
Accumulated Depreciation			
Balance as at April 01, 2015	-	-	-
Additions	-	2.01	2.01
Disposals / Adjustments	-	-	-
Balance as at March 31, 2016	**-**	**2.01**	**2.01**
Additions	-	2.16	2.16
Disposals / Adjustments	-	0.03	0.03
Balance as at March 31, 2017	**-**	**4.14**	**4.14**
Net Carrying Amount			
Balance as at April 01, 2015	0.38	48.50	48.88
Balance as at March 31, 2016	0.38	128.08	128.46
Balance as at March 31, 2017	0.38	125.82	126.20
Fair Value			
As at April 01, 2015	4.15	138.37	142.52
As at March 31, 2016	4.15	218.23	222.38
As at March 31, 2017	4.15	219.75	223.90

Notes :

1. The Company has availed the deemed cost exemption in relation to the Investment Property on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 01, 2015 under the previous GAAP.

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Gross Block as on April 01, 2015	0.38	53.97	54.35
Accumulated Depreciation till April 01, 2015	-	5.47	5.47
Net Block treated as Deemed cost upon transition	0.38	48.50	48.88

Notes to Standalone Financial Statements

Note 3b : Investment Property (Contd.)

2. Information regarding income and expenditure of Investment Property

Amount ₹ in Crore

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rental income derived from investment properties	6.22	7.63
Direct operating expenses	3.64	2.02
Gains arising from investment properties before depreciation	2.58	5.61
Less : Depreciation	2.16	2.01
Gains arising from investment properties	0.42	3.60

3. The Company's investment properties consist of 10 properties in India. The management has determined that the investment property consists of two class of assets - Land and building - based on the nature, characteristics and risks of each property.

4. The Company has no restriction on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

5. The fair valuation is based on current prices in the active market for similar properties. The main input used are quantum, area, location, demand, age of building and trend of fair market rent in the location of the property.

   The fair value is based on valuation performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy.

6. Reconciliation of Fair Value

Amount ₹ in Crore

Particulars	Freehold Land	Buildings	Total
Opening balance as at April 01, 2015	**4.15**	**138.37**	**142.52**
Fair value differences	-	(1.73)	(1.73)
Purchases	-	81.59	81.59
Opening balance as at April 01, 2016	**4.15**	**218.23**	**222.38**
Fair value differences	-	1.50	1.50
Purchases	-	0.02	0.02
Closing balance as at March 31, 2017	**4.15**	**219.75**	**223.90**

Notes to Standalone Financial Statements

Note 3c : Intangible Assets

Amount ₹ in Crore

Particulars	Trademarks	Computer Software	Total
Gross Carrying Amount			
Deemed Cost as at April 01, 2015	-	**0.67**	**0.67**
Additions	-	0.45	0.45
Disposals / Adjustments	-	0.34	0.34
Balance as at March 31, 2016	**-**	**0.78**	**0.78**
Additions	-	0.60	0.60
Disposals / Adjustments	-	0.10	0.10
Balance as at March 31, 2017	**-**	**1.28**	**1.28**
Accumulated Depreciation			
Balance as at April 01, 2015	-	-	-
Additions	-	0.08	0.08
Disposals / Adjustments	-	-	-
Balance as at March 31, 2016	**-**	**0.08**	**0.08**
Additions	-	0.41	0.41
Disposals / Adjustments	-	0.11	0.11
Balance as at March 31, 2017	**-**	**0.38**	**0.38**
Net Carrying Amount			
Balance as at April 01, 2015	-	0.67	0.67
Balance as at March 31, 2016	-	0.70	0.70
Balance as at March 31, 2017	-	0.90	0.90

Note

The Company has availed the deemed cost exemption in relation to Intangible Assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 01, 2015 under the previous GAAP.

Amount ₹ in Crore

Particulars	Trademarks	Computer Software	Total
Gross Block as on April 01, 2015	4.63	11.54	16.17
Accumulated Depreciation till March 31, 2015	4.63	10.87	15.50
Net Block treated as Deemed cost upon transition	-	0.67	0.67

Notes to Standalone Financial Statements

Note 4 : Investments in Subsidiaries and Associates

(Refer Note 2 sub note 5 for Accounting Policy on Investments in Subsidiaries, Associates and Jointly Controlled Entities)

Amount ₹ in Crore

Particulars	Note	Face Value	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
			Number	Value	Number	Value	Number	Value
1. Investment in Equity Instruments (Fully Paid up unless states otherwise)								
(a) Quoted Investment								
(i) Subsidiaries								
Godrej Properties Limited	a	5	**122,681,066**	**726.78**	122,681,066	726.78	112,450,304	610.13
(ii) Associates								
Godrej Consumer Products Limited		1	**80,937,620**	**1,366.21**	80,937,620	1,366.21	80,277,620	1,286.86
(b) Unquoted Investment								
(i) Subsidiaries								
Ensemble Holdings & Finance Limited	b	10	**6,190,826**	**21.19**	5,774,160	15.19	3,774,160	13.19
Godrej Agrovet Limited		10	**117,878,964**	**344.71**	56,286,482	143.98	56,286,482	143.98
Godrej International Limited (Isle of Man)		£1	**2,105,000**	**14.76**	2,105,000	14.76	2,105,000	14.76
Godrej International Trading & Investments Pte. Limited		$1	**1,000,000**	**4.43**	1,000,000	4.43	1,000,000	4.43
Godrej International Limited (Labuan) *		$1	**1**	**0.00**	1	0.00	1	0.00
GIL Vikhroli Real Estate Limited	a	10	**-**	**-**	-	-	-	-
Natures Basket Limited		10	**309,230,000**	**307.19**	225,230,000	223.19	160,190,000	158.15
Godrej One Premises Management Private Limited *		10	**1,400**	**0.00**	1,400	0.00	-	0.00
2. Investment in Partnership Firms								
(i) Limited Liability Partnership								
Godrej Vikhroli Properties LLP				**-**		-		0.80
Profit Accrued on share in Godrej Vikhroli Properties LLP				**-**		-		145.48
				2,785.27		2,494.54		2,377.78
Aggregate Amount of Quoted Investments				**2,092.98**		2,092.99		1,896.99
Aggregate Amount of Unquoted Investments				**692.29**		401.55		480.79
Aggregate Amount of Impairment in the Value of Investments				**-**		-		-
Market Value of Quoted Investments				**18,246.55**		14,799.17		11,180.05

* Amount less than ₹ 0.01 crore.

Notes

a. During the Financial Year 2015-16, the Company had invested ₹ 152 crore in its 100% subsidiary, GIL Vikhroli Real Estate Limited (GVREL). GVREL was admitted as a 40% stake partner in Godrej Vikhroli Properties LLP (GVPLLP), in respect of which it invested an amount of ₹ 147.45 crore. The Company retired from GVPLLP and received from GVPLLP a sum of ₹ 147.45 crore for its 40% stake in GVPLLP. The Board of Directors of GVREL and Godrej Properties Limited (GPL) approved the Scheme of Amalgamation of GVREL with GPL under the provisions of Sections 391 to 394 of the Companies Act, 1956. The Honourable High court of Judicature at Bombay, vide order dated February 26, 2016, sanctioned a Scheme of Amalgamation of GVREL with GPL. The appointed date for the Amalgamation was August 01, 2015 and the effective date was March 15, 2016. Upon the scheme becoming effective, 16,745,762 equity shares of face value ₹ 5 each of GPL were allotted to the Company.

b. The Investment value includes share application money of ₹ 1.99 crore as at March 31, 2017 for which allotment of shares is pending.

Notes to Standalone Financial Statements

Note 4a : Non-Current Investments

Amount ₹ in Crore

Particulars	Note	Face Value	As at March 31, 2017 Number	As at March 31, 2017 Value	As at March 31, 2016 Number	As at March 31, 2016 Value	As at April 1, 2015 Number	As at April 1, 2015 Value
1. Investment in Equity Instruments (Fully Paid up unless stated otherwise)								
At Fair Value Through Profit and Loss								
(a) Unquoted Investment								
Bharuch Eco-Aqua Infrastructure Ltd.		10	**440,000**	**0.44**	440,000	0.44	440,000	0.44
Less : Provision for Impairment in the Value of Investment				**(0.44)**		(0.44)		(0.44)
				-		-		-
Avesthagen Ltd.		7	**469,399**	**12.43**	469,399	12.43	469,399	12.43
Less : Provision for Impairment in the Value of Investment				**(12.43)**		(12.43)		(12.43)
				-		-		-
CBay Infotech Ventures Pvt. Ltd.		10	**112,579**	**2.33**	112,579	2.33	112,579	2.33
Less : Provision for Impairment in the Value of Investment				**(2.33)**		(2.33)		(2.33)
				-		-		-
Gharda Chemicals Ltd.	a	100	**114**	**0.12**	114	0.12	114	0.12
Less : Provision for Impairment in the Value of Investment				**(0.12)**		(0.12)		(0.12)
				-		-		-
HyCa Technologies Pvt. Ltd.		10	**12,436**	**1.24**	12,436	1.24	12,436	1.24
Less : Provision for Impairment in the Value of Investment				**(1.24)**		(1.24)		(1.24)
				-		-		-
Tahir Properties Ltd (Partly paid) *	b	100	**25**	**-**	25	-	25	-
Boston Analytics Inc.		$1	**1,354,129**	**6.91**	1,354,129	6.91	1,354,129	6.91
Less : Provision for Impairment in the Value of Investment				**(6.91)**		(6.91)		(6.91)
				-		-		-
The Saraswat Co-op Bank Ltd. *		10	**1,000**	**0.02**	1,000	0.02	1,000	0.02
2. Investment in Preference Shares (Fully Paid up unless stated otherwise)								
At Fair Value Through Profit and Loss								
(a) Unquoted Investment								
Tahir Properties Ltd (Class - A) (Partly paid) *		100	**-**	**-**	25	-	25	-
Less: Forfeited				**-**		-		-
Verseon Corporation - Class A & Class B Preferred Shares	c	$0.001	**-**	**-**	-	-	3,347,246	134.77
3. Investment in Partnership Firms								
At Fair Value Through Profit and Loss								
View Group LP *	d		**-**	**-**	-	-	-	-
Less : Provision for impairment in the Value of Investment				**-**		-		-
				0.02		0.02		134.79
Aggregate Amount of Quoted Investments				**-**		-		-
Aggregate Amount of Unquoted Investments				**23.49**		23.49		158.26
Aggregate Amount of Impairment in the Value of Investments				**(23.47)**		(23.47)		(23.47)
Market Value of Quoted Investments				**-**		-		-

* Amount less than ₹ 0.01 crore.

Notes

a. The said shares have been refused for registration by the investee company.

b. Uncalled Liability on partly paid shares
- Tahir Properties Ltd. - Equity - ₹ 80 per share (Previous year - ₹ 80 per share).

c. In the year ended March 31, 2015, the outstanding principal amount of Optionally Convertible Notes (OCN) amounting to ₹ 3.98 crore along with accrued interest thereon amounting to ₹ 6.64 crore have been converted into Class B Preferred Shares. The entire investment in Verseon Corporation is measured at fair value.

In the year ended March 31, 2016, the Company's holding of 2,631,578 Class A Preferred Shares and 715,668 Class B Preferred Shares were converted into 6,694,492 New Common Shares in Verseon Corporation. The Company invested in warrants in respect of 85,587 Class B Preferred shares which were converted into 171,174 New Common Shares in Verseon Corporation.

Verseon Corporation was listed on Alternate Investment Market on London Stock Exchange. The entire Investment in Common Shares was sold during the year ended March 31, 2016.

d. View Group LP has been dissolved on December 14, 2012, however, the Company has still not received an approval from RBI for writing-off the investment.

Notes to Standalone Financial Statements

Note 5 : Non-Current Loans

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Security Deposit						
(a) Unsecured and Considered Good		**2.75**		2.37		6.09
2. Other Loans						
(a) Secured and Considered Doubtful (Refer note 1 below)	**10.33**		10.33		10.33	
Less : Allowance for Bad and Doubtful Loans	**(10.33)**		(10.33)		(10.33)	
		-		-		-
(b) Unsecured and Considered Good						
Loans to employees		**0.43**		0.51		0.59
		3.18		2.88		6.68

Notes

1. The Company had advanced an amount of ₹ 10.33 crore to certain individuals who also pledged certain equity shares as security against the said advance. The Company has enforced its security and lodged the shares for transfer in its name. The said transfer application was rejected and Company has preferred an appeal to the Company Law Board (CLB). The CLB rejected the application and advised the parties to approach the High Court. The Company had filed an appeal before the Honorable High Court against the order of the Company Law Board under Section 10 F of the Companies Act, which was disposed off with the direction to keep the transfer of shares in abeyance till the arbitration proceedings between the parties are on. The Honorable Bombay High Court passed an interim order dated September 18, 2012, restraining the Company from interalia, dealing, selling or creating third party rights, etc. in the pledged shares and referred the matter to arbitration. The Company had filed a Special Leave Petition (SLP) before the Supreme Court against this interim order of the Honorable Bombay High Court which the Supreme Court has dismissed and the matter is presently before the Arbitrator.

   The Management is confident of recovery of this amount as underlying value of the said shares is substantially greater than the amount of loan and interest thereon. However, on a conservative basis, the Company has provided for the entire amount of ₹ 10.33 crore in the books of account.

2. Details of Loans under Section 186 (4) of Companies Act, 2013.

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Maximum Balance during the Year	**Amount outstanding**	Maximum Balance during the Year	Amount outstanding	Maximum Balance during the Year	Amount outstanding
1. Loans where there is no repayment schedule or repayment						
(i) Federal & Rashmikant	**5.83**	**5.83**	5.83	5.83	5.83	5.83
(ii) M/s Dhruv & Co. (Regd.)	**4.18**	**4.18**	4.18	4.18	4.18	4.18
(iii) D. R. Kavasmaneck & Dr. P. R. Kavasmaneck	**0.32**	**0.32**	0.32	0.32	0.32	0.32
2. Loans to Employees (as per Policy of the Company)	**0.51**	**0.43**	0.78	0.51	0.60	0.59

Notes to Standalone Financial Statements

Note 6 : Non Current Financial Assets - Others

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Bank Deposit with more than 12 months maturity (Refer Note 2)	-	-	0.10
2. Secured			
(a) Interest Accrued on Loans (Refer Note 1 below)	3.15	3.15	3.15
Provision for Doubtful Interest Accrued	(3.15)	(3.15)	(3.15)
	-	-	-
3. Unsecured			
(a) Interest Accrued on Loans	1.03	1.03	1.11
Provision for Doubtful Interest Accrued	(1.03)	(1.03)	(1.11)
	-	-	-
	-	-	0.10

Notes

1. Interest on loan referred to in sub note (1) under Note 5 - Non-Current Loans, amounting to ₹ 3.15 crore was accrued upto March 31, 2000 and has been fully provided for, no interest is being accrued thereafter.
2. Fixed Deposit as at April 01, 2015 of ₹ 0.10 crore was held by bank as security against guarantees issued.

Note 7 : Deferred Tax Assets (Net)

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. **Liabilities**			
(a) Written Down Value of Assets	130.71	114.80	-
(b) VRS Expenses	-	-	-
(c) Other Provisions	-	-	-
2. **Assets**			
(a) Provision for Retirement Benefits	2.31	2.38	-
(b) Provision for Doubtful Debts / Advances	6.27	6.66	-
(c) Other Provisions	10.76	9.59	-
(d) Unabsorbed Depreciation	111.37	96.17	-
(e) Indexation benefit on Land	2.65	2.53	-
	2.65	2.53	-

Note 8 : Other Non-Current Assets

1. Capital Advances	3.26	3.31	15.11
2. Other Advances			
(a) Deposits with Statutory Authorities	18.80	21.74	21.80
	22.06	25.05	36.91

Notes to Standalone Financial Statements

Note 9 : Inventories

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Raw Materials (includes goods in transit ₹ 8.27 crore)	**107.93**	126.58	69.23
2. Packing Material	**3.41**	2.83	2.19
3. Work in Progress	**88.88**	73.93	71.51
4. Finished Goods (includes goods in transit ₹ 19.66 crore)	**78.66**	54.50	52.11
5. Stock in Trade	**7.84**	0.90	0.05
6. Stores and Spares	**9.90**	6.82	7.04
	296.62	265.56	202.13

Note

Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of cenvat.

Note 10 : Current Financial Assets - Investments

Amount ₹ in Crore

Particulars	Note	Face Value	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Other Investment								
(a) Unquoted Investment								
Optionally Convertible Loan Notes/Promissory Notes								
Boston Analytics Inc. (15%)	a	$ 750,000	**3.00**		3.00		3.00	
Less : Provision for Impairment in the Value of Investment			**(3.00)**		(3.00)		(3.00)	
				-		-		-
Boston Analytics Inc. (20%)	a	$ 15,50,000	**6.73**		6.73		6.73	
Less : Provision for Impairment in the Value of Investment			**(6.73)**		(6.73)		(6.73)	
				-		-		-
Boston Analytics Inc. (12%)	b	$ 950,000	**4.69**		4.69		4.69	
Less : Provision for Impairment in the Value of Investment			**(4.69)**		(4.69)		(4.69)	
				-		-		-
				-		-		-
Aggregate Amount of Quoted Investments				**-**		-		-
Aggregate Amount of Unquoted Investments				**14.42**		14.42		14.42
Aggregate Amount of for Impairment in the Value of Investments				**(14.42)**		(14.42)		(14.42)
Market Value of Quoted Investments				**-**		-		-

Notes

1. The Optionally Convertible Promissory Notes (15%) of Boston Analytics Inc. in respect of which the Company did not exercise the conversion option and Boston Analytics Inc. promissory notes (20%) where there was a partial conversion option which the Company did not exercise, were due for redemption on June 30, 2009 and August 21, 2009, respectively. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.
2. 12% promissory notes were repayable on or before December 31, 2011, along with interest on maturity. The said promissory notes have not been redeemed as of the Balance Sheet date and have been fully provided for.

Notes to Standalone Financial Statements

Note 11 : Current Financial Assets - Trade Receivables

Amount ₹ in Crore

Particulars		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Secured and Considered Good (Refer Note below)		**12.48**	8.13	11.45
2. Unsecured and Considered Good		**109.23**	177.39	73.01
3. Unsecured and Considered Doubtful	**2.89**		1.14	0.99	
Less : Allowance for Bad and Doubtful Debt	**(2.89)**		(1.14)	(0.99)	
	-		-	-	
		121.71	185.52	84.46

Note

Secured by Security Deposits collected from Customers, Letter of Credit or Bank Guarantees held against them.

Note 12 a : Current Financial Assets - Cash and Cash Equivalents

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Balances with Banks			
(a) Current Accounts	**10.98**	6.61	12.92
(b) Deposit having maturity less than 3 months	**0.80**	0.19	85.09
2. Cash on Hand	**0.23**	0.29	0.37
	12.01	7.09	98.38

Note 12 b : Current Financial Assets - Other Bank Balances

1. Deposit with more than 3 months but less than 12 months maturity	**2.50**	4.00	8.52
2. Other Bank Balance (Refer Note below)	**0.56**	0.55	0.40
	3.06	4.55	8.92

Notes

Other Bank Balance include :

1. Fixed Deposit of ₹ 0.19 crore as on March 31, 2017 is held by bank as security against guarantees issued.
2. Balance of ₹ 0.34 crore unclaimed dividends.

Notes to Standalone Financial Statements

Note 13 : Current Financial Assets - Loans

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Unsecured Loans						
(a) Inter Corporate Deposit						
Considered Good	-		-		-	
Considered Doubtful	5.77		5.77		5.77	
Provision for Doubtful Deposit	(5.77)		(5.77)		(5.77)	
		-		-		-
(b) Loans to Employees						
Considered Good	0.17		0.18		0.19	
Considered Doubtful*	0.00		0.00		0.00	
Provision for Doubtful Loan*	0.00		0.00		0.00	
		0.17		0.18		0.19
(c) Loans to GIL ESOP Trust						
Considered Good	-		18.91		46.75	
Considered Doubtful	-		5.70		16.70	
Provision for Doubtful Loan	-		(5.70)		(16.70)	
		-		18.91		46.75
		0.17		19.09		46.94

* Amount less than ₹ 0.01 crore.

Note

Details of Loans as per Section 186 (4) of the Companies Act, 2013.

Particualrs	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Maximum Balance during the Year	Amount outstanding	Maximum Balance during the Year	Amount outstanding	Maximum Balance during the Year	Amount outstanding
1. Investments by the loanee in the shares of parent company and subsidiary company (without considering the ESOP Trust Loan Liability)						
GIL ESOP Trust	24.61	-	63.45	24.61	66.77	63.45
2. Loans to Employees (as per Policy of the Company)	0.18	0.17	0.19	0.18	0.23	0.19
3. Inter Corporate Deposit						
Tricom India Limited	5.77	5.77	5.77	5.77	5.77	5.77

Notes to Standalone Financial Statements

Note 14 : Current Financial Assets - Others

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Other Receivables	**15.66**	110.89	17.54
2. Fair Value of Derivative Contracts	**0.12**	1.35	2.22
3. Forward Cover Contracts Receivable	**2.26**	0.30	-
4. Interest Accrued on Loans and Deposits	**6.90**	-	1.20
	24.94	112.54	20.96

Note 15 : Other Current Assets

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Deposits						
(a) Deposits with Statutory Authorities	**14.88**		20.75		17.08	
(b) Other Deposits	**1.98**		1.83		1.83	
		16.86		22.58		18.91
2. Other Advances						
(a) Advance to Suppliers						
- Considered Good	**1.12**		11.10		0.94	
- Considered Doubtful	**0.65**		0.65		0.37	
Provision for Doubtful Advances	**(0.65)**		(0.65)		(0.37)	
		1.12		11.10		0.94
(b) Employee Advance		**0.08**		0.02		0.03
(c) Prepaid and other advances		**16.62**		18.95		39.64
3. Export Benefits Receivables		**15.44**		14.99		10.54
4. Assets held for Sale		**-**		3.58		3.93
		50.12		71.22		73.99

Notes to Standalone Financial Statements

Note 16 : Equity

Amount ₹ in Crore

Particulars	As at March 31, 2017 Nos	As at March 31, 2017 Amount	As at March 31, 2016 Nos	As at March 31, 2016 Amount	As at April 01, 2015 Nos	As at April 01, 2015 Amount
1. Authorised Share Capital						
(a) Equity shares of ₹ 1 each	**800,000,000**	**80.00**	800,000,000	80.00	800,000,000	80.00
(b) Unclassified Shares of ₹ 10 each	**100,000,000**	**100.00**	100,000,000	100.00	100,000,000	100.00
		180.00		180.00		180.00
2. Issued, Subscribed and Paid up Share Capital						
Equity Shares of ₹ 1 each fully paid up	**336,139,786**	**33.61**	335,988,807	33.60	335,881,974	33.59
Par Value of Equity Share is ₹ 1 each						
Par Value of Unclassified Share is ₹ 10 each						
3. Reconciliation of number of Shares						
Equity Shares						
Number of Shares outstanding at the beginning of the year	**335,988,807**	**33.60**	335,881,974	33.59	335,455,260	33.55
Issued during the year	**150,979**	**0.01**	106,833	0.01	426,714	0.04
Number of Shares outstanding at the end of the year	**336,139,786**	**33.61**	335,988,807	33.60	335,881,974	33.59
4. Rights, Preferences And Restrictions attached to Shares						
Equity Shares : The Company has one class of equity shares. Each equity share entitles the holder to one vote. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.						
5. Share holding Information						
(a) Equity Shares held by holding Company:						
Vora Soaps Limited	**193,904,681**	**19.39**	-	-	-	-
Godrej & Boyce Manufacturing Company Limited	**-**	**-**	193,904,681	19.39	193,904,681	19.39
(b) Shareholders holding more than 5% of Equity Shares in the Company						
Vora Soaps Limited - 57.69%	**193,904,681**	**19.39**	-	-	-	-
Godrej & Boyce Manufacturing Company Limited - As at March 31, 2016 - 57.71% (As at April 01, 2015- 57.73%)	**-**	**-**	193,904,681	19.39	193,904,681	19.39
6. Equity Shares Reserved for Issue Under Employee Stock Grant (₹ 1 each)						
Employee Stock Grant for which vesting date shall be such date as may be decided by the Compensation Committee(*)						
(a) Employee Stock Grant vesting on 31/03/15(*)		**-**	-	-	5,487	0.00
(b) Employee Stock Grant vesting on 31/05/15		**-**	-	-	98,987	0.01
(c) Employee Stock Grant vesting on 31/07/15(*)		**-**	-	-	2,274	0.00
(d) Employee Stock Grant vesting on 31/03/16(*)		**-**	1,297	0.00	1,297	0.00
(e) Employee Stock Grant vesting on 31/05/16(*)		**-**	164,102	0.02	108,074	0.01
(f) Employee Stock Grant vesting on 31/05/17	**148,998**	**0.01**	111,669	0.01	55,641	0.01
(g) Employee Stock Grant vesting on 30/11/17	**1,513**	**-**	-	-	-	-
(h) Employee Stock Grant vesting on 31/03/18	**2,075**	**-**	-	-	-	-
(I) Employee Stock Grant vesting on 31/05/18	**97,223**	**0.01**	56,028	0.01	-	-
(j) Employee Stock Grant vesting on 30/09/18	**807**	**-**	-	-	-	-
(k) Employee Stock Grant vesting on 31/05/19	**47,985**	**-**	-	-	-	-
The exercise period in respect of the stock grants mentioned above is one month.						
7. During the period of five years immediately preceeding the date as at which the Balance Sheet is prepared :						
Pursuant to the Scheme of Amalgamation of Wadala Commodities Limited (WCL) with the Company :						
(i) 2,00,243 equity shares allotted as fully paid up to the Equity Shareholders of WCL and 10 equity shares allotted as fully paid up to the Perference Shareholders of WCL, without payment being received in cash.						
(ii) 67,627 equity shares have been allotted as fully paid up bonus shares to the non-promoter shareholders of the Company.						
8. There are no calls unpaid.						
9. There are no forfeited shares.						
(*) Amount less than ₹ 0.01 crore.						

Note

In the FY 2014-15, the Honourable Bombay High Court and High Court of Madhya Pradesh, Indore Bench, approved a Scheme of Amalgamation ("Scheme") of Wadala Commodities Limited (WCL) with the Company effective from April 1, 2014, being the appointed date. The Effective Date was November 21, 2014, being the date of filing the approval of the Respective High Courts with the ROC. Accordingly, the Company had issued 200,243 equity shares of the Company in lieu of the equity shares in WCL and 10 equity shares of the Company in lieu of the preference shares in WCL held by the shareholders of the erstwhile WCL and also issued 67,504 bonus equity shares of the Company to the non-promoter shareholders of the Company.

In current year, the Company has issued 38 (previous year 85) bonus equity shares of the Company to the non-promoter shareholders on exercise of ESGS options.

Notes to Standalone Financial Statements

Note 17 : Other Equity

A. Summary of Other Equity Balances

Amount ₹ in Crore

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1.	Capital Redemption Reserve	**31.46**	31.46	31.46
2.	Securities Premium Account	**939.21**	934.34	931.37
3.	Capital Reserve	**9.88**	9.88	9.88
4.	Foreign Currency Monetary Items Translation Reserve	**-**	(0.98)	-
5.	Items of Other Comprehensive Income			
	- Remeasurements of defined benefit liability	**(3.53)**	(1.61)	-
6.	Employee Stock Grants Reserve	**6.70**	6.83	3.95
7.	General Reserve	**52.70**	52.70	52.70
8.	Retained Earnings	**545.40**	690.64	788.22
		1,581.82	1,723.26	1,817.58

Refer Statement of Changes in Equity for detailed movement in Equity balance

B. Nature and purpose of reserve

1. Capital Redemption Reserve : The Company recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings.
2. Securities Premium Account : The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.
3. Capital Reserve : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.
4. Foreign Currency Translation Reserve : Exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during FY 2015-16.
5. Employee Stock Grants Outstanding : The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.
6. General Reserve : The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
7. 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.

C. Other Comprehensive Income accumulated in Other Equity, net of tax

Amount ₹ in Crore

	As at March 31, 2017	As at March 31, 2016
Remeasurement of Defined Benefit Plans		
Opening Balance	**(1.61)**	-
Remeasurement Gain or Loss on Defined Benefit Plans	**(1.92)**	(1.61)
Income Tax effect	**-**	-
	(3.53)	(1.61)

Notes to Standalone Financial Statements

Note 18 : Non Current Financial Liabilities - Borrowings

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Unsecured Borrowings			
(a) Term Loans			
(i) From Banks (Refer Note 1 below)	**918.61**	916.80	912.19
(ii) From Other Parties (Refer Note 2 below)	**66.67**	100.00	75.00
(b) Deposits			
Public Deposit (Refer Note 3 below)	**-**	-	21.49
	985.28	1,016.80	1,008.68
Notes			
1. Unsecured Loans from Bank			
Loan carries interest rate at Base Rate for an original term upto 36 months and repayable starting September 2018 to March 2019.	**100.00**	100.00	-
Loan carries interest rate of Base Rate + 0.7% p.a. for an original term upto 60 months and repayable by April 2017.	**-**	18.75	93.73
Loan carries interest rate of Base Rate + 0.5% p.a. for an original term upto 36 months and repayable by February 2018.	**-**	100.00	100.00
Loan carries interest at 10.40% p.a. for an original term upto 36 months and repayable starting June 2016 to December 2016.	**-**	-	50.00
Loan carries interest at Base Rate for an original term upto 36 months and repayable starting December 2018 to June 2019.	**50.00**	-	-
Loan carries interest at 3 month MCLR for an original term upto 36 months and repayable starting March 2019 to September 2019.	**100.00**	-	-
Loan carries interest at Fixed rate of 8.50% p.a for an original term upto 60 months and repayable starting June 2018 to March 2022.	**125.00**	-	-
Loan carries interest at 1 year MCLR for an original term upto 60 months and repayable starting June 2018 to March 2022.	**90.00**	-	-
Loan carries interest at 6 month MCLR + 1.50% p.a. for an original term upto 36 months and repayable starting June 2018 to March 2019.	**100.00**	100.00	-
Loan carries interest at 3 year MCLR + 0.05% p.a. for an original term upto 36 months and repayable starting November 2018 to August 2019.	**50.00**	-	-
Loan carries interest at SBI Base Rate + 0.35% p.a. for an original term upto 36 months and repayable starting July 2017 to April 2018.	**25.00**	100.00	75.00
Loan carries interest at LIBOR + 2.17% p.a. for an original term upto 60 months and repayable by September 2016.	**-**	-	31.25
Loan carries interest at LIBOR + 2.5% p.a. for an original term upto 60 months and repayable by December 2017.	**-**	66.25	125.00
Loan carries interest at LIBOR + 2.05% p.a. for an original term upto 60 months and repayable by August 2018.	**32.43**	99.38	125.00
Loan carried interest at LIBOR + 2.40% p.a., fixed under IRS at 4.28% p.a. for an original term upto 60 months and repayable by July 2019.	**122.92**	167.42	157.96
Loan carried interest at LIBOR + 2.35% p.a., fixed under IRS at 4.25% p.a. for an original term upto 60 months and repayable by July 2019.	**82.42**	109.40	101.81
Loan carried interest at LIBOR + 2.45% p.a., fixed under IRS at 4.39% p.a. for an original term upto 60 months and repayable by July 2019.	**40.82**	55.59	52.44
2. Unsecured Loans from Others			
Loan carries interest at SBI Base Rate + 0.35% p.a. for an original term upto 60 months and repayable by March 2020.	**33.33**	50.00	37.50
Loan carries interest at SBI Base Rate + 0.35% p.a. for an original term upto 60 months and repayable by March 2020.	**33.33**	50.00	37.50

3. Fixed deposits from public had a maturity period of 13, 24 or 36 months.

4. The Company does not have any default as on the Balance Sheet date in repayment of loan or interest.

Notes to Standalone Financial Statements

Note 19 : Non-Current Provisions

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Provision for Employee Benefits	**5.15**	5.76	8.30
	5.15	5.76	8.30

Note 20 : Deferred Tax Liabilities (Net)

1. Liabilities			
(a) Written Down Value of Assets	**-**	-	78.24
(b) VRS Expenses	**-**	-	0.22
(c) Other Provisions (Net)	**-**	-	5.21
2. Assets			
(a) Provision for Retirement Benefits	**-**	-	2.91
(b) Provision for Doubtful Debts / Advances	**-**	-	6.58
(c) Unabsorbed Depreciation	**-**	-	36.19
(d) Indexation benefit on Land	**-**	-	4.61
	-	-	33.38

Note 21 : Current Financial Liabilities - Borrowings

1. Secured Borrowings			
(a) Loans Repayable on Demand			
(i) From Banks (Refer Note 1 below)	**0.26**	22.76	1.93
2. Unsecured Borrowings			
(a) Loans Repayable on Demand			
(i) From Banks (Refer Note 2 below)	**62.15**	53.26	90.44
(b) Short Term Loans			
(i) From Banks (Refer Note 2 below)	**465.00**	360.00	100.01
(c) Other Loans			
(i) Commercial Papers (Refer Note 3 below)	**910.00**	875.00	590.00
	1,437.41	1,311.02	782.38

Notes

1. Working capital facilities sanctioned by banks under consortium arrangement are secured by hypothecation of stocks and book debts.

Notes to Standalone Financial Statements

Note 21 : Current Financial Liabilities - Borrowings (Contd.)

2. Unsecured Loans from Bank

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Loan carries interest rate at 1 month MCLR repayable by May 2017	**90.00**	-	-
Loan carries interest rate at 3 month MCLR repayable by May 2017	**50.00**	-	-
Loan carries interest rate at 1 month MCLR + 0.05% p.a. repayable by April 2017	**30.00**	-	-
Loan carries interest rate at 3 month MCLR + 0.10 % p.a. repayable by April 2017	**75.00**	-	-
Loan carries interest rate at 3 month MCLR repayable by June 2017.	**130.00**	-	-
Loan carries interest rate of 1 month MCLR repayable by April 2017.	**90.00**	-	-
Loan carries interest at Base Rate repayable within 6 months	**62.15**	53.26	90.44
Loan carries interest at Base Rate repayable by April 2016	**-**	50.00	-
Loan carries interest at Base Rate repayable by May 2016	**-**	185.00	-
Loan carries interest at Base Rate repayable by August 2016	**-**	75.00	-
Loan carries interest at Base Rate repayable by September 2016	**-**	50.00	-
Loan carries interest at Base Rate repayable by April 2015	**-**	-	25.00
Loan carries interest at Base Rate + 0.10% p.a. repayable by June 2015	**-**	-	25.00
Loan carries interest at 10.20% p.a. repayable by September 2015	**-**	-	50.00
3. Commercial Papers			
Commercial Papers carries interest at 6.30% p.a. to 6.70% p.a. repayable during the period April to June 2017.	**910.00**	-	-
Commercial Papers carries interest at 7.69% p.a. to 8.65% p.a. repayable during the period April to August 2016.	**-**	875.00	-
Commercial Papers carries interest at 8.48% p.a. to 9.00% p.a. repayable during the period April to August 2015.	**-**	-	590.00

4. The Company does not have any default as on the Balance Sheet date in repayment of loan or Interest.

Notes to Standalone Financial Statements

Note 22 : Current Financial Liabilities - Trade Payables

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1. Trade Payables			
(a) Outstanding dues of Micro and Small Enterprise (Refer Note below)	**4.53**	1.40	2.08
(b) Others	**307.44**	170.07	164.82
2. Acceptances	**-**	-	248.09
	311.97	171.47	414.99

Note

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2017, to Micro, Small and Medium Enterprises on account of principal or interest.

Note 23 : Current Financial Liabilities - Others

Amount ₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
1. Current Maturities of Long Term Debts						
Unsecured						
(a) Term Loan from Bank	**405.50**		309.22		193.74	
(b) Term Loan from Others	**33.33**		-		-	
(c) Public Deposit	**-**		21.30		33.49	
		438.83		330.52		227.23
2. Interest Accrued but not Due on Borrowings		**6.11**		8.56		10.27
3. Unclaimed Dividends		**0.35**		0.51		0.35
4. Unclaimed Matured Deposits						
(a) Principal Amount	**1.33**		2.89		1.71	
(b) Interest accrued Thereon	**0.09**		0.17		0.17	
		1.42		3.06		1.88
5. Others						
(a) Sundry Creditors	**40.15**		69.60		50.24	
(b) Deposit	**6.07**		7.47		8.33	
(c) Derivative Contracts Payable	**2.92**		4.82		-	
(d) Other Payables	**0.19**		0.08		0.09	
		49.33		81.97		58.66
		496.04		424.62		298.39

Note 24 : Other Current Liabilities

1. Other Payables					
(a) Advances from Customers		**6.86**		6.21	4.10
(b) Other Liabilities		**0.82**		1.39	0.58
(c) Statutory Liabilities		**13.49**		12.87	13.80
		21.17		20.47	18.48

Notes to Standalone Financial Statements

Note 25 : Current Provisions

Amount ₹ in Crore

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1.	Provision for Employee Benefits	**4.83**	5.04	6.49
		4.83	5.04	6.49

Note 26 : Contingent Liabilities

1.	**Claims against the Company not acknowledged as debts**			
	(a) Excise duty/Service Tax demands relating to disputed classification, post manufacturing expenses, assessable values, etc. which the Company has contested and is in appeal at various levels.	**11.33**	17.03	17.35
	(b) Customs Duty demands relating to lower charge, differential duty, classification, etc.	**3.94**	4.21	4.21
	(c) Sales Tax demands relating to purchase tax on Branch Transfer / disallowance of high seas sales, etc. at various levels.	**46.03**	46.68	45.59
	(d) Octroi demand relating to classification issue on import of Palm Stearine and interest thereon.	**0.29**	0.29	0.29
	(e) Stamp duties claimed on certain properties which are under appeal by the Company.	**1.82**	1.82	1.82
	(f) Income tax demands against which the Company has preferred appeals.	**67.93**	57.28	59.61
	(g) Industrial relations matters under appeal.	**2.57**	2.33	2.33
	(h) Others.	**1.68**	1.87	7.46
2.	**Surety Bonds**			
	Surety Bonds given by the Company in respect of refund received from excise authority for exempted units of associate company - refer note 1 below.	**26.88**	24.88	19.86

Notes

1. Detail of Guarantee given covered under Section 186 (4) of the Companies Act, 2013 :
   The Corporate surety bond of ₹ 26.88 crore (₹ 24.88 crore as on March 31, 2016 and ₹ 19.86 crore as on April 01, 2015) is in respect of refund received from excise authority for exempted units (North East) of Godrej Consumer Products Limited, an associate company.
2. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.
3. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

Note 27 : Commitments

Amount ₹ in Crore

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1.	Estimated amount of contracts remaining to be executed on capital account and not provided for, (Net of Advances amounting to ₹ 3.26 crore (March 31, 2016 ₹ 3.31 crore and April 01, 2015 ₹ 15.11 crore))	**7.75**	14.88	44.35
2.	Uncalled liability on partly paid shares / debentures(*)	**0.00**	0.00	0.00

* Amount less than ₹ 0.01 crore

Notes to Standalone Financial Statements

Note 28 : Revenue From Operations

Amount ₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1. Sale of Products	**1,526.62**	1,273.44
2. Licence Fees and Service Charges	**11.23**	12.32
3. Other Operating Revenues		
(a) Export Incentives	**15.52**	11.74
(b) Processing Charges	**-**	0.95
(c) Sale of Scrap	**1.86**	2.06
(d) Dividend Income (Refer Note below)	**46.94**	92.18
(e) Share of Profit for the year from LLP	**-**	1.17
	1,602.17	1,393.86

Note

Dividend Income has been disclosed under Revenue from Operations since Finance and Investments is an Operating Business Segment for the Company.

Note 29 : Other Income

1. Interest Income	**9.34**	3.74
2. Gain on Foreign Exchange Translation	**1.67**	-
3. Profit on Sale of Fixed Assets (Net)	**0.77**	-
4. Profit on Sale of Current Investments	**0.83**	3.28
5. Write back of Provision for Doubtful Loans	**5.70**	11.00
6. Miscellaneous Income	**28.57**	7.45
	46.88	25.47

Note 30 : Cost of Material Consumed

1. Raw Material Consumed		
Inventory at the Commencement of the Year	**126.58**	69.23
Add : Purchases (Net)	**1,051.36**	848.03
	1,177.94	917.26
Less : Inventory at the Close of the Year	**107.93**	126.58
	1,070.01	790.68
2. Packing Material Consumed		
Inventory at the Commencement of the Year	**2.83**	2.19
Add : Purchases (Net)	**42.43**	38.96
	45.26	41.15
Less : Inventory at the Close of the Year	**3.41**	2.83
	41.85	38.32
Total Material Consumed (1+2)	**1,111.86**	829.00

Notes to Standalone Financial Statements

Note 31 : Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1.	Inventory at the Commencement of the Year		
	Finished Goods	**54.50**	52.11
	Stock in Trade	**0.90**	0.05
	Work in Progress	**73.93**	71.51
		129.33	123.67
2.	Inventory at the end of the Year		
	Finished Goods	**78.66**	54.50
	Stock-in-Trade	**7.84**	0.90
	Work-in-Progress	**88.88**	73.93
		175.38	129.33
	Changes in Inventories (1-2)	**(46.05)**	(5.66)

Note 32 : Employee Benefits Expenses

1.	Salaries and Wages	**96.57**	113.69
2.	Contribution to Provident and Other Funds	**6.83**	7.59
3.	Employee Share based payments	**3.41**	3.51
4.	Staff Welfare Expense	**9.44**	10.26
		116.25	135.05

Note 33 : Finance Costs

1.	Interest Expense	**194.82**	179.08
2.	Exchange Differences regarded as an adjustment to Borrowing Costs	**2.47**	3.61
3.	Other Borrowing Costs	**10.57**	17.55
		207.86	200.24

Notes to Standalone Financial Statements

Note 34 : Other Exepnses

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1.	Consumption of Stores and Spares	**7.30**	9.40
2.	Power and Fuel	**77.14**	81.63
3.	Processing Charges	**4.16**	4.29
4.	Rent (Refer Note 1)	**3.61**	4.14
5.	Rates and Taxes	**6.07**	5.76
6.	Repairs and Maintenance		
	(a) Machinery	**9.98**	17.68
	(b) Buildings	**8.93**	6.52
	(c) Other Assets	**0.48**	0.43
7.	Insurance	**1.59**	1.17
8.	Freight	**27.50**	27.16
9.	Commission	**4.43**	4.33
10.	Advertisement and Publicity	**1.71**	3.89
11.	Selling and Distribution Expenses	**8.53**	9.24
12.	Provision for Doubtful Debts and Advances	**1.75**	0.48
13.	Loss on Foreign Exchange Translation	**-**	1.77
14.	Loss on Sale of Fixed Assets	**-**	0.70
15.	Research Expense	**1.18**	0.80
16.	Legal and Professional fees	**14.96**	19.57
17.	Auditor's Remunerations (Refer Note 2)	**1.06**	0.92
18.	Miscellaneous Expenses	**50.91**	49.76
		231.29	249.64

Notes

1. The rental expenses amounting to ₹ 9.12 crore (previous year ₹ 7.99 crore) are netted off with rental income in respect of certain premises in the same building.
2. Auditor's Remuneration

(a) Audit Fees	**0.72**	0.54
(b) Tax Audit Fees	**0.10**	0.08
(c) Taxation Matters	**0.19**	0.20
(d) Certification and Other Services	**0.04**	0.09
(e) Reimbursement of Expenses	**0.01**	0.01
	1.06	0.92

Notes to Standalone Financial Statements

Note 35 : Exceptional Items

Amount ₹ in Crore

	Year ended March 31, 2017	Year ended March 31, 2016
1. Profit on sale of Non Current Investments	-	134.21
	-	134.21

Note 36 : Earnings Per Share

Amount ₹ in Crore

	Year ended March 31, 2017	Year ended March 31, 2016
1. Calculation of weighted average number of equity shares - Basic		
(a) Number of equity shares at the beginning of the year	**335,988,807**	335,881,974
(b) Number of equity shares issued during the year	**150,979**	106,833
(c) Number of equity shares outstanding at the end of the year	**336,139,786**	335,988,807
(d) Weighted average number of equity shares outstanding during the year	**336,032,962**	335,914,188
2. Calculation of weighted average number of equity shares - Diluted		
(a) Number of potential equity shares at the beginning of the year	**336,321,903**	336,153,734
(b) Number of potential equity shares at the end of the year	**336,482,336**	336,321,903
(c) Weighted average number of potential equity shares outstanding during the year	**336,404,105**	336,235,519
3. (Loss) / Profit for the Year	**(145.24)**	34.21
(a) Basic Earnings Per Share of ₹ 1 each	**(4.32)**	1.02
(b) Diluted Earnings Per Share of ₹ 1 each	**(4.32)**	1.02

Notes to Standalone Financial Statements

Note 37 : Income Tax Expense

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
1.	Tax Expense recognised in the Statement of Profit and Loss		
	Current Income Tax	**-**	9.96
	Deferred Income Tax Liability / (Asset), net		
	Origination and reversal of temporary differences	**28.56**	11.36
	Recognition of previously unrecognised tax losses	**(28.67)**	(47.27)
	Deferred Tax Expense	**(0.11)**	(35.91)
	Tax Expense For the Year	**(0.11)**	(25.95)
2.	Amounts recognised in Other Comprehensive Income		
	Items that will not be reclassified to Profit or Loss		
	Remeasurements of defined benefit liability (asset)	**(1.92)**	(1.61)
	Income Tax	**-**	-
		(1.92)	(1.61)
3.	Reconciliation of effective tax rate		
	(Loss) / Profit Before Tax	**(145.35)**	8.26
	Tax using the Company's statutory tax rate	**(50.30)**	2.86
	Tax effect of		
	Income not subject to tax	**(18.74)**	(107.79)
	Tax effects of amounts which are not deductible for taxable income	**1.44**	6.69
	Previously unrecognised tax losses and unabsorbed depreciation now recouped to reduce deferred tax expense	**(28.67)**	(47.27)
	Deferred tax assets not recognized because realization is not probable	**96.27**	82.06
	Income taxed at different tax rate	**-**	25.34
	Additional tax paid on book profits	**-**	6.01
	Others	**(0.11)**	6.15
		(0.11)	(25.95)

The applicable statutory tax rate for the years ended March 31, 2017 and March 31, 2016 is 34.61%. The Company pays income taxes under MAT. The Company has not recognised Deferred tax assets on unused tax losses, unused tax credits and deductible temporary differences as there is no reasonable certainity of availing the same in future years against normal taxes.

Notes to Standalone Financial Statements

Note 37 : Income Tax Expense

4. Movement in deferred tax balances

Amount ₹ in Crore

Particulars	Net balance April 01, 2016	Recognised in Statement of Profit and Loss	Net balance March 31, 2017	Deferred tax asset March 31, 2017	Deferred tax liability March 31, 2017
Deferred tax asset					
Property, Plant and Equipment	(114.80)	(15.91)	(130.71)	-	(130.71)
Indexation benefit on land and shares	2.53	0.12	2.65	2.65	-
Employee benefits	2.38	(0.07)	2.31	2.31	-
Provision for Doubtful Debts / Advances	6.66	(0.38)	6.28	6.28	-
Unabsorbed Depreciation	96.17	15.20	111.37	111.37	-
Other provisions	9.59	1.15	10.75	10.75	-
Net tax assets	2.53	0.11	2.65	133.36	(130.71)

Particulars	Net balance April 01, 2015	Recognised in Statement of Profit and Loss	Net balance March 31, 2016	Deferred tax asset March 31, 2016	Deferred tax liability March 31, 2016
Deferred tax asset					
Property, Plant and Equipment	(78.24)	(36.56)	(114.80)	-	(114.80)
Indexation benefit on land and shares	4.61	(2.08)	2.53	2.53	-
Investments	(20.97)	20.97	-	-	-
Employee benefits	2.69	(0.31)	2.38	2.38	-
Provision for Doubtful Debts / Advances	6.58	0.08	6.66	6.66	-
Unabsorbed Depreciation	36.19	59.98	96.17	96.17	-
Other provisions	15.76	(6.17)	9.59	9.59	-
Net tax assets	(33.38)	35.91	2.53	117.33	(114.80)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant Management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Details of unused tax losses and unused tax credit is given in note 5 & 6 below

As the Company does not have any intention to dispose investments in unlisted subsidiaries and associates in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

During the year, the Company has not accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ Nil (previous year ₹ 6.01 crore). The Company is not reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years and accordingly has not recognised a deferred tax asset for the same.

Notes to Standalone Financial Statements

Note 37 : Income Tax Expense (Contd.)

5. Tax losses carried forward

Particulars		March 31, 2017	March 31, 2016	April 01, 2015
Expiry date				
	3/31/2018	**33.25**	33.25	33.25
	3/31/2020	**42.22**	42.22	-
	3/31/2021	**47.45**	47.45	47.45
	3/31/2022	**4.63**	4.63	4.63
	3/31/2023	**153.69**	153.69	153.69
	3/31/2024	**110.09**	110.09	-
	3/31/2025	**138.09**	-	-
		529.42	391.33	239.02
Unabsorbed Depreciation never expires		**113.52**	17.33	63.62

6. Tax credit carried forward

Particulars		March 31, 2017	March 31, 2016	April 01, 2015
Expiry date				
	3/31/2016	**-**	2.12	2.12
	3/31/2017	**2.45**	2.45	2.45
	3/31/2018	**10.92**	10.92	10.92
	3/31/2020	**7.48**	7.48	7.48
	3/31/2021	**19.04**	19.04	19.04
	3/31/2022	**16.87**	16.87	16.87
	3/31/2025	**3.90**	3.90	3.90
	3/31/2026	**6.01**	6.01	-
		66.67	68.79	62.78

Note 38 : Leases

1. Operating Leases Granted by the Company

The Company has entered into Leave and Licence agreements in respect of its commercial and residential premises. The non-cancelable portion of the leases range between 3 months to 60 months and are renewable by mutual consent on mutually acceptable terms. Leave and Licence arrangements are similar in substance to operating leases. The Company has also granted lease for freehold land. The aggregate future minimum lease receipts are as under :

Amount ₹ in Crore

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Lease Income Recognised in the Statement of Profit and Loss	5.01	7.74	6.71
Future Lease Income			
- Within one year	**5.77**	5.66	12.11
- Later than one year and not later than five years	**5.48**	7.31	37.14
- Later than five years	**-**	-	1.14

2. Lease taken by the Company

The Company's significant leasing arrangements are in respect of operating lease for land, office premises, residential premises, machinery and storage tanks. The aggregate lease rentals paid by the Company are charged to the Statement of Profit and Loss.

Amount ₹ in Crore

	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Lease Payment recognised in the Statement of Profit and Loss	**3.61**	4.14	5.00
Future Lease Commitments			
- Within one year	**4.53**	3.07	11.50
- Later than one year and not later than five years	**7.67**	5.99	44.01
- Later than five years	**2.56**	4.16	1.14

Notes to Standalone Financial Statements

Note 39 : Employee Benefits

1. Defined Contribution Plan

Provident Fund :

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

2. Defined benefit Plan

Gratuity :

The Company participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of ICICI Prudential Life Insurance Co. Ltd., HDFC Standard Life Insurance Co. Ltd. and SBI Life Insurance Co. Ltd., a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Provident Fund :

The Company manages the Provident Fund plan through a Provident Fund Trust for a majority of its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

Pension :

The Company has Pension plan for eligible employees. The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

3. Basis Used to Determine Expected Rate of Return on Assets :

The expected return on plan assets of 7.39% p.a. has been considered based on the current investment pattern in Government securities.

4. Amounts Recognised as Expense :

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to ₹ 2.55 crore (previous year ₹ 2.55 crore) has been included in Note 32 Employee Benefits Expenses.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 1.60 crore (previous year ₹ 1.83 crore) has been included in Note 32 Employee Benefits Expenses.

Employer's Contribution to Provident Fund amounting to ₹ 2.04 crore (previous year ₹ 2.85 crore) has been included in Note 32 Employee Benefits Expenses.

Pension cost amounting to ₹ 0.14 crore (previous year ₹ 0.28 crore) has been included in Note 32 Employee Benefits Expenses.

Notes to Standalone Financial Statements

Note 39 : Employee Benefits (Contd.)

5. The amounts recognised in the Company's financial statements as at the year end are as under :

Amount ₹ in Crore

Particulars	Gratuity			Pension		
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	**Year ended March 31, 2017**	Year ended March 31, 2016	Year ended March 31, 2015
1. Change in Present Value of Obligation						
Present value of the obligation at the beginning of the year	**36.95**	37.00	32.52	**0.46**	0.26	0.42
Current Service Cost	**1.33**	1.37	1.14	**-**	-	-
Interest Cost	**2.91**	2.93	3.04	**-**	-	-
Actuarial (Gain) / Loss on Obligation	**2.37**	1.19	5.69	**0.21**	0.27	(0.10)
Benefits Paid	**(6.87)**	(5.54)	(5.39)	**(0.14)**	(0.07)	(0.06)
Present value of the obligation at the end of the year	**36.69**	36.95	37.00	**0.53**	0.46	0.26
2. Change in Plan Assets						
Fair value of Plan Assets at the beginning of the year	**33.55**	31.19	32.59	**-**	-	-
Expected return on Plan Assets	**2.64**	2.47	3.05	**-**	-	-
Actuarial (Gain) / Loss on Plan Assets	**(0.45)**	0.42	(0.94)	**-**	-	-
Contributions by the Employer	**3.41**	5.85	-	**-**	-	-
Benefits Paid	**(6.72)**	(5.54)	(5.39)	**-**	-	-
Fair value of Plan Assets at the end of the year	**33.33**	33.55	31.19	**-**	-	-
3. Amounts Recognised in the Balance Sheet						
Present value of Obligation at the end of the year	**36.69**	36.95	37.00	**-**	-	-
Fair value of Plan Assets at the end of the year	**33.33**	33.55	31.19	**-**	-	-
Net Obligation at the end of the year	**3.36**	3.40	5.81	**-**	-	-
4. Amounts Recognised in the statement of Profit and Loss :						
Current Service Cost	**1.33**	1.37	-	**-**	-	-
Interest cost on Obligation	**2.91**	2.93	-	**-**	-	-
Expected return on Plan Assets	**(2.64)**	(2.47)	-	**-**	-	-
Net Cost Included in Personnel Expenses	**1.60**	1.83	-	**-**	-	-
5. Amounts Recognised in Other Comprehensive Income (OCI):						
Actuarial (Gain) / Loss on Obligation for the Year	**2.37**	1.19	-	**-**	-	-
Return on Plan Assets, Excluding Interest Income	**(0.45)**	0.42	-	**-**	-	-
Net (Income) / Expense for the Period Recognised in OCI	**1.92**	1.61	-			
6. Actual Return on Plan Assets	**3.09**	2.05	3.99	**-**	-	-
7. Estimated Contribution to be made in Next Financial Year	**3.40**	3.64	3.63	**-**	-	-
8. Actuarial Assumptions						
i) Discount Rate	**7.39% P.A.**	7.86% P.A.	7.92% P.A.	**7.39% P.A.**	7.86% P.A.	7.92% P.A.
ii) Expected Rate of Return on Plan Assets	**7.39% P.A.**	7.86% P.A.	7.92% P.A.	**-**	-	-
iii) Salary Escalation Rate	**6.00% P.A.**	5.00% P.A.	5.00% P.A.	**-**	-	-
iv) Employee Turnover	**1.00% P.A.**	1.00% P.A.	1.00% P.A.	**1.00% P.A.**	1.00% P.A.	1.00% P.A.
v) Mortality	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	**Indian Assured Lives Mortality (2006-08) Ultimate**	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to Standalone Financial Statements

Note 39 : Employee Benefits (Contd.)

6. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Amount ₹ in Crore

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
	Increase	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**(1.68)**	**1.89**	(1.53)	1.71
Future salary growth (1% movement)	**1.90**	**(1.72)**	1.74	(1.58)
Rate of employee turnover (1% movement)	**0.14**	**(0.16)**	0.29	(0.32)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

7. Expected future benefit payments of Gratuity

	Amount ₹ in Crore
March 31, 2018	9.28
March 31, 2019	3.02
March 31, 2020	4.28
March 31, 2021	3.51
March 31, 2022	3.52
Thereafter	12.55

Note 40 : Employee Stock Benefit Plans

1. Employee Stock Option Plans

In December 2005, the Company had instituted an Employee Stock Option Plan I (GIL ESOP I) as approved by the Board of Directors and the Shareholders, for the allotment of 15,00,000 options, increased to 90,00,000 options on split of shares convertible into 90,00,000 equity shares of ₹ 1 each to eligible employees of participating companies. The maximum number of options that may be granted per employee per year shall not exceed 600,000 options.

In July 2009, the Company had instituted an Employee Stock Option Plan II (GIL ESOP II) as approved by the Board of Directors and the Shareholders, for the allotment of 90,00,000 options convertible into 90,00,000 shares of Re.1 each to eligible employees of participating companies. The maximum number of options that may be granted per employee per year shall not exceed 10,00,000 options.

The Plans are administered by an independent ESOP Trust created with IL&FS Trust Co. Ltd. which purchased from the market shares equivalent to the number of options granted by the Compensation Committee. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market. The particulars of the plans and movements during the year are as under :

Notes to Standalone Financial Statements

Note 40 : Employee Stock Benefit Plans (Contd.)

ESOP I

	Year ended March 31, 2017		Year ended March 31, 2016	
	No. of Options	**Wt. average exercise price ₹ (*)**	No. of Options	Wt. average exercise price ₹ (*)
Options Outstanding at the Beginning of the Year	**2,049,500**	**420.63**	2,447,000	399.70
Options Exercised During the Year	**1,645,000**	**420.84**	249,000	249.74
Options Forfeited / Expired During the Year	**200,250**	**423.73**	148,500	239.09
Options Outstanding at the Year End	**204,250**	**406.52**	2,049,500	420.63

ESOP II

	No. of Options	**Wt. average exercise price ₹ (*)**	No. of Options	Wt. average exercise price ₹ (*)
Options Outstanding at the Beginning of the Year	**230,500**	**377.99**	398,750	376.84
Options Exercised During the Year	**230,500**	**377.99**	68,250	369.06
Options Forfeited / Expired During the Year	**-**	**-**	100,000	355.60
Options Outstanding at the Year End	**-**	**-**	230,500	377.99

(*) The Wt. average exercise price stated above is the price of the equity shares on the grant date increased by the interest cost to the ESOP Trust at the prevailing rates upto March 31, 2012.

The total excess shares at the year end are 66,250 (Previous year 5,66,298).

The weighted average balance life of ESOP I options outstanding as on March 31, 2017 is 0.14 years.

The Options granted shall vest after three / five years from the date of grant of option, provided the employee continues to be in employment and the option is exercisable within two / four years after vesting.

2. Employee Stock Grant Scheme

a) The Company had set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders at their Meeting held on January 17, 2011.

b) The ESGS Scheme is effective from April 01, 2011, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2011 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.

c) The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Compensation Committee of the respective Company based on the employee's performance, level, grade, etc.

d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

e) The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by Compensation Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

f) The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Compensation Committee.

Notes to Standalone Financial Statements

Note 40 : Employee Stock Benefit Plans (Contd.)

g) The Exercise Price of the shares has been fixed at ₹ 1 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2017:

Particulars	For the year March 31, 2017	For the year March 31, 2016	Description of the Inputs used
Dividend yield %	0.50%	0.48%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	33%-34%	32%-34%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	7.88% to 7.94%	7.94% to 8.02%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	347.05	363.73	

h) The Status of the above plan is as under:

	Year ended March 31, 2017	Year ended March 31, 2016	Weighted average Exercise Price	Weighted average Share Price
	Nos.	Nos.	(₹)	(₹)
Options Outstanding at the Beginning of the Year	**333,096**	271,760		
Options Granted	**160,395**	168,084		
Options Vested	**148,319**	109,370	1.00	345.49
Options Exercised	**150,941**	106,748		
Options Lapsed / Forfeited	**43,949**	-		
Total Options Outstanding at the end of the year	**298,601**	333,096		

i) The weighted average exercise price of the options outstanding as on March 31, 2017 is ₹ 1 (Previous year 2016: ₹ 5 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2017 is 0.83 years (As on March 31, 2016: 0.84 years, As on April 01, 2015: 0.98 years)

Notes to Standalone Financial Statements

Note 41 : Related Party Information

1. Names of related parties and description of relationship

Parties where control exists

Godrej & Boyce Mfg. Co. Ltd., (Holding Co. up to March 29, 2017)

Vora Soaps Ltd. (Holding Co. w.e.f. March 30, 2017)

Subsidiary companies

Godrej Agrovet Ltd.

- Godvet Agrochem Ltd.
- Godrej Seeds & Genetics Ltd. (up to March 18, 2017)
- Astec Life Sciences Ltd.
  - Behram Chemicals P. Ltd.
  - Astec Europe Sprl
  - Comercializadora Agricola Agroastrachem Cia Ltda
- Creamline Dairy Products Ltd.
  - Nagavalli Milkline P. Ltd.

Godrej Properties Ltd.

- City Star Infraprojects Ltd. (w.e.f. January 12, 2017)
- Godrej Real Estate P. Ltd.
- Godrej Buildcon P. Ltd.
- Godrej Projects Development P. Ltd.
- Godrej Garden City Properties P. Ltd.
- Godrej Green Homes Ltd.
- Godrej Home Developers P. Ltd.
- Godrej Hill Side Properties P. Ltd.
- Godrej Fund Management Pte. Ltd.
- Godrej Greenview Housing Private Limited (up to June 29, 2016)
- Wonder Projects Development P. Ltd. (up to Septemer 18,2016)
- Godrej Real View Developers P. Ltd. (w.e.f. September 1, 2016 and up to March 28, 2017)
- Pearlite Real Properties P. Ltd. (w.e.f. September 2, 2016 and up to March 29, 2017)
- Godrej Prakriti Facilities P. Ltd.
- Godrej Genesis Facilities Management P. Ltd.
- Godrej Investment Advisers P. Ltd.
- Godrej Highrises Properties P. Ltd.
- Godrej Residency P. Ltd. (w.e.f. March 16, 2017)
- Godrej Skyline Developers P. Ltd. (w.e.f. November 22, 2016)
- Godrej Vikhroli Properties India Ltd. (w.e.f. January 25, 2017) formerly known as Godrej Vikhroli Properties LLP (up to January 24, 2017)

Notes to Standalone Financial Statements

Note 41 : Related Party Information (Contd.)

Prakritiplaza Facilities Management P. Ltd. (w.e.f. July 28, 2016)
Godrej Highrises Realty LLP
Godrej Land Developers LLP
Godrej Developers & Properties LLP
Godrej Project Developers & Properties LLP
Godrej Highview LLP (w.e.f. September 29, 2016)
Godrej Skyview LLP (w.e.f. October 19, 2016)
Godrej Green Properties LLP (w.e.f. October 27, 2016)
Godrej Projects (Pune) LLP (w.e.f. February 5, 2017)
Godrej Projects (Soma) LLP (w.e.f. March 6, 2017)
Godrej Projects (Bluejay) LLP (w.e.f. March 2, 2017)
Godrej Century LLP (w.e.f. March 14, 2017)
Natures Basket Ltd.
Godrej One Premises Management P. Ltd.
Ensemble Holdings & Finance Ltd.
Godrej International Ltd. (incorporated in the Isle of Man)
Godrej International Trading & Investments Pte Ltd. (Incorporated in Singapore)
Godrej International Ltd. (Labuan, Malaysia)

Fellow Subsidiaries (Upto March 29, 2017)

Godrej (Malaysia) Sdn Bhd (Incorporated in Malaysia)
Godrej (Singapore) Pte Ltd. (Incorporated in Singapore)
JT Dragon Pte. Ltd. (Incorporated in Singapore)
Godrej (Vietnam) Co. Ltd. (Incorporated in Vietnam)
Godrej Infotech Ltd.
Godrej Infotech Americas Inc. (a wholly-owned subsidiary incorporated in North Carolina, USA)
Godrej Infotech (Singapore) Pte. Ltd. (a wholly-owned subsidiary incorporated in Singapore)
LVD Godrej Infotech NV (incorporated in Belgium)
Veromatic International BV (Incorporated in Netherlands)
Mercury Mfg. Co. Ltd.
Busbar Systems (India) Ltd. (a Wholly-owned subsidiary)
Godrej Americas Inc. (a Wholly-owned subsidiary incorporated in the USA)
MiracleTouch Developers P. Ltd. (a Wholly-owned subsidiary)
India Circus Retail P. Ltd.
Godrej South Africa Pty Ltd.
Laboratoria Cuenca S.A.

Notes to Standalone Financial Statements

Note 41 : Related Party Information (Contd.)

Other related parties with whom the Company had transactions during the year

Associate / Joint Venture Companies

Godrej Consumer Products Ltd. (also a fellow subsidiary)
- Godrej Global Mideast FZE, Sharjah
- PT Megasari Makmur, Indonesia

Bhabhani Blunt Hairdressing P. Ltd.

Companies under common control (w.e.f. March 30, 2017)
- Godrej & Boyce Mfg. Co. Ltd.
  - Godrej (Malaysia) Sdn Bhd (Incorporated in Malaysia)
  - Godrej (Singapore) Pte Ltd. (Incorporated in Singapore)
    - JT Dragon Pte. Ltd. (Incorporated in Singapore)
      - Godrej (Vietnam) Co. Ltd. (Incorporated in Vietnam)
  - Godrej Infotech Ltd.
    - Godrej Infotech Americas Inc. (a wholly-owned subsidiary incorporated in North Carolina, USA)
    - Godrej Infotech (Singapore) Pte. Ltd. (a wholly-owned subsidiary incorporated in Singapore)
    - LVD Godrej Infotech NV (incorporated in Belgium)
  - Veromatic International BV (Incorporated in Netherlands)
  - Mercury Mfg. Co. Ltd.
  - Busbar Systems (India) Ltd. (a Wholly-owned subsidiary)
  - Godrej Americas Inc. (a wholly-owned subsidiary incorporated in the USA)
  - MiracleTouch Developers P. Ltd. (a wholly-owned subsidiary)
  - India Circus Retail P. Ltd.
- Godrej South Africa Pty Ltd.
- Laboratoria Cuenca S.A.

Key Management Personnel

Executive Directors
- Mr. A. B. Godrej - Chairman
- Mr. N. B. Godrej - Managing Director
- Ms. T. A. Dubash - Executive Director & Chief Brand Officer
- Mr. N. S. Nabar - Executive Director & President (Chemicals)

Mr. P. Ganesh - Chief Financial Officer & Company Secretary (up to April 30, 2016)

Mr. C. G. Pinto - Chief Financial Officer (w.e.f. April 30, 2016)

Ms. Nilufer Shekhawat - Company Secretary (w.e.f. May 25, 2016)

Notes to Standalone Financial Statements

Note 41 : Related Party Information (Contd.)

Independent Non-Executive Directors

Mr. J.N. Godrej
Mr. V.M. Crishna
Mr. K.K. Dastur
Mr. K.M. Elavia
Mr. K.N. Petigara
Mr. S.A. Ahmadullah
Mr. A.B. Choudhury
Mr. A.D. Cooper (w.e.f. October 28, 2015)
Mr. N.D. Forbes (up to August 11, 2015)

Relatives of Key Management Personnel

Late Ms. P. A. Godrej - Wife of Mr. A. B. Godrej
Ms. N. A. Godrej - Daughter of Mr. A. B. Godrej
Mr. P. A. Godrej - Son of Mr. A. B. Godrej
Ms. R. N. Godrej - Wife of Mr. N. B. Godrej
Mr. B. N. Godrej - Son of Mr. N. B. Godrej
Mr. S. N. Godrej - Son of Mr. N. B. Godrej
Mr. H. N. Godrej - Son of Mr. N. B. Godrej
Mr. A. D. Dubash - Husband of Ms. Tanya Dubash
Ms. N. N. Nabar - Wife of Mr. N. S. Nabar

Enterprises over which key management personnel exercise significant influence

Anamudi Real Estates LLP
Godrej Investments P. Ltd.
Vora Soaps Ltd. (Upto March 29, 2017)
Godrej Tyson Foods Ltd.

Enterprises over which relative of key management personnel exercise significant influence

Shata Trading & Finance P. Ltd.
Shilawati Trading & Finance P. Ltd.

Post Employment Benefit Trust where the company exercises significant influence

Godrej Industries Employees Provident Fund
Godrej Industries Ltd. Group Gratuity Trust
Godrej Industries Ltd. Employee Stock Option Trust

Notes to Standalone Financial Statements

Note 41 : Related Party Information (Contd.)

2. Transactions with Related Parties

Amount ₹ in Crore

Nature of Transaction	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Associate/ Joint Venture Companies	Companies under common control	Key Management Personnel	Relative of Key Management Personnel	Enterprises over which Key Mangement Personnel exercise significant influence	Enterprises over which Relative of Key Mangement Personnel exercise significant influence	Post Employment Benefit Trust	Total
Sale of Goods	0.56	1.40	3.73	28.69	-	-	-	-	-	-	34.38
Previous Year	*0.31*	*0.14*	*4.75*	*27.42*	-	-	-	-	-	-	*32.62*
Purchase of goods	-	-	-	9.12	-	-	-	-	-	-	9.12
Previous Year	-	-	-	*10.32*	-	-	-	-	-	-	*10.32*
Purchase of Fixed Assets	3.28	2.37	-	-	-	-	-	-	-	-	5.65
Previous Year	*11.39*	*12.87*	-	-	-	-	-	-	-	-	*24.26*
Net Guarantee given	-	-	-	2.00	-	-	-	-	-	-	2.00
Previous Year	-	-	-	*5.02*	-	-	-	-	-	-	*5.02*
Commission / Royalty received *	-	0.00	-	0.19	-	-	-	-	-	-	0.19
Previous Year	-	*0.07*	-	*0.15*	-	-	-	-	-	-	*0.22*
Licence fees/Service charges/Storage Income *	0.00	4.58	-	4.66	-	-	-	0.01	-	-	9.25
Previous Year	*0.01*	*5.64*	-	*7.82*	-	-	-	*0.04*	-	-	*13.51*
Other Income *	0.00	0.50	-	0.66	-	-	-	0.03	-	-	1.19
Previous Year	*0.01*	*0.17*	-	*0.72*	-	-	-	*0.06*	-	-	*0.96*
Recovery of establishment & Other Expenses	1.62	18.92	0.15	42.07	-	-	-	3.38	-	-	66.14
Previous Year	*3.10*	*14.36*	-	*14.84*	-	-	-	*2.21*	-	-	*34.51*
Rent, Establishment & other exps. paid	1.86	7.24	0.02	10.18	-	-	0.84	0.01	0.13	-	20.28
Previous Year	*2.64*	*1.19*	-	*12.64*	-	-	*0.84*	*0.01*	-	-	*17.32*
Interest paid *	-	-	-	-	-	0.00	0.01	-		-	0.01
Previous Year	-	-	-	-	-	-	*0.11*	-	-	-	*0.11*
Dividend income	-	0.40	-	46.54	-	-	-	-	-	-	46.94
Previous Year	-	*47.90*	-	*44.28*	-	-	-	-	-	-	*92.18*
Dividend paid	-	-	-	-	-	-	-	-	-	-	-
Previous Year	*67.87*	-	-	-	-	*1.93*	*7.04*	*2.24*	-	-	*79.08*
Remuneration to Key Management Personnel											
Short term employee benefit	-	-	-	-	-	11.74	-	-	-	-	11.74
Post employment benefit	-	-	-	-	-	0.59	-	-	-	-	0.59
Share based payment	-	-	-	-	-	0.77	-	-	-	-	0.77
Previous Year	-	-	-	-	-	-	-	-	-	-	-
Short term employee benefit	-	-	-	-	-	11.48	-	-	-	-	11.48
Post employment benefit	-	-	-	-	-	0.56	-	-	-	-	0.56
Share based payment	-	-	-	-	-	0.67	-	-	-	-	0.67
Remuneration	-	-	-	-	-	-	0.06	-	-	-	0.06
Previous Year	-	-	-	-	-	-	-	-	-	-	-
Purchase of Investments	200.73	90.00	-	-	-	-	-	-	-	-	290.73
Previous Year *	*79.34*	*219.04*	-	*0.00*	-	-	-	-	-	-	*298.38*
Sale of Investments	-	-	-	-	-	-	-	-	-	-	-
Previous Year	*175.28*	*147.45*	-	-	-	-	-	-	-	-	*322.73*
Other Deposits accepted	0.01	0.19	-	-	-	-	-	-	-	-	0.20
Previous Year	-	*0.14*	-	-	-	-	-	-	-	-	*0.14*
Other Deposits refunded	0.01	0.41	-	0.07	-	0.08	0.43	-	-	-	1.00
Previous Year	-	*0.31*	-	-	-	-	*2.03*	*0.25*	-	-	*2.59*
Shares in subsidiary Co. acquired under scheme of arrangement	-	-	-	-	-	-	-	-	-	-	-
Previous Year	-	*152.00*	-	-	-	-	-	-	-	-	*152.00*
Other Deposits - Advanced during the year	-	0.30	-	-	-	-	-	-	-	-	0.30
Previous Year	-	-	-	-	-	-	-	-	-	-	-
Share of profit in LLP	-	-	-	-	-	-	-	-	-	-	-
Previous Year	-	*1.17*	-	-	-	-	-	-	-	-	*1.17*
Contribution to Post-employment Benefit Plans	-	-	-	-	-	-	-	-	-	5.45	5.45
Previous Year	-	-	-	-	-	-	-	-	-	*8.70*	*8.70*
Repayment of loan Received	-	-	-	-	-	-	-	-	-	24.62	24.62
Previous Year	-	-	-	-	-	-	-	-	-	*38.84*	*38.84*
Provision for doubtful debts related to outstanding balances	-	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	-	*5.71*	*5.71*
Directors Fees	-	-	-	-	-	0.42	-	-	-	-	0.42
Previous Year	-	-	-	-	-	*0.56*	-	-	-	-	*0.56*
Balance Outstanding as on March 31, 2017					-						
Receivables	-	2.30	-	5.58	0.97	-	-	0.04	-	-	8.89
Previous Year	*3.19*	*4.80*	*1.12*	*2.84*	-	-	-	*0.09*	-	-	*12.04*
2014-15	-	*8.69*	*0.70*	*0.41*	-	-	-	*0.54*	-	-	*10.34*
Payables	-	0.52	-	0.02	-	-	-	1.50	-	-	2.04
Previous Year	-	*0.23*	-	*0.03*	-	-	-	*0.12*	-	-	*0.38*
2014-15	*0.25*	-	-	-	-	-	-	*0.05*	-	-	*0.30*
Guarantees outstanding	-	-	-	26.88	-	-	-	-	-	-	26.88
Previous Year	-	-	-	*24.88*	-	-	-	-	-	-	*24.88*
2014-15	-	-	-	*19.86*	-	-	-	-	-	-	*19.86*
Outstanding Loan Receivable	-	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	-	*24.62*	*24.62*
2014-15	-	-	-	-	-	-	-	-	-	*63.46*	*63.46*
Public Deposits Outstanding	-	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	*0.02*	-	-	-	*0.02*
2014-15	-	-	-	-	-	*0.58*	*2.50*	-	-	-	*3.08*

* Amount less than ₹ 0.01 crores

Note : All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

Notes to Standalone Financial Statements

Note 42 : Fair Value Measurement

Refer Note 2 sub note 9 and 10 for accounting policy on Financial Instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

1. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are as follows.

Amount ₹ in Crore

	Carrying amount				Fair value			
March 31, 2017	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Non Current								
Investments								
Unquoted Equity Shares *	0.02	-	-	0.02	-	0.02	-	0.02
Loans								-
Security Deposits	-	-	2.75	2.75	-	-	-	-
Loans to Employees	-	-	0.43	0.43	-	-	-	-
Current								
Current investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	121.71	121.71	-	-	-	-
Cash and cash equivalents	-	-	12.01	12.01	-	-	-	-
Other bank balances	-	-	3.06	3.06	-	-	-	-
Loans								
Others	-	-	0.17	0.17	-	-	-	-
Derivative asset	2.38	-	-	2.38	-	2.38	-	2.38
Other Current Financial Assets	-	-	22.56	22.56	-	-	-	-
	2.40	-	162.69	165.09	-	2.40	-	2.40
Financial liabilities								
Long term borrowings	-	-	985.28	985.28	-	-	-	-
Short term borrowings	-	-	1,437.41	1,437.41	-	-	-	-
Trade and other payables	-	-	311.97	311.97	-	-	-	-
Derivative liability	2.92	-	-	2.92	-	2.92	-	2.92
Other Current financial liabilities	-	-	493.12	493.12	-	-	-	-
	2.92	-	3,227.78	3,230.70	-	2.92	-	2.92

Notes to Standalone Financial Statements

Note 42 : Fair Value Measurement (Contd.)

Amount ₹ in Crore

	Carrying amount				Fair value			
March 31, 2016	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Investments								
Unquoted Equity Shares *	0.02	-	-	0.02	-	0.02	-	0.02
Loans	-	-	-	-	-	-	-	-
Security Deposits	-	-	2.37	2.37	-	-	-	-
Loans to Employees	-	-	0.51	0.51	-	-	-	-
Current								-
Current investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	185.52	185.52	-	-	-	-
Cash and cash equivalents	-	-	7.09	7.09	-	-	-	-
Other bank balances	-	-	4.55	4.55	-	-	-	
Loans								-
Others	-	-	19.09	19.09	-	-	-	-
Derivative asset	1.65	-	-	1.65	-	1.65	-	1.65
Other Current Financial Assets	-	-	110.89	110.89	-	-	-	-
	1.67	-	330.02	331.69	-	1.67	-	1.67
Financial liabilities								
Long term borrowings	-	-	1,016.80	1,016.80	-	-	-	-
Short term borrowings	-	-	1,311.02	1,311.02	-	-	-	-
Trade and other payables	-	-	171.47	171.47	-	-	-	-
Derivative liability	4.82	-	-	4.82	-	4.82	-	4.82
Other Current financial liabilities	-	-	419.80	419.80	-	-	-	-
	4.82	-	2,919.09	2,923.91	-	4.82	-	4.82

Notes to Standalone Financial Statements

Note 42 : Fair Value Measurement (Contd.)

Amount ₹ in Crore

April 01, 2015	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current								
Investments								
Unquoted Equity Shares *	0.02	-	-	0.02	-	0.02	-	0.02
Preference shares	134.77	-	-	134.77	-	134.77	-	134.77
Loans								-
Security Deposits	-	-	6.09	6.09	-	-	-	-
Loans to Employees	-	-	0.59	0.59	-	-	-	-
Other financial assets	-	-	0.10	0.10	-	-	-	-
Current								-
Current investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	84.46	84.46	-	-	-	-
Cash and cash equivalents	-	-	98.38	98.38	-	-	-	-
Other bank balances	-	-	8.92	8.92	-	-	-	-
Loans								
Others	-	-	46.94	46.94	-	-	-	-
Derivative asset	2.22	-	-	2.22	-	2.22	-	2.22
Other Current Assets	-	-	18.74	18.74	-	-	-	-
	137.01	-	264.22	401.23	-	137.01	-	137.01
Financial liabilities								
Long term borrowings	-	-	1,008.68	1,008.68	-	-	-	-
Short term borrowings	-	-	782.38	782.38	-	-	-	-
Trade and other payables	-	-	414.99	414.99	-	-	-	-
Other Current financial liabilities	-	-	298.39	298.39	-	-	-	-
	-	-	2,504.44	2,504.44	-	-	-	-

* The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at net book value as per the latest audited financial statements available.

The Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

Notes to Standalone Financial Statements

Note 42 : Fair Value Measurement (Contd.)

2. Measurement of fair values

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Preference shares	The preference shares were converted into equity and listed in the near future and accordingly we have used the listing price as fair value on the date of reporting.
Fixed rates long term borrowings	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Interest rate swaps	Present value of the estimated future cash flows based on observable yield curves.

Note 43 : Financial Risk Management

1. Financial Risk Management objectives and policies

The Company's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks and Commodity price risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

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 audit committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

2. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits

Notes to Standalone Financial Statements

Note 43 : Financial Risk Management (Contd.)

and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions. The Company's export sales are backed by letters of credit and insured through Export Credit Guarantee Corporation. The Company bifurcates the Domestic Customers into Large Corporates, Distributors and others for Credit monitoring.

The Company maintains adequate security deposits for sales made to its distributors. For other trade receivables, the Company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

Based on prior experience and an assessment of the current economic environment, Management believes there is no credit risk provision required. Also Company does not have any significant concentration of credit risk.

The ageing of trade receivables that were not impaired was as follows:

Amount ₹ in Crore

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
More than 6 Months	**0.13**	0.59	-
Others	**121.58**	184.93	84.46
	121.71	185.52	84.46

The amounts reflected in the table above are not impaired as at the Balance Sheet dates.

The movement in Provision for Doubtful Debts is as follows:

Particulars	Amount ₹ in Crore
Balance as at April 01, 2015	0.99
Impairment loss recognised	0.15
Balance as at March 31, 2016	1.14
Impairment loss recognised	1.75
Balance as at March 31, 2017	2.89

Notes to Standalone Financial Statements

Note 43 : Financial Risk Management (Contd.)

3. 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. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other Debt instrument. The Company invests its surplus funds in bank fixed deposits and debt based mutual funds.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities as at the Balance Sheet dates:

Amount ₹ in Crore

		Contractual cash flows					
March 31, 2017	**Carrying amount**	**Total**	**Less than 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Long term borrowings	985.28	1,144.63	37.54	37.33	665.24	404.52	-
Short term borrowings	1,437.41	1,440.78	1,440.78	-	-	-	-
Current maturities of long term borrowings	438.83	454.26	200.68	253.58	-	-	-
Trade and other payables	311.97	311.97	302.29	9.68	-	-	-
Other financial liabilities	54.29	54.29	48.22	-	6.07	-	-
Derivative financial liabilities							
Interest rate swaps	-	3.08	1.07	0.87	1.03	0.11	-
Forward exchange contracts used for hedging	2.92	2.92	2.92	-	-	-	-

Notes to Standalone Financial Statements

Note 43 : Financial Risk Management (Contd.)

Amount ₹ in Crore

March 31, 2016	Carrying amount	Contractual cash flows: Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Long term borrowings	1,016.80	1,168.11	34.78	34.59	495.35	603.39	-
Short term borrowings	1,311.02	1,317.01	1,317.01	-	-	-	-
Current maturities of long term borrowings	330.52	340.03	154.69	185.34	-	-	-
Trade and other payables	171.47	171.47	165.94	5.53	-	-	-
Other financial liabilities	89.28	89.28	81.81	-	7.47	-	-
Derivative financial liabilities							
Interest rate swaps	4.64	9.55	1.95	1.91	3.58	2.11	-
Forward exchange contracts used for hedging	0.18	0.18	0.18	-	-	-	-

Amount ₹ in Crore

April 01, 2015	Carrying amount	Contractual cash flows: Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Long term borrowings	1,008.68	1,151.60	29.17	29.17	316.85	776.41	-
Short term borrowings	782.38	785.19	785.19	-	-	-	-
Current maturities of long term borrowings	227.23	239.84	102.86	136.98	-	-	-
Trade and other payables	414.99	414.99	397.07	17.92	-	-	-
Other financial liabilities	71.16	71.16	62.83	-	8.33	-	-

Notes to Standalone Financial Statements

Note 43 : Financial Risk Management (Contd.)

4. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company's exposure to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Currency risk

The Company is exposed to currency risk on account of its borrowings, Receivables for Exports and Payables for Imports in foreign currency. The functional currency of the Company is Indian Rupee. The Company manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

Exposure to currency risk (Exposure in different currencies converted to functional currency)

The currency profile of financial assets and financial liabilities as at Balance Sheet dates are as below:

Amount ₹ in Crore

March 31, 2017	USD	EURO	SGD	GBP
Financial assets				
Trade and other receivables	88.01	1.51	-	-
Less: Forward contracts	(34.24)	-	-	-
	53.77	1.51	-	-
Financial liabilities				
Long term borrowings	490.37	-	-	-
Trade and other payables	128.08	45.04	-	-
Other Current financial liabilities	2.41	-	-	-
Less: Forward contracts	(54.24)	(35.40)	-	-
	566.62	9.64	-	-

Amount ₹ in Crore

March 31, 2016	USD	EURO	SGD	GBP
Financial assets				
Trade and other receivables	70.78	2.27	-	101.18
Other Current financial assets	-	1.13	-	-
Less: Forward contracts	(23.52)	(3.40)	-	-
	47.26	-	-	101.18
Financial liabilities				
Long term borrowings	685.15	-	-	-
Short term borrowings	3.33	-	-	-
Trade and other payables	76.70	0.15	0.04	-
Other Current financial liabilities	3.25	34.76	-	-
Less: Forward contracts	(2.57)	(34.76)	-	-
	765.86	0.15	0.04	-

Notes to Standalone Financial Statements

Note 43 : Financial Risk Management (Contd.)

Amount ₹ in Crore

April 01, 2015	USD	EURO	SGD	GBP
Financial assets				
Trade and other receivables	83.48	3.21	-	-
Less: Forward contracts	(60.00)	(1.81)	-	-
	23.48	1.40	-	-
Financial liabilities				
Long term borrowings	660.06	-	-	-
Short term borrowings	5.67	-	-	-
Trade and other payables	94.11	0.04	-	-
Other Current financial liabilities	2.39	-	-	-
	762.23	0.04	-	-

Uncovered Foreign Exchange Exposure on Long Term Borrowings as at balance sheet dates includes External Commercial Borrowings (ECB) and Foreign Currency Term Loan (FCTL) taken for Capital Expenditure except for ₹ 51.74 crore as on March 31, 2016. Impact of fluctuation in Foreign Currency Rates on these borrowings relating to Capital Expenditure will be capitalised to Fixed Assets and would not impact the Statement of Profit and Loss.

The following significant exchange rates have been applied as at the Balance Sheet dates:

	Year-end spot rate		
INR	**March 31, 2017**	March 31, 2016	April 01, 2015
USD 1	**64.86**	66.25	62.50
EUR 1	**69.30**	75.46	67.13
SGD 1	**-**	49.15	-
GBP 1	**-**	95.40	-

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against the foreign currencies at March 31 would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Amount ₹ in Crore

March 31, 2017	**Profit or (loss)**	
	Strengthening	**Weakening**
USD - 1% Movement	(5.13)	5.13
EUR - 2% Movement	(0.16)	0.16
	(5.29)	5.29

Notes to Standalone Financial Statements

Note 43 : Financial Risk Management (Contd.)

Amount ₹ in Crore

March 31, 2016	Profit or (loss)	
	Strengthening	Weakening
USD - 3% Movement	(21.56)	21.56
EUR - 2% Movement*	(0.00)	0.00
SGD - 2% Movement*	(0.00)	0.00
GBP - 3% Movement	3.04	(3.04)
	(18.52)	18.52

* Amount less than ₹ 0.01 crore.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 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.

The Management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the Management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the Management of the Company is as follows:

Amount ₹ in Crore

Borrowings	**As at March 31, 2017**	As at March 31, 2016	As at April 01, 2015
Fixed rate borrowings	**1,097.41**	1,074.06	812.35
Variable rate borrowings	**1,764.11**	1,584.28	1,205.94
	2,861.52	2,658.34	2,018,29

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.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.The year end balances are not necessarily representative of the average debt outstanding during the period.

Notes to Standalone Financial Statements

Note 43 : Financial Risk Management (Contd.)

Amount ₹ in Crore

Particulars	Profit or (loss)	
	100 bp increase	100 bp decrease
March 31, 2017		
Variable-rate instruments	(17.64)	17.64
Interest rate swaps	3.28	(3.28)
Cash flow sensitivity (net)	(14.36)	14.36
March 31, 2016		
Variable-rate instruments	(15.84)	15.84
Interest rate swaps	3.35	(3.35)
Cash flow sensitivity (net)	(12.49)	12.49

Note 44 : Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Amount ₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-Current Borrowings	**985.28**	1,016.80	1,008.68
Current Borrowings	**1,437.41**	1,311.02	782.38
Current maturity of long term debt	**438.83**	330.52	227.23
Gross Debt	**2,861.52**	**2,658.34**	**2,018.29**
Less : Cash and Cash Equivalents	**(12.01)**	(7.09)	(98.38)
Less : Other Bank Balances	**(3.06)**	(4.55)	(9.02)
Adjusted Net debt	**2,846.45**	**2,646.70**	**1,910.89**
Total Equity	**1,615.43**	1,756.86	1,851.17
Adjusted Net Debt to Equity ratio	**1.76**	1.51	1.03

Notes to Standalone Financial Statements

Note 45 : Master netting or similar agreements

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at Balance Sheet dates:

Amount ₹ in Crore

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
March 31, 2017						
Financial assets						
Derivative instruments	2.38	-	2.38	2.38	-	-
Financial liabilities						
Derivative instruments	2.92	-	2.92	(2.38)	-	0.54

Amount ₹ in Crore

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
March 31 2016						
Financial assets						
Derivative instruments	1.65	-	1.65	1.65	-	-
Financial liabilities						
Derivative instruments	4.82	-	4.82	(1.65)	-	3.17

Amount ₹ in Crore

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
April 01, 2015						
Financial assets						
Derivative instruments	2.22	-	2.22	-	-	2.22

Offsetting arrangements

Derivatives

The Company enters into derivative contracts for hedging foreign exchange exposures. In general, under such agreements, the amounts owed by each counterparty on a single day in respect of all the transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

Notes to Standalone Financial Statements

Note 46 : First-time adoption of Ind AS

1. Transition to Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2016, with a transition date of April 01, 2015. These financial statements for the year ended March 31, 2017 are the first financial statements the Company has prepared under Ind AS. For all periods upto and including the year ended March 31, 2016 , the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act 2013, read together with the relevant Rules thereunder ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended March 31, 2017, together with the comparative information as at and for the year ended March 31, 2016 and the opening Ind AS Balance Sheet as at April 01, 2015, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP and have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

2. Optional Exemptions Availed

(i) Deemed cost

The Company has elected to continue with the carrying value for all of its property, plant and equipment, intangible assets and investment property as recognised in the financial statements as the deemed cost at the date of transition to Ind AS, measured as per the previous GAAP.

(ii) Share based payments

The Company has elected not to apply Ind AS 102 Share-based payment to equity instruments that vested before the date of transition to Ind AS. Accordingly, the Company has measured only the unvested stock options on the date of transition as per Ind AS 102.

(iii) Deemed cost for investments in Subsidiaries, Jointly Controlled Entities and Associates

The Company has elected to continue with the carrying value of its investments in subsidiaries, joint ventures and associates as recognised in the financial statements as at the date of transition to Ind AS. Accordingly, the Company has measured all its investments in subsidiaries, joint ventures and associates at their previous GAAP carrying value.

(iv) Long Term Foreign Currency Monetary Items

The Company has elected to continue accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind As financial reporting period as per the previous GAAP.

(v) Business Combination

Ind AS 101 provided the option to apply Ind AS 103 prospectively from the transition date or specific date prior to the transition date. The Company has elected to apply Ind AS 103 propectively to business combination occurring after its transition date. Business combination prior to the transition date have not been restated.

Notes to Standalone Financial Statements

Note 46 : First-time adoption of Ind AS (Contd.)

3. Mandatory Exceptions from retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

(i) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

(ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

(iii) Classification and measurement of financial assets

The Company has classified and measured the financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

4. Reconciliation of Equity

Amount ₹ in Crore

Particulars	Note	As at March 31, 2016	As at April 01, 2015
Equity as per IGAAP		1,759.48	1,658.28
Fair Valuation of Investment (Net of Tax) & Effective Interest Cost	1, 3	2.88	117.92
MTM of Hedging contract	8	(4.10)	1.17
Deferral of Revenue	2	(4.01)	(2.54)
Deferred Tax on Ind AS adjustments	5	2.53	4.61
Reversal of Proposed Dividend and Dividend Distribution Tax	4	-	70.77
Other Ind AS adjustments	6,7,9	0.08	0.96
Total Ind AS adjustments		(2.62)	192.89
Equity as per Ind AS		1,756.86	1,851.17

5. Reconciliation of Total Comprehensive Income

Amount ₹ in Crore

	Note	As at March 31, 2016
Net Profit after tax as per IGAAP		157.30
Deferral of Revenue	2	(1.47)
Fair Valuation of Investment (Net of Tax) & Effective Interest Cost	1, 3	(117.26)
MTM of Hedging contract	8	(5.28)
Other Ind AS adjustments	6,7,9	(0.84)
Deferred Tax on Ind AS adjustments	5	0.15
Total Ind AS adjustments		(124.70)
Total Comprehensive Income as per Ind AS		32.60

Notes to Standalone Financial Statements

Note 46 : First-time adoption of Ind AS (Contd.)

6. There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

7. **Notes to the Reconciliations:**

   1. **Fair valuation of investments:** Under Indian GAAP, the Company accounted for long term investments at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTPL , which are measured at fair value. At the date of transition to Ind AS, difference between the instruments' fair value and Indian GAAP carrying amount has been recognised in the statement of profit and loss.

   2. **Deferral of Revenue:** Revenue from sale of goods has been recognised only when the risk and rewards in the goods passes to the buyer, hence, cost corresponding to the revenue has been deferred.

   3. **Loans and borrowings :** Under Indian GAAP, transaction costs incurred in connection with loans and borrowings are recognised upfront and charged to Statement of Profit or Loss for the period. Under Ind-AS, transaction costs are included in the initial recognition of financial liability and charged to Statement of Profit or Loss using the effective interest method.

   4. **Proposed dividend :** Under Indian GAAP, proposed dividends are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind-AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

   5. **Deferred tax asset/liability:** Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

   6. **Share based payments :** Under Indian GAAP, the Group recognised only the intrinsic value for the long-term incentive plan as an expense. Ind-AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An additional expense has been recognised in Statement of Profit or Loss for the year ended March 31, 2016.

   7. **Discounting of trade payables:** The trade payables for which the payments contractually have extended credit have been fair valued as per the requirements of Ind AS 109.

   8. **Derivative contracts:** Under Indian GAAP, the premium and discount on forward contracts were amortised over the contract period. For other derivative contarcts only mark to market losses were recognised based on prudence. However, under Ind AS all derivatives are measured at fair value at each reporting period and changes therein are recognised in Statement of Profit and Loss.

   9. **Employee benefit:** Both under Indian GAAP and Ind AS the Company recognised costs related to post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, actuarial gains and losses are charged to Statement of Profit or Loss, however in Ind AS the actuarial gains and losses are recognised through other comprehensive income.

Notes to Standalone Financial Statements

Note 47 : Disclosure in respect of Specified Bank Notes Held and Transacted:

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated March 30, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 is provided in the table below:

Amount ₹ in Crore

	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	0.25	0.07	0.32
(+) Permitted receipts	-	0.56	0.56
(-) Permitted payments	-	(0.46)	(0.46)
(-) Amount deposited in Banks	(0.25)	-	(0.25)
Closing cash in hand as on 30.12.2016	**-**	**0.17**	**0.17**

Note 48 : Dividend on Equity Shares

Amount ₹ in Crore

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a)	Proposed Dividend * (₹ 1.75 per share (175%)	**58.82**	-
(b)	Interim Dividend (₹ 1.75 per share (175%)	**-**	58.80
		58.82	58.80

(*) Proposed Dividend is subject to Shareholders' approval in the ensuing Annual General Meeting and has not been recognised as a liability as at Balance Sheet date.

As on March 31, 2017, the tax liability with respect to the dividends proposed is ₹ 11.98 crore (March 31, 2016 : ₹ Nil).

Note 49

Managerial Remuneration paid for the year exceeded the permissible limit as prescribed under Schedule V of the Companies Act 2013 by ₹ 4.54 crore. The Company is in the process of obtaining approval from Central Government of India for such excess remuneration paid. Pending such approvals, the amount is held in trust for the Company.

Note 50

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

Note 51

Corporate Social Responsibility contribution required to be made as per provisions of Section 135 of the Companies Act, 2013 is ₹ NIL for the current year and previous year.

Note 52 : Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note 53

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts, if any, has been made in the books of accounts.

Note 54

Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

FORM AOC -1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014.

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / LIMITED LIABILITY PARTNERSHIPS / ASSOCIATES / JOINT VENTURES AS PER THE COMPANIES ACT, 2013

Part "A" : Subsidiaries/Limited Liability Partnerships

Amount in ₹ Crore

Sr. No.	Name of Subsidiary/Limited Liability Partnership	Reporting Currency	Exchange Rate	Accounting Period	Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover [b]	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Holding	Country
1.	Godrej Agrovet Limited	INR	1.00	2016-17	185.13	717.49	2,398.85	1,496.23	505.99	3,668.91	280.67	72.69	207.97	-	63.67%	India
2.	Godrej Seeds & Genetics Limited	INR	1.00	2016-17	NA	NA	NA	NA	NA	3.71	(1.15)	-	(1.15)	-	NA	India
3.	Godvet Agrochem Limited	INR	1.00	2016-17	9.95	0.81	21.02	10.26	-	3.41	0.36	(0.04)	0.40	-	100%	India
4.	Astec LifeSciences Limited	INR	1.00	2016-17	19.51	118.47	333.59	195.60	0.49	303.01	28.63	9.53	19.09	-	55.5%	India
5.	Behram Chemicals Private Limited	INR	1.00	2016-17	0.60	0.17	0.88	0.11	-	-	0.09	0.03	0.06	-	66%	India
6.	Astec Europe Sprl*	EURO	69.25	2016-17	0.11	(0.12)	0.10	0.11	-	0.65	0.08	0.00	0.08	-	50%	Belgium
7.	Comercializadora Agricola Agroastrachem Cia Ltda	Columbian Peso	0.02	2016-17	0.01	(0.09)	0.02	0.10	-	-	(0.06)	-	(0.06)	-	100%	Columbia
8.	Creamline Dairy Products Limited	INR	1.00	2016-17	11.32	182.08	331.33	137.92	-	1,018.52	42.63	16.58	26.05	-	51.9%	India
9.	Nagavalli Milkline Private Limited	INR	1.00	2016-17	2.01	(0.09)	1.95	0.03	-	-	(0.01)	-	(0.01)		100%	India
10.	Natures Basket Limited	INR	1.00	2016-17	309.23	(304.38)	101.27	96.42	0.05	309.91	(95.31)	(0.02)	(95.33)	-	100%	India
11.	Godrej One Premises Management Private Limited*	INR	1.00	2016-17	0.01	-	4.04	4.03	0.00	25.48	-	-	-		58%	India
12.	Godrej International Limited	USD	64.86	2016-17	14.76	90.98	109.45	3.70	-	21.79	15.81	-	15.81	-	100%	Isle of man
13.	Godrej International Trading & Investment	USD	64.86	2015-16	4.43	6.97	11.97	0.57	-	88.99	1.61	0.06	1.55	-	100%	Singapore
14.	Ensemble Holdings & Finance Limited*	INR	1.00	2016-17	6.19	64.13	70.35	0.03	69.73	12.36	11.12	(0.00)	11.12	-	100%	India
15.	Godrej Properties Limited	INR	1.00	2016-17	108.18	1,836.24	6,189.72	4,245.30	1,115.44	705.28	113.69	(10.56)	124.25	-	56.70%	India
16.	Godrej Real Estate Private Limited	INR	1.00	2016-17	0.45	(13.63)	188.78	201.96	0.37	0.10	(1.67)	(0.32)	(1.35)	-	100%	India
17.	Godrej Buildcon Private Limited	INR	1.00	2016-17	0.05	121.39	1,292.85	1,171.41	-	353.97	39.23	13.99	25.23	-	100%	India
18.	Godrej Projects Development Private Limited	INR	1.00	2016-17	0.28	130.61	1,163.34	1,032.45	169.58	252.24	(38.14)	(11.54)	(26.60)	-	100%	India
19.	Godrej Garden City Properties Private Limited	INR	1.00	2016-17	0.05	4.28	44.04	39.71	34.46	17.42	2.40	0.79	1.61	-	100%	India
20.	Godrej Green Homes Limited*	INR	1.00	2016-17	0.45	0.03	0.51	0.03	0.48	0.10	0.08	0.00	0.08	-	100%	India
21.	Godrej Hillside Properties Private Limited*	INR	1.00	2016-17	0.41	0.09	0.51	0.01	0.47	0.12	0.11	0.00	0.11	-	100%	India
22.	Godrej Home Developers Private Limited*	INR	1.00	2016-17	0.41	0.09	0.51	0.01	0.47	0.12	0.11	0.00	0.11	-	100%	India
23.	Godrej Fund Management Pte. Ltd. (Refer Note (b) below)	USD	64.83	2016-17	1.14	6.35	9.39	1.89	-	9.78	7.88	1.11	6.76	-	100%	Singapore
24.	Godrej Prakriti Facilities Private Limited	INR	1.00	2016-17	0.01	0.22	5.40	5.17	-	3.98	0.24	0.07	0.17	-	100%	India
25.	Prakritiplaza Facilities Management Private Limited	INR	1.00	28.07.2016 TO 31.03.2017	0.01	-	0.02	0.01	-	0.01	-	-	-	-	100%	India
26.	Godrej Highrises Properties Private Limited	INR	1.00	2016-17	0.01	0.08	0.10	0.01	0.04	0.10	0.09	-	0.09	-	100%	India
27.	Godrej Investment Advisers Private Limited	INR	1.00	2016-17	1.70	(0.07)	1.65	0.02	1.64	0.03	0.02	0.01	0.01	-	100%	India
28.	Godrej Genesis Facilities Management Private Limited (Refer Note (a) below)	INR	1.00	2016-17	0.01	0.12	1.11	0.98	-	0.71	0.16	0.05	0.12	-	100%	India
29.	Godrej Vikhroli Properties India Limited (Converted from LLP on January 25, 2016)	INR	1.00	2016-17	368.30	39.60	903.96	496.06	-	639.07	251.71	80.45	171.27	-	100%	India
30.	Citystar Infra Projects Limited	INR	1.00	2016-17	0.05	(0.04)	0.35	0.35	-	-	(0.01)	-	(0.01)	-	100%	India
31.	Godrej Skyline Developers Private Limited* (Refer Note (a) below)	INR	1.00	22.11.2016 TO 31.03.2017	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	(0.01)	-	100%	India
32.	Godrej Developers & Properties LLP* (Refer Note (a) below)	INR	1.00	2016-17	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	(0.01)	-	100%	India
33.	Godrej Land Developers LLP* (Refer Note (a) below)	INR	1.00	2016-17	0.00	(0.02)	0.00	0.01	-	-	(0.01)	-	(0.01)	-	100%	India
34.	Godrej Project Developers & Properties LLP*	INR	1.00	2016-17	0.00	(0.02)	0.00	0.01	-	-	(0.01)	-	(0.01)	-	100%	India
35.	Godrej Highrises Realty LLP* (Refer Note (a) below)	INR	1.00	2016-17	0.00	(0.00)	2.93	2.93	-	-	(0.00)	0.00	(0.00)	-	100%	India

*Amount less than ₹ 0.01 crore

Notes :

(a) Subsidiary of Godrej Project Development Private Limited
(b) Turnover includes Revenue from operations and Other Income
(c) All above information is given as per Ind As.
(d) Total Liabilities excludes Capital and Reserves & Surplus

Part "B" : Associates / Joint Ventures

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

Amount in ₹ Crore

Sr. No.	Name of Joint Ventures / Associates	Latest audited Balance Sheet Date	Shares of Joint Ventures / Associates held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year	
			No. of Share	Amount of Investment in Associate	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1.	Godrej Consumer Products Limited	31.03.2017	80937620	1,366.21	23.76	through % of holding	NA	1,259.74	300.48	-
2.	ACI Godrej Agrovet Private Limited	31.03.2017	1850000	12.49	50.00	through % of holding	NA	69.60	11.28	-
3.	Godrej Tyson Foods Limited	31.03.2017	97461	66.03	49.00	through % of holding	NA	87.45	10.18	-
4.	Polchem Hygiene Laboratories Private Limited	31.03.2016	NA	NA	NA	NA	NA	NA	0.62	-
5.	Al Rahaba International Trading Limited Liability Company	31.03.2016	24	0.04	24.00	through % of holding	NA	4.98	(2.95)	-
6.	Omnivore India Capital Trust	31.03.2016	2125 units	21.25	10.00	The Company participates in the key activities jointly with the Investment Manager.	NA	16.26	(0.56)	-
7.	Godrej Realty Private Limited	31.03.2017	884850.	5.52	51.00	through % of holding	NA	0.79	(0.56)	-
8.	Godrej Landmark Redevelopers Private Limited	31.03.2017	25500	0.03	51.00	through % of holding	NA	53.52	13.06	-
9.	Godrej Redevelopers (Mumbai) Private Limited	31.03.2017	28567	4.44	51.00	through % of holding	NA	12.47	9.94	-
10.	Wonder Space Properties Private Limited	31.03.2017	111054	1.72	25.10	through % of holding	NA	1.63	(0.03)	-
11.	Wonder City Buildcon Private Limited	31.03.2017	810420	1.61	25.10	through % of holding	NA	0.54	0.95	-
12.	Godrej Home Constructions Private Limited	31.03.2017	1071770	2.18	25.10	through % of holding	NA	0.93	(1.25)	-
13.	Godrej Greenview Housing Private Limited	31.03.2017	1192000	1.19	20.00	through % of holding	NA	(0.05)	(1.24)	-
14.	Wonder Projects Development Private Limited	31.03.2017	700100	0.70	20.00	through % of holding	NA	0.68	(0.01)	-
15.	Godrej Real View Developers Private Limited	01.09.2016 to 31.03.2017	176000	0.18	20.00	through % of holding	NA	0.18	-	-
16.	Pearlite Real Properties Private Limited	02.09.2016 to 31.03.2017	3552500	3.55	49.00	through % of holding	NA	3.54	(0.01)	-
17.	Godrej Property Developers LLP	31.03.2017	NA	-	32.00	through % of holding & Voting Rights	NA	(0.01)	(0.01)	-
18.	Mosiac Landmarks LLP*	31.03.2017	NA	0.11	1.00	through % of holding & Voting Rights	NA	0.21	0.00	-
19.	Dream World Landmarks LLP	31.03.2017	NA	0.04	40.00	through % of holding & Voting Rights	NA	2.28	4.51	-
20.	Oxford Realty LLP	31.03.2017	NA	0.00	35.00	through % of holding & Voting Rights	NA	(2.42)	0.29	-
21.	Godrej SSPDL Green Acres LLP	31.03.2017	NA	0.05	37.00	through % of holding & Voting Rights	NA	(0.76)	(0.03)	-
22.	Oasis Landmarks LLP*	31.03.2017	NA	0.00	38.00	through % of holding & Voting Rights	NA	0.00	9.95	-
23.	M S Ramaiah Ventures LLP	31.03.2017	NA	1.01	49.50	through % of holding & Voting Rights	NA	0.96	(0.02)	-
24.	Caroa Properties LLP	31.03.2017	NA	0.04	35.00	through % of holding & Voting Rights	NA	(2.51)	(0.09)	-
25.	Godrej Construction Projects LLP	31.03.2017	NA	0.00	34.00	through % of holding & Voting Rights	NA	(2.27)	(1.43)	-
26.	Godrej Housing Projects LLP	31.03.2017	NA	0.01	50.00	through % of holding & Voting Rights	NA	(0.07)	(0.08)	-
27.	Amitis Developers LLP	31.03.2017	NA	0.05	46.00	through % of holding & Voting Rights	NA	0.01	(0.03)	-
28.	A R Landcraft LLP	31.03.2017	NA	0.10	40.00	through % of holding & Voting Rights	NA	15.92	(4.06)	-
29.	Prakhhyat Dwellings LLP	31.03.2017	NA	0.00	42.50	through % of holding & Voting Rights	NA	0.18	-	-
30.	Bavdhan Realty @ Pune 21 LLP*	26.10.2016 to 31.03.2017	NA	0.00	45.00	through % of holding & Voting Rights	NA	0.00	(0.00)	-

*Amount less than ₹ 0.01 crore

For and on behalf of Board

A. B. GODREJ
Chariman
DIN:00065964

N. B. GODREJ
Managing Director
DIN:00066195

N. S. NABAR
Executive Director & President (Chemicals)
DIN:06521655

Clement Pinto
Chief Financial Officer

Nilufer Shekhawat
Company Secretary

Mumbai, May 22, 2017

Godrej Industries Limited

CIN: L24241MH1988PLC097781
Regd. Office: Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.
Tel. 2518 80 10 / 20 / 30 Fax: 2518 8066 E-mail: investor@godrejinds.com,
Website: www.godrejindustries.com

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		E-mail id:	
Registered address:		Folio No./*DP id and Client id:	

**Applicable for investors holding shares in electronic form*

I/We, being the holder(s) of _____ Shares of the above named Company, hereby appoint:

1.	Name:		E-mail Id:	
	Address:		Signature:	

or failing him

2.	Name:		E-mail Id:	
	Address:		Signature:	

or failing him

3.	Name:		E-mail Id:	
	Address:		Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the TWENTY-NINTH ANNUAL GENERAL MEETING of the Company to be held on Friday, August 11, 2017 at 3.30 p.m. at the Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Description
1.	Adoption of audited financial statements (both standalone and consolidated) and Reports thereon for the Financial Year ended March 31, 2017.
2.	Declaration of dividend.
3.	Appointment of a Director in place of Mr. A.B. Godrej (DIN: 00065964), who retires by rotation and being eligible, offers himself for re-appointment.
4.	Appointment of a Director in place of Ms. T.A. Dubash (DIN: 00026028), who retires by rotation and being eligible, offers herself for re-appointment.
5.	Appointment of M/s. BSR & Co. LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022), as Statutory Auditors.
6.	Increase in borrowing limits of the Company upto a limit of ₹ 2,000 crore.
7.	Remuneration of M/s. R. Nanabhoy & Co., as Cost Auditors of the Company.

Affix Revenue Stamp

Signature of Shareholder _____

Signature of Proxy _____

Signed this _____ day of _____ , 2017

Note : 1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. The Proxy-holder is required to carry an identity proof at the time of attending the Meeting.

Godrej Industries Limited

CIN: L24241MH1988PLC097781
Regd. Office: Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.
Tel. 2518 80 10 / 20 / 30 Fax: 2518 8066 E-mail: investor@godrejinds.com,
Website: www.godrejindustries.com

ATTENDANCE SLIP

Name of the member(s):	
Name of the Proxy:	
Folio No. / *DP id and Client id:	

**Applicable for investors holding shares in electronic form*

I/We hereby record my/our presence at the **TWENTY-NINTH ANNUAL GENERAL MEETING** of the Company on Friday, August 11, 2017 at 3.30 p.m. at the Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079.

_____

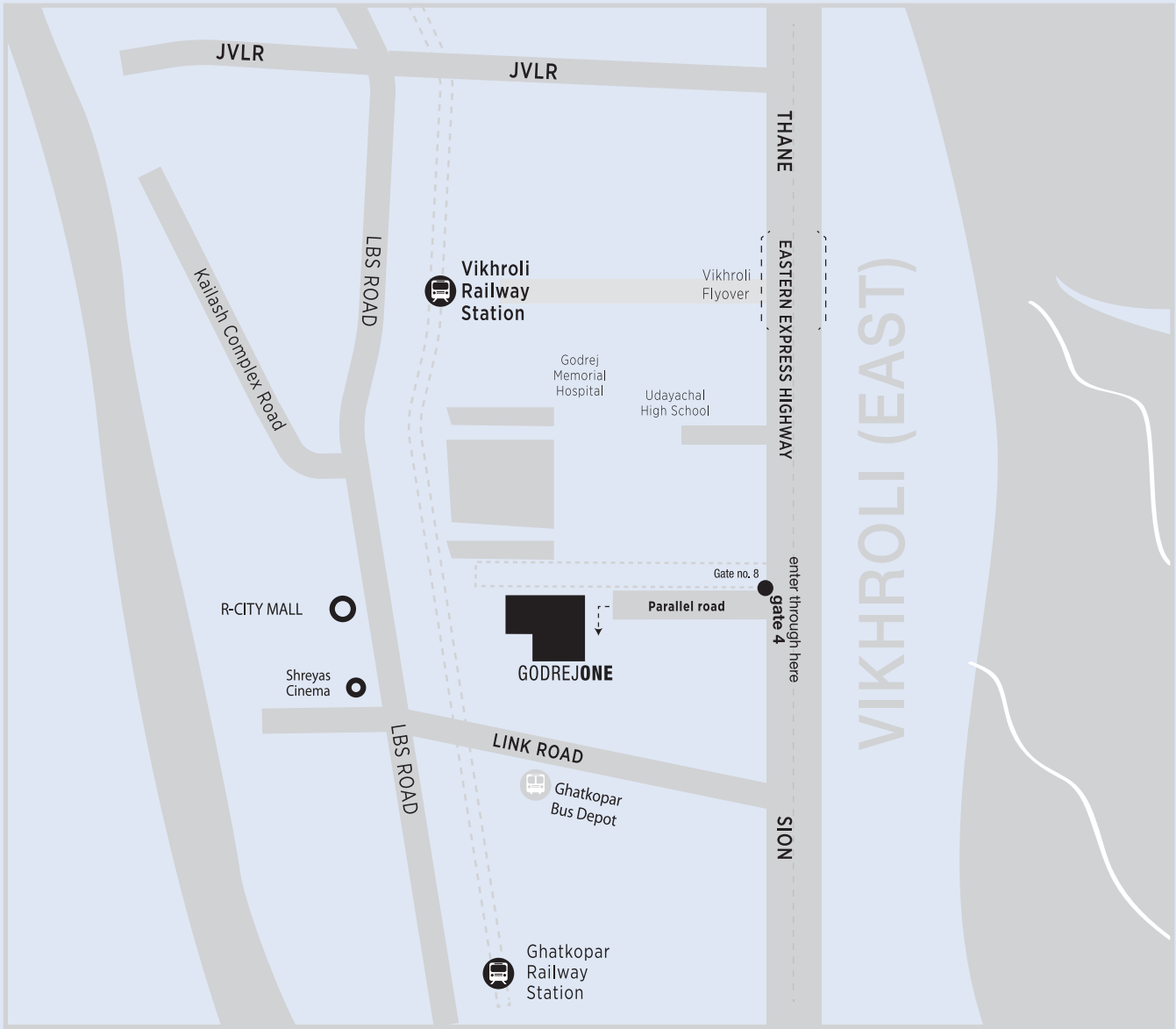
Member's/ Proxy's Signature
(To be signed at the time of handing over this slip)

Notes: 1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.

2. Joint shareholders may obtain additional attendance slip at the venue of the meeting.
3. The map to reach the AGM venue is given overleaf.

VENUE OF AGM

Auditorium, Godrej One,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079.



Godrej | INDUSTRIES CHEMICALS

LIFE'S ESSENTIALS
CRAFTED WITH CARE

A unique chemistry between expertise and innovation lies at the heart of everything we do. Our commitment to quality helps your consumers enjoy the benefits of your products, always.

Oleochemicals
(Fatty Acids, Fatty Alcohols, Refined Glycerine)

Surfactants
(Sodium Lauryl Sulphates, Sodium Lauryl Ether Sulphates, Alpha Olefin Sulphonates)

Specialty Derivatives
(Emulsifying Waxes, Specialty Ethoxylates, Esters, Secondary Surfactants)

Bio-Surfactant
(Based on natural RM made through Bioprocessing)

Used in personal care, homecare polymers and specialty chemicals.





Godrej Industries Ltd.
Chemicals Division

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