FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS’ REPORT

To the Members of
Godrej Consumer Products Limited

Report on the Audit of the
Standalone Financial Statements

Opinion
We have audited the standalone financial statements of Godrej Consumer Products Limited (“the Company”), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

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

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

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

<table>
<thead>
<tr>
<th>The key audit matter</th>
<th>How the matter was addressed in our audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue recognition (refer note 27 to the standalone financial statements)</td>
<td>Revenue is measured net of discounts and rebates/schemes earned by customers on the Company’s sales. Due to the Company’s presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts, incentives and rebate schemes to be recognised based on sales made during the year is material and considered to be judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates. Revenue is recognised when the control of the products being sold has transferred to the customer. There is a risk of revenue being overstated due to fraud through manipulation on the timing of transfer of control resulting from the pressure on management to achieve performance targets at the reporting period end.</td>
</tr>
<tr>
<td>Our audit procedures included:</td>
<td>• Assessing the appropriateness of the revenue recognition accounting policies, including those relating to discounts and rebates/schemes by comparing with applicable accounting standards. • Testing the design, implementation and operating effectiveness of the Company’s general IT controls and key IT/manual application controls over the Company’s systems which govern recording of revenue and rebates/schemes in the general ledger accounting system. • Performing substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year (and before and after the financial year end) by verifying the underlying documents, which included sales invoices/contracts and shipping documents. We compared the historical discounts, rebates/schemes and allowances to current payment trends. We also considered the historical accuracy of the Company’s estimates in previous years.</td>
</tr>
</tbody>
</table>
The key audit matter | How the matter was addressed in our audit
---|---
Performing substantive testing by checking samples of rebate/schemes transactions to supporting documentation.
We assessed manual journals posted to revenue to identify unusual items.
Considering the adequacy of the Company’s disclosures in respect of revenue.

Intangible Assets - impairment evaluation of indefinite life intangibles (refer note 4 to the standalone financial statements)
The carrying amount of indefinite life intangible assets represent 12% of the Company’s total assets.
We consider the recoverability assessment of such intangible assets, including the review of indefinite useful life by management to involve significant estimates and judgement, due to the inherent uncertainty involved in forecasting and discounting future cash flows. Further due to their materiality in the context of total assets of the Company this is considered significant to our overall audit strategy and planning.
Our audit procedures included:
Assessing the valuation methodology and evaluating and challenging the reasonableness of the assumptions used, in particular those relating to forecast revenue growth, discount rate and royalty rates, with the assistance of our valuations team;
Performing sensitivity analysis on the assumptions noted above; and
Considering the adequacy of disclosures in respect of these intangible assets.

Investments in Subsidiaries and Associates – impairment evaluation (refer note 5 to the standalone financial statements)
The carrying amount of the investments in subsidiaries and associates held at cost less impairment represents 44% of the Company’s total assets.
We do not consider the valuation of these investments to be at a high risk of significant misstatement, or to be subject to a significant level of judgement. Further due to their materiality in the context of total assets of the Company, this is considered to be significant to our overall audit strategy and planning.
Our audit procedures included:
Comparing the carrying amount of investments with the relevant subsidiaries/associates balance sheet to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount and assessing whether those subsidiaries/associates have historically been profit-making;
Considering the adequacy of disclosures in respect of investments in subsidiaries and associates.

Other Information
The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the financial statements and our auditors’ report thereon.
Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the standalone financial statements, our Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding

Management’s Responsibility for the Standalone Financial Statements
The Company’s management and
of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Standalone Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Auditor’s Responsibilities for the Audit of the Standalone Financial Statements (Continued)**

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors’ Report) Order, 2016 (“the Order”) issued by the Central Government in terms of section 143 (11) of the Act, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

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

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

(B) With respect to the other matters to be included in the Auditors’ 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 as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 24 to the standalone financial statements;

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

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors’ Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm’s Registration No: 101248W/W-100022
Vijay Mathur
Partner
Membership No: 046476
Mumbai : 3 May 2019
Annexure A to the Independent Auditor's Report - 31 March 2019
(Referred to in our report of even date)

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

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were physically verified by the management during the year and the discrepancies reported on such verification were not material and have been properly dealt with in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.

(c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note 3 to the standalone financial statements are held in the name of the Company.

(ii) The inventory, except goods-in-transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have been substantially confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or guarantees provided to the parties covered under Section 186. The Company has not granted any loans or provided any security to the parties covered under Section 186 of the Act.

(v) The Company has not accepted deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed thereunder apply. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us, and records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees’ state insurance, income-tax, duties of customs, goods and service tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, duty of customs, goods and service tax, cess, and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

Also, refer note 38 (e) to the standalone financial statements.

(b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, duty of customs, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in the Appendix I to this report.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. The Company does not have any loans or borrowings from Government, nor has it issued any debentures.

(ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the
provisions of paragraph 3(ix) of the Order are not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records, 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.

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

(xiii) According to the information and explanations given to us and based on our examination of the records, the Company has made no preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm’s Registration No: 101248W/W-100022
Vijay Mathur
Partner
Membership No: 046476
Mumbai : 3 May 2019

Appendix I

<table>
<thead>
<tr>
<th>Name of the Statute</th>
<th>Nature of dues</th>
<th>Amount in crores*</th>
<th>Period to which amount relates</th>
<th>Forum where dispute is pending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Sales tax Act and Local Sales tax Act</td>
<td>Sales tax (including interest and penalty, if applicable)</td>
<td>26.67</td>
<td>2002 to 2018</td>
<td>Supreme Court</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10.33</td>
<td>1999 to 2016</td>
<td>High court</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9.28</td>
<td>2000 to 2016</td>
<td>Tribunal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2.00</td>
<td>2007 to 2017</td>
<td>Joint Commissioner (Appeal)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5.42</td>
<td>2002 to 2014</td>
<td>Appellate authority</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3.42</td>
<td>2002 to 2016</td>
<td>Assessing Officer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.17</td>
<td>1997 to 2007</td>
<td>Appellate Assistant Commissioner</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2.63</td>
<td>2013-14</td>
<td>Additional Commissioner of State Taxes (Appeal)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1.26</td>
<td>2004 to 2007</td>
<td>Appellate and Revisional Board</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1.15</td>
<td>2005-06, 2009-10 and 2014-15</td>
<td>Deputy Commissioner</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.21</td>
<td>1988-99</td>
<td>Deputy Commissioner (Appeals)</td>
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<tr>
<td>The Central Excise Act</td>
<td>Excise duty (including interest and penalty, if applicable)</td>
<td>38.25</td>
<td>2007-08 to 2010-11</td>
<td>Commissioner of Central Excise</td>
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<td></td>
<td></td>
<td>5.98</td>
<td>2004 to 2019</td>
<td>Commissioner (Appeal)</td>
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<tr>
<td></td>
<td></td>
<td>51.04</td>
<td>2007 to 2017</td>
<td>Customs, Excise and Service Tax Appellate Tribunal of various states</td>
</tr>
<tr>
<td>Income tax Act, 1961</td>
<td>Income tax (including interest and penalty, if applicable)</td>
<td>8.31</td>
<td>1993-96</td>
<td>Supreme Court</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8.64</td>
<td>2005 to 2010</td>
<td>High court</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5.73</td>
<td>2005 to 2014</td>
<td>Income tax Appellate Tribunal</td>
</tr>
</tbody>
</table>

*Net of amounts paid in protest.
Annexure B to the Independent Auditors’ report on the standalone financial statements

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013
(Referred to in paragraph 1 (A) (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion
We have audited the internal financial controls with reference to standalone financial statements of Godrej Consumer Products Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

Auditors’ Responsibility
Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

Auditors’ Responsibility (Continued)
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

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

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

For B S R & Co. LLP
Chartered Accountants
Firm’s Registration No: 101248W/W-
100022
Vijay Mathur
Partner
Membership No: 046476
Mumbai : 3 May 2019
### STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

<table>
<thead>
<tr>
<th>Note No.</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I. ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Property, Plant and Equipment</td>
<td>3</td>
<td>526.20</td>
</tr>
<tr>
<td>(b) Capital work-in-progress</td>
<td></td>
<td>30.84</td>
</tr>
<tr>
<td>(c) Goodwill</td>
<td>4</td>
<td>2.48</td>
</tr>
<tr>
<td>(d) Other Intangible assets</td>
<td>4</td>
<td>814.83</td>
</tr>
<tr>
<td>(e) Intangible assets under development</td>
<td></td>
<td>1.16</td>
</tr>
<tr>
<td>(f) Financial Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Investments in subsidiaries and associates</td>
<td>5</td>
<td>2,947.46</td>
</tr>
<tr>
<td>(ii) Other Investments</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>(iii) Loans</td>
<td>7</td>
<td>16.99</td>
</tr>
<tr>
<td>(iv) Others</td>
<td>8</td>
<td>31.07</td>
</tr>
<tr>
<td>(g) Deferred tax assets (Net)</td>
<td>21</td>
<td>374.23</td>
</tr>
<tr>
<td>(h) Other non-current assets</td>
<td>9</td>
<td>52.10</td>
</tr>
<tr>
<td>(i) Non-current Tax Assets (Net)</td>
<td>10</td>
<td>22.84</td>
</tr>
<tr>
<td><strong>Total Non Current Assets</strong></td>
<td></td>
<td>4,820.20</td>
</tr>
<tr>
<td>2. Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Inventories</td>
<td>11</td>
<td>615.12</td>
</tr>
<tr>
<td>(b) Financial Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Investments</td>
<td>12</td>
<td>477.34</td>
</tr>
<tr>
<td>(ii) Trade receivables</td>
<td>13</td>
<td>353.18</td>
</tr>
<tr>
<td>(iii) Cash and cash equivalents</td>
<td>14 A</td>
<td>79.69</td>
</tr>
<tr>
<td>(iv) Bank balances other than (iii) above</td>
<td>14 B</td>
<td>17.55</td>
</tr>
<tr>
<td>(v) Loans</td>
<td>15</td>
<td>0.14</td>
</tr>
<tr>
<td>(vi) Others</td>
<td>16</td>
<td>138.83</td>
</tr>
<tr>
<td>(c) Other current assets</td>
<td>17</td>
<td>162.50</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td>1,844.35</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>6,664.55</td>
</tr>
<tr>
<td><strong>II. EQUITY AND LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. EQUITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Equity Share capital</td>
<td>18</td>
<td>102.22</td>
</tr>
<tr>
<td>(b) Other Equity</td>
<td>19</td>
<td>4,823.94</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td></td>
<td>4,926.16</td>
</tr>
<tr>
<td>2. LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Provisions</td>
<td>20</td>
<td>56.32</td>
</tr>
<tr>
<td>(b) Deferred tax liabilities (Net)</td>
<td>21</td>
<td>-</td>
</tr>
<tr>
<td>(c) Other non-current liabilities</td>
<td>22</td>
<td>28.09</td>
</tr>
<tr>
<td><strong>Total Non Current Liabilities</strong></td>
<td></td>
<td>84.41</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Financial Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Trade payables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Total outstanding dues of Micro and Small Enterprises</td>
<td>23</td>
<td>53.49</td>
</tr>
<tr>
<td>(b) Total outstanding dues of creditors other than Micro and Small Enterprises</td>
<td>23</td>
<td>1,404.12</td>
</tr>
<tr>
<td>(ii) Other financial liabilities</td>
<td>24</td>
<td>48.82</td>
</tr>
<tr>
<td>(b) Other current liabilities</td>
<td>25</td>
<td>107.67</td>
</tr>
<tr>
<td>(c) Provisions</td>
<td>26</td>
<td>38.92</td>
</tr>
<tr>
<td>(d) Current tax liabilities (Net)</td>
<td>26 A</td>
<td>0.96</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td></td>
<td>1,653.98</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY AND LIABILITIES</strong></td>
<td></td>
<td>6,664.55</td>
</tr>
</tbody>
</table>

The accompanying notes 1 to 50 are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For and on behalf of the Board

For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248/W/W-100022

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vijay Mathur
Partner
M. No. 046476 & Company Secretary
DIN: 6527810

V Srinivasan
Chief Financial Officer
Mumbai: May 3, 2019
## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Description</th>
<th>Year ended March 31, 2019 (₹ Crore)</th>
<th>Year ended March 31, 2018 (₹ Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I 27</td>
<td>Revenue from Operations</td>
<td>5,679.31</td>
<td>5,354.74</td>
</tr>
<tr>
<td>II 28</td>
<td>Other Income</td>
<td>94.45</td>
<td>73.89</td>
</tr>
<tr>
<td>III</td>
<td>Total Income (I + II)</td>
<td>5,773.76</td>
<td>5,428.63</td>
</tr>
<tr>
<td>IV</td>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Cost of Materials Consumed</td>
<td>2,030.82</td>
<td>1,884.95</td>
</tr>
<tr>
<td>25</td>
<td>Purchases of Stock-in-Trade</td>
<td>254.70</td>
<td>247.42</td>
</tr>
<tr>
<td>30</td>
<td>Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress</td>
<td>27.75</td>
<td>46.24</td>
</tr>
<tr>
<td></td>
<td>Excise Duty</td>
<td></td>
<td>93.72</td>
</tr>
<tr>
<td>31</td>
<td>Employee Benefits Expense</td>
<td>351.50</td>
<td>355.51</td>
</tr>
<tr>
<td>32</td>
<td>Finance Costs</td>
<td>64.86</td>
<td>51.89</td>
</tr>
<tr>
<td>33</td>
<td>Depreciation and Amortization Expense</td>
<td>69.07</td>
<td>63.30</td>
</tr>
<tr>
<td>34</td>
<td>Other Expenses</td>
<td>1,501.98</td>
<td>1,396.59</td>
</tr>
<tr>
<td></td>
<td>Total Expenses</td>
<td>4,300.68</td>
<td>4,139.62</td>
</tr>
<tr>
<td>V</td>
<td>Profit Before Tax (V+VI)</td>
<td>1,473.08</td>
<td>1,289.01</td>
</tr>
<tr>
<td>VI</td>
<td><strong>Tax Expense</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) 320.66</td>
<td>Current Tax</td>
<td></td>
<td>283.28</td>
</tr>
<tr>
<td>(2) (602.56)</td>
<td>Deferred Tax (Refer Note 21)</td>
<td></td>
<td>5.86</td>
</tr>
<tr>
<td></td>
<td>Total Tax Expense</td>
<td>(281.90)</td>
<td>289.14</td>
</tr>
<tr>
<td>VII</td>
<td>Profit for the Year (VII-VIII)</td>
<td>1,754.98</td>
<td>999.87</td>
</tr>
<tr>
<td>VIII</td>
<td><strong>Other Comprehensive Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A (i)</td>
<td>Items that will not be reclassified to profit or loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Remeasurements of defined benefit plans</td>
<td>(0.38)</td>
<td>(4.60)</td>
</tr>
<tr>
<td>(ii)</td>
<td>Income tax relating to items that will not be reclassified to profit or loss</td>
<td>0.21</td>
<td>2.63</td>
</tr>
<tr>
<td></td>
<td>Total Comprehensive Income for the year (IX+X)</td>
<td>1,754.81</td>
<td>997.90</td>
</tr>
<tr>
<td>IX</td>
<td>Earnings per Equity Share (Face Value ₹ 1)</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>(1) 17.17</td>
<td>Basic ₹</td>
<td></td>
<td>9.78</td>
</tr>
<tr>
<td>(2) 17.17</td>
<td>Diluted ₹</td>
<td></td>
<td>9.78</td>
</tr>
</tbody>
</table>

The accompanying notes 1 to 50 are an integral part of the Standalone Financial Statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022
Vijay Mathur
Partner
M. No. 046476
Mumbai: May 3, 2019

For and on behalf of the Board
Nisaba Godrej
Executive Chairperson
DIN: 00591503
V Srinivasan
Chief Financial Officer
& Company Secretary
DIN: 6527810
V Vivek Gambhir
Managing Director & CEO
DIN: 6527810
## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

<table>
<thead>
<tr>
<th>A. CASH FLOW FROM OPERATING ACTIVITIES</th>
<th>Year ended March 31, 2019 (₹ Crore)</th>
<th>Year ended March 31, 2018 (₹ Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit Before Tax</td>
<td>1,473.08</td>
<td>1,289.01</td>
</tr>
<tr>
<td>Adjustment for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>69.07</td>
<td>63.30</td>
</tr>
<tr>
<td>Unrealised Foreign Exchange (Gain) / Loss</td>
<td>3.08</td>
<td>1.65</td>
</tr>
<tr>
<td>Bad Debts Written off</td>
<td>0.95</td>
<td>0.30</td>
</tr>
<tr>
<td>Provision / (Write-back) for Doubtful Debts / Advances</td>
<td>0.05</td>
<td>0.31</td>
</tr>
<tr>
<td>Provision for Non Moving Inventory</td>
<td>(0.63)</td>
<td>12.45</td>
</tr>
<tr>
<td>Write back of Old Balances</td>
<td>(0.21)</td>
<td>(0.78)</td>
</tr>
<tr>
<td>Expenses on Employee Stock Grant Scheme (ESGS)</td>
<td>9.12</td>
<td>8.72</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>64.86</td>
<td>51.89</td>
</tr>
<tr>
<td>(Profit) / Loss on Fixed Assets Sold / Discarded (Net)</td>
<td>0.43</td>
<td>4.14</td>
</tr>
<tr>
<td>(Profit) / Loss on Sale of Investments (Net)</td>
<td>(8.03)</td>
<td>(18.54)</td>
</tr>
<tr>
<td>Fair value Gain/ (Loss) on financial assets measured at FVTPL</td>
<td>(0.01)</td>
<td>8.14</td>
</tr>
<tr>
<td>Corporate Guarantee Commission</td>
<td>(16.57)</td>
<td>(16.73)</td>
</tr>
<tr>
<td>Interest Income</td>
<td>(60.20)</td>
<td>(41.77)</td>
</tr>
<tr>
<td></td>
<td>61.91</td>
<td>73.08</td>
</tr>
<tr>
<td>Operating Cash Flows Before Working Capital Changes</td>
<td>1,534.99</td>
<td>1,362.09</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in inventories</td>
<td>(38.24)</td>
<td>(26.78)</td>
</tr>
<tr>
<td>Increase in trade receivables</td>
<td>(105.55)</td>
<td>(40.10)</td>
</tr>
<tr>
<td>Increase in loans</td>
<td>(0.56)</td>
<td>(1.13)</td>
</tr>
<tr>
<td>(Increase) / Decrease in other financial assets</td>
<td>27.61</td>
<td>(9.08)</td>
</tr>
<tr>
<td>Increase in other non-financial assets</td>
<td>(14.16)</td>
<td>(106.14)</td>
</tr>
<tr>
<td>Increase in trade payable and other financial liabilities</td>
<td>15.54</td>
<td>331.14</td>
</tr>
<tr>
<td>Increase/ (Decrease) non - financial liabilities and provisions</td>
<td>(13.50)</td>
<td>6.97</td>
</tr>
<tr>
<td></td>
<td>(128.86)</td>
<td>154.88</td>
</tr>
<tr>
<td>Cash Generated from Operating Activities</td>
<td>1,406.13</td>
<td>1,516.97</td>
</tr>
<tr>
<td>Adjustment for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income taxes paid (Net)</td>
<td>(323.97)</td>
<td>(281.53)</td>
</tr>
<tr>
<td>Net Cash Flow from Operating Activities (A)</td>
<td>1,082.16</td>
<td>1,235.44</td>
</tr>
<tr>
<td>B. CASH FLOW FROM INVESTING ACTIVITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Property, Plant &amp; Equipment and Intangible assets (Net)</td>
<td>(81.87)</td>
<td>(119.23)</td>
</tr>
<tr>
<td>Sale of Property, Plant &amp; Equipment and Intangibles</td>
<td>1.31</td>
<td>6.19</td>
</tr>
<tr>
<td>Investments in Mutual Funds (Net)</td>
<td>102.66</td>
<td>328.33</td>
</tr>
<tr>
<td>Investments in Deposits with NBFCs (Net)</td>
<td>192.44</td>
<td>(99.14)</td>
</tr>
<tr>
<td>Investments in Non Convertible Debentures with NBFCs (Net)</td>
<td>86.06</td>
<td>(212.20)</td>
</tr>
<tr>
<td>Investments in Commercial Papers</td>
<td>97.04</td>
<td>(97.04)</td>
</tr>
<tr>
<td>Investments in Fixed Deposits having maturities greater than 3 months (Net)</td>
<td>(5.55)</td>
<td>(1.45)</td>
</tr>
<tr>
<td>Investments in Subsidiaries</td>
<td>2.28</td>
<td>(156.52)</td>
</tr>
<tr>
<td>Interest Received</td>
<td>65.62</td>
<td>39.64</td>
</tr>
<tr>
<td>Net Cash Flow from/ (used in) Investing Activities (B)</td>
<td>459.99</td>
<td>(302.42)</td>
</tr>
</tbody>
</table>
## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

<table>
<thead>
<tr>
<th>CASH FLOW FROM FINANCING ACTIVITIES</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from Allotment of Equity Shares under ESGS*</td>
<td>0.00</td>
<td>0.01</td>
</tr>
<tr>
<td>Expenses on issue of bonus shares</td>
<td>(0.75)</td>
<td>(0.71)</td>
</tr>
<tr>
<td>Proceeds/ (Repayments) from Commercial Paper</td>
<td>-</td>
<td>(148.97)</td>
</tr>
<tr>
<td>Proceeds from Short-term loans</td>
<td>50.00</td>
<td></td>
</tr>
<tr>
<td>Repayment of Short-term loans</td>
<td>(50.00)</td>
<td></td>
</tr>
<tr>
<td>Finance costs paid</td>
<td>(69.13)</td>
<td>(47.30)</td>
</tr>
<tr>
<td>Dividend Paid</td>
<td>(1,226.52)</td>
<td>(613.12)</td>
</tr>
<tr>
<td>Dividend Distribution Tax Paid</td>
<td>(252.11)</td>
<td>(124.82)</td>
</tr>
<tr>
<td><strong>Net Cash Flow used in Financing Activities (C)</strong></td>
<td>(1,548.50)</td>
<td>(934.91)</td>
</tr>
<tr>
<td><strong>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</strong></td>
<td>(6.35)</td>
<td>(1.89)</td>
</tr>
<tr>
<td><strong>CASH AND CASH EQUIVALENTS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at the beginning of the year (Refer Note 14 A)</td>
<td>86.11</td>
<td>88.00</td>
</tr>
<tr>
<td>Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents</td>
<td>(0.07)</td>
<td>-</td>
</tr>
<tr>
<td>As at the end of the year (Refer Note 14 A)</td>
<td>79.69</td>
<td>86.11</td>
</tr>
</tbody>
</table>

* amounts less than ₹ 0.01 crore

### Notes:
1. The above Statement of Cash Flows has been prepared under the ‘Indirect Method’ as set out in IND AS 7, ‘Statement of Cash Flows.’
2. The accompanying notes 1 to 50 are an integral part of the standalone financial statements

As per our report of even date attached

For:

**B S R & Co. LLP**
Chartered Accountants
Firm Regn No. 101248W/W-100022

For and on behalf of the Board

**Nisaba Godrej**
Executive Chairperson
DIN: 00591503

**Vijay Mathur**
Partner
M. No. 046476

**V Srinivasan**
Chief Financial Officer & Company Secretary
Mumbai: May 3, 2019

**Vivek Gambhir**
Managing Director & CEO
DIN: 6527810

Mumbai: May 3, 2019
## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

### (a) Equity share capital

<table>
<thead>
<tr>
<th>Note No.</th>
<th>As at April 1, 2017</th>
<th>Changes in equity share capital during the year</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2018</th>
<th>Changes in equity share capital during the year</th>
<th>As at March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>₹ Crore</td>
<td></td>
<td>₹ Crore</td>
<td>₹ Crore</td>
<td></td>
<td>₹ Crore</td>
</tr>
<tr>
<td>(a)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity share capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at April 1, 2017</td>
<td>34.06</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in equity share capital during the year</td>
<td>34.07</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>68.13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at April 1, 2018</td>
<td>68.13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in equity share capital during the year</td>
<td>18</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>102.22</td>
</tr>
</tbody>
</table>

### (b) Other equity (Refer Note 19)

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Reserves &amp; Surplus</th>
<th>Other Comprehensive Income</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Securities Premium</td>
<td>General Reserve</td>
<td>Others</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Others</td>
<td>Effective portion</td>
</tr>
<tr>
<td>Balance at April 1, 2018</td>
<td>1,424.51</td>
<td>154.05</td>
<td>13.19</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Remeasurements of defined benefit plans (net of tax)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>(1,226.52)</td>
</tr>
<tr>
<td>Dividend Distribution Tax (DDT)</td>
<td>-</td>
<td>-</td>
<td>(252.11)</td>
</tr>
<tr>
<td>Premium Received on Allotment of Shares / Exercise of Share options</td>
<td>8.34</td>
<td>-</td>
<td>(8.34)</td>
</tr>
<tr>
<td>Issue of Bonus Shares</td>
<td>(34.07)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Expenses on Issue of Bonus Shares</td>
<td>(0.75)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at March 31, 2019</td>
<td>1,398.03</td>
<td>154.05</td>
<td>13.97</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Reserves &amp; Surplus</th>
<th>Other Comprehensive Income</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Securities Premium</td>
<td>General Reserve</td>
<td>Others</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Others</td>
<td>Effective portion</td>
</tr>
<tr>
<td>Balance at April 1, 2017</td>
<td>1,452.31</td>
<td>154.05</td>
<td>11.44</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Remeasurements of defined benefit plans (net of tax)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>(613.12)</td>
</tr>
<tr>
<td>Dividend Distribution Tax (DDT)</td>
<td>-</td>
<td>-</td>
<td>(124.82)</td>
</tr>
<tr>
<td>Premium Received on Allotment of Shares / Exercise of Share options</td>
<td>6.97</td>
<td>-</td>
<td>(6.97)</td>
</tr>
<tr>
<td>Deferred employee compensation expense</td>
<td>-</td>
<td>-</td>
<td>8.72</td>
</tr>
<tr>
<td>Issue of Bonus Shares</td>
<td>(34.06)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Expenses on Issue of Bonus Shares</td>
<td>(0.71)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at March 31, 2016</td>
<td>1,424.51</td>
<td>154.05</td>
<td>13.19</td>
</tr>
</tbody>
</table>

The accompanying notes 1 to 50 are an integral part of the Standalone Financial Statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vijay Mathur
Partner
M. No. 046476 & Company Secretary
DIN: 6527810

Vivek Gambhir
Chief Financial Officer & Company Secretary
DIN: 6527810

Mumbai: May 3, 2019
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. CORPORATE INFORMATION
Godrej Consumer Products Limited (the Company) was incorporated on November 29, 2000, to take over the consumer products business of Godrej Soaps Limited (subsequently renamed as Godrej Industries Limited), pursuant to a Scheme of Arrangement as approved by the High Court, Mumbai. The Company is a fast moving consumer goods Company, manufacturing and marketing Household and Personal Care products. The Company is a public Company limited by shares, incorporated and domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company’s registered office is at 4th Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (east), Mumbai – 400 079.

2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and measurement

a) Basis of Preparation
The Standalone financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (’Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 as subsequently amended and other relevant provisions of the Act.

Current versus non-current classification
All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

The financial statements of the Company for the year ended March 31, 2019 were approved for issue in accordance with the resolution of the Board of Directors on May 3, 2019.

b) Basis of Measurement
These financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value (refer accounting policy regarding financial instruments -2.5.f),
- Defined benefit plans – plan assets/liability and share-based payments measured at fair value (Note 42 & 43)

2.2 Key judgements, estimates and assumptions
In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving critical estimates or judgements are:

i. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized; (Note 2.5 (a))

ii. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life; (Note 2.5 (b))

iii. Recognition and measurement of defined benefit obligations, key actuarial assumptions; (Note 42)

iv. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.5 (j))

v. Fair valuation of employee share options, Key assumptions made with respect to expected volatility; (Note 2.5 ((ii))

vi. Fair values of financial instruments (Note 2.3)

vii. Impairment of financial and Non- Financial assets (Note 2.5.(d) and (f))

viii. Recognition of deferred tax assets – availability of future taxable profits against which deferred tax assets (e.g. MAT) can be used (Note 21)

2.3 Measurement of fair values
The Company’s accounting policies and disclosures require financial instruments to be measured at fair values.

The Company has an established
control framework with respect to the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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.

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. Further information about the assumptions made in measuring fair value is included in the Note 2.5(f).

2.4 Standards issued but not yet effective

IND AS 116: Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace Ind AS 17 Leases and related Interpretations and will be effective from April 1, 2019.

The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single, on-balance sheet lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of short term or low value.

The standard allows two approaches of transition – 1) Full retrospective, 2) Modified retrospective.

In full retrospective approach, the effect of applying the standard is recognized in each prior period retrospectively. In case of modified retrospective approach, the cumulative effect of initially applying the standard is recognized on the date of transition in the financials.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application with some exceptions allowed under practical expedients.

GCPL is proposing to use ‘Modified Retrospective Approach’ for transition to Ind-AS 116 along with certain available practical expedients and take the cumulative adjustment to retained earnings on the date of initial application i.e. April 1, 2019. Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The Company has completed its preliminary evaluation of possible impact of Ind-AS 116, based on which no significant impact is expected, other than additional disclosures as required under by the new standard.

Based on the preliminary evaluation, the effect of adoption on the new standard will mainly result in an increase in right of use asset by approximately ₹16.48 crores, an increase in lease liability by approximately ₹19.04 crores and adjustment to retained earnings by approximately ₹2.56 crores.

Ind AS 12 Income Taxes: Appendix C – Uncertainty over Income Tax Treatments

This interpretation, which will be effective from April 1, 2019, clarifies how entities should evaluate and reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination. This amendment is not expected to have a significant impact on the Company’s standalone financial statements based on currently available information.
2.5 Significant Accounting Policies

a) Property, Plant and Equipment

Recognition and measurement
Items of property, plant and equipment, other than Freehold Land, are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at cost and is not depreciated.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. 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.

Any gain or loss on derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised.

Subsequent expenditure
Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

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 for the following items where useful lives estimated by the management based on internal technical assessment, past trends and expected operational lives differ from those provided in Schedule II of the Companies Act 2013:

- Leasehold land is amortised equally over the lease period.
- Leasehold Improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.
- Office Equipments are depreciated over 5 to 10 years.
- Tools are depreciated over a period of 9 years, and dies and moulds over 3 years.
- Vehicles are depreciated over a period ranging from 5 years to 8 years depending on the use of vehicles.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

b) Goodwill and other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any amortisation and accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Goodwill
Goodwill on acquisition of subsidiaries 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 the asset may be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Other intangible assets
Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization method and period are reviewed at least 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 assets are considered to modify amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the
difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Amortisation
Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in Statement of profit or loss.

The estimated useful lives for current and comparative periods are as follows:

- Software licences: 6 years
- Trademarks: 10 years
- Technical knowhow: 10 years

Goodknight and Hit (Brands) are assessed as intangibles having indefinite useful life and are not amortised in the financial statements.

Residual value, is estimated to be immaterial by management and hence has been considered at ₹ 1.

c) Borrowing Costs
Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

d) Impairment of non-financial assets
An impairment loss is recognised whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events and changes in circumstances indicate the carrying amount may not be recoverable.

e) Assets held for sale
Non-current assets or disposal groups comprising of assets and liabilities are classified as ‘held for sale’ if it is highly probable that they will be recovered primarily through sales rather than through continuing use.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at lower of its carrying value and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit and loss. Non-current assets held for sale are not depreciated or amortised.

Subsequent measurement
For the purpose of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost.
- Financial assets at fair value through other comprehensive income (FVTOCI).
- Financial assets at fair value through profit (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

On the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost
- A financial asset is measured at the amortised cost if both the following conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 46 (B).

Financial assets at fair value through profit and loss (FVTPL)  
Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may, at initial recognition, irrevocably designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments  
All equity investments within the scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

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

Derecognition  
A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company’s balance sheet) when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company’s continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets  
The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its financial assets that are debt instruments and are carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables, the Company applies a simplified approach. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security deposit collected etc. and expectations about future cash flows.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost. A financial liability is classified at FVTPL if it is classified as held for trading or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value and net gains and losses including any interest expenses are recognised in profit or loss.

In the case of loans and borrowings and payables, these are measured at amortised cost and recorded, net of directly attributable and incremental transaction cost. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Derecognition

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

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require specified payments 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.

Where guarantees to subsidiaries in relation to loans or other payables are provided for, at no compensation, the fair values are accounted for as contributions and recognised as fees receivable under “other financial assets” or as a part of the cost of the investment, depending on the contractual terms.

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, or to to realise the assets and settle the liabilities simultaneously.

g) Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency 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. Any changes therein are generally recognised in the profit or loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company’s risk management objective and strategy for undertaking the hedge, the hedging economic relationship between the hedged item or transaction and the nature of the risk being hedged, hedge rationale and how the entity will assess the effectiveness of changes in the hedging instrument’s fair value in offsetting the exposure to changes in hedged item’s fair value or cash
flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they are designated.

Cash flow hedges
When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under ‘effective portion of cash flow hedges’. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for a cash flow hedge is discontinued, the amount that has been accumulated in other equity remains there until it is reclassified to profit and loss account in the same period or periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately re-classified to profit or loss.

h) Inventories
Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price of the inventories in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs are computed on the weighted average basis and are net of CENVAT/GST credits.

Raw materials, packing materials and stores: Costs includes cost of purchase and other costs incurred in bringing each product to its present location and condition.

Finish goods and work in progress: In the case of manufactured inventories and work in progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal operating capacity and other costs incurred in bringing each product to its present location and condition.

Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

If payment for inventory is deferred beyond normal credit terms, then the 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 is recognised as interest expense over the period of financing under the effective interest method.

For the purpose of the statement of cash flows, cash and cash equivalents as defined above is net of outstanding bank overdrafts as they are considered an integral part of the Company’s cash management.

j) Provisions, Contingent Liabilities and Contingent Assets
A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

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 in respect of possible obligations that arise from past events but whose existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefits is probable.
k) **Revenue Recognition**

Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers”. The effect on adoption of Ind AS 115 is insignificant.

Revenue is recognized upon transfer of control of promised goods to customers for an amount that reflects the consideration expected to be received in exchange for those goods. Revenue excludes taxes or duties collected on behalf of the government.

**Sale of goods**

Revenue from sale of goods is recognized when control of goods are transferred to the buyer which is generally on delivery for domestic sales and on dispatch/delivery for export sales.

The Company recognizes revenues on the sale of products, net of returns, discounts (sales incentives/rebates), amounts collected on behalf of third parties (such as GST) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice. A liability is recognized where payments are received from customers before transferring control of the goods being sold.

**Royalty & Technical Fees**

Royalty and Technical fees are recognized on accrual basis in accordance with the substance of their relevant agreements.

**Interest income**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition.

**Dividend income**

Dividends are recognised in profit or loss on the date on which the Company’s right to receive payment is established.

**Employee Benefits**

i) **Short-term Employee benefits**

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) **Share-based payments**

The cost of equity settled transactions is determined by the fair value at the grant date and the fair value of the employee share options is based on the Black Scholes model.

The grant-date fair value of equity-settled share-based payment granted to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**Post-Employment Benefits**

i) **Defined Contribution Plans**

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

ii) **Defined Benefit Plans**

**Gratuity Fund**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of the Gratuity (Amendment) Act,
Provident Fund
Provident Fund Contributions which are made to a Trust administered by the Company are considered as Defined Benefit Plans. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The Company’s liability towards interest shortfall, if any, is actuarially determined at the year end.

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, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed at each reporting period by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or 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 recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other Long Term Employee Benefits
The liabilities for earned leaves are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees up to the end of the reporting period using the projected unit credit method based on actuarial valuation.

Re-measurements are recognised in profit or loss in the period in which they arise including actuarial gains and losses.

m) Leases
Lease payments
The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains a lease if 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 or assets, even if that right is not explicitly specified in the arrangement.

As a lessee
Leases of assets where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge 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.

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.

Leases of assets under which significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary
cost increases. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

As a lessor
Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight line basis over the term of the relevant lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increase.

Income Tax
Income tax expense/income comprises current tax expense/income and deferred tax/expense income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other comprehensive income, in which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

Current Tax
Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and establishes provisions where appropriate.

• Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognised amounts; and
• Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax
Deferred income tax is recognised in respect of difference between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised 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 utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

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 by the end of the reporting period.

The measurement of deferred tax assets and liabilities 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.

Deferred tax assets and liabilities are offset only if:

i. the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset/liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets/liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is a convincing evidence that the Company will pay normal tax during specified period.

n) Foreign Currency Transactions

i) Functional and Presentation currency
The Company’s financial statements are prepared in Indian Rupees (INR “”) which is also the Company’s functional currency.

ii) Transactions and balances
Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into
the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in profit or loss in the year in which they arise except for the qualifying cash flow hedge, which are recognized in OCI to the extent that the hedges are effective.

o) Government grants
Government grants, including non-monetary grants at fair value are recognized when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods necessary to match them with the costs that they are intended to compensate.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the profit and loss on a straight line basis over the expected lives of the related assets.

p) Dividend
The Company recognizes a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorized and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution in the nature of final dividend is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

q) Earnings Per Share
Basic earnings per share is calculated by dividing the profit or 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 profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

• The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

r) Segment Reporting
As per Ind AS-108 ‘Operating Segments’, if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent’s separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS-108 Operating Segments has been given in the consolidated financial statements.
<table>
<thead>
<tr>
<th>Particulars</th>
<th>Freehold Land</th>
<th>Leasehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant and Equipment</th>
<th>Furniture and Fixtures</th>
<th>Vehicles</th>
<th>Office Equipment</th>
<th>Computers</th>
<th>Building</th>
<th>Total</th>
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<td></td>
<td></td>
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</tr>
<tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
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<td>0.51</td>
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<td>140.29</td>
<td>30.53</td>
<td>289.45</td>
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<td>26.04</td>
<td>0.28</td>
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<td>1.17</td>
<td>2.67</td>
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<td>5.00</td>
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<td>(0.01)</td>
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<td>15.74</td>
<td>30.63</td>
<td>90.26</td>
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<td></td>
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</tr>
<tr>
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<td>89.58</td>
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<td>4.22</td>
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<td>4.49</td>
<td>4.17</td>
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<td>(1.65)</td>
<td>(0.02)</td>
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<td>(3.80)</td>
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<tr>
<td><strong>Gross Carrying Amount</strong></td>
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<td></td>
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<td></td>
<td></td>
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<td>124.81</td>
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<td>10.33</td>
<td>10.03</td>
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<td>Disposals / Adjustments</td>
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<td>-</td>
<td>0.17</td>
<td>(0.17)</td>
<td>(7.13)</td>
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<td>(7.38)</td>
<td>-</td>
<td>(7.38)</td>
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<td>289.45</td>
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<td>630.12</td>
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</tr>
<tr>
<td><strong>Accumulated Depreciation</strong></td>
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<td></td>
<td></td>
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<tr>
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<td>5.99</td>
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<td>1.60</td>
<td>6.03</td>
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<td>-</td>
<td>-</td>
<td>3.20</td>
<td>(1.13)</td>
<td>-</td>
<td>(0.08)</td>
<td>-</td>
<td>1.99</td>
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<tr>
<td>Closing Accumulated Depreciation</td>
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<td>8.57</td>
<td>8.77</td>
<td>89.58</td>
<td>3.12</td>
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<td>14.07</td>
<td>5.68</td>
<td>140.44</td>
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<tr>
<td><strong>Net Carrying Amount</strong></td>
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<td>8.75</td>
<td>13.97</td>
<td>84.98</td>
<td>489.68</td>
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### NOTE 4 : INTANGIBLE ASSETS

<table>
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<tr>
<th>Other Intangible assets</th>
<th>Goodwill</th>
<th>Trademarks and Brands *</th>
<th>Computer Software</th>
<th>Technical Knowhow</th>
<th>Total Other Intangible assets</th>
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</thead>
<tbody>
<tr>
<td><strong>Year ended March 31, 2019</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Gross Carrying Amount</strong></td>
<td>2.48</td>
<td>791.56</td>
<td>52.08</td>
<td>1.85</td>
<td>845.49</td>
</tr>
<tr>
<td>Opening Gross Carrying Amount</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
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<td></td>
<td>(1.52)</td>
<td>(1.75)</td>
<td>(3.27)</td>
</tr>
<tr>
<td>Closing Gross Carrying Amount</td>
<td>2.48</td>
<td>791.56</td>
<td>54.20</td>
<td>0.10</td>
<td>845.86</td>
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<tr>
<td>Opening Accumulated Amortisation</td>
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<td>22.57</td>
<td>0.81</td>
<td>23.39</td>
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<td>(0.88)</td>
<td>(1.93)</td>
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<td>30.65</td>
<td>0.10</td>
<td>31.03</td>
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<td>Closing Net Carrying Amount</td>
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<td>791.28</td>
<td>23.55</td>
<td>-</td>
<td>814.83</td>
</tr>
<tr>
<td><strong>Year ended March 31, 2018</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gross Carrying Amount</strong></td>
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<td>791.56</td>
<td>44.52</td>
<td>1.85</td>
<td>837.93</td>
</tr>
<tr>
<td>Opening Gross Carrying Amount</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
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<td>-</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Closing Gross Carrying Amount</td>
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<td>791.56</td>
<td>52.08</td>
<td>1.85</td>
<td>845.49</td>
</tr>
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<td>Opening Accumulated Amortisation</td>
<td>-</td>
<td></td>
<td>13.65</td>
<td>0.55</td>
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</tr>
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<td>Disposals</td>
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<td>0.81</td>
<td>23.38</td>
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<td>791.35</td>
<td>29.51</td>
<td>1.04</td>
<td>821.90</td>
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</tbody>
</table>

Note:

* Includes trademarks / brands amounting to ₹ 791.25 crore (31-Mar-18 ₹ 791.25 crore) that have an indefinite life and are tested for impairment at every year end. Based on analysis of all relevant factors (brand establishment, stability, types of obsolescence etc.), there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Company.

### NOTE 5 : INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

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<tr>
<th>Face Value</th>
<th>Unquoted, fully paid up:</th>
<th>Amounts</th>
<th>Numbers</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>As at March 31, 2019</td>
<td>As at March 31, 2018</td>
</tr>
<tr>
<td><strong>Carried at cost</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>(a) Investments in Equity Instruments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>(i) Subsidiary Companies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Godrej Netherlands B.V.</td>
<td>EUR 100 200</td>
<td>200</td>
<td>140.93</td>
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<tr>
<td>Godrej South Africa (Pty) Ltd.</td>
<td>ZAR 1 18,050,000</td>
<td>18,050,000</td>
<td>12.67</td>
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<td>Godrej Consumer Products Holding (Mauritius) Ltd.</td>
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<td>185,944,409</td>
<td>962.14</td>
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<td>Godrej Household Products Lanka (Pvt) Ltd.</td>
<td>LKR 10 43,933,546</td>
<td>43,933,546</td>
<td>37.33</td>
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<tr>
<td>Godrej Consumer Products (Bangladesh) Ltd.</td>
<td>BDT 100 4,999</td>
<td>4,999</td>
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<tr>
<td>Godrej Mauritius Africa Holdings Ltd.</td>
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<td>Godrej Tanzania Holdings Ltd.</td>
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<td>Godrej SON Holdings INC.</td>
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<td><strong>(ii) Associate Company</strong></td>
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<td></td>
<td></td>
</tr>
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<td>Bhabhani Blunt Hairdressing Pvt Ltd.</td>
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<td>5,546</td>
<td>20.04</td>
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## Crore

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<thead>
<tr>
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<tr>
<td></td>
<td>As at March 31, 2019</td>
</tr>
<tr>
<td>(b) Investments in Compulsorily Convertible Debentures of Associate Company</td>
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<tr>
<td>Bhabhani Blunt Hairdressing Pvt Ltd.</td>
<td>₹ 10</td>
</tr>
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<td>TOTAL</td>
<td></td>
</tr>
<tr>
<td>Aggregate Amount of Unquoted Investments</td>
<td></td>
</tr>
</tbody>
</table>

**Note:**
As per the Company’s policy, investments include the fair value of financial guarantees issued as security for loans taken by subsidiaries. The details of such fair values included in the investments above is as shown below:

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Godrej Netherlands B.V.</td>
<td>4.52</td>
</tr>
<tr>
<td>Godrej Consumer Products Holding (Mauritius) Ltd.</td>
<td>11.95</td>
</tr>
<tr>
<td>Godrej Mauritius Africa Holdings Ltd.</td>
<td>29.02</td>
</tr>
<tr>
<td>Godrej East Africa Holdings Ltd.</td>
<td>19.62</td>
</tr>
<tr>
<td>Godrej Tanzania Holdings Ltd.</td>
<td>3.07</td>
</tr>
<tr>
<td>TOTAL</td>
<td>68.18</td>
</tr>
</tbody>
</table>

**NOTE 6: OTHER INVESTMENTS (NON-CURRENT)**

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unquoted, fully paid up</td>
<td></td>
</tr>
<tr>
<td>At amortised cost</td>
<td></td>
</tr>
<tr>
<td>Investments in Deposits with Non-Banking Financial Companies</td>
<td>-</td>
</tr>
<tr>
<td>At Fair Value through Profit or Loss</td>
<td></td>
</tr>
<tr>
<td>Investment in Equity Instruments*</td>
<td>-</td>
</tr>
<tr>
<td>Quoted, fully paid up</td>
<td></td>
</tr>
<tr>
<td>At amortised cost</td>
<td></td>
</tr>
<tr>
<td>Investments in Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>-</td>
</tr>
<tr>
<td>Aggregate Amount of Unquoted Investments</td>
<td>-</td>
</tr>
<tr>
<td>Aggregate Amount of Quoted Investments</td>
<td>-</td>
</tr>
<tr>
<td>Aggregate Market Value of Quoted Investments</td>
<td>-</td>
</tr>
<tr>
<td>*amounts less than ₹ 0.01 crore</td>
<td></td>
</tr>
</tbody>
</table>

**NOTE 7: LOANS (NON-CURRENT)**

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsecured, Considered Good, Unless Otherwise Stated</td>
<td></td>
</tr>
<tr>
<td>Loans to Employees</td>
<td>0.04</td>
</tr>
<tr>
<td>Security Deposits</td>
<td>16.95</td>
</tr>
<tr>
<td>TOTAL</td>
<td>16.99</td>
</tr>
</tbody>
</table>

**NOTE 8: OTHER NON-CURRENT FINANCIAL ASSETS**

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Deposits with remaining maturity of more than 12 months (under lien against Bank Guarantees)</td>
<td>-</td>
</tr>
<tr>
<td>Share application money for investments in subsidiaries</td>
<td>10.32</td>
</tr>
<tr>
<td>Financial Guarantee Fee Receivables</td>
<td>20.75</td>
</tr>
<tr>
<td>TOTAL</td>
<td>31.07</td>
</tr>
</tbody>
</table>
### NOTE 9: OTHER NON-CURRENT ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Advances (Refer Note below)</td>
<td>29.38</td>
<td>27.39</td>
</tr>
<tr>
<td>Balances with Government Authorities</td>
<td>21.65</td>
<td>17.56</td>
</tr>
<tr>
<td>Other non-current assets (includes prepaid expenses, vendor advances)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Considered Good</td>
<td>1.07</td>
<td>1.06</td>
</tr>
<tr>
<td>TOTAL</td>
<td>52.10</td>
<td>46.01</td>
</tr>
</tbody>
</table>

Note:
Capital Advances include ₹ 15.92 crore (31-Mar-18 ₹ 13.96 crore) paid to Related Parties.

### NOTE 10: NON-CURRENT TAX ASSETS (NET)

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advance Tax</td>
<td>22.84</td>
<td>19.66</td>
</tr>
<tr>
<td>[Net of Provision for taxation - ₹ 1742.56 crore (31-Mar-18 ₹ 1422.53)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>22.84</td>
<td>19.66</td>
</tr>
</tbody>
</table>

(Refer Note 21 for tax reconciliations)

### NOTE 11: INVENTORIES

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Valued at lower of cost and net realizable value)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw Materials (Including Packing Materials)</td>
<td>303.17</td>
<td>251.89</td>
</tr>
<tr>
<td>Goods-in Transit</td>
<td>16.48</td>
<td>2.05</td>
</tr>
<tr>
<td>Work-in-Progress</td>
<td>40.20</td>
<td>36.86</td>
</tr>
<tr>
<td>Finished Goods</td>
<td>210.74</td>
<td>250.25</td>
</tr>
<tr>
<td>Stock-in-Trade</td>
<td>34.59</td>
<td>26.17</td>
</tr>
<tr>
<td>Stores and Spares</td>
<td>9.94</td>
<td>9.03</td>
</tr>
<tr>
<td>TOTAL</td>
<td>615.12</td>
<td>576.25</td>
</tr>
</tbody>
</table>

### NOTE 12: INVESTMENTS (CURRENT)

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unquoted, fully paid up</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At Fair Value through Profit or Loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in Mutual Funds</td>
<td>13.01</td>
<td>107.63</td>
</tr>
<tr>
<td>At amortised cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in Deposits with Non-Banking Financial Companies</td>
<td>135.06</td>
<td>306.97</td>
</tr>
<tr>
<td>Investments in Commercial Papers</td>
<td>-</td>
<td>79.04</td>
</tr>
<tr>
<td>Quoted, fully paid up</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At amortised cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>329.27</td>
<td>336.01</td>
</tr>
<tr>
<td>TOTAL</td>
<td>477.34</td>
<td>847.65</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate Amount of Unquoted Investments</td>
<td>148.07</td>
<td>511.64</td>
</tr>
<tr>
<td>Aggregate Amount of Quoted Investments</td>
<td>329.27</td>
<td>336.01</td>
</tr>
<tr>
<td>Aggregate Market Value of Quoted Investments</td>
<td>329.94</td>
<td>339.38</td>
</tr>
</tbody>
</table>
## NOTE 13 : TRADE RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Considered Good - Secured</td>
<td>7.17</td>
<td>2.81</td>
</tr>
<tr>
<td>Considered Good - Unsecured</td>
<td>346.01</td>
<td>245.77</td>
</tr>
<tr>
<td>Trade Receivables which have significant increase in Credit Risk</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade Receivables - credit impaired</td>
<td>6.34</td>
<td>5.62</td>
</tr>
<tr>
<td>Less: Provision for Doubtful Debts</td>
<td>(6.34)</td>
<td>(5.62)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>353.18</strong></td>
<td><strong>248.58</strong></td>
</tr>
</tbody>
</table>

Refer note 46 (b)

**Note:**
There are no outstanding trade receivables which resulted into significant increase in credit risk apart from receivables which are impaired and provided.

## NOTE 14 A : CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balances with Banks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- In Current Accounts</td>
<td>78.13</td>
<td>71.91</td>
</tr>
<tr>
<td>- Deposits with less than 3 months original maturity</td>
<td>0.08</td>
<td>14.00</td>
</tr>
<tr>
<td></td>
<td>78.21</td>
<td>85.91</td>
</tr>
<tr>
<td>Cash on Hand</td>
<td>1.48</td>
<td>0.20</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>79.69</strong></td>
<td><strong>86.11</strong></td>
</tr>
</tbody>
</table>

## NOTE 14 B : OTHER BANK BALANCES

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits with maturities more than 3 months but less than 12 months (Refer Note below)</td>
<td>3.07</td>
<td>2.92</td>
</tr>
<tr>
<td>In Unpaid Dividend Accounts</td>
<td>14.48</td>
<td>9.08</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>17.55</strong></td>
<td><strong>12.00</strong></td>
</tr>
</tbody>
</table>

**Note:**
The fixed deposits include deposits under lien against bank guarantees ₹ 2.99 crore (31-Mar-18 ₹ 2.82 crore)

## NOTE 15 : LOANS (CURRENT)

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsecured, Considered Good, Unless Otherwise Stated</td>
<td>0.06</td>
<td>0.07</td>
</tr>
<tr>
<td>Loans to Employees</td>
<td>0.08</td>
<td>0.18</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>0.14</strong></td>
<td><strong>0.25</strong></td>
</tr>
</tbody>
</table>

## NOTE 16 : OTHER CURRENT FINANCIAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial guarantee fee receivable</td>
<td>10.27</td>
<td>7.89</td>
</tr>
<tr>
<td>Refunds/Incentives receivables from Govt. Authorities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Considered Good</td>
<td>117.37</td>
<td>173.66</td>
</tr>
<tr>
<td>Considered Doubtful</td>
<td>15.62</td>
<td>14.62</td>
</tr>
<tr>
<td></td>
<td>117.37</td>
<td>173.66</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>-</td>
<td>0.61</td>
</tr>
<tr>
<td>Others (includes receivables of insurance claims, exports incentives)</td>
<td>11.19</td>
<td>11.08</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>138.83</strong></td>
<td><strong>193.24</strong></td>
</tr>
</tbody>
</table>
NOTE 17 : OTHER CURRENT ASSETS

\[
\begin{array}{l|cc}
\text{As at March 31, 2019} & \text{As at March 31, 2018} \\
\hline
\text{Balances with Government Authorities} & 129.96 & 111.53 \\
\text{Contract assets (Right to receive inventory)} & 3.54 & 2.34 \\
\text{Other Advances (includes prepaid expenses, vendor advances)} & & \\
\quad \text{Considered Good} & 29.00 & 38.62 \\
\quad \text{Considered Doubtful} & 0.83 & 0.78 \\
\quad \text{Less: Provision for Doubtful Advances} & (0.83) & (0.78) \\
\text{TOTAL} & 162.50 & 152.49 \\
\end{array}
\]

NOTE 18 : EQUITY SHARE CAPITAL

\[
\begin{array}{l|cc}
\text{As at March 31, 2019} & \text{As at March 31, 2018} \\
\hline
\text{Authorised} & & \\
1,030,000,000 Equity Shares (31-Mar-18: 690,000,000) of ₹ 1 each & 103.00 & 69.00 \\
10,000,000 Preference Shares (31-Mar-18: 10,000,000) of ₹ 1 each & 1.00 & 1.00 \\
\text{Issued} & & \\
1,022,197,220 Equity Shares (31-Mar-18: 681,360,642) of ₹ 1 each & 102.22 & 68.14 \\
\text{Subscribed and Fully Paid up} & & \\
1,022,166,096 Equity Shares (31-Mar-18: 681,329,518) of ₹ 1 each fully paid up & 102.22 & 68.13 \\
\text{TOTAL} & 102.22 & 68.13 \\
\end{array}
\]

Notes:

a) During the year, the Company has issued 1,14,546 equity shares (31-Mar-2018 1,27,886) under the Employee Stock Grant Scheme.

b) 31,124 Right Issue equity shares (31-Mar-2018 year 31,124 equity shares) are kept in abeyance due to various suits filed in courts / forums by third parties for which final order from courts/claim is awaited.

c) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

\[
\begin{array}{l|cc|cc}
\text{As at March 31, 2019} & \text{As at March 31, 2018} \\
\hline
\text{No. of Shares} & \text{Crore} & \text{No. of Shares} & \text{Crore} \\
\text{Shares outstanding at the beginning of the year} & 681,329,518 & 68.13 & 340,600,816 & 34.06 \\
\text{Add : Shares Issued during the year (Bonus Shares)} & 340,722,032 & 34.08 & 340,600,816 & 34.06 \\
\text{Add : Shares Issued on exercise of employee stock grant scheme} & 114,546 & 0.01 & 127,886 & 0.01 \\
\text{Shares outstanding at the end of the year} & 1,022,166,096 & 102.22 & 681,329,518 & 68.13 \\
\end{array}
\]

d) Terms / rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 1 each. Each equity shareholder is entitled to one vote per share.

During the year ended March 31, 2019 the amount of per share dividend recognised as distribution to equity shareholders was ₹ 15 (31-Mar-2018 ₹ 15).

e) Pursuant to the approval of the shareholders on Sep 5, 2018, record date for ascertaining the eligibility of the shareholders for receiving the bonus shares was fixed on Sep 14, 2018. Accordingly, the Company has allotted 340,722,032 number of fully paid Bonus shares on Sep 17, 2018 in the ratio of one equity share of ₹ 1 each fully paid up for every two existing equity shares of ₹ 1 each fully paid up.

f) Shares held by Holding Company and Subsidiary of Holding Company and details of shareholders holding more than 5% shares in the Company:

\[
\begin{array}{l|cc|cc}
\text{Name of the Shareholder} & \text{As at March 31, 2019} & \text{As at March 31, 2018} \\
\hline
\text{No. of Shares} & \% held & \text{No. of Shares} & \% held \\
\text{Godrej & Boyce Manufacturing Co Ltd} & 75,011,445 & 7.34 & 50,007,630 & 7.34 \\
\text{Godrej Industries Limited} & 242,812,860 & 23.75 & 161,875,240 & 23.76 \\
\text{Godrej Seeds & Genetics Limited} & 280,500,000 & 27.44 & 187,000,000 & 27.45 \\
\text{Share Reserve for issue under options} & & & & \\
\text{The Company has 295,015 (31-Mar-2018 year 224,011) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2019. (As detailed in Note 43)}
\end{array}
\]
h) Information regarding aggregate number of equity shares issued during the five years immediately preceding the date of Balance Sheet:
Pursuant to the approval of Shareholders, Company has allotted 340,722,032 (31-Mar-2018 year - 340,600,816) number of fully paid Bonus shares on Sep 17, 2018 in the ratio of one equity share of ₹1 each fully paid up for every two existing equity shares of ₹1 each fully paid up.
Pursuant to the approval of Shareholders, Company has allotted 340,600,816 (31-Mar-2017 year - Nil) number of fully paid Bonus shares on June 27, 2017 in the ratio of one equity share of ₹1 each fully paid up for every one existing equity shares of ₹1 each fully paid up.
The Company has not issued shares for consideration other than cash and has not bought back any shares during the past five years.
The Company has not allotted any shares pursuant to contract without payment being received in cash.

i) There are no calls unpaid on equity shares, other than shares kept in abeyance as mentioned in Note (b) above.

j) No equity shares have been forfeited.

k) Capital Management
The primary objective of the Company’s capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value. The Company makes adjustments to its capital structure based on economic conditions or its business requirements. To maintain / adjust the capital structure the Company may make adjustments to dividend paid to its shareholders or issue new shares.
The Company monitors capital using the metric of Net Debt to Equity. Net Debt is defined as borrowings less cash and cash equivalents, fixed deposits and readily redeemable investments. As on balancesheet date there are no Net debt.

### NOTE 19 : OTHER EQUITY

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities Premium</td>
<td>1,398.03</td>
<td>1,424.51</td>
</tr>
<tr>
<td>General Reserve</td>
<td>154.05</td>
<td>154.05</td>
</tr>
<tr>
<td>Other Reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Investment Subsidy Reserve</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>Capital Redemption Reserve</td>
<td>1.46</td>
<td>1.46</td>
</tr>
<tr>
<td>Employee Stock Options Outstanding</td>
<td>12.36</td>
<td>11.58</td>
</tr>
<tr>
<td></td>
<td>13.97</td>
<td>13.19</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td>3,256.64</td>
<td>2,982.46</td>
</tr>
<tr>
<td>Other Comprehensive Income (Effective portion of cash flow hedges)</td>
<td>(0.75)</td>
<td>(0.75)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4,623.94</td>
<td>4,573.46</td>
</tr>
</tbody>
</table>

### OTHER RESERVES MOVEMENT

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment Subsidy Reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as per last financial statements</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>Capital Redemption Reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as per last financial statements</td>
<td>1.46</td>
<td>1.46</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>1.46</td>
<td>1.46</td>
</tr>
<tr>
<td>Employee Stock Options Outstanding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Employee Compensation for Options granted</td>
<td>11.58</td>
<td>9.83</td>
</tr>
<tr>
<td>(-) Exercise of Share options</td>
<td>(6.34)</td>
<td>(6.97)</td>
</tr>
<tr>
<td>(+) Deferred Employee Compensation Expense (Refer Note 31)</td>
<td>9.12</td>
<td>8.72</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>12.36</td>
<td>11.58</td>
</tr>
<tr>
<td>TOTAL</td>
<td>13.97</td>
<td>13.19</td>
</tr>
</tbody>
</table>

Nature and purpose of reserves

1) Securities premium
The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

2) 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.
3) Capital Investment Subsidy Reserve
Capital Investment Subsidy Reserve represents subsidy received from the government for commissioning of Malanpur plant in the nature of capital investment.

4) Capital redemption reserve
Capital Redemption reserve represents amount set aside by the company for future redemption of capital.

5) Employee Stock Options Outstanding
The shares option outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Grant Scheme which are unvested as on the reporting date and is net of the deferred employee compensation expense.

Refer note 43 for details on ESGS Plans.

6) Effective portion of Cash Flow Hedges
The cash flow hedging reserve represents the cumulative portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassified to Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non financial hedged item.

### NOTE 20 : PROVISIONS (NON-CURRENT)

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for Employee Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gratuity (Refer Note 42)</td>
<td>51.89</td>
<td>47.35</td>
</tr>
<tr>
<td>Compensated Absences</td>
<td>4.43</td>
<td>4.31</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>56.32</td>
<td>51.66</td>
</tr>
</tbody>
</table>

### NOTE 21 : TAX RECONCILIATIONS

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax expense recognised in the Statement of Profit and Loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current tax on profits for the year (net of MAT credit utilised)</td>
<td>320.66</td>
<td>283.28</td>
</tr>
<tr>
<td>Deferred tax (Net) Others</td>
<td>7.31</td>
<td>5.86</td>
</tr>
<tr>
<td>Deferred tax (Net) - MAT credit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAT credit recognised</td>
<td>(634.58)</td>
<td>-</td>
</tr>
<tr>
<td>MAT credit Utilised</td>
<td>24.71</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total income tax expense</strong></td>
<td>(281.90)</td>
<td>289.14</td>
</tr>
</tbody>
</table>

Deferred tax is in respect of origination and reversal of temporary differences.

### Current Tax and Deferred Tax related to items recognised in Other Comprehensive Income during in the year :

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>On remeasurements of defined benefit plans</td>
<td>(0.21)</td>
<td>(2.63)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(0.21)</td>
<td>(2.63)</td>
</tr>
</tbody>
</table>
Reconciliation of tax expense and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate to income tax expense reported in Statement of Profit & Loss is given below:

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before income taxes</td>
<td>1,473.08</td>
<td>1,289.01</td>
</tr>
<tr>
<td>Indian statutory income tax rate</td>
<td>34.94%</td>
<td>34.61%</td>
</tr>
<tr>
<td>Expected income tax expense</td>
<td>514.75</td>
<td>446.10</td>
</tr>
</tbody>
</table>

Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:

- Deduction under Sec 80C and 80IE: (168.12) (223.05)
- Effect of other tax offsets: 1.66 (0.03)
- Tax impact of income not subject to tax: 0.15 1.35
- Tax effects of amounts which are not deductible for taxable income: 4.24 8.82
- Additional tax paid on book profits: - 58.31
- MAT Credit recognised: (634.58) -
- Effect of different Tax rate: - (2.36)
- Total income tax expense: (281.90) 289.14

The Company benefits from the tax holiday available to units set up under section 80-IC and 80-IE of Income Tax Act, 1961. These tax holidays are available for a period of ten years from the date of commencement of operations.

Deferred Tax (Liabilities):

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, Plant and Equipment</td>
<td>(34.12)</td>
<td>(32.90)</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>(248.81)</td>
<td>(239.59)</td>
</tr>
<tr>
<td>Total deferred tax liabilities</td>
<td>(282.93)</td>
<td>(272.49)</td>
</tr>
</tbody>
</table>

Deferred Tax Assets:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligations</td>
<td>23.81</td>
<td>21.80</td>
</tr>
<tr>
<td>Provisions</td>
<td>21.69</td>
<td>20.46</td>
</tr>
<tr>
<td>Others</td>
<td>1.79</td>
<td>1.77</td>
</tr>
<tr>
<td>MAT credit</td>
<td>609.87</td>
<td>-</td>
</tr>
<tr>
<td>Total deferred tax assets</td>
<td>657.16</td>
<td>44.03</td>
</tr>
</tbody>
</table>

Net Deferred tax (Liabilities) / Assets: 374.23 (228.46)

Movement in Deferred tax Liabilities / Asset

<table>
<thead>
<tr>
<th></th>
<th>Property, plant and equipment</th>
<th>Intangible assets</th>
<th>Defined benefit obligations</th>
<th>Provisions</th>
<th>Other Deferred Tax Asset</th>
<th>Mat Credit (Refer note)</th>
<th>Deferred Tax Liabilities / Asset (Net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31th March 2017</td>
<td>(30.04)</td>
<td>(225.10)</td>
<td>17.56</td>
<td>11.57</td>
<td>1.77</td>
<td>-</td>
<td>(224.24)</td>
</tr>
<tr>
<td>(Charged)/Credited :</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- to profit or loss</td>
<td>(2.86)</td>
<td>(14.49)</td>
<td>2.59</td>
<td>8.89</td>
<td>-</td>
<td>-</td>
<td>(5.87)</td>
</tr>
<tr>
<td>- to other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>1.65</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>At 1st April 2018</td>
<td>(32.90)</td>
<td>(239.59)</td>
<td>21.80</td>
<td>20.46</td>
<td>1.77</td>
<td>-</td>
<td>(228.46)</td>
</tr>
<tr>
<td>(Charged)/Credited :</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- to profit or loss</td>
<td>(1.22)</td>
<td>(9.22)</td>
<td>1.88</td>
<td>1.23</td>
<td>0.02</td>
<td>609.87</td>
<td>602.56</td>
</tr>
<tr>
<td>- to other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>0.13</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.13</td>
</tr>
<tr>
<td>As at 31th March 2019</td>
<td>(34.12)</td>
<td>(248.81)</td>
<td>23.81</td>
<td>21.69</td>
<td>1.79</td>
<td>609.87</td>
<td>374.23</td>
</tr>
</tbody>
</table>

The Company offsets deferred 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 (including MAT credit) and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.
As on March 31, 2019 the tax liability with respect to the dividends proposed is ₹ 42.02 crores (31-Mar-18 : ₹ 98.03 crores)
During the year, the Company has recognised tax credits in respect of Minimum Alternate Tax (MAT credit) of ₹ 634.58 crores. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted. During the year the Company has utilised MAT credit of ₹ 24.71 crores. Accordingly the Company has re-assessed its utilization of MAT credit, considering business projections, benefits available from tax holiday, remaining period for such benefits etc based on which there is reasonable certainty of utilizing the said credit in future years against the normal tax expected to be paid in those years and accordingly has recognised a deferred tax asset for the same.

NOTE 22 : OTHER NON-CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unearned premium on guarantees given to subsidiaries</td>
<td>23.82</td>
<td>15.38</td>
</tr>
<tr>
<td>Others (includes deferred grants, sundry deposits)</td>
<td>4.27</td>
<td>2.37</td>
</tr>
<tr>
<td>TOTAL</td>
<td>28.09</td>
<td>17.75</td>
</tr>
</tbody>
</table>

NOTE 23 : TRADE PAYABLES

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dues to Micro and Small enterprises</td>
<td>53.49</td>
<td>-</td>
</tr>
<tr>
<td>Others*</td>
<td>1,404.12</td>
<td>1,452.92</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,457.61</td>
<td>1,452.92</td>
</tr>
</tbody>
</table>

* Trade Payables includes invoices discounted by Vendors with banks

Refer Note 46C
There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts of further interest remaining due and payable in the succeeding years.

The above details regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified in the current year on the basis of information obtained by the Company.

NOTE 24 : OTHER CURRENT FINANCIAL LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Deposit Received</td>
<td>2.31</td>
<td>3.91</td>
</tr>
<tr>
<td>Unclaimed Dividends (Refer Note (a) below)</td>
<td>14.48</td>
<td>9.06</td>
</tr>
<tr>
<td>Derivative Liability</td>
<td>8.69</td>
<td>-</td>
</tr>
<tr>
<td>Capital creditors and other payables</td>
<td>23.34</td>
<td>26.01</td>
</tr>
<tr>
<td>TOTAL</td>
<td>48.82</td>
<td>39.00</td>
</tr>
</tbody>
</table>

Refer Note 46C
Note:

a) There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

NOTE 25 : OTHER CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Dues (VAT, Excise, Service Tax, Octroi, TDS etc)</td>
<td>6.98</td>
<td>7.54</td>
</tr>
<tr>
<td>Contract Liabilities (Advance received from Customers)</td>
<td>13.13</td>
<td>23.83</td>
</tr>
<tr>
<td>Employee Benefits Payable</td>
<td>67.55</td>
<td>101.31</td>
</tr>
<tr>
<td>Unearned premium on guarantees given to subsidiaries</td>
<td>15.36</td>
<td>17.35</td>
</tr>
<tr>
<td>Others (includes PF, deferred revenue)</td>
<td>4.65</td>
<td>4.78</td>
</tr>
<tr>
<td>TOTAL</td>
<td>107.67</td>
<td>154.81</td>
</tr>
</tbody>
</table>
### NOTE 26 : PROVISIONS (CURRENT)  

<table>
<thead>
<tr>
<th>Provision for Employee Benefits</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gratuity (Refer Note 42)</td>
<td>8.44</td>
<td>7.82</td>
</tr>
<tr>
<td>Compensated Absences</td>
<td>3.38</td>
<td>2.90</td>
</tr>
<tr>
<td><strong>Other provisions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for Sales Returns</td>
<td>14.33</td>
<td>13.50</td>
</tr>
<tr>
<td>Provision towards Litigations</td>
<td>12.77</td>
<td>12.71</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>38.92</td>
<td>36.93</td>
</tr>
</tbody>
</table>

Movements in each class of other provisions during the financial year are set out below:

<table>
<thead>
<tr>
<th>Sales Returns</th>
<th>Provision towards Litigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at April 1, 2018</td>
<td>13.50</td>
</tr>
<tr>
<td>Additional provisions recognised</td>
<td>0.83</td>
</tr>
<tr>
<td>Amount Utilised / Unused amounts reversed</td>
<td>-</td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>14.33</td>
</tr>
</tbody>
</table>

**Sales Returns:**
When a customer has a right to return the product within a given period, the Company recognises a provision for sales return. This is measured on the basis of average past trend of sales return as a percentage of sales. Revenue is adjusted for the expected value of the returns and cost of sales are adjusted for the value of the corresponding goods to be returned.

**Legal Claims:**
The provisions for indirect taxes and legal matters comprises numerous separate cases that arise in the ordinary course of business. A provision is recognised for legal cases if the company assesses that it is probable that an outflow of economic resources will be required. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

### NOTE 26 A : LIABILITIES FOR CURRENT TAX (NET)  

<table>
<thead>
<tr>
<th>Liabilities for Current Tax (Net)</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Net of advance tax of ₹ 128.87 crore (31-Mar-18 ₹ 128.87 crore)]</td>
<td>0.96</td>
<td>0.96</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>0.96</td>
<td>0.96</td>
</tr>
</tbody>
</table>

### NOTE 27 : REVENUE FROM OPERATIONS  

<table>
<thead>
<tr>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from contract with customers</td>
<td></td>
</tr>
<tr>
<td>Sale of Products (including excise duty)</td>
<td>5,556.79</td>
</tr>
<tr>
<td><strong>Other Operating Revenues</strong></td>
<td></td>
</tr>
<tr>
<td>a) Royalty &amp; Technical Fees</td>
<td>22.47</td>
</tr>
<tr>
<td>b) Miscellaneous Income (includes Refunds/Incentives from Govt. Authorities)</td>
<td>100.05</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>5,679.31</td>
</tr>
</tbody>
</table>

**Notes:**

a) Sales for the year ended March 31, 2019 is net of Goods and Service tax (GST). However, for the previous year ended March 31, 2018, sales till period ended June 30, 2017 is gross of excise duty.

b) Revenue Information

<table>
<thead>
<tr>
<th>Year ended March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue by product categories</strong></td>
</tr>
<tr>
<td>Home care</td>
</tr>
<tr>
<td>Personal care</td>
</tr>
<tr>
<td>Hair care</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
</tr>
</tbody>
</table>
c) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
<th>Year ended March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue as per contracted price</td>
<td>5,862.53</td>
<td></td>
</tr>
<tr>
<td>Sales returns</td>
<td>(0.83)</td>
<td></td>
</tr>
<tr>
<td>Rebates/Discounts</td>
<td>(304.91)</td>
<td></td>
</tr>
<tr>
<td>Revenue from contract with customers</td>
<td>5,556.79</td>
<td></td>
</tr>
</tbody>
</table>

d) Contract Balances

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
<th>March 31, 2019</th>
<th>April 1, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables (Note 13)</td>
<td>353.18</td>
<td>248.58</td>
<td></td>
</tr>
<tr>
<td>Contract assets (Note 17)</td>
<td>3.54</td>
<td>2.34</td>
<td></td>
</tr>
<tr>
<td>Contract liabilities (Note 25)</td>
<td>13.13</td>
<td>23.83</td>
<td></td>
</tr>
</tbody>
</table>

Note: Contract assets represents right to receive the inventory (on estimated sales returns) and contract liabilities represents advances received from customers for sale of goods at the reporting date.

e) Significant changes in contract assets and liabilities during the period

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
<th>Year ended March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue recognised that was included in the contract liability balance at the beginning of the period</td>
<td>23.83</td>
<td></td>
</tr>
</tbody>
</table>

NOTE 28: OTHER INCOME

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Income on:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-convertible debentures and fixed deposits with Non-Banking Financial Companies at amortised cost</td>
<td>54.27</td>
<td>39.06</td>
<td></td>
</tr>
<tr>
<td>Deposits with banks</td>
<td>2.54</td>
<td>1.52</td>
<td></td>
</tr>
<tr>
<td>On Income-tax Refund</td>
<td>-</td>
<td>0.84</td>
<td></td>
</tr>
<tr>
<td>On Others</td>
<td>3.39</td>
<td>1.19</td>
<td></td>
</tr>
<tr>
<td>Net Gain on Sale of Investments (Mutual Funds)</td>
<td>8.03</td>
<td>18.54</td>
<td></td>
</tr>
<tr>
<td>Fair Value Gain/(Loss) on financial assets measured at fair value through profit or loss</td>
<td>0.01</td>
<td>(8.14)</td>
<td></td>
</tr>
<tr>
<td>Other Non-Operating Income</td>
<td>21.62</td>
<td>20.24</td>
<td></td>
</tr>
<tr>
<td>Guarantee Commission income</td>
<td>4.59</td>
<td>0.64</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Non-operating Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>94.45</td>
<td>73.89</td>
<td></td>
</tr>
</tbody>
</table>

NOTE 29: COST OF MATERIALS CONSUMED

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw material and packing material</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Inventory</td>
<td>253.94</td>
<td>194.32</td>
<td></td>
</tr>
<tr>
<td>Add: Purchases (Net)</td>
<td>2,096.53</td>
<td>1,944.57</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,350.47</td>
<td>2,138.89</td>
<td></td>
</tr>
<tr>
<td>Less: Closing Inventory</td>
<td>(319.65)</td>
<td>(253.94)</td>
<td></td>
</tr>
<tr>
<td>Cost of Materials Consumed</td>
<td>2,030.82</td>
<td>1,884.95</td>
<td></td>
</tr>
</tbody>
</table>
NOTE 30: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Inventory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finished Goods</td>
<td>250.25</td>
<td>299.18</td>
</tr>
<tr>
<td>Stock-in-Trade</td>
<td>26.17</td>
<td>29.53</td>
</tr>
<tr>
<td>Work-in-Progress</td>
<td>36.86</td>
<td>30.81</td>
</tr>
<tr>
<td></td>
<td>313.28</td>
<td>359.52</td>
</tr>
<tr>
<td>Less: Closing Inventory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finished Goods</td>
<td>210.74</td>
<td>250.25</td>
</tr>
<tr>
<td>Stock-in-Trade</td>
<td>34.59</td>
<td>26.17</td>
</tr>
<tr>
<td>Work-in-Progress</td>
<td>40.20</td>
<td>36.86</td>
</tr>
<tr>
<td></td>
<td>285.53</td>
<td>313.28</td>
</tr>
<tr>
<td>(Increase)/Decrease in Inventories</td>
<td>27.75</td>
<td>46.24</td>
</tr>
</tbody>
</table>

NOTE 31: EMPLOYEE BENEFITS EXPENSE

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>314.32</td>
<td>322.45</td>
</tr>
<tr>
<td>Contribution to Provident and Other Funds</td>
<td>21.10</td>
<td>18.20</td>
</tr>
<tr>
<td>Share based payments to Employees (Employee Stock Grant Scheme) (Refer Note 43)</td>
<td>9.12</td>
<td>8.72</td>
</tr>
<tr>
<td>Staff Welfare Expenses</td>
<td>6.96</td>
<td>6.14</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>351.50</strong></td>
<td><strong>355.51</strong></td>
</tr>
</tbody>
</table>

NOTE 32: FINANCE COSTS

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Expense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unwinding of interest on liabilities</td>
<td>2.46</td>
<td>1.70</td>
</tr>
<tr>
<td>Others (mainly includes interest on Short-term borrowings)</td>
<td>22.65</td>
<td>15.51</td>
</tr>
<tr>
<td>Bill discounting Charges</td>
<td>39.75</td>
<td>34.68</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>64.86</strong></td>
<td><strong>51.89</strong></td>
</tr>
</tbody>
</table>

NOTE 33: DEPRECIATION AND AMORTISATION EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation on property, plant and equipment</td>
<td>59.70</td>
<td>54.05</td>
</tr>
<tr>
<td>Amortisation on intangible assets</td>
<td>9.37</td>
<td>9.25</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>69.07</strong></td>
<td><strong>63.30</strong></td>
</tr>
</tbody>
</table>
## NOTE 34 : OTHER EXPENSES

<table>
<thead>
<tr>
<th>Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of Stores and Spare Parts</td>
<td>15.58</td>
<td>15.18</td>
</tr>
<tr>
<td>Power and Fuel</td>
<td>94.14</td>
<td>80.12</td>
</tr>
<tr>
<td>Rent (Net) (Refer Note 40)</td>
<td>43.36</td>
<td>41.53</td>
</tr>
<tr>
<td>Repairs and Maintenance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td>5.11</td>
<td>4.47</td>
</tr>
<tr>
<td>Buildings</td>
<td>5.64</td>
<td>5.22</td>
</tr>
<tr>
<td>Others (Net)</td>
<td>29.00</td>
<td>25.21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>39.75</td>
<td>34.90</td>
</tr>
<tr>
<td>Insurance</td>
<td>4.51</td>
<td>4.31</td>
</tr>
<tr>
<td>Rates and Taxes</td>
<td>3.26</td>
<td>6.38</td>
</tr>
<tr>
<td>Processing and Other Manufacturing Charges</td>
<td>156.67</td>
<td>149.33</td>
</tr>
<tr>
<td>Travelling and Conveyance</td>
<td>37.64</td>
<td>36.61</td>
</tr>
<tr>
<td>Auditors’ Remuneration (includes amount paid to previous auditors)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>As Statutory Auditor</td>
<td>1.45</td>
<td>1.48</td>
</tr>
<tr>
<td>For Other Services</td>
<td>0.07</td>
<td>-</td>
</tr>
<tr>
<td>Reimbursement of Expenses</td>
<td>0.14</td>
<td>0.08</td>
</tr>
<tr>
<td></td>
<td>1.66</td>
<td>1.56</td>
</tr>
<tr>
<td>Legal and Professional Charges</td>
<td>18.65</td>
<td>19.28</td>
</tr>
<tr>
<td>Donations</td>
<td>2.24</td>
<td>2.18</td>
</tr>
<tr>
<td>Sales Promotion</td>
<td>52.15</td>
<td>45.55</td>
</tr>
<tr>
<td>Advertising and Publicity</td>
<td>641.33</td>
<td>613.07</td>
</tr>
<tr>
<td>Selling and Distribution Expenses</td>
<td>75.40</td>
<td>71.36</td>
</tr>
<tr>
<td>Freight</td>
<td>215.17</td>
<td>188.92</td>
</tr>
<tr>
<td>Net Loss on Sale/ write off of Fixed Assets</td>
<td>0.43</td>
<td>4.14</td>
</tr>
<tr>
<td>Net Loss on Foreign Currency Transactions and Translations</td>
<td>9.41</td>
<td>1.08</td>
</tr>
<tr>
<td>Bad Debts Written Off</td>
<td>0.95</td>
<td>0.30</td>
</tr>
<tr>
<td>Provision for Doubtful Debts / Advances</td>
<td>0.77</td>
<td>0.31</td>
</tr>
<tr>
<td>Miscellaneous Expenses (Net) (Refer Note (a) below)</td>
<td>88.91</td>
<td>80.48</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,501.98</td>
<td>1,396.59</td>
</tr>
</tbody>
</table>

Note:

a) Miscellaneous Expenses include the Company’s share of various expenses incurred by group companies for sharing of services and use of common facilities.

## NOTE 35 : EARNINGS PER SHARE

<table>
<thead>
<tr>
<th>Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit After Tax (₹ Crore)</td>
<td>1,754.96</td>
<td>999.87</td>
</tr>
<tr>
<td>Number of Shares outstanding at the beginning of the year (Refer Note below)</td>
<td>1,021,994,277</td>
<td>1,021,802,448</td>
</tr>
<tr>
<td>Add : Shares Issued during the year</td>
<td>171,819</td>
<td>191,829</td>
</tr>
<tr>
<td>Number of Shares outstanding at the end of the year</td>
<td>1,022,166,096</td>
<td>1,021,994,277</td>
</tr>
<tr>
<td>Weighted Average Number of Equity Shares</td>
<td></td>
<td></td>
</tr>
<tr>
<td>For calculating Basic EPS</td>
<td>1,022,111,340</td>
<td>1,021,928,057</td>
</tr>
<tr>
<td>Effect of dilution:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shared based payments</td>
<td>204,688</td>
<td>232,154</td>
</tr>
<tr>
<td>For calculating Diluted EPS</td>
<td>1,022,316,028</td>
<td>1,022,160,210</td>
</tr>
<tr>
<td>Earnings Per Share (Face Value ₹ 1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic (₹)</td>
<td>17.17</td>
<td>9.78</td>
</tr>
<tr>
<td>Diluted (₹)</td>
<td>17.17</td>
<td>9.78</td>
</tr>
</tbody>
</table>

Note: Number of shares for the year ended 31 March 2018 have been adjusted for the bonus shares issued during the current year.
NOTE 36 : COMMITMENTS
Estimated value of contracts remaining to be executed on capital account to the extent not provided for: ₹ 28.36 crore (31-Mar-18 ₹ 29.60 crore), net of advances there against of ₹ 29.38 crore (31-Mar-18 ₹ 27.39 crore)

NOTE 37 : DIVIDEND
During the year 2018-19, the Board has paid four interim dividends. The first dividend was declared on May 8, 2018 at the rate of ₹ 7 per equity share (700% of the face value of ₹ 1 each) and the second dividend was declared on July 30, 2018 at the rate of ₹ 2 per equity share (200% of the face value of ₹ 1 each) on the pre-bonus paid up capital of the Company. The Company made a bonus issue in the ratio of 2:1 on Sep 17, 2018. Subsequent to the bonus issue, the Board paid two more interim dividends aggregating to ₹ 6 per share (600% of the face value ₹ 1 each). The total dividend rate for all the four interim dividends during the year after adjusting for the pre-bonus interim dividend rate aggregates to ₹ 12 per equity share (1200% of the face value ₹ 1 each) and amounts to ₹ 1226.52 crore. The dividend distribution tax on the said dividends is ₹ 252.11 crore. Subsequent to the close of the financial year, the Board has declared an interim dividend of ₹ 2 per equity share aggregating to ₹ 204.43 crore. The dividend distribution tax on the said dividend is ₹ 42.02 crore.

NOTE 38 : CONTINGENT LIABILITIES

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>a) CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS</strong></td>
<td></td>
</tr>
<tr>
<td>i) Excise duty and service tax matters</td>
<td>54.69</td>
</tr>
<tr>
<td>ii) Sales tax and VAT matters</td>
<td>54.73</td>
</tr>
<tr>
<td>iii) Income-tax matters</td>
<td>14.33</td>
</tr>
<tr>
<td>iv) Other matters</td>
<td>3.00</td>
</tr>
<tr>
<td><strong>b) GUARANTEES GIVEN ON BEHALF OF SUBSIDIARIES</strong></td>
<td></td>
</tr>
<tr>
<td>i) Guarantee amounting to USD Nil (31-Mar-18 USD 29 million) given by the Company to DBS Bank Limited, Singapore against loan provided to Godrej Mauritius Africa Holdings Ltd.</td>
<td>-</td>
</tr>
<tr>
<td>ii) Guarantee amounting to GBP Nil (31-Mar-18 GBP 18 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited, Hongkong against loan provided to Godrej Netherlands BV.</td>
<td>-</td>
</tr>
<tr>
<td>iii) Guarantee amounting to USD Nil (31-Mar-18 USD 51 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited, Hongkong against loan provided to Godrej East Africa Holdings Limited.</td>
<td>-</td>
</tr>
<tr>
<td>iv) Guarantee amounting to USD Nil (31-Mar-18 USD 87 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited (Hongkong), DBS Bank (Singapore) and Standard Chartered Bank Mauritius Limited against loan provided to Godrej Mauritius Africa Holdings Ltd.</td>
<td>-</td>
</tr>
<tr>
<td>v) Guarantee amounting to USD Nil (31-Mar-18 USD 23 million) given by the Company to Barclays Bank PLC, London towards loan against provided to Godrej Mauritius Africa Holdings Ltd.</td>
<td>-</td>
</tr>
<tr>
<td>vi) Guarantee amounting to USD Nil (31-Mar-18 USD 57 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited &amp; Standard Chartered Bank Mauritius Limited against loan provided to Godrej East Africa Holdings Limited.</td>
<td>-</td>
</tr>
<tr>
<td>vii) Guarantee amounting to USD 88 million (31-Mar-18 USD 88 million) given by the Company to DBS Bank Ltd (Singapore) &amp; Sumitomo Mitsui Banking Corporation (Singapore) against loan provided to Godrej Consumer Products Holdings Mauritius Ltd.</td>
<td>608.56</td>
</tr>
<tr>
<td>viii) Guarantee amounting to USD 121 million (31-Mar-18 USD 121 million) given by the Company to Bank of Tokyo Mitsubishi UFJ Ltd (London) against loan provided to Godrej SON Holdings, Inc.</td>
<td>836.78</td>
</tr>
<tr>
<td>ix) Guarantee amounting to USD Nil (31-Mar-18 USD 1 million) given by the Company to Sumitomo Mitsui Banking Corporation (Singapore) towards IRS taken by Godrej Consumer Products Holdings Mauritius Ltd.</td>
<td>-</td>
</tr>
<tr>
<td>x) Guarantee amounting to USD 28 million (31-Mar-18 USD 28 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited, Mauritius, against loan provided to Godrej East Africa Holdings Ltd.</td>
<td>190.18</td>
</tr>
<tr>
<td>xi) Guarantee amounting to USD Nil (31-Mar-18 USD 1 million) given by the Company to DBS Bank Ltd (Singapore) towards IRS taken by Godrej Consumer Products Mauritius Ltd.</td>
<td>-</td>
</tr>
<tr>
<td>xii) Guarantee amounting to USD Nil (31-Mar-18 USD 2 million) given by the Company to JP Morgan Chase towards IRS taken by Godrej East Africa Holdings Ltd</td>
<td>-</td>
</tr>
<tr>
<td>xiii) Guarantee amounting to USD Nil (31-Mar-18 USD 1 million) given by the Company to Hongkong and Shanghai Banking Corporation Limited Mauritius towards SBLC line given to Godrej Tanzania Holdings Limited</td>
<td>-</td>
</tr>
</tbody>
</table>
xiv) Guarantee amounting to USD 28 million (31-Mar-18 USD 28 million) given by the Company to Standard Chartered Bank Mauritius towards SBLC line given to Godrej Tanzania Holdings Limited  
190.18 179.23

xv) Guarantee amounting to USD 44 million (31-Mar-18 USD 44 million) given by the Company to CITI US towards loan provided to Godrej Mauritius Africa Holdings Ltd.  
304.26 286.77

xvi) Guarantee amounting to USD 2 million (31-Mar-18 USD 2 million) given by the Company to DBS Bank Limited towards IRS taken by Godrej Mauritius Africa Holdings Ltd.  
13.83 13.04

xvii) Guarantee amounting to USD 1.20 million (31-Mar-18 USD Nil) given by the Company to DBS Bank Limited towards IRS taken by Godrej Mauritius Africa Holdings Ltd.  
8.30 -

xviii) Guarantee amounting to USD 64.35 million (31-Mar-18 USD Nil) given by the Company to DBS Bank Ltd (Singapore) & Sumitomo Mitsui Banking Corporation (Singapore) against loan provided to Godrej SON Holding, INC  
445.01 -

xix) Guarantee amounting to USD 148.72 million (31-Mar-18 USD Nil) given by the Company to DBS Bank Ltd (Singapore) & Sumitomo Mitsui Banking Corporation (Singapore) against loan provided to Godrej Consumer Products Holdings Mauritius Ltd.  
1,028.47 -

3,625.59 3,881.11

c) OTHER GUARANTEES  
i) Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 2.99 crore]  
14.36 12.17

ii) Guarantee given by the Company to Yes Bank for credit facilities extended to M/s. Broadcast Audience Research Council  
0.80 0.80

15.16 12.97

d) CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT:  
i) Claims by various parties on account of unauthorized, illegal and fraudulent acts by an employee.  
32.22 32.22

ii) Others  
0.06 0.18

e) OTHER MATTERS  
The Hon’ble Supreme Court of India (“SC”) by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Pending decision on the subject review petition and directions from the EPFO, the impact, if any, is not ascertainable and consequently no effect has been given in the accounts.

NOTE 39 : RELATED PARTY DISCLOSURES  
A) Related Parties and their Relationship  
a) Holding Company:  
None

b) Subsidiaries:

<table>
<thead>
<tr>
<th>Name of the Subsidiary</th>
<th>Country</th>
<th>% Holding as at March 31, 2019</th>
<th>% Holding as at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Godrej Nederland B.V.</td>
<td>Netherlands</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej UK Ltd</td>
<td>UK</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Consumer Products (UK) Limited</td>
<td>UK</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Consumer Investments (Chile) Spa</td>
<td>Chile</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Holdings (Chile) Limitada</td>
<td>Chile</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Cosmetica National</td>
<td>Chile</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej South Africa Proprietary Limited</td>
<td>South Africa</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Consumer Products Holding (Mauritius) Limited</td>
<td>Mauritius</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Indovest Capital</td>
<td>Labuan</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Global Mideast FZE</td>
<td>Sharjah, UAE</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Indonesia IP Holdings Ltd</td>
<td>Mauritius</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Mid East Holding Limited</td>
<td>Dubai, UAE</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Consumer Products Dutch Cooperatif UA</td>
<td>Netherlands</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Consumer Products (Netherlands) B.V.</td>
<td>Netherlands</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Consumer Holdings (Netherlands) B.V.</td>
<td>Netherlands</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Name of the Subsidiary & Country & % Holding as at March 31, 2019 & % Holding as at March 31, 2018  
--- & --- & --- & ---  
PT Indomas Susemi Jaya & Indonesia & 100% & 100%  
PT Intrasari Raya & Indonesia & 100% & 100%  
PT Megasari Makmur & Indonesia & 100% & 100%  
PT Ekamas Sarijaya & Indonesia & 100% & 100%  
PT Sarico Indah & Indonesia & 100% & 100%  
Laboratorio Cuenca S.A & Argentina & 100% & 100%  
Conseil & Argentina & 100% & 100%  
Godrej Peru SAC & Peru & 100% & 100%  
Deciral S.A. & Uruguay & 100% & 100%  
Issue Group Brazil LTDA & Brazil & 100% & 100%  
Panamar Producciones SA & Argentina & 100% & 100%  
Godrej SON Holdings Inc. & USA & 100% & 100%  
Strength of Nature LLC & USA & 100% & 100%  
Strength of Nature South Africa Proprietary Limited & South Africa & 100% & 100%  
Old Pro International, Inc. & USA & 100% & 100%  
Godrej Household Products (Bangladesh) Pvt. Ltd. & Bangladesh & 100% & 100%  
Godrej Household Products Lanka (Pvt). Ltd. & Sri Lanka & 100% & 100%  
Godrej Consumer Products Bangladesh Limited & Bangladesh & 100% & 100%  
Godrej Mauritius Africa Holdings Limited & Mauritius & 100% & 100%  
Darling Trading Company Mauritius Limited & Mauritius & 90% & 90%  
Godrej Consumer Products International FZCO & Dubai, UAE & 90% & 90%  
Godrej Africa Holdings Limited & Mauritius & 100% & 100%  
Frika Weave (Pty) Ltd & South Africa & 100% & 100%  
Kinky Group (Proprietary) Limited & South Africa & 100% & 100%  
Lorna Nigeria Limited & Nigeria & 100% & 100%  
Weave Ghana & Ghana & 100% & 100%  
Weave Trading Mauritius Pvt. Ltd. & Mauritius & 51% & 51%  
Hair Trading (Offshore) S.A.L & Lebanon & 51% & 51%  
Godrej International Trading Company & Sharjah, UAE & 51% & 51%  
Godrej West Africa Holdings Limited & Mauritius & 90% & 90%  
Subinite (Pty) Ltd & South Africa & 90% & 90%  
Weave IP Holdings Mauritius Pvt. Ltd. & Mauritius & 90% & 90%  
Weave Mozambique Limitada & Mozambique & 90% & 90%  
Godrej Nigeria Limited & Nigeria & 100% & 100%  
Godrej Hair Care Nigeria Limited & Nigeria & 100% & 100%  
Godrej Household Insecticide Nigeria Ltd & Nigeria & 100% & 100%  
Godrej Hair Weave Nigeria Ltd & Nigeria & 100% & 100%  
Godrej East Africa Holdings Limited & Mauritius & 100% & 100%  
DGH Phase Two Mauritius & Mauritius & 90% & 90%  
Godrej Consumer Products Malaysia Limited & Malaysia & 100% & 100%  
Style Industries Ltd & Kenya & 90% & 90%  
Charm Industries Limited & Kenya & 100% & 100%  
Canon Chemicals Limited & Kenya & 75% & 75%  
Godrej Tanzania Holdings Limited & Mauritius & 100% & 100%  
DGH Tanzania Limited & Mauritius & 100% & 100%  
Sigma Hair Industries Ltd. & Tanzania & 100% & 100%  
Belaza Mozambique LDA & Mozambique & 100% & 100%  
Hair Credentials Zambia Limited & Zambia & 100% & 100%  
DGH Uganda & Tanzania & 51% & 51%  
Style Industries Uganda Limited & Uganda & 100% & 100%  
Weave Senegal & Senegal & 100% & 100%  
Godrej CP Malaysia SDN BHD (wef from June 4, 2018) & Malaysia & 100% & Nil*  
--- & --- & --- & ---  

**Divested on 31st August 2018**

c) Joint Venture:

<table>
<thead>
<tr>
<th>Name of the Joint Venture</th>
<th>Country</th>
<th>% Holding as at March 31, 2019</th>
<th>% Holding as at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Godrej Easy IP Holdings (FZC) (Dubai)</td>
<td>Dubai, UAE</td>
<td>Nil*</td>
<td>50%</td>
</tr>
</tbody>
</table>
d) **Associate Company:**

<table>
<thead>
<tr>
<th>Name of the Associate Company</th>
<th>Country</th>
<th>% Holding as at March 31, 2019</th>
<th>% Holding as at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bhabani Blunt Hairdressing Pvt Limited</td>
<td>India</td>
<td>28%</td>
<td>30%</td>
</tr>
</tbody>
</table>

e) **Investing Entity in which the reporting entity is an Associate**
   i) Godrej Industries Limited
   ii) Godrej Seeds & Genetics Limited

f) **Companies under common Control with whom transactions have taken place during the year**
   i) Godrej & Boyce Mfg. Co. Limited
   ii) Godrej Agrovet Limited
   iii) Godrej Tyson Foods Limited
   iv) Godrej Properties Limited
   v) Natures Basket Limited
   vi) Godrej Vikhroli Properties LLP
   vii) Godrej Infotech Limited
   viii) Godrej Projects Development Private Limited
   ix) Godrej Anandan
   x) Godrej One Premises Management Private Limited
   xi) Godrej Seaview Properties Private Limited
   xii) Creamline Dairy Products Limited

g) **Key Management Personnel and Relatives**
   i) Mr. Adi Godrej Chairman Emeritius
   ii) Ms. Nisaba Godrej Executive Chairperson / Daughter of Mr. Adi Godrej
   iii) Mr. Vivek Gambhir Managing Director & CEO
   iv) Mr. V. Srinivasan Chief Financial Officer and Company Secretary
   v) Mr. Pirojsha Godrej Non-Executive Director / Son of Mr. Adi Godrej
   vi) Mr. Nadir Godrej Non-Executive Director/ Brother of Mr. Adi Godrej
   vii) Ms. Tanya Dubash Non-Executive Director/ Daughter of Mr. Adi Godrej
   viii) Mr. Jamshyd Godrej Non Executive Director
   ix) Mr. D Shivakumar Independent Director (till 1st November, 2018)
   x) Mr. Aman Mehta Independent Director
   xi) Mr. Omkar Goswami Independent Director
   xii) Ms. Ireenia Vittal Independent Director
   xiii) Mr. Bharat Doshi Independent Director
   xiv) Mr. Narendra Ambwani Independent Director
   xv) Ms. Ndidi Nwuneli Independent Director
   xvi) Ms. Pippa Armerding Independent Director
   xvii) Mr. Burjis Godrej Son of Mr.Nadir Godrej
   xviii) Ms. Rati Godrej Wife of Mr.Nadir Godrej
   xix) Mr. Sohrab Godrej Son of Mr.Nadir Godrej
   xx) Mr. Hormazd Godrej Son of Mr.Nadir Godrej
   xxi) Mr.Narvoze Godrej Son of Mr. Jamshyd Godrej
   xxi) Mr. Anvind Dubash Husband of Ms. Tanya Dubash

h) **Trust where the reporting entity exercises significant influence**
   i) Godrej Consumer Products Limited Employees’ Stock Option Trust

i) **Post employment Benefit Trust where the reporting entity exercises significant influence**
   i) Godrej Consumer Products Employees’ Provident Fund
<table>
<thead>
<tr>
<th>Subsidiary Companies</th>
<th>Associate Company</th>
<th>Investing Entity in which the reporting entity is an associate</th>
<th>Companies Under Common Control</th>
<th>Key Management Personnel and Relatives</th>
<th>Post employment benefit trust</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Year</td>
<td>Previous Year</td>
<td>Current Year</td>
<td>Previous Year</td>
<td>Current Year</td>
<td>Previous Year</td>
<td>Current Year</td>
</tr>
<tr>
<td>Sale of Goods</td>
<td>48.71</td>
<td>40.21</td>
<td>0.40</td>
<td>0.57</td>
<td>12.89</td>
<td>18.86</td>
</tr>
<tr>
<td>Sale of Capital Asset</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of Materials and Spares</td>
<td>6.00</td>
<td>4.26</td>
<td>0.16</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Advance Paid</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1.51</td>
<td>1.51</td>
<td>-</td>
</tr>
<tr>
<td>Royalty and Technical Fees Received</td>
<td>22.47</td>
<td>17.63</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Establishment &amp; Other Expenses Paid (Including provision for doubtful debts if any)</td>
<td>0.13</td>
<td>0.12</td>
<td>0.62</td>
<td>0.87</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Expenses Recovered</td>
<td>20.41</td>
<td>16.36</td>
<td>-</td>
<td>0.01</td>
<td>0.21</td>
<td>0.23</td>
</tr>
<tr>
<td>Investments Made</td>
<td>10.31</td>
<td>156.52</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investments Sold / Redeemed</td>
<td>-</td>
<td>2.28</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fair Value of Financial Guarantees included in Investments</td>
<td>0.13</td>
<td>7.54</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Guarantees Given / (Cancelled)</td>
<td>1,481.78</td>
<td>544.21</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Financial Guarantee Fee Received</td>
<td>9.13</td>
<td>4.01</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Guarantee Commission Income</td>
<td>21.62</td>
<td>20.24</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income from Business Support Services</td>
<td>11.39</td>
<td>11.57</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dividend Paid</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Commission on Profits and Sitting Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lease Rentals Received</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9.25</td>
<td>10.87</td>
<td>-</td>
</tr>
<tr>
<td>Lease Rentals Paid</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>14.21</td>
<td>15.49</td>
<td>-</td>
</tr>
<tr>
<td>Contribution during the year (Including Employees' Share)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>16.63</td>
</tr>
<tr>
<td>Short Term Employment Benefits</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>23.32</td>
</tr>
<tr>
<td>Post Employment Benefits</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.50</td>
</tr>
<tr>
<td>Share Based Payment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3.85</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,632.34</strong></td>
<td><strong>823.02</strong></td>
<td><strong>3.60</strong></td>
<td><strong>2.64</strong></td>
<td><strong>758.90</strong></td>
<td><strong>434.63</strong></td>
</tr>
</tbody>
</table>
## Outstanding Balances

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Receivables</td>
<td>Payables</td>
<td>Guarantees Outstanding - Given / (Taken)</td>
<td>Commitments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsidiary Companies</td>
<td>79.32</td>
<td>46.39</td>
<td>1.34</td>
<td>0.88</td>
<td>3,625.59</td>
<td>3,881.11</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Associate Company</td>
<td>0.04</td>
<td>0.07</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.01</td>
</tr>
<tr>
<td>Investing Entity in which the reporting entity is an associate</td>
<td>1.40</td>
<td>0.97</td>
<td>3.63</td>
<td>-</td>
<td>(26.88)</td>
<td>(26.88)</td>
<td>-</td>
<td>2.61</td>
</tr>
<tr>
<td>Common Control</td>
<td>2.17</td>
<td>0.34</td>
<td>0.56</td>
<td>0.02</td>
<td>(1.21)</td>
<td>(1.21)</td>
<td>1.59</td>
<td>0.99</td>
</tr>
<tr>
<td>Key Management Personnel and Relatives</td>
<td>-</td>
<td>-</td>
<td>5.00</td>
<td>16.22</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>82.93</strong></td>
<td><strong>47.77</strong></td>
<td><strong>10.53</strong></td>
<td><strong>17.12</strong></td>
<td><strong>3,597.50</strong></td>
<td><strong>3,853.02</strong></td>
<td><strong>1.59</strong></td>
<td><strong>3.61</strong></td>
</tr>
</tbody>
</table>

**Note:** Refer note 5 for investments in subsidiaries and associates.
NOTE 40: LEASES

The Company’s significant leasing agreements are in respect of operating lease for premises (office, godown, etc.) and the aggregate lease rentals payable are charged as rent. The Total lease payments accounted for the year ended March 31, 2019 is ₹ 43.36 crore (previous year ₹ 41.53 crore).

The future minimum lease payments outstanding under non-cancellable operating leases are as follows:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>12.15</td>
<td>12.63</td>
</tr>
<tr>
<td>Later than one year and not later than five years</td>
<td>9.54</td>
<td>36.27</td>
</tr>
<tr>
<td>Later than five years</td>
<td>-</td>
<td>10.59</td>
</tr>
<tr>
<td>TOTAL</td>
<td>21.69</td>
<td>59.49</td>
</tr>
</tbody>
</table>

The Company has entered into an agreement to give one of its office building on operating lease effective May 2015. Total lease rentals earned during the year ended March 31, 2019 amounting to ₹ 9.13 crore have been netted off against rent expense of ₹ 9.13 crore in Note 34 for similar premises in the same building.

The future minimum lease rental receivable under the non-cancellable operating lease is as follows:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>9.13</td>
<td>9.13</td>
</tr>
<tr>
<td>Later than one year and not later than five years</td>
<td>1.10</td>
<td>10.20</td>
</tr>
<tr>
<td>Later than five years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10.23</td>
<td>19.33</td>
</tr>
</tbody>
</table>

NOTE 41: HEDGING CONTRACTS

The Company uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitments in accordance with its forex policy as determined by its Forex Committee. The Company does not use foreign exchange forward contracts for trading or speculation purposes.

Forward / Spot Contracts outstanding are as follows:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forward Contracts to Purchase (USD)</td>
<td>US $ 29.17</td>
<td>US $ 20.53</td>
</tr>
</tbody>
</table>

[86 contracts (31-Mar-18: 31 contracts)]

NOTE 42: EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLAN

Provident Fund / Super annuation fund:
The contributions to the Provident Fund of certain employees (including some employees of the erstwhile Godrej Household Products Ltd) are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. The Superannuation Fund constitutes an insured benefit, which is classified as a defined contribution plan as the Company contributes to an Insurance Company and has no further obligation beyond making payment to the insurance company.

b) DEFINED BENEFIT PLAN

Gratuity:
The Company participates in the Employees’ Group Gratuity-cum-Life Assurance Scheme of HDFC Standard 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 Gratuity scheme of the erstwhile Godrej Household Products Ltd., which was obtained pursuant to the Scheme of
Amalgamation, is funded through Unit Linked Gratuity Plan with HDFC Standard Life Insurance Company Limited.

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.

The Company has a gratuity trust. However, the Company funds its gratuity payouts from its cash flows. Accordingly, the
Company creates adequate provision in its books every year based on actuarial valuation.

These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

**Provident Fund:**
The Company manages the Provident Fund plan through a Provident Fund Trust for its employees which is permitted
under The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. 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.

The Company has an obligation to fund any shortfall on the yield of the trust’s investments over the administered interest
rates on an annual basis. These administered rates are determined annually predominantly considering the social rather
than economic factors and the actual return earned by the Company has been higher in the past years. The actuary has
provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based
on the below provided assumptions there is no shortfall as at March 31, 2019.

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan assets at period end, at fair value</td>
<td>149.31</td>
<td>129.57</td>
</tr>
<tr>
<td>Provident Fund Corpus</td>
<td>148.00</td>
<td>128.51</td>
</tr>
<tr>
<td>Valuation assumptions under Deterministic Approach:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted Average Yield</td>
<td>8.67%</td>
<td>8.75%</td>
</tr>
<tr>
<td>Weighted Average Yield to Maturity</td>
<td>9.07%</td>
<td>8.95%</td>
</tr>
<tr>
<td>Guaranteed Rate of Interest</td>
<td>8.65%</td>
<td>8.65%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Amounts Recognised as Expense:</td>
<td></td>
</tr>
<tr>
<td>i) Defined Contribution Plan</td>
<td></td>
</tr>
</tbody>
</table>
| Employer’s Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 11.90
crore (previous year ₹ 11.03 crore) has been included in Note 31 under Contribution to Provident and Other Funds. | |
| ii) Defined Benefit Plan | |
| Gratuity cost amounting to ₹ 8.30 crore (previous year ₹ 6.41 crore) has been included in Note 31 under Contribution
to Provident and Other Funds. | |
d) The amounts recognised in the Company’s financial statements as at year end are as under:

<table>
<thead>
<tr>
<th>i) Change in Present Value of Obligation</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of the obligation at the beginning of the year</td>
<td>56.38</td>
<td>48.07</td>
</tr>
<tr>
<td>Current Service Cost</td>
<td>3.99</td>
<td>3.40</td>
</tr>
<tr>
<td>Interest Cost</td>
<td>4.40</td>
<td>3.28</td>
</tr>
<tr>
<td>Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions</td>
<td>(0.79)</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions</td>
<td>1.51</td>
<td>2.62</td>
</tr>
<tr>
<td>Actuarial (Gain) / Loss on Obligation- Due to Experience</td>
<td>(0.42)</td>
<td>1.79</td>
</tr>
<tr>
<td>Benefits Paid</td>
<td>(4.14)</td>
<td>(2.85)</td>
</tr>
<tr>
<td>Present value of the obligation at the end of the year</td>
<td>60.93</td>
<td>56.38</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ii) Change in Plan Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of Plan Assets at the beginning of the year</td>
</tr>
<tr>
<td>Interest Income</td>
</tr>
<tr>
<td>Return on plan assets excluding interest income</td>
</tr>
<tr>
<td>Contributions by the Employer</td>
</tr>
<tr>
<td>Benefits Paid</td>
</tr>
<tr>
<td>Fair value of Plan Assets at the end of the year</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>iii) Amounts Recognised in the Balance Sheet:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of Obligation at the end of the year</td>
</tr>
<tr>
<td>Fair value of Plan Assets at the end of the year</td>
</tr>
<tr>
<td>Funded status - Deficit</td>
</tr>
<tr>
<td>Net Liability recognised in the Balance Sheet</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>iv) Amounts Recognised in the Statement of Profit and Loss:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Service Cost</td>
</tr>
<tr>
<td>Interest Cost/Income on Obligation/ Plan assets (Net)</td>
</tr>
<tr>
<td>Net Cost Included in Personnel Expenses</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>v) Recognised in other comprehensive income for the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial (Gain) / Loss on Obligation</td>
</tr>
<tr>
<td>Return on plan assets excluding interest income</td>
</tr>
<tr>
<td>Recognised in other comprehensive income</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>vi) Weighted average duration of Present Benefit Obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 years</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>vii) Estimated contribution to be made in next financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.44</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>viii) Major categories of Plan Assets as a % of total Plan Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurer Managed Funds</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ix) Actuarial Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Discount Rate</td>
</tr>
<tr>
<td>ii) Salary Escalation Rate</td>
</tr>
<tr>
<td>iii) Mortality</td>
</tr>
</tbody>
</table>

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.
x) Maturity Analysis of Projected Benefit Obligation: From the Fund

<table>
<thead>
<tr>
<th>Projected Benefits Payable in Future Years From the Date of Reporting</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the next 12 months</td>
<td>14.49</td>
<td>12.41</td>
</tr>
<tr>
<td>2nd Following Year</td>
<td>6.84</td>
<td>4.99</td>
</tr>
<tr>
<td>3rd Following Year</td>
<td>6.28</td>
<td>5.41</td>
</tr>
<tr>
<td>4th Following Year</td>
<td>5.87</td>
<td>5.02</td>
</tr>
<tr>
<td>5th Following Year</td>
<td>6.67</td>
<td>4.85</td>
</tr>
<tr>
<td>Sum of Years 6 To 10</td>
<td>23.68</td>
<td>23.89</td>
</tr>
</tbody>
</table>

xi) 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:

<table>
<thead>
<tr>
<th></th>
<th>March 31, 2019</th>
<th>March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate (1% movement)</td>
<td>Increase</td>
<td>Decrease</td>
</tr>
<tr>
<td></td>
<td>(2.54)</td>
<td>2.82</td>
</tr>
<tr>
<td>Future salary growth (1% movement)</td>
<td>2.74</td>
<td>(2.53)</td>
</tr>
<tr>
<td></td>
<td>(2.77)</td>
<td>3.11</td>
</tr>
</tbody>
</table>

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Other details

Methodology Adopted for ALM: Projected Unit Credit Method

Usefulness and Methodology adopted for Sensitivity analysis: Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Comment on Quality of Assets: Since investment is with insurance company, Assets are considered to be secured.

NOTE 43: EMPLOYEE STOCK BENEFIT PLANS

I. EMPLOYEE STOCK GRANT SCHEME

a) The Company set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders on March 18, 2011.

b) The ESGS Scheme is effective from April 1, 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 of the Company or its Subsidiaries. The entitlement of each employee will be decided by the Compensation Committee of the 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 2,500,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 500,000 (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 or as may be decided by the Compensation Committee from the date on which the Stock Grants are awarded for a period of three consecutive years 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 fair value 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.
h) The details of the scheme are as below:

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Grant Date</th>
<th>No. of Options</th>
<th>Vesting Condition</th>
<th>Exercise Price ($ per share)</th>
<th>Weighted average Exercise Price ($ per share)</th>
<th>Exercise period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees Stock Grant Scheme 2011</td>
<td>From 2011 to 2018</td>
<td>635,424</td>
<td>Vested in the proportion of 1/3rd at the end of each year</td>
<td>1.00</td>
<td>1.00</td>
<td>within 1 month from the date of vesting</td>
</tr>
</tbody>
</table>

Movement in the number of share options during the year:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding at the beginning of the year</td>
<td>224,011</td>
<td>128,895</td>
</tr>
<tr>
<td>Add: Bonus issue during the year</td>
<td>102,049</td>
<td>122,214</td>
</tr>
<tr>
<td>Add: Granted during the year</td>
<td>98,343</td>
<td>111,829</td>
</tr>
<tr>
<td>Less: Exercised during the year</td>
<td>114,546</td>
<td>127,886</td>
</tr>
<tr>
<td>Less: Forfeited/ lapsed during the year</td>
<td>14,842</td>
<td>11,041</td>
</tr>
<tr>
<td>Outstanding at the end of the year</td>
<td>295,015</td>
<td>224,011</td>
</tr>
</tbody>
</table>

Weighted average remaining contractual life of options as at 31st March, 2019 was 2.93 years (31-Mar-18: 1.24 years).

Weighted average equity share price at the date of exercise of options during the year was ₹ 1213.37 (previous year ₹ 1297.64).

The fair value of the employee share options has been measured using the Black-Scholes formula. The following assumptions were used for calculation of fair value of grants:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk-free interest rate (%)</td>
<td>7.51%</td>
<td>6.46%</td>
</tr>
<tr>
<td>Expected life of options (years)</td>
<td>2.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Expected volatility (%)</td>
<td>28.29%</td>
<td>32.21%</td>
</tr>
<tr>
<td>Dividend yield</td>
<td>1.05%</td>
<td>0.31%</td>
</tr>
<tr>
<td>The price of the underlying share in market at the time of option grant ($)</td>
<td>1,139.45</td>
<td>1,868.75</td>
</tr>
</tbody>
</table>

* Price is before issue of Bonus shares

II. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market.

**NOTE 44: CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE**

Expenditure related to CSR as per section 135 of the Companies Act, 2013 read with Schedule VII thereof, against the mandatory spend of ₹ 21.87 crore (previous year ₹ 18.83 crore):

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Expenditure in cash on CSR activities</td>
<td>21.90</td>
<td>18.88</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>21.90</td>
<td>18.88</td>
</tr>
</tbody>
</table>
### NOTE 45 : FINANCIAL INSTRUMENTS

#### A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

<table>
<thead>
<tr>
<th></th>
<th>Carrying amount / Fair Value</th>
<th>Fair value Hierarchy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FVTPL</td>
<td>FVTOCI</td>
</tr>
<tr>
<td><strong>Financial assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Non-Current Financial Assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>13.01</td>
<td>-</td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Bank balances</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Refunds/Incentives receivables from Govt. Authorities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Current Financial Assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>13.01</td>
<td>-</td>
</tr>
<tr>
<td><strong>Financial liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Derivative liability</td>
<td>8.69</td>
<td>-</td>
</tr>
<tr>
<td>Other Current Financial Liabilities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>8.69</td>
<td>-</td>
</tr>
</tbody>
</table>

There are no transfers between levels 1 and 2 during the year.
As at March 31, 2018

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>Carrying amount / Fair Value</th>
<th>Fair value Hierarchy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FVTPL</td>
<td>FVTOCI</td>
</tr>
<tr>
<td>Non Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Non-Current Financial Assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>107.63</td>
<td>-</td>
</tr>
<tr>
<td>Commercial papers</td>
<td></td>
<td>97.04</td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td></td>
<td>306.97</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Bank balances</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Refunds/Incentives receivables from Govt. Authorities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>0.61</td>
<td>-</td>
</tr>
<tr>
<td>Other Current Financial Assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>108.24</td>
<td>-</td>
</tr>
</tbody>
</table>

Financial liabilities

<table>
<thead>
<tr>
<th>Current</th>
<th>Carrying amount / Fair Value</th>
<th>Fair value Hierarchy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowings (Commercial Paper)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Current Financial Liabilities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

There are no transfers between levels 1 and 2 during the year.
B. Measurement of fair values
Valuation techniques and significant unobservable inputs
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.

Financial instruments measured at fair value

<table>
<thead>
<tr>
<th>Type</th>
<th>Valuation technique</th>
<th>Significant unobservable inputs</th>
<th>Inter-relationship between significant unobservable inputs and fair value measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutual Fund Investments</td>
<td>NAV quoted by the Mutual Fund</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Investments in Non Convertible Debenture/Commercial papers with Non-Banking Financial Companies</td>
<td>Broker Quote</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td>Present Value of expected cashflows using an appropriate discounting rate</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Commercial Paper issued by the Company</td>
<td>Present Value of expected cashflows using an appropriate discounting rate</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Derivative Financial Instruments</td>
<td>MTM from Banks</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>
NOTE 46 : FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company has constituted a Risk Management Committee and risk management policies which are approved by the Board to identify and analyze the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

A. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings, foreign currency receivables/payables, EEFC bank account balances, investments and derivative financial instruments. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

(ii) Management of price risk:

The Company invests its surplus funds in various debt instruments including liquid and short term schemes of debt mutual funds, deposits with banks and financial institutions, commercial papers and non-convertible debentures (NCD's). Investments in mutual funds, deposits and NCD's are susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments. This risk is mitigated by the Company by investing the funds in various tenors depending on the liquidity needs of the Company.

(iii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities as at March 31, 2019 is as below:

<table>
<thead>
<tr>
<th></th>
<th>March 31, 2019 GBP</th>
<th>March 31, 2019 USD</th>
<th>March 31, 2019 EURO</th>
<th>March 31, 2019 AED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-</td>
<td>6.39</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>2.12</td>
<td>71.92</td>
<td>31.82</td>
<td>-</td>
</tr>
<tr>
<td>Less: Forward contracts for trade receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Non-Current Financial Assets</td>
<td>-</td>
<td>20.75</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Current Financial Assets</td>
<td>-</td>
<td>10.27</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>2.12</td>
<td>109.33</td>
<td>31.82</td>
<td>-</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>0.42</td>
<td>313.06</td>
<td>0.20</td>
<td>-</td>
</tr>
<tr>
<td>Less: Forward contracts for trade payables</td>
<td>-</td>
<td>(201.72)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Non-current financial liabilities</td>
<td>-</td>
<td>0.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Current Liabilities</td>
<td>-</td>
<td>0.02</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>0.42</td>
<td>111.36</td>
<td>0.20</td>
<td>-</td>
</tr>
<tr>
<td>Net exposure</td>
<td>1.70</td>
<td>(2.03)</td>
<td>31.62</td>
<td>-</td>
</tr>
</tbody>
</table>
Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities as at March 31, 2018 is as below:

<table>
<thead>
<tr>
<th></th>
<th>March 31, 2018</th>
<th>March 31, 2018</th>
<th>March 31, 2018</th>
<th>March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GBP</td>
<td>USD</td>
<td>EURO</td>
<td>AED</td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-</td>
<td>6.11</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>1.19</td>
<td>47.05</td>
<td>36.10</td>
<td>2.32</td>
</tr>
<tr>
<td>Less: Forward contracts for trade receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Non-Current Financial Assets</td>
<td>-</td>
<td>4.20</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Current Financial Assets</td>
<td>-</td>
<td>7.89</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>1.19</td>
<td>65.25</td>
<td>36.10</td>
<td>2.32</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>1.95</td>
<td>198.64</td>
<td>5.05</td>
<td>-</td>
</tr>
<tr>
<td>Less: Forward contracts for trade payables</td>
<td>-</td>
<td>(133.80)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Current Financial Liabilities</td>
<td>-</td>
<td>0.21</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>1.95</td>
<td>65.05</td>
<td>5.05</td>
<td>-</td>
</tr>
<tr>
<td>Net exposure</td>
<td>(0.76)</td>
<td>0.20</td>
<td>31.05</td>
<td>2.32</td>
</tr>
</tbody>
</table>

The following significant exchange rates have been applied during the year.

<table>
<thead>
<tr>
<th>INR</th>
<th>Year-end spot rate as at March 31, 2019</th>
<th>March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GBP INR</td>
<td>90.48</td>
<td>91.76</td>
</tr>
<tr>
<td>USD INR</td>
<td>69.35</td>
<td>65.18</td>
</tr>
<tr>
<td>EUR INR</td>
<td>77.69</td>
<td>80.45</td>
</tr>
<tr>
<td>ZAR INR</td>
<td>4.74</td>
<td>5.53</td>
</tr>
<tr>
<td>AED INR</td>
<td>18.84</td>
<td>17.74</td>
</tr>
<tr>
<td>JPY INR</td>
<td>0.63</td>
<td>-</td>
</tr>
</tbody>
</table>

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of GBP/USD/EURO/AED against the Indian Rupee at March 31 would have affected the measurement of financial instruments denominated in GBP/USD/EURO/AED and affected 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.

<table>
<thead>
<tr>
<th>Effect in INR</th>
<th>Profit or loss</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strengthening</td>
</tr>
<tr>
<td>March 31, 2019</td>
<td></td>
</tr>
<tr>
<td>5% movement</td>
<td></td>
</tr>
<tr>
<td>GBP</td>
<td>(0.08)</td>
</tr>
<tr>
<td>USD</td>
<td>(0.10)</td>
</tr>
<tr>
<td>EUR</td>
<td>1.58</td>
</tr>
<tr>
<td></td>
<td>1.56</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Effect in INR</th>
<th>Profit or loss</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strengthening</td>
</tr>
<tr>
<td>March 31, 2018</td>
<td></td>
</tr>
<tr>
<td>5% movement</td>
<td></td>
</tr>
<tr>
<td>GBP</td>
<td>(0.04)</td>
</tr>
<tr>
<td>USD</td>
<td>0.01</td>
</tr>
<tr>
<td>EUR</td>
<td>1.55</td>
</tr>
<tr>
<td>AED</td>
<td>0.12</td>
</tr>
<tr>
<td></td>
<td>1.64</td>
</tr>
</tbody>
</table>
B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and from its investing activities including investments in mutual funds, commercial papers, deposits with banks and financial institutions and Non-convertible debentures, foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company’s policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

Credit risk from investments of surplus funds is managed by the Company’s treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counterparties who meet the minimum threshold requirements prescribed by the Board. The Company monitors the credit ratings and financial strength of its counter parties and adjusts its exposure accordingly.

At March 31, 2019, the ageing for the financial assets as mentioned in the note below & that were not impaired (not provided for) was as follows.

<table>
<thead>
<tr>
<th>Trade receivables</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neither past due nor impaired</td>
<td>188.62</td>
<td>171.78</td>
</tr>
<tr>
<td>Past due 1–90 days</td>
<td>125.80</td>
<td>54.11</td>
</tr>
<tr>
<td>Past due 91–120 days</td>
<td>14.00</td>
<td>0.93</td>
</tr>
<tr>
<td>Past due 120 days</td>
<td>24.76</td>
<td>21.76</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>353.18</strong></td>
<td><strong>248.58</strong></td>
</tr>
</tbody>
</table>

Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk, including underlying customers’ credit ratings if they are available. The Company uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers which comprise on large number of small balances.

The movement in the allowance for impairment in respect of trade receivables is as follows.

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>5.62</td>
<td>5.07</td>
</tr>
<tr>
<td>Impairment loss recognised during the year</td>
<td>0.72</td>
<td>0.55</td>
</tr>
<tr>
<td>Closing balance</td>
<td>6.34</td>
<td>5.62</td>
</tr>
</tbody>
</table>

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company’s objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a robust cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

<table>
<thead>
<tr>
<th>March 31, 2019</th>
<th>Contractual cash flows</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Carrying amount</td>
</tr>
<tr>
<td><strong>Non-derivative financial liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>1,457.61</td>
</tr>
<tr>
<td>Other Financial Liabilities</td>
<td>48.82</td>
</tr>
<tr>
<td><strong>Derivative financial liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Forward exchange contracts</td>
<td></td>
</tr>
<tr>
<td>- Outflow</td>
<td>201.72</td>
</tr>
<tr>
<td>- Inflow</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTE 47 : HEDGE ACCOUNTING

The objective of hedge accounting is to represent, in the Company’s financial statements, the effect of the Company’s use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Company makes use of financial derivative instruments, including foreign exchange forward contracts, for hedging the risk embedded in some of its highly probable forecast investment.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The derivative contracts have been taken to hedge foreign currency risk on highly probable forecast investment. The tenor of hedging instrument may be less than or equal to the tenor of underlying highly probable forecast investment.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge. The Company applies cash flow hedge accounting to hedge the variability in the future cash flows on the overseas remittance to its subsidiaries, subject to foreign exchange risk.

The Company has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective in offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

Hedge effectiveness is assessed through the application of critical terms match method & dollar off-set method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

The table below enumerates the Company’s hedging strategy, typical composition of the Company’s hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship:

<table>
<thead>
<tr>
<th>Sr No</th>
<th>Type of risk/ hedge position</th>
<th>Hedged item</th>
<th>Description of hedging strategy</th>
<th>Hedging instrument</th>
<th>Description of hedging instrument</th>
<th>Type of hedging relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Currency risk hedge</td>
<td>Highly Probable Foreign currency (FCY) denominated investment in Overseas Subsidiary</td>
<td>FCY denominated highly probable forecast investment is converted into functional currency using a plain vanilla foreign currency forward contract</td>
<td>Foreign exchange forward contracts</td>
<td>Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over–the–counter market.</td>
<td>Cash flow hedge</td>
</tr>
</tbody>
</table>

The table below provide details of the derivatives that have been designated as cash flow hedges for the year presented:

For the year ended March 31, 2019

<table>
<thead>
<tr>
<th>Hedging Instrument</th>
<th>Notional principal amount</th>
<th>Derivative Financial Instruments - Assets</th>
<th>Derivative Financial Instruments - Liabilities</th>
<th>Change in fair value for the year recognized in Other Comprehensive Income (OCI)</th>
<th>Ineffectiveness recognized in profit or loss</th>
<th>Line item in profit or loss that includes hedge ineffectiveness</th>
<th>Amount reclassified from the hedge reserve to profit or loss</th>
<th>Line item in profit or loss affected by the reclassification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign exchange forward contracts</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>-</td>
</tr>
</tbody>
</table>
For the year ended March 31, 2018

<table>
<thead>
<tr>
<th>Hedging Instrument</th>
<th>Notional principal amount</th>
<th>Derivative Financial Instruments - Assets</th>
<th>Derivative Financial Instruments - Liabilities</th>
<th>Gain/(Loss) due to change in fair value</th>
<th>Change in fair value for the year recognized in Other Comprehensive Income (OCI)</th>
<th>Ineffectiveness recognized in profit or loss</th>
<th>Line item in profit or loss that includes hedge ineffectiveness</th>
<th>Amount reclassified from the hedge reserve to profit or loss</th>
<th>Line item in profit or loss affected by the reclassification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign exchange forward contracts</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

The following table provides a reconciliation by risk category of the components of equity and analysis of Other Comprehensive Income (OCI) items resulting from hedge accounting:

<table>
<thead>
<tr>
<th>Movement in Cash flow hedge reserve for the years ended</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>(0.75)</td>
<td>(0.75)</td>
</tr>
<tr>
<td>Gain / (Loss) on the Effective portion of changes in fair value:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency risk</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net amount reclassified to profit or loss:</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Currency risk</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tax on movements on reserves during the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Closing balance</td>
<td>(0.75)</td>
<td>(0.75)</td>
</tr>
</tbody>
</table>

Disclosure of effects of hedge accounting on financial performance for the year ended March 31, 2019

<table>
<thead>
<tr>
<th>Type of hedge</th>
<th>Gain/(Loss) due to change in the value of the hedging instrument recognised in OCI</th>
<th>Hedge ineffectiveness recognised in profit or loss</th>
<th>Amount reclassified from cash flow hedging reserve to profit or loss</th>
<th>Line item affected in statement of profit and loss because of the reclassification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow Hedge</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency risk</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
</tbody>
</table>

Disclosure of effects of hedge accounting on financial performance for the year ended March 31, 2018

<table>
<thead>
<tr>
<th>Type of hedge</th>
<th>Gain/(Loss) due to change in the value of the hedging instrument recognised in OCI</th>
<th>Hedge ineffectiveness recognised in profit or loss</th>
<th>Amount reclassified from cash flow hedging reserve to profit or loss</th>
<th>Line item affected in statement of profit and loss because of the reclassification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow Hedge</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency risk</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
</tbody>
</table>

Details of Investments made are disclosed under Note 5 and details of corporate guarantees given to banks on behalf of other body corporates are disclosed under Note 38.

NOTE 49 : 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 50 : GENERAL
All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirements of Schedule III, unless otherwise stated.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

For and on behalf of the Board
Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer
& Company Secretary

Vivek Gambhir
Managing Director & CEO
DIN: 6527810

Mumbai: May 3, 2019
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INDEPENDENT AUDITORS’ REPORT

To the Members of Godrej Consumer Products Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Godrej Consumer Products Limited (hereinafter referred to as the “Holding Company”) and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”), its associate and its joint venture, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associate and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and its joint venture as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

<table>
<thead>
<tr>
<th>The key audit matter</th>
<th>How the matter was addressed in our audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impairment evaluation of Intangible assets (refer note 53 to the consolidated financial statements)</td>
<td>Our audit procedures included:</td>
</tr>
<tr>
<td></td>
<td>• Assessing the valuation methodology and evaluating and challenging the reasonableness of the assumptions used, in particular those relating to forecast revenue growth and royalty rates, with the assistance of our valuations team;</td>
</tr>
<tr>
<td></td>
<td>• Performing sensitivity analysis on the assumptions noted above; and considering the adequacy of disclosures in respect of the intangible assets.</td>
</tr>
<tr>
<td>Impairment evaluation of Goodwill (refer note 53 to the consolidated financial statements)</td>
<td>Our audit procedures included:</td>
</tr>
<tr>
<td></td>
<td>• Reviewing the appropriateness of management’s basis to identify relevant Cash Generating Units (CGU) for which Goodwill is being tested;</td>
</tr>
<tr>
<td></td>
<td>• Involving our valuations team to assist in evaluating the appropriateness of the discount rates applied, which included comparing the weighted-average cost of capital with sector averages for the relevant markets in which the CGUs operate;</td>
</tr>
<tr>
<td></td>
<td>• Evaluating the appropriateness of the assumptions applied to key inputs such as sales volumes and prices, operating costs, inflation and long-term growth rates,;</td>
</tr>
</tbody>
</table>
Other Information
The Holding Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company’s annual report, but does not include the financial statements and our auditors’ report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
The Holding Company’s management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint venture is responsible for overseeing the financial reporting process of each company.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of
the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group (company and subsidiaries) as well as its associate and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled ‘Other Matters’ in this audit report.

We also communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters
(a) We did not audit the financial statements of 33 subsidiaries whose financial statements reflect total assets of ₹ 9,414.53 crore as at 31 March 2019, total revenues of ₹ 6,989.91 crore and net cash outflows amounting to ₹ 162.90 crore for the year ended on that date, as considered in the consolidated financial statements. 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

(b) The consolidated financial statements also include the Group’s share of net profit/loss (and other comprehensive income) of ₹ 0.63 crore for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of an associate and a joint venture, whose financial statements have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture and associate, whose financial statements have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid consolidated financial statements, 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 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
A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the ‘Other Matters’ paragraph, 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 financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

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

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

B. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, 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 reports of the other auditors on separate financial statements of the subsidiaries as noted in the ‘Other Matters’ paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group, its associate and joint venture. Refer Note 41 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial
statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 51 to the consolidated financial statements in respect of such items as it relates to the Group, its associate and joint venture.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2019.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor’s report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm’s Registration No: 101248W/W‑100022
Vijay Mathur
Partner
Membership No: 046476
Mumbai : May 3, 2019
Annexure A to the Independent Auditors’ report on the consolidated financial statements of Godrej Consumer Products Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion
In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Godrej Consumer Products Limited (hereinafter referred to as “the Holding Company”) as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls
The Holding Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. 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 Holding 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 (hereinafter referred to as “the Act”).

Auditors’ Responsibility
Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements.

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm’s Registration No: 101248W/W-100022
Vijay Mathur
Partner
Membership No: 046476
Mumbai : May 3, 2019
# CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

<table>
<thead>
<tr>
<th>I. ASSETS</th>
<th>Note No.</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Non-current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Property, Plant and Equipment</td>
<td>3</td>
<td>1,192.29</td>
<td>1,066.36</td>
</tr>
<tr>
<td>(b) Capital work-in-progress</td>
<td></td>
<td></td>
<td>50.90</td>
</tr>
<tr>
<td>(c) Goodwill</td>
<td>4</td>
<td>4,918.03</td>
<td>4,718.87</td>
</tr>
<tr>
<td>(d) Other Intangible assets</td>
<td>4</td>
<td>2,559.94</td>
<td>2,529.77</td>
</tr>
<tr>
<td>(e) Intangible assets under development</td>
<td></td>
<td>1.16</td>
<td>1.60</td>
</tr>
<tr>
<td>(f) Investments in associate</td>
<td>5</td>
<td>34.67</td>
<td>36.32</td>
</tr>
<tr>
<td>(g) Financial Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Other Investments</td>
<td>6</td>
<td>-</td>
<td>105.20</td>
</tr>
<tr>
<td>(ii) Loans</td>
<td>7</td>
<td>18.77</td>
<td>18.87</td>
</tr>
<tr>
<td>(iii) Others</td>
<td>8</td>
<td>5.77</td>
<td>9.57</td>
</tr>
<tr>
<td>(h) Deferred tax assets (net)</td>
<td>9D</td>
<td>549.32</td>
<td>100.04</td>
</tr>
<tr>
<td>(i) Other non-current assets</td>
<td>10</td>
<td>53.39</td>
<td>64.89</td>
</tr>
<tr>
<td>(j) Non-current Tax Assets (net)</td>
<td>9C</td>
<td>97.43</td>
<td>61.26</td>
</tr>
<tr>
<td>Total Non Current Assets</td>
<td>9,481.67</td>
<td>8,795.03</td>
<td></td>
</tr>
<tr>
<td>2. Current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Inventories</td>
<td>11</td>
<td>1,558.59</td>
<td>1,577.72</td>
</tr>
<tr>
<td>(b) Financial Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Investments</td>
<td>12</td>
<td>481.31</td>
<td>855.76</td>
</tr>
<tr>
<td>(ii) Trade receivables</td>
<td>13</td>
<td>1,292.90</td>
<td>1,245.50</td>
</tr>
<tr>
<td>(iii) Cash and cash equivalents</td>
<td>1A</td>
<td>862.21</td>
<td>896.02</td>
</tr>
<tr>
<td>(iv) Bank balances other than (iii) above</td>
<td>1B</td>
<td>32.51</td>
<td>62.19</td>
</tr>
<tr>
<td>(v) Loans</td>
<td>15</td>
<td>3.73</td>
<td>2.89</td>
</tr>
<tr>
<td>(vi) Others</td>
<td>16</td>
<td>154.86</td>
<td>199.11</td>
</tr>
<tr>
<td>(c) Other current assets</td>
<td>17</td>
<td>302.30</td>
<td>327.59</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>4,688.41</td>
<td>5,168.78</td>
<td></td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>14,170.08</td>
<td>13,963.81</td>
<td></td>
</tr>
</tbody>
</table>

| II. EQUITY AND LIABILITIES |  |  |  |
| 1. EQUITY |  |  |  |
| (a) Equity Share capital | 18 | 102.22 | 68.13 |
| (b) Other Equity | 19 | 7,164.70 | 6,190.16 |
| Total Equity | 7,266.92 | 6,258.31 |  |
| 2. LIABILITIES |  |  |  |
| Non-current liabilities |  |  |  |
| (a) Financial liabilities |  |  |  |
| (i) Borrowings | 20 | 2,604.78 | 2,380.32 |
| (ii) Other financial liabilities | 21 | 217.55 | 753.95 |
| (b) Provisions | 22 | 108.25 | 98.24 |
| (c) Deferred tax liabilities (net) | 9E | 76.53 | 294.65 |
| (d) Other non-current liabilities | 23 | 4.27 | 2.37 |
| Total Non Current liabilities | 3,011.38 | 3,529.53 |  |
| Current liabilities |  |  |  |
| (a) Financial liabilities |  |  |  |
| (i) Borrowings | 24 | 270.94 | 154.33 |
| (ii) Trade payables |  |  |  |
| (a) Total outstanding dues of Micro and Small Enterprises | 25 | 53.49 | - |
| (b) Total outstanding dues of creditors other than Micro and Small Enterprises | 25 | 2,486.39 | 2,353.10 |
| (iii) Other financial liabilities | 26 | 827.85 | 1,285.03 |
| (b) Other current liabilities | 27 | 166.87 | 311.36 |
| (c) Provisions | 28 | 50.85 | 49.28 |
| (d) Current tax liabilities (net) | 9C | 35.39 | 22.87 |
| Total Current Liabilities | 3,891.78 | 4,175.97 |  |
| TOTAL EQUITY AND LIABILITIES | 14,170.08 | 13,963.81 |  |

The accompanying notes 1 to 58 are an integral part of the Consolidated Financial Statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

Vijay Mathur V Srinivasan Vivek Gambhir
Partner Chief Financial Officer Managing Director & CEO
M. No. 046476 & Company Secretary DIN: 6527810
Mumbai: May 3, 2019
# Consolidated Statement of Profit and Loss for the Year Ended March 31, 2019

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Revenue from Operations</td>
<td>10,314.34</td>
<td>9,941.15</td>
</tr>
<tr>
<td>II. Other income</td>
<td>106.76</td>
<td>107.55</td>
</tr>
<tr>
<td>III. Total Income (I + II)</td>
<td>10,423.10</td>
<td>10,048.70</td>
</tr>
<tr>
<td>IV. Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Materials Consumed</td>
<td>4,062.43</td>
<td>3,646.23</td>
</tr>
<tr>
<td>Purchases of Stock-in-Trade</td>
<td>337.36</td>
<td>572.13</td>
</tr>
<tr>
<td>Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress</td>
<td>154.54</td>
<td>56.00</td>
</tr>
<tr>
<td>Excise Duty</td>
<td>-</td>
<td>93.72</td>
</tr>
<tr>
<td>Employee Benefits Expenses</td>
<td>1,090.90</td>
<td>1,057.41</td>
</tr>
<tr>
<td>Finance costs</td>
<td>224.25</td>
<td>160.74</td>
</tr>
<tr>
<td>Depreciation and Amortization Expenses</td>
<td>169.98</td>
<td>155.68</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>2,551.50</td>
<td>2,448.55</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>8,590.96</td>
<td>8,190.46</td>
</tr>
<tr>
<td>V. Profit before Exceptional Items, Share of Net Profits of equity accounted investees and Tax (III-IV)</td>
<td>1,832.14</td>
<td>1,858.24</td>
</tr>
<tr>
<td>VI. Share of net profits of equity accounted investees (net of income tax)</td>
<td>0.63</td>
<td>1.08</td>
</tr>
<tr>
<td>VII. Profit before Exceptional Items and Tax (V+VI)</td>
<td>1,832.77</td>
<td>1,859.32</td>
</tr>
<tr>
<td>VIII. Exceptional Items (Net)</td>
<td>372.56</td>
<td>179.56</td>
</tr>
<tr>
<td>IX. Profit before Tax (VII+VIII)</td>
<td>2,085.33</td>
<td>2,038.88</td>
</tr>
<tr>
<td>X. Tax expense:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Current Tax</td>
<td>417.90</td>
<td>402.46</td>
</tr>
<tr>
<td>(2) Deferred Tax</td>
<td>(674.10)</td>
<td>2.24</td>
</tr>
<tr>
<td>Total Tax Expense</td>
<td>(256.20)</td>
<td>404.70</td>
</tr>
<tr>
<td>XI. Profit for the Year (IX-X)</td>
<td>2,341.53</td>
<td>1,634.18</td>
</tr>
<tr>
<td>XII. Other Comprehensive Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A (i) Items that will not be reclassified to profit or loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remeasurments of defined benefit plans</td>
<td>5.13</td>
<td>(5.24)</td>
</tr>
<tr>
<td>B (ii) Income tax related to items that will not be reclassified to profit or loss</td>
<td>0.21</td>
<td>2.63</td>
</tr>
<tr>
<td>B (ii) Income tax related to items that will be reclassified to profit or loss</td>
<td>5.34</td>
<td>(2.61)</td>
</tr>
<tr>
<td>A (i) Items that will be reclassified to profit or loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Exchange differences in translating financial statements of foreign operations</td>
<td>146.75</td>
<td>45.48</td>
</tr>
<tr>
<td>b) The effective portion of gains and loss on hedging instruments in a cash flow hedge</td>
<td>(13.58)</td>
<td>(5.92)</td>
</tr>
<tr>
<td>A (ii) Income tax related to items that will be reclassified to profit or loss</td>
<td>133.17</td>
<td>39.56</td>
</tr>
<tr>
<td>Other Comprehensive Income (net of income tax)</td>
<td>138.51</td>
<td>36.95</td>
</tr>
<tr>
<td>XII. Total Comprehensive Income for the Year</td>
<td>2,480.04</td>
<td>1,671.13</td>
</tr>
<tr>
<td>Profit attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the Company</td>
<td>2,341.53</td>
<td>1,634.18</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Comprehensive Income attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the Company</td>
<td>138.51</td>
<td>36.95</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income attributable to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the Company</td>
<td>2,480.04</td>
<td>1,671.13</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>XIII. Earnings per equity share (`)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Basic</td>
<td>22.91</td>
<td>15.99</td>
</tr>
<tr>
<td>2. Diluted</td>
<td>22.90</td>
<td>15.99</td>
</tr>
</tbody>
</table>

The accompanying notes 1 to 58 are an integral part of the Consolidated Financial Statements.
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

<table>
<thead>
<tr>
<th>A. CASH FLOW FROM OPERATING ACTIVITIES</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit Before Exceptional Items and Tax</td>
<td>1,832.77</td>
<td>1,859.32</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization expenses</td>
<td>169.98</td>
<td>155.68</td>
</tr>
<tr>
<td>Bad Debts Written off</td>
<td>6.41</td>
<td>6.00</td>
</tr>
<tr>
<td>Provision / (Write-back) for Doubtful Debts / Advances</td>
<td>6.89</td>
<td>12.67</td>
</tr>
<tr>
<td>Write back of Old Balances</td>
<td>(0.21)</td>
<td>(0.78)</td>
</tr>
<tr>
<td>Expenses on Employee Stock Grant Scheme (ESGS)</td>
<td>9.12</td>
<td>8.71</td>
</tr>
<tr>
<td>(Profit/ Loss on sale of Property, Plant &amp; Equipment and Intangible assets (net)</td>
<td>0.59</td>
<td>(4.35)</td>
</tr>
<tr>
<td>Finance cost</td>
<td>224.25</td>
<td>160.74</td>
</tr>
<tr>
<td>Interest Income</td>
<td>(86.76)</td>
<td>(68.50)</td>
</tr>
<tr>
<td>Share of profit of equity accounted investees</td>
<td>(0.63)</td>
<td>(1.08)</td>
</tr>
<tr>
<td>Fair value (Gain) / Loss on financial assets measured at FVTPL (net)</td>
<td>(0.01)</td>
<td>8.14</td>
</tr>
<tr>
<td>Profit on Sale of Investments (net)</td>
<td>(8.03)</td>
<td>(18.54)</td>
</tr>
<tr>
<td>Adjustment due to hyperinflation</td>
<td>13.23</td>
<td>-</td>
</tr>
<tr>
<td>Unrealised foreign exchange (Gain)/ Loss</td>
<td>13.78</td>
<td>29.06</td>
</tr>
<tr>
<td>Operating Cash Flows Before Working Capital Changes</td>
<td>348.61</td>
<td>287.75</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. CASH FLOW FROM INVESTING ACTIVITIES</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of Property, Plant &amp; Equipment and Intangible assets (net)</td>
<td>(207.73)</td>
<td>(311.49)</td>
</tr>
<tr>
<td>Investments in Mutual Funds (net)</td>
<td>106.80</td>
<td>349.15</td>
</tr>
<tr>
<td>Investments in Deposits with NBFCs (net)</td>
<td>192.43</td>
<td>(90.14)</td>
</tr>
<tr>
<td>Investments in Non Convertible Debentures with NBFCs (net)</td>
<td>86.06</td>
<td>(212.20)</td>
</tr>
<tr>
<td>Investments in Commercial Papers</td>
<td>97.04</td>
<td>(97.04)</td>
</tr>
<tr>
<td>Sale of investment in equity accounted investees</td>
<td>2.28</td>
<td>-</td>
</tr>
<tr>
<td>Payment for Business Acquisitions</td>
<td>(425.33)</td>
<td>-</td>
</tr>
<tr>
<td>Divestment of business unit, net of cash disposed of</td>
<td>278.22</td>
<td>-</td>
</tr>
<tr>
<td>Investments in Fixed Deposits having maturities greater than 3 months (net)</td>
<td>29.68</td>
<td>(44.58)</td>
</tr>
<tr>
<td>Interest Received</td>
<td>92.10</td>
<td>66.47</td>
</tr>
</tbody>
</table>

**Net Cash Flow from Operating Activities (A)**

| Year ended March 31, 2019 | 1,728.85 |

**Net Cash Flow from Operating Activities (A)**

| Year ended March 31, 2018 | 1,723.35 |

**Net Cash Flow used in Investing Activities (B)**

| Year ended March 31, 2019 | 251.55 |

| Year ended March 31, 2018 | (339.83) |
## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

### CASH FLOW FROM FINANCING ACTIVITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from Allotment of Equity Shares under ESGS</td>
<td>0.01</td>
<td>0.01</td>
</tr>
<tr>
<td>Loans and borrowings (net)</td>
<td>(344.69)</td>
<td>(487.56)</td>
</tr>
<tr>
<td>Expenses on issue of bonus shares</td>
<td>(6.75)</td>
<td>(0.70)</td>
</tr>
<tr>
<td>Finance Cost</td>
<td>(214.67)</td>
<td>(157.82)</td>
</tr>
<tr>
<td>Dividend Paid</td>
<td>(1,226.52)</td>
<td>(613.12)</td>
</tr>
<tr>
<td>Dividend Distribution Tax Paid</td>
<td>(252.11)</td>
<td>(124.82)</td>
</tr>
<tr>
<td><strong>Net Cash Flow from Financing Activities (C)</strong></td>
<td><strong>(2,038.73)</strong></td>
<td><strong>(1,384.01)</strong></td>
</tr>
</tbody>
</table>

### NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)

<table>
<thead>
<tr>
<th>Description</th>
<th>₹ Crore</th>
<th>₹ Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at the beginning of the year <em>(Refer Note 14A)</em></td>
<td>898.02</td>
<td>895.05</td>
</tr>
<tr>
<td>Less: Cash credit</td>
<td>(3.42)</td>
<td>(0.84)</td>
</tr>
<tr>
<td>Effect of exchange difference on translation of cash and cash equivalents on consolidation</td>
<td>20.19</td>
<td>0.88</td>
</tr>
<tr>
<td>As at the end of the year <em>(Refer Note 14A)</em></td>
<td>862.21</td>
<td>898.02</td>
</tr>
<tr>
<td>Less: Cash credit</td>
<td>(5.75)</td>
<td>(3.42)</td>
</tr>
<tr>
<td><strong>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</strong></td>
<td><strong>(58.33)</strong></td>
<td><strong>(0.49)</strong></td>
</tr>
</tbody>
</table>

*Cash and Cash equivalents includes cash credits, that are repayable on demand and form an integral part of Group’s cash management.

### Movement of loans and borrowings:

<table>
<thead>
<tr>
<th>Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance</td>
<td>3,504.15</td>
<td>4,000.09</td>
</tr>
<tr>
<td>Cash Flows (net)</td>
<td>(344.69)</td>
<td>(487.56)</td>
</tr>
<tr>
<td>Add/(Less): Exchange difference</td>
<td>216.84</td>
<td>(8.38)</td>
</tr>
<tr>
<td><strong>Closing Balance</strong></td>
<td><strong>3,376.30</strong></td>
<td><strong>3,504.15</strong></td>
</tr>
</tbody>
</table>

**Note:**
1. The above statement of cash flow has been prepared under the ‘Indirect Method’ as set out in IND AS 7, ‘Statement of Cash Flows’.
2. The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

For and on behalf of the Board
Nisaba Godrej
Executive Chairperson
DIN: 00591503

Vijay Mathur
Partner
M. No. 046476

V Srinivasan
Chief Financial Officer & Company Secretary
DIN: 6527810

Vivek Gambhir
Managing Director & CEO

Mumbai: May 3, 2019
## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

### (a) Equity Share Capital

<table>
<thead>
<tr>
<th>Note No.</th>
<th>₹ Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at April 1, 2018</td>
<td>68.13</td>
</tr>
<tr>
<td>Changes in equity share capital during the year</td>
<td>34.09</td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>102.22</td>
</tr>
</tbody>
</table>

### (b) Other Equity (Refer Note 19)

<table>
<thead>
<tr>
<th>₹ Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reserves &amp; Surplus</strong></td>
</tr>
<tr>
<td><strong>Effective portion of Cash Flow Hedges</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>Securities Premium</td>
</tr>
<tr>
<td>Balance as at April 1, 2017</td>
</tr>
<tr>
<td>Profit for the year</td>
</tr>
<tr>
<td>Remeasurements of defined benefit plans (net of tax)</td>
</tr>
<tr>
<td>Other comprehensive income for the year</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
</tr>
<tr>
<td>Premium received on allotment of shares / Exercise of Share Options</td>
</tr>
<tr>
<td>Deferred employee compensation expense</td>
</tr>
<tr>
<td>Issue of Bonus Shares</td>
</tr>
<tr>
<td>Expenses on Issue of Bonus Shares</td>
</tr>
<tr>
<td>Dividends</td>
</tr>
<tr>
<td>Dividend Distribution Tax (DDT)</td>
</tr>
<tr>
<td>Revaluation of put option liability</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2018</strong></td>
</tr>
<tr>
<td>Profit for the year</td>
</tr>
<tr>
<td>Remeasurements of defined benefit plans</td>
</tr>
<tr>
<td>Other comprehensive income for the year</td>
</tr>
</tbody>
</table>
## Reserves & Surplus  | Other Comprehensive Income

<table>
<thead>
<tr>
<th>Securities</th>
<th>Premium</th>
<th>General Reserve</th>
<th>Other Reserves</th>
<th>Retained Earnings</th>
<th>Effective portion of Cash Flow Hedges</th>
<th>Exchange differences on translating the financial statements of foreign operations</th>
<th>Total</th>
<th>Non-Controlling Interests</th>
<th>Total Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total comprehensive income for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,346.87</td>
<td>(13.58)</td>
<td>146.75</td>
<td>2,480.04</td>
<td>-</td>
<td>2,480.04</td>
</tr>
<tr>
<td>Premium received on allotment of shares / Exercise of Share Options</td>
<td>8.34</td>
<td>(8.34)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Issue of Bonus Shares</td>
<td>(34.07)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(34.07)</td>
<td>(34.07)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Impact on account of Hyperinflation for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4.97</td>
<td>-</td>
<td>-</td>
<td>4.97</td>
<td>-</td>
<td>4.97</td>
</tr>
<tr>
<td>Expenses on Issue of Bonus Shares</td>
<td>(0.75)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.75)</td>
<td>(0.75)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,226.92)</td>
<td>-</td>
<td>-</td>
<td>(1,226.92)</td>
<td>-</td>
<td>(1,226.92)</td>
</tr>
<tr>
<td>Dividend Distribution Tax (DDT)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(252.11)</td>
<td>-</td>
<td>-</td>
<td>(252.11)</td>
<td>-</td>
<td>(252.11)</td>
</tr>
<tr>
<td>Revaluation of put option liability</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(6.16)</td>
<td>-</td>
<td>-</td>
<td>(6.16)</td>
<td>-</td>
<td>(6.16)</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2019</strong></td>
<td>1,398.04</td>
<td>154.05</td>
<td>13.96</td>
<td>5,569.13</td>
<td>(5.89)</td>
<td>35.41</td>
<td>7,164.70</td>
<td>-</td>
<td>7,164.70</td>
</tr>
</tbody>
</table>

The accompanying notes 1 to 58 are an integral part of the Consolidated Financial Statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Regn No. 101248W/W-100022

Vijay Mathur
Partner
M. No. 046476

Mumbai: May 3, 2019
1) CORPORATE INFORMATION
Godrej Consumer Products Limited (the Company) was incorporated on November 29, 2000, to take over the consumer products business of Godrej Soaps Limited (subsequently renamed as Godrej Industries Limited), pursuant to a Scheme of Arrangement as approved by the High Court, Mumbai. The Company along-with its subsidiaries, associate and joint venture is a fast moving Consumer Goods company, manufacturing and marketing Household and Personal Care products. The Company is a public company limited by shares, incorporated and domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company’s registered office is at 4th Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (east), Mumbai – 400 079. These Consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the ‘Group’) and the Group’s interest in an associate and a joint venture.

2) BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and measurement

a. Basis of preparation
The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

b. Basis of measurement
These Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amounts:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value [refer accounting policy regarding financial instruments - Note 2.5.(f)]
- Defined benefit plans - plan assets and share based payments measured at fair value [Note 2.5(i)]
- Assets held for sale - measured at lower of carrying value or fair value less cost to sell [Note 2.5(e)]

c. Principles of consolidation
The Company consolidates all the entities which are controlled by it.

The Company establishes control when, it has the power over the entity, is exposed or has rights to variable return from its involvement with the entity and has the ability to affect the entity’s returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company’s interests in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company’s interest and non-controlling interest are adjusted to reflect the change in their relative interest in the subsidiaries. Any difference between the amount at which the non-controlling interest are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Company.

Investments in associate and joint venture are accounted using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements includes Group’s share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

d. Business combination and goodwill
The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognized in the Consolidated statement of profit and loss.
as incurred. The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair value at the acquisition date.

Purchase consideration paid in excess of the fair value of the net assets acquired is recognized as goodwill. Where the fair value of the identifiable assets and liabilities exceeds the cost of acquisition after reassessing sale values of the net assets and contingent liabilities, the excess is recognized as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at non-controlling interest’s proportionate share of acquiree’s identifiable net assets at the date of acquisition. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interest’s share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfer of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve.

e. Classification of Argentina as a hyperinflationary economy
The Argentinian economy was designated as hyperinflationary from 1 July 2018. As a result, application of Ind AS 29 ‘Financial Reporting in Hyperinflationary Economies’ has been applied for the first time to the Group’s subsidiaries whose functional currency is the Argentinian Peso. Ind AS 29 requires that adjustments are applicable from the start of the group’s reporting period i.e. from 1st April 2018. Ind AS 21, “The Effects of Changes in Foreign Exchange Rates”, does not require prior period comparatives to be restated due to hyperinflation, consequently, the comparative numbers for such entities are the same as reported in Consolidated financial statements of previous periods. The effect of retranslation of Equity share capital, securities premium and other reserves due to hyperinflation has been recorded in the Foreign currency translation reserve.

The application of Ind AS 29 includes:
- Adjustment of historical cost non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the balance sheet date;
- Adjustment of the income statement for inflation during the reporting period;
- Translation of the income statement at the closing rate instead of an average rate; and
- Adjustment of the income statement to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency.

The main effects on the Group Consolidated financial statements for the year ended March 31, 2019 are:
- Net assets increased by ₹ 36.51 crore mainly due to restatement of property, plant and equipment,
- intangible assets, deferred tax assets and inventories, with corresponding increase in Total equity as at March 31, 2019;
- Opening retained profit decreased by ₹ 13.50 crore reflecting the impact of adjusting the historical cost of non-monetary assets and liabilities from the date of their initial recognition to 1st April 2018 for the effect of inflation;
- Total Revenue from operations is reduced by ₹ 21.26 crore;
- Profit after tax is reduced by ₹ 9.09 crore; and
- A net monetary gain of ₹ 0.16 crore (grouped under finance cost) is recognised from the inflation and exchange rate movements in the year on the net monetary items held in Argentinian Peso and adjustment to income statement.

2.2 Key estimates and assumptions
In preparing these Consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving critical estimates or judgements are:

i. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized; [Note 2.5(a)]

ii. Determination of the estimated useful lives
of intangible assets and determining intangible assets having an indefinite useful life; [Note 2.5 (b)]

iii. Recognition and measurement of defined benefit obligations, key actuarial assumptions; [Note 45]

iv. Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward and MAT credit can be used; [Note 2.5 (n)]

v. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; [Note 2.5 (j)]

vi. Fair valuation of employee share options, Key assumptions made with respect to expected volatility; [Note 2.5 (l)]

vii. Rebates and sales incentives accruals [Note 2.5 (k)]

viii. Fair value of financial instruments [Note 2.3]

ix. Impairment of Goodwill [Note 2.5 (b)]

x. Impairment of financial and non-financial assets [Note 2.5 (d) and (f)]

2.3 Measurement of fair values

The Group’s accounting policies and disclosures require certain financial and non-financial assets and liabilities to be measured at fair values.

The Group has an established control framework with respect to the measurement of fair values. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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.

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 entirely 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.

Further information about the assumptions made in measuring fair value is included in the (Note 2.5.f).

2.4 Standards issued but not yet effective

IND AS 116: Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace Ind AS 17 Leases and related Interpretations and will be effective from April 1, 2019.

The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single, on-balance sheet lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of short term or low value.

The standard allows two approaches of transition – 1) Full retrospective, 2) Modified retrospective.

In full retrospective approach, the effect of applying the standard is recognized in each prior period retrospectively. In case of modified retrospective approach, the cumulative effect of initially applying the standard is recognized on the date of transition in the financial statements.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset as if the standard had been
applied since the commencement date, but discounted at lessee’s incremental borrowing rate at the date of initial application with some exceptions allowed under practical expedients.

The Group is proposing to use ‘Modified Retrospective Approach’ for transition to Ind AS 116 along with certain available practical expedients and record the cumulative adjustment to retained earnings on the date of initial application i.e. April 1, 2019. Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The Group has completed its preliminary evaluation of possible impact of Ind AS 116.

Based on the preliminary evaluation, the effect of adoption on the new standard will mainly result in an increase in right of use asset by approximately ₹ 51.50 crores, an increase in lease liability by approximately ₹ 53.70 crores, decrease in prepaid lease rental by approximately ₹ 2.50 crores and adjustment to retained earnings by approximately ₹ 4.70 crores.

Ind AS 12 Income Taxes: Appendix C – Uncertainty over Income Tax Treatments

This interpretation, which will be effective from April 1, 2019, clarifies how entities should evaluate and reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination. This amendment is not expected to have a significant impact on the Company’s Consolidated financial statements based on currently available information.

2.5 Significant Accounting Policies

a. Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment, other than Freehold Land, are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at cost.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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.

Any gain or loss on derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised.

Subsequent expenditure

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

b. Goodwill and other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost
of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization (where applicable) and accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

**Goodwill**

Goodwill on acquisition of subsidiaries 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 the asset may be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

**Other intangible assets**

Intangible assets with definite lives are amortised over the useful lives embodied in the assets and are considered to modify amortization period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Amortisation of other intangible assets

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives for current and comparative periods are as follows:

- Software licences: 6 years
- Trademarks: 10 years
- Technical knowhow: 10 years

Trademarks acquired are amortised equally over the best estimate of their useful life not exceeding a period of 10 years, except in the case of Soft & Gentle, Non-Valon brands like Pride, Climax, Odonil, Supalite, Twilite, Lavik, Peurex, Corawwi and Simba brands where the brands are amortised equally over a period of 20 years.

Brands like Goodknight, Hit, SON, Pamela Grant and Millefiori are assessed as intangibles having indefinite useful life and are not amortised in the Consolidated financial statements, but are tested for impairment annually.

Residual value, is estimated to be immaterial by management and hence has been considered at ₹ 1.

c. **Borrowing Cost**

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

d. **Impairment of Non-Financial Assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial (except for inventories and deferred tax assets) assets are assessed at the end of each reporting date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognised in the Consolidated Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro-rata based on the carrying amount of each asset in the unit.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has
decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

e. Assets held for sale

Non-current assets or disposal 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 conducted within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at lower of its carrying value and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit and loss. Non-current assets held for sale are not depreciated or amortised.

f. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and futures.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost,
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets at fair value through profit (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

- A financial asset is measured at the amortised cost if both the following conditions are met. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through other comprehensive income (FVTOCI)

A debt instrument is measured at FVOCI if it means both of the following conditions and is not designated as at FVTPL

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

Financial assets at fair value through profit and loss (FVTPL)

A financial asset, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVTPL. This includes all derivative financial assets.
In addition, the Group may, at initial recognition, irrevocably designate a financial asset, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

All equity investments within the scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group’s balance sheet) when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group’s continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

**Impairment of financial assets**

The Group assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its financial assets that are debt instruments and are carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies a simplified approach. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security deposit collected etc. and expectations about future cash flows.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost. A financial liability is classified at FVTPL if it is classified as held for trading or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value and net gains and losses including any interest expenses are recognised in profit or loss.

In the case of loans and borrowings and payables, these are measured at amortised cost and recorded, net of directly attributable and incremental transaction cost. Gains and losses are recognised in Consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Consolidated statement of profit and loss.

The Group’s financial liabilities include trade and other payables, bank overdrafts, financial guarantee contracts and derivative financial instruments.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated statement of profit or loss.

Financial guarantee contracts
Financial guarantee contracts issued by the Group are those contracts that require specified payments 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 amortization.

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, or to to realise the assets and settle the liabilities simultaneously.

g. Derivative financial instruments and hedge accounting
The Group uses derivative financial instruments, such as forward currency contracts, futures and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and later reclassified to profit and loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the

Group risk management objective and strategy for undertaking the hedge, the hedging economic relationship the hedged item or transaction the nature of the risk being hedged, hedge ration and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in hedged item’s fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they are designated.

Cash flow hedges
When a derivative is designed as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the other equity under ‘effective portion of cash flow hedges’. The effective portion of changes in the fair value of the derivative that is recognized in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, the hedge accounting is discontinued prospectively. When hedge accounting for a cash flow hedge is discontinued, the amount the has been accumulated in other equity remains there until is reclassified to profit and loss account in the same period or
periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

h. Inventories
Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs are computed on the weighted average basis and are net of recoverable tax credits.

Raw materials, Packing materials and Stores: Costs includes cost of purchase and other costs incurred in bringing each product to its present location and condition.

Finished goods and work-in-progress: In the case of manufactured inventories and work-in-progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal operating capacity and other costs incurred in bringing each product to its present location and condition.

Finished goods valuation also includes excise duty (to the extent applicable). Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

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 is recognised as interest expense over the period of financing under the effective interest method.

i. Cash and Cash Equivalents
Cash and cash equivalents in the balance sheet includes cash at bank and on hand, deposits held at call with financial institutions, other short term highly liquid investments, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents as defined above is net of outstanding bank overdrafts as they are considered an integral part of the Group’s cash management.

Provisions, Contingent Liabilities and Contingent Assets
A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

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 in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefits is probable.

k. Revenue Recognition
Effective April 1, 2018, the Group adopted Ind AS 115 “Revenue from Contracts with Customers”. The effect on adoption of IND AS 115 is insignificant.

Revenue is recognized upon transfer of control of promised goods to customers for an amount that reflects the consideration expected to be received in exchange for those goods. Revenue excludes taxes or duties collected on behalf of the government.

Sale of goods
Revenue from sale of goods is recognized when control of goods are transferred to the buyer which is generally on delivery for domestic sales and on dispatch/delivery for export sales.

The Group recognizes revenues on the sale of products, net of returns, discounts (sales incentives/rebates), amounts collected on behalf of third parties (such as GST) and payments or other consideration given to the customer that has impacted the pricing of the transaction. Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. No element of financing is deemed present as the sales are made with normal
credit days consistent with market practice. A liability is recognised where payments are received from customers before transferring control of the goods being sold.

**Royalty & Technical Fees**
Royalty is recognized on accrual basis in accordance with the substance of the relevant agreement.

**Interest income**
For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition.

**Dividend income**
Dividends are recognised in profit or loss on the date on which the Group’s right to receive payment is established.

**Employee Benefit**

i. **Short-term Employee benefits**
Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Consolidated Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. **Share-based payments**
The cost of equity settled transactions is determined by the fair value at the grant date. The fair value of the employee share options is based on the Black Scholes model.

The grant-date fair value of equity-settled share-based payment granted to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

iii. **Post-Employment Benefits**

**Defined Contribution Plans**
Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Consolidated Statement of Profit and Loss as they fall due.

**Defined Benefit Plans**

**Gratuity Fund**
The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company’s scheme whichever is more beneficial to the employees.

**Provision Fund**
Provident Fund Contributions which are made to a Trust administered by the Company are considered as Defined Benefit Plans. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 or as applicable in the respective geography and shortfall, if any, shall be made good by the Company. The Company’s liability towards interest shortfall, if any, is actuarially determined at the year end.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic
benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

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), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or 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 recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other Long Term Employee Benefits

The liabilities for earned leaves are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method based on actuarial valuation.

Actuarial gains and losses in respect of such benefits are charged to the Consolidated Statement Profit or Loss account in the period in which they arise.

m. Leases

Lease payments

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains a lease if 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 or assets, even if that right is not explicitly specified in the arrangement.

As a lessee

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge 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.

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.

Leases of assets under which significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

As lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight line basis over the term of the relevant lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increase.

n. Income Tax

Income tax expense / income comprises current tax expense income and deferred tax expense / income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

In which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

Current Tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or
Deferred Tax
Deferred Income tax is recognized in respect of temporary difference between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for taxation purpose.

Deferred tax assets are recognised 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 utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

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 by the end of the reporting period.

Deferred tax assets and liabilities are recognised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax base of investments in subsidiaries, branches, associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset only if:

i. the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is a convincing evidence that the Group will pay normal tax during the specified period.
in other comprehensive income as required by other Ind AS, the exchange component of that gain or loss is also recognized in other comprehensive income.

**Group Companies**

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognized in other comprehensive income.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operations recognized in OCI is reclassified to Consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amount of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate of exchange at the reporting date.

**Government grants**

Government grants, including non-monetary grants at fair value are recognised when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods necessary to match them with the costs that they are intended to compensate.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the profit and loss on a straight line basis over the expected lives of the related assets.

**Dividend**

The Group recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Group on or before the end of the reporting period. A corresponding amount is recognized directly in equity.

**Earnings Per Share**

Basic Earnings per share is calculated by dividing the profit or 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 profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined in Ind AS-108 'Operating Segments' for allocating resources and assessing performance. The Group has identified geographical segments as its reporting segments based on the CODM approach. Refer Note 54 in the Consolidated financial statements for additional disclosures on segment reporting.

**Exceptional Items**

In certain cases when, the size, type or incidence of an item of income or expenses, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying the Consolidated financial statements.
## NOTE 3: PROPERTY, PLANT AND EQUIPMENT

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<th>Leasehold Land</th>
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<th>Furniture and Fixtures</th>
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<td>434.59</td>
<td>24.78</td>
<td>44.85</td>
<td>17.27</td>
<td>38.28</td>
<td>90.26</td>
<td>2.19</td>
<td>1,100.74</td>
</tr>
<tr>
<td>Additions</td>
<td>2.71</td>
<td>6.72</td>
<td>93.11</td>
<td>13.91</td>
<td>103.43</td>
<td>9.27</td>
<td>14.11</td>
<td>8.70</td>
<td>11.11</td>
<td>-</td>
<td>-</td>
<td>263.07</td>
</tr>
<tr>
<td>Reclassified as Investment Property</td>
<td>-</td>
<td>-</td>
<td>(1.01)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.03)</td>
<td>-</td>
<td>-</td>
<td>(1.03)</td>
<td></td>
</tr>
<tr>
<td>Disposals</td>
<td>(2.25)</td>
<td>-</td>
<td>(2.20)</td>
<td>-</td>
<td>(22.01)</td>
<td>(2.98)</td>
<td>(11.12)</td>
<td>(1.37)</td>
<td>(1.63)</td>
<td>-</td>
<td>(0.07)</td>
<td>(43.61)</td>
</tr>
<tr>
<td>Other Adjustments (consist of exchange difference on translation of foreign operations)</td>
<td>0.87</td>
<td>1.22</td>
<td>2.55</td>
<td>0.36</td>
<td>1.25</td>
<td>1.08</td>
<td>(3.21)</td>
<td>(0.62)</td>
<td>(1.03)</td>
<td>-</td>
<td>(0.07)</td>
<td>2.40</td>
</tr>
<tr>
<td><strong>Closing Gross Carrying Amount</strong></td>
<td>37.75</td>
<td>80.02</td>
<td>394.27</td>
<td>52.47</td>
<td>517.26</td>
<td>32.17</td>
<td>44.63</td>
<td>23.96</td>
<td>46.73</td>
<td>90.26</td>
<td>2.05</td>
<td>1,321.57</td>
</tr>
</tbody>
</table>
NOTE 3: PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Freehold Land</th>
<th>Leasehold Land</th>
<th>Buildings</th>
<th>Leasehold Improvements</th>
<th>Plant and Equipment</th>
<th>Furniture and Fixtures</th>
<th>Vehicles</th>
<th>Office Equipment</th>
<th>Computers</th>
<th>Building</th>
<th>Vehicles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Accumulated Depreciation</td>
<td>-</td>
<td>2.06</td>
<td>18.36</td>
<td>7.47</td>
<td>89.77</td>
<td>4.80</td>
<td>12.53</td>
<td>4.02</td>
<td>14.47</td>
<td>2.82</td>
<td>1.86</td>
<td>158.16</td>
</tr>
<tr>
<td>Depreciation charge during the year</td>
<td>-</td>
<td>1.97</td>
<td>10.78</td>
<td>9.65</td>
<td>58.69</td>
<td>3.42</td>
<td>8.70</td>
<td>3.09</td>
<td>11.12</td>
<td>2.86</td>
<td>0.31</td>
<td>110.99</td>
</tr>
<tr>
<td>Reclassified as Investment Property</td>
<td>-</td>
<td>-</td>
<td>(0.47)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.01)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.46)</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(0.89)</td>
<td>-</td>
<td>(3.17)</td>
<td>(1.29)</td>
<td>(3.62)</td>
<td>(1.06)</td>
<td>(1.55)</td>
<td>-</td>
<td>-</td>
<td>(11.27)</td>
</tr>
<tr>
<td>Other Adjustments (consist of exchange difference on translation of foreign operations)</td>
<td>-</td>
<td>0.08</td>
<td>(0.19)</td>
<td>0.71</td>
<td>0.41</td>
<td>0.73</td>
<td>(2.28)</td>
<td>(0.43)</td>
<td>(0.20)</td>
<td>-</td>
<td>(0.65)</td>
<td>(1.79)</td>
</tr>
<tr>
<td>Closing Accumulated Depreciation</td>
<td>-</td>
<td>4.11</td>
<td>27.59</td>
<td>17.83</td>
<td>145.70</td>
<td>7.70</td>
<td>15.33</td>
<td>5.64</td>
<td>23.84</td>
<td>5.68</td>
<td>1.79</td>
<td>255.21</td>
</tr>
<tr>
<td>Net Carrying Amount</td>
<td>37.75</td>
<td>75.91</td>
<td>366.68</td>
<td>34.64</td>
<td>371.56</td>
<td>24.47</td>
<td>29.30</td>
<td>18.32</td>
<td>22.89</td>
<td>84.58</td>
<td>0.26</td>
<td>1,066.36</td>
</tr>
</tbody>
</table>

Refer Note 55 for property, plant and equipment pledged as security against borrowings.

# Ind AS 29 “Financial Reporting in Hyperinflationary Economies” has been applied to the Group’s entities with a functional currency of Argentina Peso for the year ended 31 March 2019. Ind AS 21 “The Effects of Changes in Foreign Exchange Rates” has been applied to translate the financial statements of such entities for consolidation. Ind AS 21 does not require prior year comparatives to be restated due to hyperinflation, consequently, the comparative numbers for such entities are the same as reported in the consolidated financial results of previous periods. Refer Note 2.I (e) for impact of these standards.
**NOTE 4 : INTANGIBLE ASSETS**

<table>
<thead>
<tr>
<th></th>
<th>Goodwill (Refer Note 53)</th>
<th>Other Intangible assets</th>
<th>Total Other Intangible assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>₹ Crore</td>
<td>₹</td>
<td>₹</td>
</tr>
<tr>
<td><strong>Year ended March 31, 2019</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Gross carrying amount</td>
<td>4,718.87</td>
<td>2,524.60</td>
<td>106.86</td>
</tr>
<tr>
<td>Hyperinflation restatement as on 1st April 2018 #</td>
<td>-</td>
<td>-</td>
<td>11.33</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>11.33</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(134.02)</td>
<td>(5.29)</td>
</tr>
<tr>
<td>Hyperinflationary adjustment #</td>
<td>-</td>
<td>3.21</td>
<td>4.39</td>
</tr>
<tr>
<td>Other Adjustments (consist of exchange difference on translation of foreign operations)</td>
<td>199.16</td>
<td>116.53</td>
<td>(2.33)</td>
</tr>
<tr>
<td><strong>Closing Gross Carrying Amount</strong></td>
<td>4,918.03</td>
<td>2,514.43</td>
<td>118.86</td>
</tr>
<tr>
<td><strong>Accumulated Amortisation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Accumulated Amortization</td>
<td>-</td>
<td>63.60</td>
<td>39.14</td>
</tr>
<tr>
<td>Hyperinflation restatement as on 1st April 2018 #</td>
<td>-</td>
<td>2.49</td>
<td>3.48</td>
</tr>
<tr>
<td>Amortisation recognised for the year</td>
<td>-</td>
<td>21.30</td>
<td>17.36</td>
</tr>
<tr>
<td>Additional amortization due to hyperinflation #</td>
<td>-</td>
<td>0.70</td>
<td>0.40</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(78.07)</td>
<td>(2.94)</td>
</tr>
<tr>
<td>Hyperinflationary adjustment #</td>
<td>-</td>
<td>1.93</td>
<td>3.02</td>
</tr>
<tr>
<td>Other Adjustments (consist of exchange difference on translation of foreign operations)</td>
<td>-</td>
<td>0.58</td>
<td>0.36</td>
</tr>
<tr>
<td><strong>Closing Accumulated Amortisation</strong></td>
<td>-</td>
<td>12.53</td>
<td>60.82</td>
</tr>
<tr>
<td><strong>Net Carrying Amount</strong></td>
<td>4,918.03</td>
<td>2,501.90</td>
<td>58.04</td>
</tr>
<tr>
<td><strong>Year ended March 31, 2018</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Gross carrying amount</td>
<td>4,662.56</td>
<td>2,458.78</td>
<td>67.06</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>28.98</td>
<td>40.67</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(0.02)</td>
</tr>
<tr>
<td>Other Adjustments (consist of exchange difference on translation of foreign operations)</td>
<td>56.31</td>
<td>36.84</td>
<td>(0.85)</td>
</tr>
<tr>
<td><strong>Closing Gross Carrying Amount</strong></td>
<td>4,718.87</td>
<td>2,524.60</td>
<td>106.86</td>
</tr>
<tr>
<td><strong>Accumulated Amortisation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Accumulated Amortisation</td>
<td>-</td>
<td>28.76</td>
<td>20.66</td>
</tr>
<tr>
<td>Amortisation recognised for the year</td>
<td>-</td>
<td>25.34</td>
<td>19.03</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Adjustments (consist of exchange difference on translation of foreign operations)</td>
<td>-</td>
<td>9.50</td>
<td>(0.55)</td>
</tr>
<tr>
<td><strong>Closing Accumulated Amortisation</strong></td>
<td>-</td>
<td>63.60</td>
<td>39.14</td>
</tr>
<tr>
<td><strong>Net Carrying Amount</strong></td>
<td>4,718.87</td>
<td>2,461.00</td>
<td>67.72</td>
</tr>
</tbody>
</table>

**NOTE :**

* Includes trademarks / brands amounting to ₹ 2,196.22 crore (Mar-31-2018 : ₹ 2,130.64 crore) that have an indefinite life and are tested for impairment at every year end. Based on analysis of all relevant factors (brand establishment, stability, types of obsolescence etc.), there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Company.

# Ind AS 29 “Financial Reporting in Hyperinflationary Economies” has been applied to the Group’s entities with a functional currency of Argentina Peso for the year ended 31 March 2019. Ind AS 21 “The Effects of Changes in Foreign Exchange Rates” has been applied to translate the financial statements of such entities for consolidation. Ind AS 21 does not require prior year comparatives to be restated due to hyperinflation, consequently, the comparative numbers for such entities are the same as reported in the consolidated financial results of previous periods. Refer Note 2.I (e) for impact of these standards.
### NOTE 5 : INVESTMENTS IN ASSOCIATES

<table>
<thead>
<tr>
<th>Face Value</th>
<th>Numbers</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at March 31, 2019</td>
<td>As at March 31, 2018</td>
</tr>
<tr>
<td><strong>Unquoted, fully paid up:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Carried at cost</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Investments in Equity Instruments of Associate Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bhabhani Blunt Hairdressing Pvt. Ltd.</td>
<td>₹ 10</td>
<td>4,967</td>
</tr>
<tr>
<td>(b) Investments in Compulsorily Convertible Debentures of Associate Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bhabhani Blunt Hairdressing Pvt. Ltd.</td>
<td>₹ 10</td>
<td>3,060</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note:
The Group’s interest in associate is accounted for using the equity method in the Consolidated Financial Statements.

### NOTE 6 : OTHER INVESTMENTS (NON-CURRENT)

<table>
<thead>
<tr>
<th>Amounts</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unquoted, fully paid up:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>At Amortised Cost</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in Deposits with Non-Banking Financial Companies</td>
<td>-</td>
<td>20.54</td>
</tr>
<tr>
<td><strong>Quoted, fully paid up:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>At Amortised Cost</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
<td>84.66</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Aggregate Amount of Unquoted Investments</strong></td>
<td>-</td>
<td>20.54</td>
</tr>
<tr>
<td><strong>Aggregate Amount of Quoted Investments</strong></td>
<td>-</td>
<td>84.66</td>
</tr>
<tr>
<td><strong>Aggregate Market Value of Quoted Investments</strong></td>
<td>-</td>
<td>84.79</td>
</tr>
</tbody>
</table>

### NOTE 7 : LOANS (NON-CURRENT)

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unsecured, Considered Good, Unless Otherwise Stated</strong></td>
<td></td>
</tr>
<tr>
<td>Security Deposits</td>
<td>18.53</td>
</tr>
<tr>
<td>Others</td>
<td>0.24</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>18.77</td>
</tr>
</tbody>
</table>

### NOTE 8 : OTHER NON-CURRENT FINANCIAL ASSETS

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Deposits with maturity of more than 12 months (under lien against Bank Guarantees)</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Others (includes sundry deposits)</strong></td>
<td>5.77</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>5.77</td>
</tr>
</tbody>
</table>

### NOTE 9 : INCOME TAXES

#### A Income tax expense consists of the following:

<table>
<thead>
<tr>
<th>Tax expense recognised in the Statement of Profit and Loss</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Tax:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current tax on profits for the year (net of MAT credit utilised)</td>
<td>417.90</td>
<td>402.46</td>
</tr>
<tr>
<td>Deferred tax (net)</td>
<td>(64.23)</td>
<td>2.24</td>
</tr>
<tr>
<td>MAT credit recognised</td>
<td>(634.58)</td>
<td>-</td>
</tr>
<tr>
<td>MAT credit utilised</td>
<td>24.71</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total income tax expense</strong></td>
<td>(256.20)</td>
<td>404.70</td>
</tr>
</tbody>
</table>
ii Current Tax and Deferred Tax related to items recognised in Other Comprehensive Income during the year:

<table>
<thead>
<tr>
<th>Year ended March 31</th>
<th>Year ended March 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹ Crore</td>
<td>₹ Crore</td>
</tr>
<tr>
<td>On remeasurements of defined benefit plans</td>
<td>(0.21)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>(0.21)</td>
</tr>
</tbody>
</table>

B Reconciliation of tax expense and the accounting profit

The reconciliation between estimated income tax expense at statutory income tax rate and income tax expense reported in Consolidated Statement of Profit and Loss is given below:

<table>
<thead>
<tr>
<th>Year ended March 31</th>
<th>Year ended March 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹ Crore</td>
<td>₹ Crore</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>2,085.33</td>
</tr>
<tr>
<td>Statutory income tax rate</td>
<td>29.90%</td>
</tr>
<tr>
<td>Expected income tax expense</td>
<td>623.60</td>
</tr>
<tr>
<td>Tax effect of adjustments to reconcile income tax expense to reported Income Tax Expense:</td>
<td></td>
</tr>
<tr>
<td>Deduction under Sec 80IC &amp; 80IE of Indian Income Tax Act, 1961</td>
<td>(168.12)</td>
</tr>
<tr>
<td>Effect of other tax offsets</td>
<td>1.66</td>
</tr>
<tr>
<td>Tax impact of income not subject to tax</td>
<td>(59.93)</td>
</tr>
<tr>
<td>Tax effects of amounts which are not deductible for taxable income</td>
<td>8.69</td>
</tr>
<tr>
<td>Additional tax paid on book profits</td>
<td>-</td>
</tr>
<tr>
<td>MAT Credit recognised</td>
<td>(634.58)</td>
</tr>
<tr>
<td>Tax benefit in respect of intangible assets</td>
<td>(98.03)</td>
</tr>
<tr>
<td>Deferred Tax Asset not recognised on losses</td>
<td>57.74</td>
</tr>
<tr>
<td>Others</td>
<td>12.77</td>
</tr>
<tr>
<td>Total income tax expense</td>
<td>(256.20)</td>
</tr>
</tbody>
</table>

The Company benefits from the tax holiday available to units set up under section 80-IC and 80-IE of Income Tax Act, 1961. These tax holidays are available for a period of ten years from the date of commencement of operations.

C Tax Assets And Liabilities

<table>
<thead>
<tr>
<th>Year ended March 31</th>
<th>Year ended March 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹ Crore</td>
<td>₹ Crore</td>
</tr>
<tr>
<td>Non-Current Tax Assets (net)</td>
<td>97.43</td>
</tr>
<tr>
<td>Current Tax Liabilities (net)</td>
<td>35.39</td>
</tr>
</tbody>
</table>

D Deferred Tax Assets (Net of Liabilities):

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹ Crore</td>
<td>₹ Crore</td>
</tr>
<tr>
<td>Deferred Tax Liability on account of:</td>
<td></td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>(42.92)</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>(253.00)</td>
</tr>
<tr>
<td>Others</td>
<td>(1.76)</td>
</tr>
<tr>
<td>Deferred Tax Asset on account of:</td>
<td></td>
</tr>
<tr>
<td>Defined benefit obligations</td>
<td>36.78</td>
</tr>
<tr>
<td>Intangible assets (Refer Note)</td>
<td>99.56</td>
</tr>
<tr>
<td>Provisions</td>
<td>63.50</td>
</tr>
<tr>
<td>MAT credit</td>
<td>609.87</td>
</tr>
<tr>
<td>Others (includes hyperinflation)</td>
<td>37.29</td>
</tr>
<tr>
<td>Total Deferred Tax Assets</td>
<td>549.32</td>
</tr>
</tbody>
</table>
E Deferred Tax Liabilities (Net of Assets): 

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deferred Tax Liability on account of:</strong></td>
<td></td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>(10.94)</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>(91.08)</td>
</tr>
<tr>
<td>Others</td>
<td>(2.29)</td>
</tr>
<tr>
<td><strong>Deferred Tax Asset on account of:</strong></td>
<td></td>
</tr>
<tr>
<td>Defined benefit obligations</td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>6.71</td>
</tr>
<tr>
<td>Others</td>
<td>20.88</td>
</tr>
<tr>
<td><strong>Total Deferred Tax (Liabilities)</strong></td>
<td>(76.53)</td>
</tr>
<tr>
<td><strong>Net Deferred Tax (Liabilities) / Assets</strong></td>
<td>472.79</td>
</tr>
</tbody>
</table>

**Note**

During the year, there has been sale of certain brands within the Group’s entities that shall derive benefits of future tax deductions for the Group. Consequently, a deferred tax asset amounting to ₹ 93.95 crore has been recognised in the Consolidated Financial Statements.

F MOVEMENT IN DEFERRED TAX (LIABILITIES) / ASSET

<table>
<thead>
<tr>
<th>Property, plant and equipment</th>
<th>Intangible assets</th>
<th>Other Deferred Tax Liability</th>
<th>Defined benefit obligations</th>
<th>Provisions</th>
<th>MAT Credit</th>
<th>Other Deferred Tax Asset</th>
<th>Deferred Tax Liabilities / Asset (net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at April 1, 2017</td>
<td>(34.05)</td>
<td>(290.61)</td>
<td>(5.40)</td>
<td>2.28</td>
<td>88.50</td>
<td>-</td>
<td>49.45</td>
</tr>
<tr>
<td>Charged/(credited) :</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- to profit or loss</td>
<td>(23.73)</td>
<td>(21.00)</td>
<td>2.96</td>
<td>29.44</td>
<td>6.84</td>
<td>-</td>
<td>3.25</td>
</tr>
<tr>
<td>- increase due to acquisition</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(4.17)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- foreign currency translation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- to other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>(57.78)</td>
<td>(311.61)</td>
<td>(2.44)</td>
<td>33.35</td>
<td>91.17</td>
<td>-</td>
<td>52.70</td>
</tr>
<tr>
<td>Charged/(credited) :</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- to profit or loss</td>
<td>3.92</td>
<td>68.63</td>
<td>(1.61)</td>
<td>3.49</td>
<td>(15.67)</td>
<td>609.87</td>
<td>5.47</td>
</tr>
<tr>
<td>- foreign currency translation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(5.29)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- to other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.13</td>
<td>-</td>
</tr>
<tr>
<td>- transfer due to divestment</td>
<td>-</td>
<td>(1.54)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>(53.86)</td>
<td>(244.52)</td>
<td>(4.05)</td>
<td>36.97</td>
<td>70.21</td>
<td>609.87</td>
<td>58.17</td>
</tr>
</tbody>
</table>

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 judgment is required in determining provision for income tax, deferred tax assets (including MAT credit) and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

As on March 31, 2019 the tax liability with respect to the dividends proposed is ₹ 42.02 crores (31-Mar-18 : ₹ 98.03 crores) The Group has not recognized deferred tax liability on undistributed profits of its subsidiaries and associates amounting to ₹ 634.13 crores (Mar-31-2018 : ₹ 525.25 crores) because it is able to control the timing of the reversal of temporary differences associated with such undistributed profits and it is probable that such differences will not reverse in the foreseeable future.

During the year, the Group has recognised tax credits in respect of Minimum Alternate Tax (MAT credit) of ₹ 634.58 crores. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax against which the MAT paid will be adjusted.

During the year the Group has utilised MAT credit of ₹ 24.71 crores. Accordingly the Group has re-assessed its utilization of MAT credit, considering business projections, benefits available from tax holiday, remaining period for such benefits etc based on which there is reasonable certainty of utilizing the said credit in future years against the normal tax expected to be paid in those years and accordingly has recognised a deferred tax asset for the same.
NOTE 10 : OTHER NON-CURRENT ASSETS

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
<th></th>
<th>₹ Crore</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at</td>
<td>As at</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>March 31, 2019</td>
<td>March 31, 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Advances</td>
<td>29.38</td>
<td>45.46</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balances with Government Authorities</td>
<td>22.94</td>
<td>18.37</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other non-current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Considered Good</td>
<td>1.07</td>
<td>1.06</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.07</td>
<td>1.06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>53.39</td>
<td>64.89</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTE 11 : INVENTORIES

(Valued at lower of cost and net realizable value)

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
<th></th>
<th>₹ Crore</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at</td>
<td>As at</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>March 31, 2019</td>
<td>March 31, 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw Materials (Including Packing Materials)</td>
<td>987.70</td>
<td>867.05</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods-in Transit</td>
<td>16.48</td>
<td>2.05</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,004.18</td>
<td>869.10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work-in-Progress</td>
<td>69.51</td>
<td>65.60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finished goods</td>
<td>415.05</td>
<td>499.18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock-in-Trade</td>
<td>51.53</td>
<td>125.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stores and Spares</td>
<td>18.32</td>
<td>17.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,558.59</td>
<td>1,577.72</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTE 12 : INVESTMENTS (CURRENT)

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
<th></th>
<th>₹ Crore</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at</td>
<td>As at</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>March 31, 2019</td>
<td>March 31, 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unquoted, fully paid up:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At Fair Value through Profit or Loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in Mutual Funds</td>
<td>16.98</td>
<td>115.74</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At Amortised Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in Deposits with Non-Banking Financial Companies</td>
<td>135.06</td>
<td>306.97</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in Commercial Papers</td>
<td>-</td>
<td>97.04</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quoted, fully paid up:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At Amortised Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>329.27</td>
<td>336.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>481.31</td>
<td>855.76</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggregate amount of unquoted investments</td>
<td>152.04</td>
<td>519.75</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggregate amount of quoted investments</td>
<td>329.27</td>
<td>336.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggregate Market Value of quoted Investments</td>
<td>329.94</td>
<td>339.38</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTE 13 : TRADE RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>₹ Crore</th>
<th></th>
<th>₹ Crore</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at</td>
<td>As at</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>March 31, 2019</td>
<td>March 31, 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Considered Good- Secured</td>
<td>7.17</td>
<td>2.81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Considered Good - Unsecured</td>
<td>1,285.73</td>
<td>1,242.69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Receivables which have significant increase in Credit Risk</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Receivables - credit impaired</td>
<td>48.99</td>
<td>44.43</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Provision for Doubtful Debts</td>
<td>(48.99)</td>
<td>(44.43)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,292.90</td>
<td>1,245.50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Refer note 50 (B)

Note:
There are no outstanding trade receivables which resulted into significant increase in credit risk apart from receivables which are impaired and provided.
### NOTE 14 A: CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balances with Banks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>· In Current Accounts</td>
<td>703.59</td>
<td>304.75</td>
</tr>
<tr>
<td>· Deposits with less than 3 months original maturity</td>
<td>153.92</td>
<td>579.55</td>
</tr>
<tr>
<td>· Cheques, Drafts on Hand</td>
<td>857.51</td>
<td>884.30</td>
</tr>
<tr>
<td>Cash on hand</td>
<td>4.70</td>
<td>3.76</td>
</tr>
<tr>
<td>TOTAL</td>
<td>862.21</td>
<td>898.02</td>
</tr>
</tbody>
</table>

### NOTE 14 B: OTHER BANK BALANCES

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits with maturities more than 3 months but less than 12 months (Refer Note (a))</td>
<td>18.03</td>
<td>53.11</td>
</tr>
<tr>
<td>In Unpaid Dividend Accounts</td>
<td>14.48</td>
<td>9.08</td>
</tr>
<tr>
<td>TOTAL</td>
<td>32.51</td>
<td>62.19</td>
</tr>
</tbody>
</table>

Note:

a) The fixed deposits include deposits under lien against bank guarantees ₹ 2.99 crore (Mar-31-2018: ₹ 2.82 crore)

### NOTE 15: LOANS (CURRENT)

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsecured, Considered Good, Unless Otherwise Stated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security Deposits</td>
<td>3.67</td>
<td>2.82</td>
</tr>
<tr>
<td>Other Loans and Advances</td>
<td>0.06</td>
<td>0.07</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3.73</td>
<td>2.89</td>
</tr>
</tbody>
</table>

### NOTE 16: OTHER CURRENT FINANCIAL ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative asset</td>
<td>2.43</td>
<td>10.74</td>
</tr>
<tr>
<td>Refunds/Incentives receivables from Govt. Authorities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>· Considered Good</td>
<td>117.37</td>
<td>173.66</td>
</tr>
<tr>
<td>· Considered Doubtful</td>
<td>15.62</td>
<td>14.62</td>
</tr>
<tr>
<td>· Less: Provision for Doubtful Advances</td>
<td>(15.62)</td>
<td>(14.62)</td>
</tr>
<tr>
<td></td>
<td>117.37</td>
<td>173.66</td>
</tr>
<tr>
<td>Others (includes insurance claim receivables &amp; export incentive receivables)</td>
<td>35.06</td>
<td>14.71</td>
</tr>
<tr>
<td>TOTAL</td>
<td>154.86</td>
<td>199.11</td>
</tr>
</tbody>
</table>

### NOTE 17: OTHER CURRENT ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balances with Government Authorities</td>
<td>152.08</td>
<td>131.98</td>
</tr>
<tr>
<td>Contract Assets (right to receive inventory)</td>
<td>6.59</td>
<td>6.35</td>
</tr>
<tr>
<td>Other Advances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>· Considered Good</td>
<td>143.63</td>
<td>189.26</td>
</tr>
<tr>
<td>· Considered Doubtful</td>
<td>1.32</td>
<td>1.71</td>
</tr>
<tr>
<td>· Less: Provision for Doubtful Advances</td>
<td>(1.32)</td>
<td>(1.71)</td>
</tr>
<tr>
<td></td>
<td>143.63</td>
<td>189.26</td>
</tr>
<tr>
<td>TOTAL</td>
<td>302.30</td>
<td>327.59</td>
</tr>
</tbody>
</table>
NOTE 18: EQUITY SHARE CAPITAL

<table>
<thead>
<tr>
<th>Authorised</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,030,000,000 Equity Shares (31-Mar-18: 690,000,000) of ₹ 1 each</td>
<td>103.00</td>
<td>69.00</td>
</tr>
<tr>
<td>10,000,000 Preference Shares (31-Mar-18: 10,000,000) of ₹ 1 each</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Issued</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,022,197,220 Equity Shares (31-Mar-18: 681,360,642) of ₹ 1 each</td>
<td>102.22</td>
<td>68.14</td>
</tr>
<tr>
<td>Subscribed and Fully Paid up</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,022,166,096 Equity Shares (31-Mar-18: 681,329,518) of ₹ 1 each fully paid up</td>
<td>102.22</td>
<td>68.13</td>
</tr>
<tr>
<td>TOTAL</td>
<td>102.22</td>
<td>68.13</td>
</tr>
</tbody>
</table>

Notes:

a) During the year, the Company has issued 114,546 equity shares (Mar-31-2018: 127,886) under the Employee Stock Grant Scheme.

b) 31,124 Right Issue equity shares (Mar-31-2018: 31,124 equity shares) are kept in abeyance due to various suits filed in courts / forums by third parties for which final order from courts / claim is awaited.

c) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

<table>
<thead>
<tr>
<th>Shares outstanding at the beginning of the year</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>681,329,518</td>
<td>68.13</td>
<td>340,600,816</td>
</tr>
<tr>
<td>Add : Shares Issued during the year (Bonus Shares)</td>
<td>340,722,032</td>
<td>34.06</td>
</tr>
<tr>
<td>Add : Shares Issued on exercise of employee stock grant scheme</td>
<td>114,546</td>
<td>0.01</td>
</tr>
<tr>
<td>Shares outstanding at the end of the year</td>
<td>1,022,166,096</td>
<td>102.22</td>
</tr>
</tbody>
</table>

d) Terms / rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 1 each. Each equity shareholder is entitled to one vote per share.

During the year ended March 31, 2019 the amount of per share dividend recognised as distribution to equity shareholders was ₹ 15 (March-31-2018 : ₹ 15).

e) Pursuant to the approval of the shareholders on Sep 5, 2018 record date for ascertaining the eligibility of the shareholders for receiving the bonus shares was fixed on Sep 14, 2018. Accordingly, the Company has allotted 340,722,032 number of fully paid Bonus shares on Sep 17, 2018 in the ratio of one equity share of ₹ 1 each fully paid up for every two existing equity shares of ₹ 1 each fully paid up.

f) Shares held by Holding Company and Subsidiary of Holding Company and details of shareholders holding more than 5% shares in the Company:

<table>
<thead>
<tr>
<th>Name of the Shareholder</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Godrej &amp; Boyce Manufacturing Co Ltd</td>
<td>75,011,445</td>
<td>7.34</td>
</tr>
<tr>
<td>Godrej Industries Limited</td>
<td>242,812,860</td>
<td>23.76</td>
</tr>
<tr>
<td>Godrej Seeds &amp; Genetics Limited</td>
<td>280,500,000</td>
<td>27.44</td>
</tr>
</tbody>
</table>

g) Shares Reserved for issue under options

The Company has 295,015 (previous year 224,011) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2019. (As detailed in Note 46)

h) Information regarding aggregate number of equity shares during the five years immediately preceding the date of Balance Sheet:

Pursuant to the approval of Shareholders, company has allotted 340,722,032 (31-Mar-2018 year - 340,600,816) number of fully paid Bonus shares on Sep 17, 2017 in the ratio of one equity share of ₹ 1 each fully paid up for every two existing equity shares of ₹ 1 each fully paid up.

Pursuant to the approval of the shareholders the Company has allotted 340,600,816 (Mar-31-2018 : 340,600,816) number of fully paid Bonus shares on June 27, 2017 in the ratio of one equity share of ₹ 1 each fully paid up for every one existing equity shares of ₹ 1 each fully paid up.

The Company has not issued shares for consideration other than cash and has not bought back any shares during the past five years.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

i) There are no calls unpaid on equity shares, other than shares kept in abeyance as mentioned in Note (b) above.

j) No equity shares have been forfeited.

K) Capital Management

The primary objective of the Group’s capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximize shareholder value. The Group makes adjustments to its capital structure based on economic conditions or its business requirements. To maintain / adjust the capital structure the Group may make adjustments to dividend paid to its shareholders or issue new shares.

The Group monitors capital using the metric of Net Debt to Equity. Net Debt is defined as borrowings less cash and cash equivalents, fixed deposits and readily redeemable investments.
### NOTE 19: OTHER EQUITY

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities Premium</td>
<td>1,398.04</td>
<td>1,424.52</td>
</tr>
<tr>
<td>General Reserve</td>
<td>154.05</td>
<td>154.05</td>
</tr>
<tr>
<td><strong>Other Reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Investment Subsidy Reserve</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>Capital Redemption Reserve</td>
<td>1.46</td>
<td>1.46</td>
</tr>
<tr>
<td>Employee Stock Options Outstanding</td>
<td>12.35</td>
<td>11.57</td>
</tr>
<tr>
<td></td>
<td>13.96</td>
<td>13.18</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td>5,569.13</td>
<td>4,702.08</td>
</tr>
<tr>
<td>Other Comprehensive Income</td>
<td>29.52</td>
<td>(103.65)</td>
</tr>
<tr>
<td>(effective portion of cash flow hedges &amp; exchange differences in translating financial statements of foreign operations)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity attributable to the owners of the parent</td>
<td>7,164.70</td>
<td>6,190.18</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>7,164.70</td>
<td>6,190.18</td>
</tr>
</tbody>
</table>

### OTHER RESERVES MOVEMENT

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Investment Subsidy Reserve</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>Capital Redemption Reserve</td>
<td>1.46</td>
<td>1.46</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>1.46</td>
<td>1.46</td>
</tr>
<tr>
<td>Employee Stock Options Outstanding</td>
<td>11.57</td>
<td>9.83</td>
</tr>
<tr>
<td>(i) Exercise of Share options</td>
<td>(8.34)</td>
<td>(6.97)</td>
</tr>
<tr>
<td>(v) Deferred Employee Compensation Expense (Refer Note 33)</td>
<td>9.12</td>
<td>8.71</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>12.35</td>
<td>11.57</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>13.96</td>
<td>13.18</td>
</tr>
</tbody>
</table>

#### Nature and purpose of reserves

1. **Securities premium**
   - The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve is utilised in accordance with the provisions of the Act.

2. **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.

3. **Capital Investment Subsidy Reserve**
   - Capital Investment Subsidy Reserve represents subsidy received from the government for commissioning of Malanpur plant in the nature of capital investment.

4. **Capital redemption reserve**
   - Capital Redemption reserve represents amount set aside by the company for future redemption of capital.

5. **Employee Stock Options Outstanding**
   - The shares option outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Option Plan and the Employee Stock Grant Scheme which are unvested as on the reporting date and is net of the deferred employee compensation expense. Refer note 46 for details on ESGS Plans.

6. **Effective portion of Cash Flow Hedges**
   - The cash flow hedging reserve represents the cumulative portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassified to Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non financial hedged item.

7. **Exchange differences on translating the financial statements of foreign operations**
   - The translation reserve comprises all foreign currency exchange differences arising from the translation of the financial statements of foreign operations.
### NOTE 20: NON-CURRENT BORROWINGS

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Terms of Repayment</th>
<th>Coupon/ Interest rate</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Secured</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term Loans from banks in USD</td>
<td>Upto August 2024</td>
<td>Payable in Multiple Installments every year</td>
<td>6%</td>
<td>0.30</td>
</tr>
</tbody>
</table>

**Unsecured**

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Terms of Repayment</th>
<th>Coupon/ Interest rate</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Term loans</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) From Banks in USD</td>
<td>Upto December 2023</td>
<td>Payable in Multiple Installments every year</td>
<td>2.6%-3.5%</td>
<td>3,108.04</td>
</tr>
<tr>
<td>b) Term Loans from Banks</td>
<td>Upto March 2021</td>
<td>Payable in Multiple Installments every year</td>
<td>5.75%-27.6%</td>
<td>2.77</td>
</tr>
<tr>
<td>c) Others</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>

Less: Current maturities of long term debt (from banks in USD) (Refer Note 26)

Less: Current maturities of long term debt (from banks in USD) (Refer Note 26)

**TOTAL** | 2,604.78 | 2,380.32 |

### NOTE 21: OTHER NON-CURRENT FINANCIAL LIABILITIES

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities for business combinations (Refer Note 37)</td>
<td>217.55</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>217.55</td>
</tr>
</tbody>
</table>

### NOTE 22: PROVISIONS

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for Employee Benefits</td>
<td></td>
</tr>
<tr>
<td>Gratuity (Refer Note 45)</td>
<td>103.75</td>
</tr>
<tr>
<td>Compensated Absences</td>
<td>4.50</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>108.25</td>
</tr>
</tbody>
</table>

### NOTE 23: OTHER NON-CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Others (includes deferred grants, sundry deposits)</td>
<td>4.27</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>4.27</td>
</tr>
</tbody>
</table>

### NOTE 24: CURRENT BORROWINGS

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Terms of Repayment</th>
<th>Coupon/ Interest rate</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Secured</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans repayable on demand from banks (Refer Note below)</td>
<td>Cash Credit</td>
<td>Payable on demand</td>
<td>9%-9.5%</td>
<td>5.75</td>
</tr>
<tr>
<td><strong>B. Unsecured</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans repayable on demand from banks</td>
<td>Upto 12 months</td>
<td>Multiple dates</td>
<td>2.50%-13.00%</td>
<td>96.20</td>
</tr>
<tr>
<td>USD Overdraft from banks</td>
<td>On demand</td>
<td>On demand</td>
<td>2.50%-7.00%</td>
<td>50.89</td>
</tr>
<tr>
<td>Overdraft from banks</td>
<td>On demand</td>
<td>On demand</td>
<td>9.00%-60.00%</td>
<td>118.10</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>265.19</td>
<td>150.91</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL** | 270.94 | 154.33 |

**NOTES:**
The Group does not have any default as on the Balance Sheet date in the repayment of any loan or interest.
NOTE 25 : TRADE PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dues to Micro, Small and Medium Enterprises</td>
<td>53.49</td>
<td>-</td>
</tr>
<tr>
<td>Other Payables*</td>
<td>2,486.39</td>
<td>2,353.10</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,539.88</td>
<td>2,353.10</td>
</tr>
</tbody>
</table>

*Trade Payables includes invoices discounted by Vendors with banks

Refer Note 50 (C)

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of the accounting year. Accordingly, there were no amounts of further interest remaining due and payable in the succeeding years.

The above details regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified in the current year on the basis of information obtained by the Company.

NOTE 26 : OTHER CURRENT FINANCIAL LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Maturities of Long Term Debt (Refer Note 20)</td>
<td>506.33</td>
<td>972.92</td>
</tr>
<tr>
<td>Security deposit received</td>
<td>4.69</td>
<td>8.50</td>
</tr>
<tr>
<td>Unclaimed Dividends (Refer Note (a) below)</td>
<td>14.48</td>
<td>9.08</td>
</tr>
<tr>
<td>Put Option liability</td>
<td>242.50</td>
<td>244.56</td>
</tr>
<tr>
<td>Interest accrued</td>
<td>7.13</td>
<td>7.11</td>
</tr>
<tr>
<td>Derivative liability</td>
<td>22.62</td>
<td>17.41</td>
</tr>
<tr>
<td>Other payables</td>
<td>30.10</td>
<td>25.45</td>
</tr>
<tr>
<td>TOTAL</td>
<td>827.85</td>
<td>1,285.03</td>
</tr>
</tbody>
</table>

Note:

a) There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

NOTE 27 : OTHER CURRENT LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Dues (VAT, Excise, Service Tax, Octroi, TDS etc.)</td>
<td>15.42</td>
<td>36.89</td>
</tr>
<tr>
<td>Other Payables (includes employee payables, advance received from customers)</td>
<td>151.45</td>
<td>274.47</td>
</tr>
<tr>
<td>TOTAL</td>
<td>166.87</td>
<td>311.36</td>
</tr>
</tbody>
</table>

NOTE 28 : PROVISIONS

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for Sales Returns</td>
<td>21.69</td>
<td>20.42</td>
</tr>
<tr>
<td>Provision towards Litigations</td>
<td>16.37</td>
<td>17.78</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50.85</td>
<td>49.28</td>
</tr>
</tbody>
</table>
Movements in each class of other provisions during the financial year are set out below:

<table>
<thead>
<tr>
<th></th>
<th>Sales Returns</th>
<th>Provision towards Litigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at April 1, 2018</td>
<td>20.42</td>
<td>17.78</td>
</tr>
<tr>
<td>Additional provisions recognised</td>
<td>1.86</td>
<td>1.51</td>
</tr>
<tr>
<td>Amount Utilised/Unused amounts reversed</td>
<td>(0.44)</td>
<td>-</td>
</tr>
<tr>
<td>Foreign currency translation difference</td>
<td>(0.15)</td>
<td>(2.92)</td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>21.69</td>
<td>16.37</td>
</tr>
</tbody>
</table>

**Sales Returns:**

When a customer has a right to return the product within a given period, the Group recognises a provision for sales return. This is measured on the basis average past trend of sales return as a percentage of sales. Revenue is adjusted for the expected value of the returns and cost of sales are adjusted for the value of the corresponding goods to be returned.

**Legal Claims:**

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. A provision is recognised for legal cases, if the Group assesses that it is possible/probable that an outflow of economic resources will be required. These provisions have not been discounted as it is not practicable for the Group to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

**NOTE 29 : REVENUE FROM OPERATIONS**

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of Products</td>
<td>10,221.07</td>
<td>9,865.90</td>
</tr>
<tr>
<td>Other Operating Revenues (includes export incentive, GST refunds, scrap sales etc.)</td>
<td>93.27</td>
<td>75.25</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10,314.34</td>
<td>9,941.15</td>
</tr>
</tbody>
</table>

**Notes:**

a) Sales for the year ended March 31, 2019 is net of Goods and Service tax (GST). However, for the previous year ended March 31, 2018, sales till period ended June 30, 2017 is gross of excise duty.

b) **Revenue Information**

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue by product categories</td>
<td></td>
</tr>
<tr>
<td>Home care</td>
<td>4,166.62</td>
</tr>
<tr>
<td>Hair care</td>
<td>3,268.08</td>
</tr>
<tr>
<td>Personal care</td>
<td>2,786.37</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10,221.07</td>
</tr>
</tbody>
</table>

c) **Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price**

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue as per contracted price</td>
<td>11,430.78</td>
</tr>
<tr>
<td>Sales returns</td>
<td>(24.46)</td>
</tr>
<tr>
<td>Rebates / Discounts</td>
<td>(1,185.25)</td>
</tr>
<tr>
<td>Revenue from contract with customers</td>
<td>10,221.07</td>
</tr>
</tbody>
</table>

d) **Contract Balances**

<table>
<thead>
<tr>
<th></th>
<th>April 1, 2018</th>
<th>March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables (Refer Note 13)</td>
<td>1,245.50</td>
<td>1,292.90</td>
</tr>
<tr>
<td>Contract assets (Refer Note 17)</td>
<td>6.35</td>
<td>6.59</td>
</tr>
<tr>
<td>Contract liabilities (Refer Note 27)</td>
<td>26.12</td>
<td>20.66</td>
</tr>
</tbody>
</table>

**Note:** Contract assets represents right to receive the inventory and contract liabilities represents advances received from customers for sale of goods at the reporting date.
## Note 30: Other Income

<table>
<thead>
<tr>
<th>Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Income on:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-convertible debentures and fixed deposits with Non-Banking Financial Companies at amortised cost</td>
<td>₹ 54.27</td>
<td>₹ 39.06</td>
</tr>
<tr>
<td>On Advances and Fixed Deposits</td>
<td>₹ 32.49</td>
<td>₹ 29.44</td>
</tr>
<tr>
<td>Net Gain on Sale of Investments</td>
<td>₹ 8.03</td>
<td>₹ 18.54</td>
</tr>
<tr>
<td>Fair Value Gain/(Loss) on financial assets measured at fair value through profit or loss (net)</td>
<td>₹ 0.01</td>
<td>(₹ 8.14)</td>
</tr>
<tr>
<td>Other Non-Operating Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit on Sale of Property, Plant &amp; Equipment</td>
<td>₹ 1.56</td>
<td>₹ 9.26</td>
</tr>
<tr>
<td>Miscellaneous non operating income</td>
<td>₹ 12.40</td>
<td>₹ 19.39</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>₹ 108.76</td>
<td>₹ 107.55</td>
</tr>
</tbody>
</table>

## Note 31: Cost of Materials Consumed

<table>
<thead>
<tr>
<th>Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw material and packing material</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Inventory</td>
<td>₹ 869.10</td>
<td>₹ 651.12</td>
</tr>
<tr>
<td>Add: Purchases (net)</td>
<td>₹ 4,197.51</td>
<td>₹ 3,864.21</td>
</tr>
<tr>
<td>Less: Closing Inventory</td>
<td>₹ 5,066.61</td>
<td>₹ 4,515.33</td>
</tr>
<tr>
<td><strong>Cost of Materials Consumed</strong></td>
<td>₹ 4,062.43</td>
<td>₹ 3,646.23</td>
</tr>
</tbody>
</table>

## Note 32: Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

<table>
<thead>
<tr>
<th>Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Inventory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finished Goods</td>
<td>₹ 499.18</td>
<td>₹ 619.71</td>
</tr>
<tr>
<td>Stock-in-Trade</td>
<td>₹ 125.85</td>
<td>₹ 86.82</td>
</tr>
<tr>
<td>Work-in-Progress</td>
<td>₹ 65.60</td>
<td>₹ 40.10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>₹ 690.63</td>
<td>₹ 746.63</td>
</tr>
<tr>
<td>Less: Closing Inventory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finished Goods</td>
<td>₹ 415.05</td>
<td>₹ 499.18</td>
</tr>
<tr>
<td>Stock-in-Trade</td>
<td>₹ 51.53</td>
<td>₹ 125.85</td>
</tr>
<tr>
<td>Work-in-Progress</td>
<td>₹ 69.51</td>
<td>₹ 65.60</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>₹ 536.09</td>
<td>₹ 690.63</td>
</tr>
<tr>
<td><strong>Increase) / decrease in Inventories</strong></td>
<td>₹ 154.54</td>
<td>₹ 56.00</td>
</tr>
</tbody>
</table>

## Note 33: Employee Benefits Expense

<table>
<thead>
<tr>
<th>Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>₹ 1,004.02</td>
<td>₹ 972.98</td>
</tr>
<tr>
<td>Contribution to Provident and Other Funds (Refer Note 45)</td>
<td>₹ 23.58</td>
<td>₹ 20.71</td>
</tr>
<tr>
<td>Share based payments to Employees (Employee Stock Grant Scheme) (Refer Note 46)</td>
<td>₹ 9.12</td>
<td>₹ 8.71</td>
</tr>
<tr>
<td>Staff Welfare Expenses</td>
<td>₹ 54.18</td>
<td>₹ 55.01</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>₹ 1,090.90</td>
<td>₹ 1,057.41</td>
</tr>
</tbody>
</table>
## NOTE 34: FINANCE COSTS

<table>
<thead>
<tr>
<th>Note Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Expense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unwinding of interest on liabilities</td>
<td>9.62</td>
<td>14.58</td>
</tr>
<tr>
<td>Interest on loans</td>
<td>155.28</td>
<td>105.81</td>
</tr>
<tr>
<td>Bill discounting charges</td>
<td>59.51</td>
<td>40.35</td>
</tr>
<tr>
<td>Net Monetary gain on account of Hyperinflation</td>
<td>(0.16)</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>224.25</strong></td>
<td><strong>160.74</strong></td>
</tr>
</tbody>
</table>

## NOTE 35: DEPRECIATION AND AMORTISATION EXPENSES

<table>
<thead>
<tr>
<th>Note Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation on property, plant and equipment</td>
<td>130.05</td>
<td>110.59</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>39.93</td>
<td>45.09</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>169.98</strong></td>
<td><strong>155.68</strong></td>
</tr>
</tbody>
</table>

## NOTE 36: OTHER EXPENSES

<table>
<thead>
<tr>
<th>Note Description</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of Stores and Spares</td>
<td>34.88</td>
<td>29.29</td>
</tr>
<tr>
<td>Power and Fuel</td>
<td>119.29</td>
<td>101.11</td>
</tr>
<tr>
<td>Rent (net) (Refer Note 43)</td>
<td>95.75</td>
<td>89.44</td>
</tr>
<tr>
<td>Repairs and Maintenance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td>15.78</td>
<td>24.34</td>
</tr>
<tr>
<td>Buildings</td>
<td>9.80</td>
<td>12.11</td>
</tr>
<tr>
<td>Others (net)</td>
<td>51.20</td>
<td>43.19</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>76.78</strong></td>
<td><strong>79.84</strong></td>
</tr>
<tr>
<td>Insurance</td>
<td>21.03</td>
<td>16.48</td>
</tr>
<tr>
<td>Rates and Taxes</td>
<td>27.58</td>
<td>33.36</td>
</tr>
<tr>
<td>Processing and Other Manufacturing Charges</td>
<td>218.14</td>
<td>209.82</td>
</tr>
<tr>
<td>Travelling and Conveyance</td>
<td>80.50</td>
<td>75.99</td>
</tr>
<tr>
<td>Legal and Professional Charges</td>
<td>102.12</td>
<td>100.21</td>
</tr>
<tr>
<td>Donations</td>
<td>2.78</td>
<td>2.63</td>
</tr>
<tr>
<td>Sales Promotion</td>
<td>207.19</td>
<td>203.22</td>
</tr>
<tr>
<td>Advertising and Publicity</td>
<td>839.28</td>
<td>810.27</td>
</tr>
<tr>
<td>Selling and distribution expenses</td>
<td>131.36</td>
<td>116.08</td>
</tr>
<tr>
<td>Freight</td>
<td>333.31</td>
<td>309.68</td>
</tr>
<tr>
<td>Royalty</td>
<td>4.62</td>
<td>1.56</td>
</tr>
<tr>
<td>Commission</td>
<td>23.63</td>
<td>19.47</td>
</tr>
<tr>
<td>Bank charges</td>
<td>13.96</td>
<td>12.38</td>
</tr>
<tr>
<td>Net Loss on Sale / write off of Property, Plant and Equipment</td>
<td>2.15</td>
<td>4.91</td>
</tr>
<tr>
<td>Net Loss on Foreign Currency Transactions and Translations</td>
<td>13.78</td>
<td>29.06</td>
</tr>
<tr>
<td>Bad Debts Written Off</td>
<td>6.41</td>
<td>6.00</td>
</tr>
<tr>
<td>Provision for Doubtful Debts / Advances</td>
<td>6.89</td>
<td>12.67</td>
</tr>
<tr>
<td>Miscellaneous Expenses (net) (Refer Note (a) below)</td>
<td>190.07</td>
<td>185.28</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,551.50</strong></td>
<td><strong>2,448.55</strong></td>
</tr>
</tbody>
</table>

**Note:**

a) Miscellaneous Expenses include the Company's share of various expenses incurred by group companies for sharing of services and use of common facilities.
NOTE 37: EXCEPTIONAL ITEMS GAIN/(LOSS)  

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restructuring Cost</td>
<td>(18.03)</td>
<td>(15.43)</td>
</tr>
<tr>
<td>Divestment of UK Business (Refer Note 52)</td>
<td>76.44</td>
<td>-</td>
</tr>
<tr>
<td>Reversal in liability for business combination (Refer Note below)</td>
<td>194.15</td>
<td>194.99</td>
</tr>
<tr>
<td>TOTAL</td>
<td>252.56</td>
<td>179.56</td>
</tr>
</tbody>
</table>

NOTE:  
During the year there was a change in the provision for earn out liability on account of change in expected EBITDA of a subsidiary which is the basis for its estimation.  
This consideration is payable after March 31, 2019 and is based on a multiple of future EBITDA of this business. The fair value of contingent consideration is determined by discounting the estimated amount payable to the sellers of Strength of Nature LLC (USA) based on expected future performance.

NOTE 38: EARNINGS PER SHARE

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit After Tax (₹ Crore)</td>
<td>2,341.53</td>
<td>1,634.18</td>
</tr>
<tr>
<td>Number of Shares outstanding at the beginning of the year</td>
<td>1,021,994,277</td>
<td>1,021,802,448</td>
</tr>
<tr>
<td>Add : Shares Issued during the year</td>
<td>171,819</td>
<td>191,829</td>
</tr>
<tr>
<td>Number of Shares outstanding at the end of the year</td>
<td>1,022,166,096</td>
<td>1,021,994,277</td>
</tr>
<tr>
<td>Weighted Average Number of Equity Shares</td>
<td>1,022,111,340</td>
<td>1,021,928,057</td>
</tr>
<tr>
<td>Effect of dilution:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shared based payments</td>
<td>204,688</td>
<td>232,154</td>
</tr>
<tr>
<td>For calculating Diluted EPS</td>
<td>1,022,316,028</td>
<td>1,022,160,210</td>
</tr>
<tr>
<td>Earnings Per Share Before and After Extraordinary Items (Face Value ₹ 1)</td>
<td>22.91</td>
<td>15.99</td>
</tr>
<tr>
<td>Basic (₹)</td>
<td>22.91</td>
<td>15.99</td>
</tr>
<tr>
<td>Diluted (₹)</td>
<td>22.90</td>
<td>15.99</td>
</tr>
</tbody>
</table>

Note: Number of shares for the year ended March 31 2018 have been adjusted for the bonus shares issued during the current year.

NOTE 39: COMMITMENTS

<table>
<thead>
<tr>
<th></th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated value of contracts remaining to be executed on capital account to the extent not provided, net of advances there against of ₹ 29.38 crore (March 31, 2018 : ₹ 27.39 crore)</td>
<td>32.94</td>
<td>31.84</td>
</tr>
<tr>
<td>Others</td>
<td>0.40</td>
<td>0.43</td>
</tr>
<tr>
<td>TOTAL</td>
<td>33.34</td>
<td>32.27</td>
</tr>
</tbody>
</table>

NOTE 40: DIVIDEND

During the year 2018-19, the Board has paid four interim dividends. The first dividend was declared on May 8, 2018 at the rate of ₹ 7 per equity share (700% of the face value of ₹ 1 each) and the second dividend was declared on July 30, 2018 at the rate of ₹ 2 per equity share (200% of the face value of ₹ 1 each) on the pre-bonus paid up capital of the Company. The Company made a bonus issue in the ratio of 2:1 on Sep 17, 2018. Subsequent to the bonus issue, the Board paid two more interim dividends aggregating to ₹ 6 per share (600% of the face value ₹ 1 each). The total dividend rate for all the four interim dividends during the year after adjusting for the pre-bonus interim dividend rate aggregates to ₹ 12 per equity share (1200% of the face value ₹ 1 each) and amounts to ₹ 1226.52 crore. The dividend distribution tax on the said dividends is ₹ 252.11 crore. Subsequent to the close of the financial year, the Board has declared an interim dividend of ₹ 2 per equity share (200% of the face value ₹ 1 each) aggregating to ₹ 204.43 crore. The dividend distribution tax on the said dividend is ₹ 42.02 crore.
## NOTE 41: CONTINGENT LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>a) CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) Excise duty demands against which the Company/Group has preferred appeals</td>
<td>54.69</td>
<td>65.14</td>
</tr>
<tr>
<td>ii) Sales tax demands against which the Company/Group has preferred appeals</td>
<td>79.46</td>
<td>63.38</td>
</tr>
<tr>
<td>iii) Income-tax matters</td>
<td>165.87</td>
<td>70.99</td>
</tr>
<tr>
<td>iv) Other matters</td>
<td>3.00</td>
<td>3.00</td>
</tr>
<tr>
<td><strong>b) Guarantees given against Borrowings (in excess of Loans outstanding) / Bank facilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) Guarantee amounting to GBP Nil (31-Mar-18 GBP 17.75 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Hongkong against loan provided to Godrej Netherlands BV.</td>
<td>-</td>
<td>32.76</td>
</tr>
<tr>
<td>ii) Guarantee amounting to USD Nil (31-Mar-18 USD 50.56 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Hongkong (1-April-15 guarantee provided to The Hongkong and Shanghai Banking Corporation Limited, Hongkong &amp; Standard Chartered Bank Mauritius Limited) against loan provided to Godrej East Africa Holdings Limited</td>
<td>-</td>
<td>29.96</td>
</tr>
<tr>
<td>iii) Guarantee amounting to USD Nil (31-Mar-18 USD 87.12 million) given by the Company to DBS Bank Limited, The Hongkong and Shanghai Banking Corporation Limited, Hongkong &amp; Standard Chartered Bank Mauritius Limited against loan provided to Godrej Mauritius Africa Holding Limited</td>
<td>-</td>
<td>51.62</td>
</tr>
<tr>
<td>iv) Guarantee amounting to USD Nil (31-Mar-18 USD 28.60 million) given by the Company to DBS Bank Limited, Singapore against loan provided to Godrej Mauritius Africa Holding Limited</td>
<td>-</td>
<td>16.95</td>
</tr>
<tr>
<td>v) Guarantee amounting to USD Nil (31-Mar-18 USD 22.88 million) given by the Company to Barclays Bank PLC, London against loan provided to Godrej Mauritius Africa Holding Limited</td>
<td>-</td>
<td>13.56</td>
</tr>
<tr>
<td>vi) Guarantee amounting to USD Nil (31-Mar-18 USD 57.2 million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Hongkong &amp; Standard Chartered Bank Mauritius Limited against loan provided to Godrej East Africa Holdings Limited</td>
<td>-</td>
<td>33.89</td>
</tr>
<tr>
<td>vii) Guarantee amounting to USD 88 million (31-Mar-18 USD 88 million) given by the Company to DBS Bank Limited, Singapore and Sumitomo Mitsui Banking Corporation, Singapore Branch towards loan provided to Godrej Consumer Products Holding (Mauritius) Limited</td>
<td>55.32</td>
<td>52.14</td>
</tr>
<tr>
<td>viii) Guarantee amounting to USD Nil (31-Mar-18 USD 1.20 million) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore Branch towards interest rate swap / derivative facilities provided to Godrej Consumer Products Holding (Mauritius) Limited</td>
<td>-</td>
<td>7.82</td>
</tr>
<tr>
<td>ix) Guarantee amounting to USD Nil (31-Mar-18 USD 1.20 million) given by the Company to DBS Bank Limited towards interest rate swap / derivative facilities provided to Godrej Consumer Products Holding (Mauritius) Limited</td>
<td>-</td>
<td>7.82</td>
</tr>
<tr>
<td>x) Guarantee amounting to USD Nil (31-Mar-18 USD 27.50 million) given to the Company to The Hongkong and Shanghai Banking Corporation Limited towards loan raised by Godrej East Africa Holdings Limited</td>
<td>17.29</td>
<td>16.29</td>
</tr>
<tr>
<td>xi) Guarantee amounting to USD Nil (31-Mar-18 USD 1.60 million) given by the Company to JP Morgan Chase Bank NA towards interest rate swap / derivative facilities provided to Godrej East Africa Holdings Limited</td>
<td>-</td>
<td>10.43</td>
</tr>
<tr>
<td>xii) Guarantee amounting to USD 121 million (31-Mar-18 USD 121 million) given by the Company to The Bank of Tokyo-Mitsubishi UFJ Ltd, London Branch towards loan provided to Godrej SON Holdings, Inc.</td>
<td>76.07</td>
<td>71.69</td>
</tr>
<tr>
<td>xiii) Guarantee amounting to USD Nil (31-Mar-18 USD 10 million) given by the Company to HSBC Bank (Mauritius) Limited towards bank facilities provided to Godrej Tanzania Holdings Limited</td>
<td>-</td>
<td>65.18</td>
</tr>
<tr>
<td>xiv) Guarantee amounting to USD 27.5 million (31-Mar-18 USD 27.5 million) given by the Company to Standard Chartered Bank, Mauritius towards bank facilities provided to Godrej Tanzania Holdings Limited</td>
<td>190.18</td>
<td>179.23</td>
</tr>
<tr>
<td>xv) Guarantee amounting to USD 44 million (31-Mar-18 USD 44 million) given by the Company to CITI Bank NA, London Branch towards loan provided to Godrej Mauritius Africa Holdings Ltd.</td>
<td>27.66</td>
<td>26.07</td>
</tr>
<tr>
<td>xvi) Guarantee amounting to USD 2 million (31-Mar-18 USD 2 million) given by the Company to DBS Bank Limited towards interest rate swap / derivative facilities provided to Godrej Mauritius Africa Holdings Limited</td>
<td>13.83</td>
<td>13.04</td>
</tr>
<tr>
<td>xvii) Guarantee amounting to USD 1.2 million (31-Mar-18 USD Nil million) given by the Company to DBS Bank Limited towards interest rate swap / derivative facilities provided to Godrej Consumer Products Holding (Mauritius) Limited</td>
<td>8.30</td>
<td>-</td>
</tr>
</tbody>
</table>
**NOTE 41 : CONTINGENT LIABILITIES**

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>xviii) Guarantee amounting to USD 64.35 million (31-Mar-18 USD Nil million) given by the Company to Sumitomo Mitsui Banking Corporation, Singapore Branch towards loan provided to Godrej SON Holdings, Inc.</td>
<td>43.91</td>
<td>-</td>
</tr>
<tr>
<td>xix) Guarantee amounting to USD 148.72 million (31-Mar-18 USD Nil million) given by the Company to The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch towards loan provided to Godrej Mauritius Africa Holdings Limited</td>
<td>93.50</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 2.99 crore]</td>
<td>14.36</td>
<td>27.41</td>
</tr>
<tr>
<td>ii) Guarantee given by the Company to Yes Bank for credit facilities extended to M/s. Broadcast Audience Research Council.</td>
<td>0.80</td>
<td>0.80</td>
</tr>
<tr>
<td>iii) Other Guarantees</td>
<td>0.45</td>
<td>0.45</td>
</tr>
<tr>
<td>c) Claims against the Company not acknowledged as debt</td>
<td>33.50</td>
<td>34.20</td>
</tr>
</tbody>
</table>

d) The Group has reviewed all its pending litigations and proceedings and has adequately made provisions wherever required and disclosed as contingent liability wherever applicable in the consolidated financial statements. The Group does not expect the outcome of the proceedings to have a materially adverse effect on its financial results.

e) OTHER MATTERS

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Pending decision on the subject review petition and directions from the EPFO, the impact, if any, is not ascertainable and consequently no effect has been given in the accounts.
NOTE 42 : RELATED PARTY DISCLOSURES

A) Related Parties and their Relationship

a) Joint Venture:

<table>
<thead>
<tr>
<th>Name of the Joint Venture</th>
<th>Country</th>
<th>% Holding as at March 31, 2019</th>
<th>% Holding as at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Godrej Easy IP Holdings (FZC) (Dubai)</td>
<td>Dubai</td>
<td>Nil*</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>* Dissolved during FY 2018-19</td>
<td></td>
</tr>
</tbody>
</table>

b) Associate Company:

<table>
<thead>
<tr>
<th>Name of the Associate Company</th>
<th>Country</th>
<th>% Holding as at March 31, 2019</th>
<th>% Holding as at March 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bhabani Blunt Hairdressing Pvt Limited</td>
<td>India</td>
<td>28%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Investing Entity in which the reporting entity is an Associate

i) Godrej Industries Limited

ii) Godrej Seeds & Genetics Limited

d) Companies under common Control with whom transactions have taken place during the year

i) Godrej & Boyce Mfg. Co. Limited

ii) Godrej Agrovet Limited

iii) Godrej Tyson Foods Limited

iv) Godrej Properties Limited

v) Nature Basket Limited

vi) Godrej Vikrati Properties LLP

vii) Godrej Infotech Limited

viii) Godrej Projects Development Private Limited

ix) Godrej Anandan

x) Godrej One Premises Management Private Limited

xi) Godrej Seaview Properties Private Limited

xii) Creamline Dairy Products Limited

e) Key Management Personnel and Relatives

i) Mr. Adi Godrej Chairman Emeritus

ii) Ms. Nisaba Godrej Executive Chairperson / Daughter of Mr. Adi Godrej

iii) Mr. Vivek Gambhir Managing Director & CEO

iv) Mr. V. Srinivasan Chief Financial Officer and Company Secretary

v) Mr. Pirojsha Godrej Non-Executive Director / Son of Mr. Adi Godrej

vi) Mr. Nadir Godrej Non-Executive Director/ Brother of Mr. Adi Godrej

vii) Ms. Tanya Dubash Non-Executive Director/ Daughter of Mr. Adi Godrej

viii) Mr. Jamshyd Godrej Non Executive Director

ix) Mr. D Shivakumar Independent Director (till November 1, 2017)

x) Mr. Aman Mehta Independent Director

xi) Ms. Tanya Dubash Non-Executive Director/ Daughter of Mr. Adi Godrej

xii) Mr. Omkar Goswami Independent Director

xiii) Ms. Ireena Vittal Independent Director

xiv) Mr. Bharet Doshi Independent Director

xv) Mr. Narendra Ambwani Independent Director

xvi) Ms. Nidhi Nwuneli Independent Director (from April 1, 2017)

xvii) Ms. Pippa Armerding Independent Director (from January 30, 2018)

xviii) Mr. Burjia Godrej Son of Mr. Nadir Godrej

xix) Mr. Rati Godrej Wife of Mr. Nadir Godrej

xx) Mr. Sohrob Godrej Son of Mr. Nadir Godrej

xxi) Mr. Hormazd Godrej Son of Mr. Nadir Godrej

xxii) Mr. Navroze Godrej Son of Mr. Jamshyd Godrej

xxiii) Mr. Arvind Dubash Husband of Ms. Tanya Dubash

t) Trust where the reporting entity exercises significant influence

i) Godrej Consumer Products Limited Employees’ Stock Option Trust

g) Post employment Benefit Trust where the reporting entity exercises significant influence

i) Godrej Consumer Products Employees’ Provident Fund
B) The Related Party Transactions are as under:

<table>
<thead>
<tr>
<th>Associate Company</th>
<th>Investing Entity in which the reporting entity is an associate</th>
<th>Companies Under Common Control</th>
<th>Key Management Personnel and Relatives</th>
<th>Post employment benefit trust</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Year</td>
<td>Previous Year</td>
<td>Current Year</td>
<td>Previous Year</td>
<td>Current Year</td>
</tr>
<tr>
<td>Sale of Goods</td>
<td>0.40</td>
<td>0.57</td>
<td>12.89</td>
<td>18.86</td>
<td>3.37</td>
</tr>
<tr>
<td>Sale of Capital Asset</td>
<td>-</td>
<td>-</td>
<td>0.02</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of Materials and Spares</td>
<td>0.16</td>
<td>-</td>
<td>66.24</td>
<td>44.19</td>
<td>0.29</td>
</tr>
<tr>
<td>Purchase of Fixed Asset including Assets under Construction</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.19</td>
</tr>
<tr>
<td>Advance Paid</td>
<td>-</td>
<td>-</td>
<td>1.51</td>
<td>1.51</td>
<td>0.05</td>
</tr>
<tr>
<td>Royalty and Technical Fees Paid</td>
<td>0.62</td>
<td>0.87</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Establishment &amp; Other Expenses Paid (including provision for doubtful debts if any)</td>
<td>0.14</td>
<td>1.19</td>
<td>34.38</td>
<td>33.50</td>
<td>8.95</td>
</tr>
<tr>
<td>Expenses Recovered</td>
<td>-</td>
<td>0.01</td>
<td>0.21</td>
<td>0.23</td>
<td>0.03</td>
</tr>
<tr>
<td>Investments Sold / Redeemed</td>
<td>2.28</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dividend Paid</td>
<td>-</td>
<td>-</td>
<td>627.98</td>
<td>313.99</td>
<td>90.01</td>
</tr>
<tr>
<td>Commission on Profits and Sitting Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4.20</td>
</tr>
<tr>
<td>Lease Rentals Received</td>
<td>-</td>
<td>-</td>
<td>9.25</td>
<td>10.87</td>
<td>-</td>
</tr>
<tr>
<td>Lease Rentals Paid</td>
<td>-</td>
<td>-</td>
<td>14.21</td>
<td>15.49</td>
<td>-</td>
</tr>
<tr>
<td>Contribution during the year (Including Employees’ Share)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short Term Employment Benefits</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Post Employment Benefits</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.50</td>
</tr>
<tr>
<td>Share Based Payment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3.60</strong></td>
<td><strong>2.64</strong></td>
<td><strong>766.67</strong></td>
<td><strong>438.66</strong></td>
<td><strong>102.89</strong></td>
</tr>
</tbody>
</table>

**Outstanding Balances**

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Receivables</strong></td>
<td><strong>Payables</strong></td>
<td><strong>Guarantees</strong></td>
<td><strong>Commitments</strong></td>
<td><strong>Receivables</strong></td>
<td><strong>Payables</strong></td>
<td><strong>Guarantees</strong></td>
<td><strong>Commitments</strong></td>
<td><strong>Receivables</strong></td>
</tr>
<tr>
<td>Associate Company</td>
<td>0.04</td>
<td>0.07</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investing Entity in which the reporting entity is an associate</td>
<td>4.75</td>
<td>0.97</td>
<td>3.63</td>
<td>0.30</td>
<td>(26.68)</td>
<td>(26.88)</td>
<td>-</td>
<td>0.01</td>
</tr>
<tr>
<td>Companies under Common Control</td>
<td>2.17</td>
<td>0.34</td>
<td>0.56</td>
<td>0.02</td>
<td>(1.21)</td>
<td>(1.21)</td>
<td>1.59</td>
<td>0.99</td>
</tr>
<tr>
<td>Key Management Personnel and Relatives</td>
<td>-</td>
<td>-</td>
<td>4.99</td>
<td>16.22</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Post employment benefit trust</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>6.96</strong></td>
<td><strong>1.38</strong></td>
<td><strong>9.18</strong></td>
<td><strong>16.54</strong></td>
<td><strong>(28.09)</strong></td>
<td><strong>(28.09)</strong></td>
<td><strong>1.59</strong></td>
<td><strong>3.61</strong></td>
</tr>
</tbody>
</table>
NOTE 43 : LEASES
The Group’s significant leasing agreements are in respect of operating lease for Computers and Premises (office, godown, etc.) and the aggregate lease rentals payable are charged as rent. The Total lease payments accounted for the year ended March 31, 2019 is ₹ 95.75 crore (Mar-31-2018 : ₹ 89.44 crore).

The future minimum lease payments outstanding under non-cancellable operating leases are as follows:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>20.17</td>
<td>21.22</td>
</tr>
<tr>
<td>Later than one year and not later than five years</td>
<td>28.71</td>
<td>55.89</td>
</tr>
<tr>
<td>Later than five years</td>
<td>-</td>
<td>13.03</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>48.88</strong></td>
<td><strong>90.14</strong></td>
</tr>
</tbody>
</table>

The Group has entered into an agreement to give one of its office building on operating lease effective May, 2015. Total lease rentals earned during the year ended March 31, 2019 amounting to ₹ 9.13 crore have been netted off against rent expense of ₹ 9.13 crore in Note 36 for similar premises in the same building.

The future minimum lease rental receivable under the non-cancellable operating lease is as follows:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>9.13</td>
<td>9.13</td>
</tr>
<tr>
<td>Later than one year and not later than five years</td>
<td>1.10</td>
<td>10.20</td>
</tr>
<tr>
<td>Later than five years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>10.23</strong></td>
<td><strong>19.33</strong></td>
</tr>
</tbody>
</table>

FINANCE LEASE

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>0.14</td>
<td>0.02</td>
</tr>
<tr>
<td>Later than one year and not later than five years</td>
<td>0.25</td>
<td>-</td>
</tr>
<tr>
<td>Later than five years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>0.39</strong></td>
<td><strong>0.02</strong></td>
</tr>
</tbody>
</table>

NOTE 44 : HEDGING CONTRACTS
The Group uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitment in accordance with its forex policy as determined by its Forex Committee. The Group does not use foreign exchange forward contracts for trading or speculation purposes.

Forward/ Spot Contracts outstanding as at March 31, 2019:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forward Contracts to Purchase (USD)</td>
<td>US $45.37</td>
<td>US $28.89</td>
</tr>
<tr>
<td>[151 contracts (previous year 150 contracts)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forward Contracts to Sell (USD)</td>
<td>US $2.60</td>
<td>-</td>
</tr>
<tr>
<td>[4 contracts (previous year Nil contracts)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forward Contracts to Purchase (CNH)</td>
<td>¥0.78</td>
<td>¥1.05</td>
</tr>
<tr>
<td>[0 contracts (previous year 5 contracts)]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
NOTE 45: EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLAN

Provident Fund

The contributions to the Provident Fund of certain employees (including some employees of the erstwhile Godrej Household Products Ltd) are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. The Superannuation Fund constitutes an insured benefit, which is classified as a defined contribution plan as the Company contributes to an Insurance Company and has no further obligation beyond making payment to the insurance company.

b) DEFINED BENEFIT PLAN

Gratuity:

The Company participates in the Employees’ Group Gratuity-cum-Life Assurance Scheme of HDFC Standard 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 Gratuity scheme of the erstwhile Godrej Household Products Ltd., which was obtained pursuant to the Scheme of Amalgamation, is funded through Unit Linked Gratuity Plan with HDFC Standard Life Insurance Company Limited.

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.

The Company has a gratuity trust. However, the Company funds its gratuity payouts from its cash flows. Accordingly, the Company creates adequate provision in its books every year based on actuarial valuation.

These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

Provident Fund:

The Company manages the Provident Fund plan through a Provident Fund Trust for its employees other than those covered under Government Scheme which is permitted under The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. 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.

The Company has an obligation to fund any shortfall on the yield of the trust’s investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2019.

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan assets at period end, at fair value</td>
<td>149.31</td>
<td>129.57</td>
</tr>
<tr>
<td>Provident Fund Corpus</td>
<td>148.00</td>
<td>128.51</td>
</tr>
<tr>
<td>Valuation assumptions under Deterministic Approach:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted Average Yield</td>
<td>8.67%</td>
<td>8.75%</td>
</tr>
<tr>
<td>Weighted Average Yield to Maturity</td>
<td>9.07%</td>
<td>8.95%</td>
</tr>
<tr>
<td>Guaranteed Rate of interest</td>
<td>8.65%</td>
<td>8.65%</td>
</tr>
</tbody>
</table>

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer’s Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 11.90 crore (Mar-31-2018: ₹ 11.03 crore) has been included under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 8.30 crore (Mar-31-2018: ₹ 6.41 crore) has been included in Note 33 under Contribution to Provident and Other Funds.
### d) The amounts recognised in the Company’s financial statements as at year end are as under:

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019 (₹ Crore)</th>
<th>As at March 31, 2018 (₹ Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>i) Change in Present Value of Obligation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present value of the obligation at the beginning of the year</td>
<td>103.50</td>
<td>88.11</td>
</tr>
<tr>
<td>Current Service Cost</td>
<td>11.73</td>
<td>9.25</td>
</tr>
<tr>
<td>Interest Cost</td>
<td>8.35</td>
<td>6.53</td>
</tr>
<tr>
<td>Exchange difference</td>
<td>2.12</td>
<td>(0.83)</td>
</tr>
<tr>
<td>Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions</td>
<td>(0.62)</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Actuarial (Gain) / Loss on Obligation- Due to Change in Financial Assumptions</td>
<td>(1.91)</td>
<td>3.61</td>
</tr>
<tr>
<td>Actuarial (Gain) / Loss on Obligation- Due to Experience</td>
<td>(2.66)</td>
<td>1.68</td>
</tr>
<tr>
<td>Benefits Paid</td>
<td>(7.20)</td>
<td>(4.72)</td>
</tr>
<tr>
<td>Present value of the obligation at the end of the year</td>
<td>113.29</td>
<td>103.50</td>
</tr>
<tr>
<td><strong>ii) Change in Plan Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value of Plan Assets at the beginning of the year</td>
<td>1.39</td>
<td>4.33</td>
</tr>
<tr>
<td>Interest Income</td>
<td>0.17</td>
<td>0.34</td>
</tr>
<tr>
<td>Return on plan assets excluding interest income</td>
<td>(0.08)</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Actuarial Gain / (Loss) on Plan Assets</td>
<td>-</td>
<td>0.05</td>
</tr>
<tr>
<td>Contributions by the Employer</td>
<td>6.59</td>
<td>1.52</td>
</tr>
<tr>
<td>Benefits Paid</td>
<td>(7.20)</td>
<td>(4.72)</td>
</tr>
<tr>
<td>Exchange difference</td>
<td>(0.09)</td>
<td>-</td>
</tr>
<tr>
<td>Fair value of Plan Assets at the end of the year</td>
<td>0.78</td>
<td>1.39</td>
</tr>
<tr>
<td><strong>iii) Amounts Recognised in the Balance Sheet</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present value of Obligation at the end of the year</td>
<td>113.29</td>
<td>103.50</td>
</tr>
<tr>
<td>Fair value of Plan Assets at the end of the year</td>
<td>0.78</td>
<td>1.39</td>
</tr>
<tr>
<td>Net Liability recognised in the Balance Sheet</td>
<td>112.51</td>
<td>102.11</td>
</tr>
<tr>
<td><strong>iv) Amounts Recognised in the Statement of Profit and Loss</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Service Cost</td>
<td>11.73</td>
<td>9.25</td>
</tr>
<tr>
<td>Interest Cost / Income on Obligation / Plan assets (net)</td>
<td>8.18</td>
<td>6.19</td>
</tr>
<tr>
<td><strong>v) Recognised in other comprehensive income for the year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial (Gain) / Loss on Obligation</td>
<td>(5.21)</td>
<td>5.16</td>
</tr>
<tr>
<td>Return on plan assets excluding interest income</td>
<td>0.08</td>
<td>0.08</td>
</tr>
<tr>
<td>Recognised in other comprehensive income</td>
<td>(5.13)</td>
<td>5.24</td>
</tr>
<tr>
<td><strong>vi) Weighted average duration of Present Benefit Obligation</strong></td>
<td>8.01 years</td>
<td>7.90 years</td>
</tr>
<tr>
<td><strong>vii) Estimated contribution to be made in next financial year</strong></td>
<td>13.61</td>
<td>11.47</td>
</tr>
<tr>
<td><strong>viii) Major categories of Plan Assets as a % of total Plan Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurer Managed Funds</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>ix) Actuarial Assumptions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) Discount Rate</td>
<td>7.22%‑14.25% /12.25% p.a.</td>
<td>7.29%‑13.75% /11% p.a.</td>
</tr>
<tr>
<td>ii) Salary Escalation Rate</td>
<td>7% p.a.‑7% p.a.‑11% p.a.</td>
<td></td>
</tr>
<tr>
<td>iii) Mortality for geographies: India</td>
<td>Indian Assured Lives Mortality [2006-08] Ultimate</td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>As per Indonesian Mortality Table 2011 (TM11)</td>
<td></td>
</tr>
<tr>
<td>Nigeria</td>
<td>Rates published in the A49/52 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK, rated down by one year to reflect mortality in Nigeria</td>
<td></td>
</tr>
</tbody>
</table>

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.
Maturity Analysis of Projected Benefit Obligation: From the Fund

<table>
<thead>
<tr>
<th>Projected Benefits Payable in Future Years From the Date of Reporting</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the next 12 months</td>
<td>17.74</td>
<td>14.42</td>
</tr>
<tr>
<td>2nd Following Year</td>
<td>12.06</td>
<td>11.59</td>
</tr>
<tr>
<td>3rd Following Year</td>
<td>11.40</td>
<td>12.02</td>
</tr>
<tr>
<td>4th Following Year</td>
<td>11.00</td>
<td>11.62</td>
</tr>
<tr>
<td>5th Following Year</td>
<td>56.43</td>
<td>11.46</td>
</tr>
<tr>
<td>Sum of Years 6 to 10</td>
<td>43.80</td>
<td>59.61</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>March 31, 2019</th>
<th>March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase</td>
<td>Decrease</td>
</tr>
<tr>
<td>Discount rate (1% movement)</td>
<td>(6.26)</td>
</tr>
<tr>
<td>Future salary growth (1% movement)</td>
<td>7.06</td>
</tr>
</tbody>
</table>

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Other details

Methodology Adopted for ALM: Projected Unit Credit Method

Usefulness and Methodology adopted for Sensitivity analysis: Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Comment on Quality of Assets: Since investment is with insurance company, Assets are considered to be secured.

NOTE 46: EMPLOYEE STOCK BENEFIT PLANS

I. EMPLOYEE STOCK GRANT SCHEME

a) The Company set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders on March 18, 2011.

b) The ESGS Scheme is effective from April 1, 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 of the Company or its Subsidiaries. The entitlement of each employee will be decided by the Compensation Committee of the 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 2,500,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 500,000 (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 or as may be decided by the Compensation Committee from the date on which the Stock Grants are awarded for a period of three consecutive years 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 fair value 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.
h) The details of the scheme are as below:

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Grant Date</th>
<th>No. of Options</th>
<th>Vesting Condition</th>
<th>Exercise Price (₹) per share</th>
<th>Weighted average Exercise Price (₹) per share</th>
<th>Exercise period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees Stock Grant Scheme 2011</td>
<td>From 2011 to 2018</td>
<td>635,424</td>
<td>Vested in the proportion of 1/3rd at the end of each year</td>
<td>1.00</td>
<td>1.00</td>
<td>within 1 month from the date of vesting</td>
</tr>
</tbody>
</table>

Movement in the number of share options during the year:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding at the beginning of the year</td>
<td>224,011</td>
<td>128,895</td>
</tr>
<tr>
<td>Add: Bonus issue during the year</td>
<td>102,049</td>
<td>122,214</td>
</tr>
<tr>
<td>Add: Granted during the year</td>
<td>98,343</td>
<td>111,829</td>
</tr>
<tr>
<td>Less: Exercised during the year</td>
<td>114,546</td>
<td>127,886</td>
</tr>
<tr>
<td>Less: Forfeited/ lapsed during the year</td>
<td>14,842</td>
<td>11,041</td>
</tr>
<tr>
<td>Outstanding at the end of the year</td>
<td>295,015</td>
<td>224,011</td>
</tr>
</tbody>
</table>

Weighted average remaining contractual life of options as at 31st March, 2019 was 2.93 years (31-Mar-18: 1.24 years).

Weighted average equity share price at the date of exercise of options during the year was ₹ 1213.37 (31-Mar-18: ₹ 1297.64).

The fair value of the employee share options has been measured using the Black-Scholes formula. The following assumptions were used for calculation of fair value of grants:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk-free interest rate (%)</td>
<td>7.51%</td>
<td>6.46%</td>
</tr>
<tr>
<td>Expected life of options (years)</td>
<td>2.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Expected volatility (%)</td>
<td>28.29%</td>
<td>32.21%</td>
</tr>
<tr>
<td>Dividend yield</td>
<td>1.05%</td>
<td>0.31%</td>
</tr>
<tr>
<td>The price of the underlying share in market at the time of option grant (₹)*</td>
<td>1,139.45</td>
<td>1,868.75</td>
</tr>
</tbody>
</table>

* Price is before issue of Bonus shares

II. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market.

NOTE 47 : DISCLOSURE U/S 186 (4) OF THE COMPANIES ACT, 2013

Details of investments made are disclosed under Note 5 and Note 12 and details of corporate guarantees given to banks on behalf of other body corporates are disclosed under Note 41.

NOTE 48 : SUBSEQUENT EVENTS

There are no significant subsequent events that would require adjustments or disclosures in the consolidated financial statements.
NOTE 49: FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>Carrying amount / Fair Value</th>
<th>Fair value Hierarchy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FVTPL</td>
<td>FVTOCI</td>
</tr>
<tr>
<td><strong>Financial assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Financial Assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bank balances others</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>2.43</td>
</tr>
<tr>
<td>Derivative Asset</td>
<td>-</td>
<td>2.43</td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>152.43</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>16.98</td>
<td>2.43</td>
</tr>
<tr>
<td><strong>Financial liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Liabilities for business combinations</td>
<td>217.55</td>
<td>-</td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Put Option Liability *</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Current Maturities of Long Term Debt</td>
<td>-</td>
<td>506.33</td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>56.40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>217.55</td>
<td>22.62</td>
</tr>
</tbody>
</table>
### Carrying amount / Fair Value

**As at March 31, 2018**

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>Carrying amount</th>
<th>Fair value</th>
<th>Fair value Hierarchy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FVTPL</td>
<td>FVTOCI</td>
<td>Amortised Cost</td>
</tr>
<tr>
<td><strong>Non Current</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
<td>84.66</td>
<td>84.66</td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td>-</td>
<td>20.54</td>
<td>20.54</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>18.87</td>
<td>18.87</td>
</tr>
<tr>
<td>Other Financial Assets</td>
<td>-</td>
<td>9.57</td>
<td>9.57</td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td>-</td>
<td>306.97</td>
<td>306.97</td>
</tr>
<tr>
<td>Investments in Commercial Papers</td>
<td>-</td>
<td>97.04</td>
<td>97.04</td>
</tr>
<tr>
<td>Mutual Fund</td>
<td>115.74</td>
<td>-</td>
<td>115.74</td>
</tr>
<tr>
<td>Non-convertible Debentures with Non-Banking Financial Companies</td>
<td>-</td>
<td>336.01</td>
<td>336.01</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>-</td>
<td>1,245.50</td>
<td>1,245.50</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-</td>
<td>898.02</td>
<td>898.02</td>
</tr>
<tr>
<td>Bank balances others</td>
<td>-</td>
<td>62.19</td>
<td>62.19</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>2.89</td>
<td>2.89</td>
</tr>
<tr>
<td>Derivative Asset</td>
<td>-</td>
<td>10.74</td>
<td>10.74</td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>188.37</td>
<td>188.37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>115.74</td>
<td>10.74</td>
<td>3,270.63</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial liabilities</th>
<th>Carrying amount</th>
<th>Fair value</th>
<th>Fair value Hierarchy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Current</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>-</td>
<td>2,380.32</td>
<td>2,380.32</td>
</tr>
<tr>
<td>Liabilities for business combinations</td>
<td>753.95</td>
<td>-</td>
<td>753.95</td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>-</td>
<td>154.33</td>
<td>154.33</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>-</td>
<td>2,353.10</td>
<td>2,353.10</td>
</tr>
<tr>
<td>Put Option Liability*</td>
<td>-</td>
<td>244.56</td>
<td>244.56</td>
</tr>
<tr>
<td>Current Maturities of Long Term Debt</td>
<td>-</td>
<td>972.92</td>
<td>972.92</td>
</tr>
<tr>
<td>Derivative liability</td>
<td>-</td>
<td>17.41</td>
<td>17.41</td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>50.14</td>
<td>50.14</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>753.95</td>
<td>17.41</td>
<td>5,910.81</td>
</tr>
</tbody>
</table>

There are no transfers between Level 1 and Level 2

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)

*The put option liability is fair valued at each reporting date through equity

**NOTE:** The group has not disclosed fair values of financial instruments other than mutual funds, deposits with non-banking financial companies, non-convertible debentures with non-banking financial companies, investment in commercial papers, derivative asset, derivative liability and liabilities for business combinations, because the carrying amounts are a reasonable approximation of fair value.
B. Measurement of fair values
Valuation techniques and significant unobservable inputs
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.

Financial instruments measured at fair value

<table>
<thead>
<tr>
<th>Type</th>
<th>Valuation technique</th>
<th>Significant unobservable inputs</th>
<th>Inter-relationship between significant unobservable inputs and fair value measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutual Fund Investments</td>
<td>NAV quoted by the Mutual Fund</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Investments in Non Convertible Debenture with Non-Banking Financial Companies</td>
<td>Broker Quote</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Deposits with Non-Banking Financial Companies</td>
<td>Present Value of expected cashflows using an appropriate discounting rate</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Commercial Paper issued by the Company</td>
<td>Present Value of expected cashflows using an appropriate discounting rate</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Derivative Asset</td>
<td>MTM from banks</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Derivative Liability</td>
<td>MTM from banks</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Liabilities for business combination</td>
<td>Present Value of expected payment discounted using a risk adjusted discounting rate</td>
<td>Inputs are given in next page</td>
<td>&quot;Refer next page for inter-relationship between significant unobservable inputs and fair value measurement&quot;</td>
</tr>
</tbody>
</table>
Level 3 fair values
Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance</td>
<td>998.51</td>
<td>1,214.30</td>
</tr>
<tr>
<td>Net change in fair value through reserves</td>
<td>6.16</td>
<td>(15.15)</td>
</tr>
<tr>
<td>Net change in fair value through PL (Refer Note (a) below)</td>
<td>9.62</td>
<td>11.29</td>
</tr>
<tr>
<td>Net change in liability due to payments</td>
<td>(449.25)</td>
<td>(17.01)</td>
</tr>
<tr>
<td>Reversal in liability for business combination</td>
<td>(194.15)</td>
<td>(194.99)</td>
</tr>
<tr>
<td>Exchange difference</td>
<td>89.16</td>
<td>0.07</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>460.05</td>
<td>998.51</td>
</tr>
</tbody>
</table>

**NOTE:** (a) Interest unwinding charges

Valuation processes
The main level 3 inputs for put option and liability for business combination are derived and evaluated as follows:

**Liability for Business Combination** - The key inputs used in the determination of fair value of Liability for Business Combination are the discount rate and expected future performance of the business (EBIDTA).

**Put Option Liability** - The key inputs used in the determination of fair value of put option liability is performance of the business.

Sensitivity analysis
For the fair values of put option liability and liability for business combination, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

**Liability for Business Combination**

<table>
<thead>
<tr>
<th>Significant unobservable inputs</th>
<th>Year ended March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievement of financial target (10% movement) (Refer note below)</td>
<td>10% Increase</td>
</tr>
<tr>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>

**Note:** Liability has been recognised at maximum threshold and hence there will be no further increase

**Put Option Liability**

<table>
<thead>
<tr>
<th>Significant unobservable inputs</th>
<th>Year ended March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievement of financial target (10% movement)</td>
<td>10% Increase</td>
</tr>
<tr>
<td></td>
<td>(80.48)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Significant unobservable inputs</th>
<th>Year ended March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievement of financial target (10% movement)</td>
<td>10% Increase</td>
</tr>
<tr>
<td></td>
<td>(24.25)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Significant unobservable inputs</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievement of financial target (10% movement)</td>
<td>10% Increase</td>
</tr>
<tr>
<td></td>
<td>(24.57)</td>
</tr>
</tbody>
</table>
NOTE 50 : FINANCIAL RISK MANAGEMENT

The activities of the Group exposes it to a number of financial risks – market risk, credit risk and liquidity risk. The Group seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The risk management policy which is approved by the Board, is closely monitored by the senior management.

A. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: currency rate risk, interest rate risk and price risk. Financial instruments affected by market risk includes borrowings, trade receivables and payables, bank deposits, investments and derivative financial instruments. The Group has international operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of price risk:

The Company invests its surplus funds in various debt instruments including liquid and short term schemes of debt mutual funds, deposits with banks and financial institutions, commercial papers and non-convertible debentures (NCD’s). Investments in mutual funds and NCD’s are susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments. This risk is mitigated by the Company by investing the funds in various tenors depending on the liquidity needs of the Company.

(ii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Group mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures and hedging exposures using derivative financial instruments like foreign exchange forward contracts. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Group may be impacted due to volatility of the functional currency against foreign currencies.

Exposure to currency risk (Exposure in different currencies converted to INR)

The currency profile of financial assets and financial liabilities as at March 31, 2019 and March 31, 2018 are as below:

<table>
<thead>
<tr>
<th>Financial asset</th>
<th>GBP</th>
<th>USD</th>
<th>EURO</th>
<th>ZAR</th>
<th>AED</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>0.02</td>
<td>37.73</td>
<td>0.01</td>
<td>0.62</td>
<td>-</td>
<td>0.16</td>
</tr>
<tr>
<td>Current investments</td>
<td>-</td>
<td>0.41</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Long-term loans and advances</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short-term loans and advances</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>2.98</td>
<td>246.25</td>
<td>31.82</td>
<td>0.31</td>
<td>-</td>
<td>0.42</td>
</tr>
<tr>
<td>Less: Forward contracts for trade receivables</td>
<td>-</td>
<td>(18.03)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Non-Current financial assets</td>
<td>-</td>
<td>22.70</td>
<td>2.66</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Current financial assets</td>
<td>-</td>
<td>10.55</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Exposure</strong></td>
<td>3.00</td>
<td>299.61</td>
<td>34.49</td>
<td>0.93</td>
<td>-</td>
<td>0.58</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial liabilities</th>
<th>GBP</th>
<th>USD</th>
<th>EURO</th>
<th>ZAR</th>
<th>AED</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term borrowings</td>
<td>-</td>
<td>1.95</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short term borrowings</td>
<td>-</td>
<td>42.63</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>0.22</td>
<td>660.51</td>
<td>0.62</td>
<td>0.05</td>
<td>-</td>
<td>5.73</td>
</tr>
<tr>
<td>Less: Forward contracts for trade payables</td>
<td>-</td>
<td>(314.05)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.80)</td>
</tr>
<tr>
<td>Other Current financial liabilities</td>
<td>-</td>
<td>0.35</td>
<td>3.35</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Exposure</strong></td>
<td>0.22</td>
<td>391.39</td>
<td>3.97</td>
<td>0.05</td>
<td>-</td>
<td>4.93</td>
</tr>
</tbody>
</table>

Net Exposure 2.78 (91.78) 30.52 0.88 - (4.35)
### Financial assets

<table>
<thead>
<tr>
<th></th>
<th>GBP</th>
<th>USD</th>
<th>EURO</th>
<th>ZAR</th>
<th>AED</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>0.08</td>
<td>70.69</td>
<td>0.29</td>
<td>0.23</td>
<td>-</td>
<td>2.24</td>
</tr>
<tr>
<td>Current investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Long-term loans and advances</td>
<td>-</td>
<td>10.52</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short-term loans and advances</td>
<td>-</td>
<td>1.99</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>1.52</td>
<td>241.64</td>
<td>36.12</td>
<td>0.49</td>
<td>2.32</td>
<td>-</td>
</tr>
<tr>
<td>Less: Forward contracts for trade receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Non-Current financial assets</td>
<td>-</td>
<td>7.81</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Current financial assets</td>
<td>-</td>
<td>7.89</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Financial liabilities

<p>| | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term borrowings</td>
<td>-</td>
<td>8.37</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short term borrowings</td>
<td>-</td>
<td>92.72</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>2.96</td>
<td>449.96</td>
<td>7.95</td>
<td>-</td>
<td>-</td>
<td>5.38</td>
</tr>
<tr>
<td>Less: Forward contracts for trade payables</td>
<td>-</td>
<td>(187.94)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1.09)</td>
</tr>
<tr>
<td>Other Current financial liabilities</td>
<td>-</td>
<td>0.19</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Net Exposure

|                        | 1.60 | 340.54 | 36.41 | 0.72 | 2.32 | 2.24   |

The following significant exchange rates have been applied during the year.

<table>
<thead>
<tr>
<th>INR</th>
<th>Year-end spot rate March 31, 2019</th>
<th>March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GBP INR</td>
<td>90.48</td>
<td>91.76</td>
</tr>
<tr>
<td>USD INR</td>
<td>69.35</td>
<td>65.18</td>
</tr>
<tr>
<td>EUR INR</td>
<td>77.69</td>
<td>80.62</td>
</tr>
<tr>
<td>ZAR INR</td>
<td>4.76</td>
<td>5.53</td>
</tr>
<tr>
<td>AED INR</td>
<td>18.84</td>
<td>17.74</td>
</tr>
</tbody>
</table>

**Sensitivity analysis**

A reasonably possible 5% strengthening (weakening) of GBP/USD/EUR/ZAR/AED/CNY/KWD against the India rupee at March 31, 2019 and March 31, 2018 would have affected the measurement of financial instruments denominated in GBP/USD/EUR/ZAR/AED and affected 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.

### Effect in INR

<table>
<thead>
<tr>
<th></th>
<th>Strengthening</th>
<th>Weakening</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 31, 2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GBP</td>
<td>0.14</td>
<td>(0.14)</td>
</tr>
<tr>
<td>USD</td>
<td>(4.59)</td>
<td>4.59</td>
</tr>
<tr>
<td>EURO</td>
<td>1.53</td>
<td>(1.53)</td>
</tr>
<tr>
<td>ZAR</td>
<td>0.04</td>
<td>(0.04)</td>
</tr>
<tr>
<td>AED</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others - CNH/KWD</td>
<td>(0.22)</td>
<td>0.22</td>
</tr>
<tr>
<td></td>
<td>(3.10)</td>
<td>3.10</td>
</tr>
</tbody>
</table>

### Effect in INR

<table>
<thead>
<tr>
<th></th>
<th>Strengthening</th>
<th>Weakening</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 31, 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GBP</td>
<td>(0.07)</td>
<td>0.07</td>
</tr>
<tr>
<td>USD</td>
<td>(1.14)</td>
<td>1.14</td>
</tr>
<tr>
<td>EURO</td>
<td>1.42</td>
<td>(1.42)</td>
</tr>
<tr>
<td>ZAR</td>
<td>0.04</td>
<td>(0.04)</td>
</tr>
<tr>
<td>AED</td>
<td>0.12</td>
<td>(0.12)</td>
</tr>
<tr>
<td>Others - CNH/KWD</td>
<td>(0.10)</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td>0.27</td>
<td>(0.27)</td>
</tr>
</tbody>
</table>
(iii) Management of interest 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.

Exposure to interest rate risk

The Group’s exposure to interest rate risks relates primarily to the Group’s interest obligations on its borrowings. To mitigate this risk the Group enters into derivative financial instruments like interest rate swaps.

The interest rates profile of the Group’s interest bearing financial instruments is as follows:

<table>
<thead>
<tr>
<th>Borrowings</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed rate instruments</td>
<td>167.44</td>
<td>145.46</td>
</tr>
<tr>
<td>Variable-rate instruments</td>
<td>3,214.61</td>
<td>3,362.11</td>
</tr>
<tr>
<td></td>
<td>3,382.05</td>
<td>3,507.57</td>
</tr>
</tbody>
</table>

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate 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 50 basis points (bp) in interest rate at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

The risk estimates provided assume a parallel shift of 50 basis points interest rate across all yield curves. 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 period end balances are not necessarily representative of the average debt outstanding during the period.

<table>
<thead>
<tr>
<th>Profit or loss / Equity</th>
<th>50 bp increase</th>
<th>50 bp decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at March 31, 2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variable-rate instruments</td>
<td>(16.07)</td>
<td>16.07</td>
</tr>
<tr>
<td>Less : Interest-rate swap on Variable rate instrument</td>
<td>6.59</td>
<td>(6.59)</td>
</tr>
<tr>
<td>Cash flow sensitivity (net)</td>
<td>(9.48)</td>
<td>9.48</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variable-rate instruments</td>
<td>(16.81)</td>
<td>16.81</td>
</tr>
<tr>
<td>Less : Interest-rate swap on Variable rate instrument</td>
<td>9.03</td>
<td>(9.03)</td>
</tr>
<tr>
<td>Cash flow sensitivity (net)</td>
<td>(7.78)</td>
<td>7.78</td>
</tr>
</tbody>
</table>

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Group resulting in a financial loss to the Group. The Group is exposed to credit risk from its operating activities (trade receivables) and from its investing activities including investments in mutual funds, commercial papers, deposits with banks and financial institutions and NCD’s, foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed by each business unit subject to the Group’s policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Group extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Group has no concentration of credit risk as the customer base is widely distributed.

Credit risk from investments of surplus funds is managed by the Group’s treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counterparties who meet the minimum threshold requirements prescribed by the Board. The Group monitors the credit ratings and financial strength of its counter parties and adjusts its exposure accordingly.
At March 31, 2019, the ageing for the trade receivables as mentioned in the note below and that were not impaired (not provided for) was as follows:

<table>
<thead>
<tr>
<th>Trade receivables</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neither past due nor impaired</td>
<td>656.25</td>
<td>732.52</td>
</tr>
<tr>
<td>Past due 1–90 days</td>
<td>417.07</td>
<td>340.91</td>
</tr>
<tr>
<td>Past due 91–120 days</td>
<td>62.49</td>
<td>94.27</td>
</tr>
<tr>
<td>Past due more than 120 days</td>
<td>157.09</td>
<td>77.80</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,292.90</strong></td>
<td><strong>1,245.50</strong></td>
</tr>
</tbody>
</table>

Loans and advances given are monitored by the Group on a regular basis and these are neither past due nor impaired.

Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers’ credit ratings if they are available. The Company uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers which comprise on large number of small balances.

The movement in allowances for impairment in respect of trade receivables is as follows:

<table>
<thead>
<tr>
<th>Opening Balance</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance</td>
<td>44.43</td>
<td>32.33</td>
</tr>
<tr>
<td>Impairment loss recognised</td>
<td>11.16</td>
<td>17.56</td>
</tr>
<tr>
<td>Amounts written off / written back</td>
<td>(3.88)</td>
<td>(6.00)</td>
</tr>
<tr>
<td>Exchange difference</td>
<td>(2.41)</td>
<td>0.54</td>
</tr>
<tr>
<td>Less: Transfer on divestment</td>
<td>(0.31)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Closing Balance</strong></td>
<td><strong>48.99</strong></td>
<td><strong>44.43</strong></td>
</tr>
</tbody>
</table>

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Group may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Group’s objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Group closely monitors its liquidity position and has a robust cash management system. The Group maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>Contractual cash flows</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Carrying amount</td>
</tr>
<tr>
<td><strong>Non-derivative financial liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Term loan and overdrafts from banks</td>
<td>3,382.05</td>
</tr>
<tr>
<td>Trade payables</td>
<td>2,539.88</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>516.45</td>
</tr>
<tr>
<td><strong>Derivative financial liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Interest rate swaps</td>
<td>22.62</td>
</tr>
<tr>
<td><strong>Forward exchange contracts used for hedging</strong></td>
<td></td>
</tr>
<tr>
<td>- Outflow</td>
<td>-</td>
</tr>
<tr>
<td>- Inflow</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTE 51 : HEDGE ACCOUNTING

The objective of hedge accounting is to represent, in the Group’s financial statements, the effect of the Group’s use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Group makes use of financial derivative instruments namely foreign exchange forward contracts & interest rate swaps for hedging the risk embedded in some of its highly probable forecast investment & interest rate fluctuation on some of its variable rate loans.

For derivative contracts designated as hedge, the Group documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The derivative contracts have been taken to hedge foreign currency risk on highly probable forecast investment & interest rate risk on variable rate loans. The tenor of hedging instrument may be less than or equal to the tenor of underlying.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge. The Group applies cash flow hedge accounting to hedge the variability in a) the future cash flows on the overseas remittance to its subsidiary subject to foreign exchange risk; b) interest payments on variable rate loans.

The Group has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Group assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

Hedge effectiveness is assessed through the application of critical terms match method & dollar off-set method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

The table below enumerates the Group’s hedging strategy, typical composition of the Group’s hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship:

<table>
<thead>
<tr>
<th>Sr No</th>
<th>Type of risk/hedge position</th>
<th>Hedged item</th>
<th>Description of hedging strategy</th>
<th>Hedging instrument</th>
<th>Description of hedging instrument</th>
<th>Type of hedging relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Currency risk hedge</td>
<td>Highly Probable Foreign currency (FCY) denominated investment into Overseas Subsidiary</td>
<td>FCY denominated highly probable forecast investment is converted into functional currency using a plain vanilla foreign currency forward contract.</td>
<td>Fx forward contracts</td>
<td>Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over-the-counter market.</td>
<td>Cash flow hedge</td>
</tr>
<tr>
<td>1</td>
<td>Interest rate hedge</td>
<td>Floating rate loans</td>
<td>Floating rate financial liability is converted into a fixed rate financial liability using a floating to fixed interest rate swap.</td>
<td>Interest rate swap</td>
<td>Interest rate swap is a derivative instrument whereby the Group receives at a floating rate in return for a fixed rate liability.</td>
<td>Cash flow hedge</td>
</tr>
</tbody>
</table>
The table below provides details of the derivatives that have been designated as cash flow hedges for the year presented:

**For the year ended March 31, 2019**

<table>
<thead>
<tr>
<th>Hedging Instrument</th>
<th>Notional principal amounts outstanding</th>
<th>Derivative Financial Instruments - Assets outstanding</th>
<th>Derivative Financial Instruments - Liabilities outstanding</th>
<th>Gain/(Loss) due to change in fair value for the year</th>
<th>Change in fair value for the year recognized in Other Comprehensive Income (OCI)</th>
<th>Ineffectiveness recognized in profit or loss</th>
<th>Line item in profit or loss that includes hedge ineffectiveness</th>
<th>Amount reclassified from the hedge reserve to profit or loss</th>
<th>Line item in profit or loss affected by the reclassification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate swaps</td>
<td>1,317.56</td>
<td>22.62</td>
<td>(13.58)</td>
<td>(13.58)</td>
<td>-</td>
<td>-</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Previous Year</td>
<td>1,806.65</td>
<td>17.41</td>
<td>(5.92)</td>
<td>(5.92)</td>
<td>-</td>
<td>-</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

The table below provides a profile of the timing of the notional amounts of the Group’s hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest rate risk:</strong></td>
<td>Total</td>
<td>Less than 1 year</td>
</tr>
<tr>
<td>Notional principal amount</td>
<td>1,317.56</td>
<td>350.19</td>
</tr>
<tr>
<td>Average rate</td>
<td>3.30%</td>
<td>3.44%</td>
</tr>
</tbody>
</table>

The following table provides a reconciliation by risk category of the components of equity and analysis of Other Comprehensive Income (OCI) items resulting from hedge accounting:

<table>
<thead>
<tr>
<th>Movement in Cash flow hedge reserve for the years ended</th>
<th>March 31, 2019</th>
<th>March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>7.69</td>
<td>13.61</td>
</tr>
<tr>
<td>Gain / (Loss) on the Effective portion of changes in fair value:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Interest rate risk</td>
<td>(13.58)</td>
<td>(5.92)</td>
</tr>
<tr>
<td>b) Currency risk</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Closing balance</td>
<td>(5.89)</td>
<td>7.69</td>
</tr>
</tbody>
</table>

**NOTE 52 : DIVESTMENT OF UK BUSINESS**

On August 31 2018, the Group sold 100% equity stake in Godrej Consumer Products (UK) Limited at a net consideration of ₹ 279.51 crore and has recognised a net gain on divestment of ₹ 76.44 crore (refer note 37). UK business was a part of "Others" segment in Segment reporting disclosure.

**NOTE 53 : GOODWILL AND OTHER INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE**

Goodwill has been allocated to the Group’s CGU as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>2.47</td>
<td>2.47</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1,452.50</td>
<td>1,352.68</td>
</tr>
<tr>
<td>Africa (including SON)</td>
<td>2,965.53</td>
<td>2,785.44</td>
</tr>
<tr>
<td>Argentina</td>
<td>318.60</td>
<td>299.44</td>
</tr>
<tr>
<td>Others</td>
<td>178.93</td>
<td>278.84</td>
</tr>
<tr>
<td>Total</td>
<td>4,918.03</td>
<td>4,718.87</td>
</tr>
</tbody>
</table>

Each unit or group of units to which the goodwill is allocated -

a. represents the lowest level within the entity at which the goodwill is monitored for internal management purpose and
b. is not larger than an operating segment as defined in Ind AS 108 Operating Segments, before aggregation.
Indefinite life brands have been allocated to the Group’s CGU as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>738.50</td>
<td>791.42</td>
</tr>
<tr>
<td>Africa (including SON)</td>
<td>1,449.24</td>
<td>1,339.22</td>
</tr>
<tr>
<td>Chile</td>
<td>8.48</td>
<td>-</td>
</tr>
</tbody>
</table>

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. The measurement using discounted cash flow is level 3 fair value based on inputs to the valuation technique used. 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.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at January 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre Tax discount rate</td>
<td>11.95% - 24.64%</td>
<td>9.2% - 21.4%</td>
</tr>
<tr>
<td>Long term growth rate beyond 5 years</td>
<td>3% - 8%</td>
<td>2% - 8.6%</td>
</tr>
</tbody>
</table>

The pre tax discount rate is based on risk free rate, beta variant adjusted for market premium and company specific risk factors.

According to Ind AS 36 “Impairment of Assets”, the annual impairment test for intangible assets with indefinite useful life may be performed at any time during an annual period, provided the test is performed at the same time every year. From the year ended March 31, 2019, the Group has decided to perform impairment test for goodwill and other intangible assets with indefinite useful life at January 31 and will follow the same for future years.

Based on impairment test done as at January 31, 2019 and March 31, 2018, Group has concluded that there was no impairment for goodwill and other indefinite life intangible assets as at March 31, 2019 and March 31, 2018.

With regard to the assessment of value in use, no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGUs to exceed their recoverable amount.

NOTE 54: SEGMENT REPORTING

Description of segments and principal activities:

The Group has identified geographical segments as reportable segments which are as follows:

- Segment-1, India
- Segment-2, Indonesia
- Segment-3, Africa (Including Strength of Nature)
- Segment-4, others

The Chief Operating Decision Maker (“CODM”) evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and profit as the performance indicator for all of the operating segments.
The group is engaged in manufacturing of personal and household care products.

Information about reportable segments for the year ended March 31, 2019 and March 31, 2018 is as follows:

### Year ended March 31, 2019

<table>
<thead>
<tr>
<th>Particulars</th>
<th>India</th>
<th>Indonesia</th>
<th>Africa (Including Strength of Nature)</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Revenue</td>
<td>5,679.31</td>
<td>1,524.94</td>
<td>2,456.04</td>
<td>770.17</td>
<td>10,430.46</td>
</tr>
<tr>
<td>Add/(Less): Inter segment revenue</td>
<td>(83.50)</td>
<td>(28.63)</td>
<td>(1.34)</td>
<td>(2.65)</td>
<td>(116.12)</td>
</tr>
<tr>
<td>Revenue from Operations</td>
<td>5,595.81</td>
<td>1,496.31</td>
<td>2,454.70</td>
<td>767.52</td>
<td>10,314.34</td>
</tr>
<tr>
<td>Segment result</td>
<td>1,512.55</td>
<td>393.09</td>
<td>190.44</td>
<td>20.50</td>
<td>2,116.58</td>
</tr>
<tr>
<td>Add/(Less): Inter segment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other income</td>
<td>12.63</td>
<td>2.55</td>
<td>6.64</td>
<td>1.01</td>
<td>23.03</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>(69.06)</td>
<td>(21.65)</td>
<td>(59.45)</td>
<td>(19.82)</td>
<td>(169.98)</td>
</tr>
<tr>
<td>Interest income</td>
<td>60.20</td>
<td>22.08</td>
<td>4.11</td>
<td>0.37</td>
<td>86.76</td>
</tr>
<tr>
<td>Finance costs (Unallocable)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(224.25)</td>
</tr>
<tr>
<td>Exceptional items (net)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.63</td>
</tr>
<tr>
<td>Share of net profits of equity accounted investees (net of income tax)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,085.33</td>
</tr>
<tr>
<td>Tax expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>256.20</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,341.53</td>
</tr>
</tbody>
</table>

### Year ended March 31, 2018

<table>
<thead>
<tr>
<th>Particulars</th>
<th>India</th>
<th>Indonesia</th>
<th>Africa (Including Strength of Nature)</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Revenue</td>
<td>5,354.74</td>
<td>1,354.48</td>
<td>2,189.13</td>
<td>1,139.65</td>
<td>10,038.00</td>
</tr>
<tr>
<td>Add/(Less): Inter segment revenue</td>
<td>(69.00)</td>
<td>(22.46)</td>
<td>(1.83)</td>
<td>(3.56)</td>
<td>(96.85)</td>
</tr>
<tr>
<td>Revenue from Operations</td>
<td>5,285.74</td>
<td>1,332.02</td>
<td>2,187.30</td>
<td>1,136.09</td>
<td>9,941.15</td>
</tr>
<tr>
<td>Segment result</td>
<td>1,330.30</td>
<td>323.89</td>
<td>267.65</td>
<td>145.27</td>
<td>2,067.11</td>
</tr>
<tr>
<td>Add/(Less): Inter segment</td>
<td>-</td>
<td>-</td>
<td>(0.14)</td>
<td>(0.14)</td>
<td>-</td>
</tr>
<tr>
<td>Other income</td>
<td>11.04</td>
<td>9.96</td>
<td>13.67</td>
<td>4.52</td>
<td>39.19</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>(63.31)</td>
<td>(20.60)</td>
<td>(48.72)</td>
<td>(23.05)</td>
<td>(155.68)</td>
</tr>
<tr>
<td>Interest income</td>
<td>42.62</td>
<td>21.21</td>
<td>3.72</td>
<td>0.95</td>
<td>68.50</td>
</tr>
<tr>
<td>Finance costs (Unallocable)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(160.74)</td>
</tr>
<tr>
<td>Exceptional items (net)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>179.56</td>
</tr>
<tr>
<td>Share of net profits of equity accounted investees (net of income tax)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1.08</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,038.88</td>
</tr>
<tr>
<td>Tax expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(404.70)</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,634.18</td>
</tr>
</tbody>
</table>

### As at March 31, 2019

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Assets</td>
<td></td>
</tr>
<tr>
<td>a) India</td>
<td>3,738.81</td>
</tr>
<tr>
<td>b) Indonesia</td>
<td>2,696.78</td>
</tr>
<tr>
<td>c) Africa (including Strength of Nature)</td>
<td>6,748.12</td>
</tr>
<tr>
<td>d) Others</td>
<td>1,099.50</td>
</tr>
<tr>
<td>Less: Intersegment Eliminations</td>
<td>(113.13)</td>
</tr>
<tr>
<td></td>
<td>14,170.08</td>
</tr>
</tbody>
</table>

| Segment Liabilities               |                      |
| a) India                          | 1,738.39              |
| b) Indonesia                      | 415.95                |
| c) Africa (including Strength of Nature) | 897.42            |
| d) Others                         | 138.18                |
| Less: Intersegment Eliminations   | (128.67)              |
|                                  | 3,061.07              |
| Add: Unallocable liabilities      | 3,842.09              |
| Total Liabilities                 | 6,903.16              |

<table>
<thead>
<tr>
<th>As at March 31, 2018</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Assets</td>
<td></td>
</tr>
<tr>
<td>a) India</td>
<td>3,708.79</td>
</tr>
<tr>
<td>b) Indonesia</td>
<td>2,544.66</td>
</tr>
<tr>
<td>c) Africa (including Strength of Nature)</td>
<td>6,403.15</td>
</tr>
<tr>
<td>d) Others</td>
<td>1,399.52</td>
</tr>
<tr>
<td>Less: Intersegment Eliminations</td>
<td>(82.31)</td>
</tr>
<tr>
<td></td>
<td>13,963.81</td>
</tr>
</tbody>
</table>

| Segment Liabilities               |                      |
| a) India                          | 1,982.49              |
| b) Indonesia                      | 348.50                |
| c) Africa (including Strength of Nature) | 642.87            |
| d) Others                         | 320.65                |
| Less: Intersegment Eliminations   | (95.09)               |
|                                  | 3,199.42              |
| Add: Unallocable liabilities      | 4,506.08              |
| Total Liabilities                 | 7,705.50              |
Information about major customers:
No Single customer represents 10% or more of the Group’s total revenue for the year ended March 31, 2019 and March 31, 2018

<table>
<thead>
<tr>
<th>Capital expenditure</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) India</td>
<td>81.22</td>
<td>116.25</td>
</tr>
<tr>
<td>b) Indonesia</td>
<td>13.65</td>
<td>13.36</td>
</tr>
<tr>
<td>c) Africa (including Strength of Nature)</td>
<td>120.27</td>
<td>162.31</td>
</tr>
<tr>
<td>d) Others</td>
<td>16.12</td>
<td>27.25</td>
</tr>
<tr>
<td>Total</td>
<td>231.26</td>
<td>319.17</td>
</tr>
</tbody>
</table>

NOTE 55 : ASSETS PLEDGED AS SECURITY
The carrying amount of assets pledged as security for current and non-current borrowings are:

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Floating charge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade receivables (Refer Note 13)</td>
<td>2.55</td>
<td>1.55</td>
</tr>
<tr>
<td>Total</td>
<td>(a)</td>
<td>2.55</td>
</tr>
<tr>
<td>Non Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First charge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories (Refer Note 11)</td>
<td>(b)</td>
<td>11.70</td>
</tr>
<tr>
<td>Total current assets pledged as security</td>
<td>(c) = (a) + (b)</td>
<td>14.25</td>
</tr>
<tr>
<td>Non Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First charge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant &amp; Machinery (Refer Note 3)</td>
<td>14.82</td>
<td>13.96</td>
</tr>
<tr>
<td>Total non-current assets pledged as security</td>
<td>(d)</td>
<td>14.82</td>
</tr>
<tr>
<td>Total assets pledged as security</td>
<td>(e) = (c) + (d)</td>
<td>29.07</td>
</tr>
</tbody>
</table>

NOTE 56 : ADDITIONAL INFORMATION , AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY/ASSOCIATES

<table>
<thead>
<tr>
<th>Name of the Enterprise</th>
<th>Net Assets (i.e. total assets minus total liabilities)</th>
<th>Share in Profit/Loss account</th>
<th>Share in Other comprehensive income (OCI)</th>
<th>Share in Total comprehensive income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As % of consolidated net assets (₹ in crore)</td>
<td>As % of consolidated profits</td>
<td>Amount (₹ in crore)</td>
<td>Amount (₹ in crore)</td>
</tr>
<tr>
<td>Parent</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Godrej Consumer Products Limited (India)</td>
<td>67.79%</td>
<td>4,926.15</td>
<td>74.95%</td>
<td>1,754.98</td>
</tr>
<tr>
<td>Subsidiaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beleza Mozambique LDA</td>
<td>0.75%</td>
<td>54.65</td>
<td>0.98%</td>
<td>22.96</td>
</tr>
<tr>
<td>Consell SA</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00%</td>
<td>(0.05)</td>
</tr>
<tr>
<td>Cosmetica Nacional</td>
<td>2.28%</td>
<td>165.77</td>
<td>0.25%</td>
<td>5.76</td>
</tr>
<tr>
<td>Charm Industries Limited</td>
<td>0.10%</td>
<td>7.47</td>
<td>-0.11%</td>
<td>(2.66)</td>
</tr>
<tr>
<td>Canon Chemicals Limited</td>
<td>0.91%</td>
<td>66.38</td>
<td>0.07%</td>
<td>1.53</td>
</tr>
<tr>
<td>Darling Trading Company Mauritius Ltd</td>
<td>1.49%</td>
<td>108.45</td>
<td>3.24%</td>
<td>75.75</td>
</tr>
<tr>
<td>Decinal SA</td>
<td>0.14%</td>
<td>10.42</td>
<td>-0.06%</td>
<td>(1.37)</td>
</tr>
<tr>
<td>DGH Phase Two Mauritius</td>
<td>3.66%</td>
<td>265.63</td>
<td>0.11%</td>
<td>2.52</td>
</tr>
<tr>
<td>DGH Tanzania Limited</td>
<td>0.91%</td>
<td>65.88</td>
<td>-0.01%</td>
<td>(0.16)</td>
</tr>
<tr>
<td>DGH Uganda</td>
<td>0.00%</td>
<td>(0.23)</td>
<td>0.00%</td>
<td>(0.09)</td>
</tr>
<tr>
<td>Name of the Enterprise</td>
<td>Net Assets (i.e. total assets minus total liabilities)</td>
<td>Share in Profit/Loss account</td>
<td>Share in Other comprehensive income (OCI)</td>
<td>Share in Total comprehensive income</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>--------------------------------------------------------</td>
<td>----------------------------</td>
<td>------------------------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td></td>
<td>As % of consolidated net assets (in crore)</td>
<td>As % of consolidated profits (in crore)</td>
<td>As % of consolidated OCI (in crore)</td>
<td>As % of Total Comprehensive Income (in crore)</td>
</tr>
<tr>
<td>Frika Weave (PTY) LTD</td>
<td>0.04% 2.75</td>
<td>0.02% 0.54</td>
<td></td>
<td>0.02% 0.54</td>
</tr>
<tr>
<td>Godrej Africa Holdings Limited</td>
<td>33.06% 2,402.80</td>
<td>0.74% 17.28</td>
<td></td>
<td>0.70% 17.28</td>
</tr>
<tr>
<td>Godrej Consumer Holdings (Netherlands) B.V.</td>
<td>9.43% 685.59</td>
<td>-0.01% (0.27)</td>
<td></td>
<td>-0.01% (0.27)</td>
</tr>
<tr>
<td>Godrej Consumer Investments (Chile) Spa</td>
<td>4.76% 345.59</td>
<td>0.00% (0.01)</td>
<td></td>
<td>0.00% (0.01)</td>
</tr>
<tr>
<td>Godrej Consumer Products (UK) Limited *</td>
<td>0.00% (0.00)</td>
<td>-3.72% (87.08)</td>
<td></td>
<td>-3.51% (87.08)</td>
</tr>
<tr>
<td>Godrej Consumer Products (Netherlands) B.V.</td>
<td>0.54% 39.55</td>
<td>-0.01% (0.25)</td>
<td></td>
<td>-0.01% (0.25)</td>
</tr>
<tr>
<td>Godrej Consumer Products Bangladesh Ltd</td>
<td>0.00% (0.07)</td>
<td>0.00% (0.01)</td>
<td></td>
<td>0.00% (0.01)</td>
</tr>
<tr>
<td>Godrej Consumer Products Holding (Mauritius) Limited</td>
<td>10.19% 740.45</td>
<td>-0.07% (1.57)</td>
<td></td>
<td>-0.06% (1.57)</td>
</tr>
<tr>
<td>Godrej Consumer Products International (FZCO)</td>
<td>21.83% 1,586.44</td>
<td>2.32% 54.29</td>
<td>-0.83% (1.15)</td>
<td>2.14% 53.14</td>
</tr>
<tr>
<td>Godrej East Africa Holdings Ltd</td>
<td>-0.08% (5.74)</td>
<td>1.94% 45.49</td>
<td></td>
<td>1.83% 45.49</td>
</tr>
<tr>
<td>Godrej Global Mid East FZE</td>
<td>1.65% 120.23</td>
<td>-1.78% (41.73)</td>
<td>-0.75% (1.04)</td>
<td>-1.72% (42.77)</td>
</tr>
<tr>
<td>Godrej Hair Care Nigeria Limited</td>
<td>0.16% 11.33</td>
<td>0.52% 12.21</td>
<td></td>
<td>0.49% 12.21</td>
</tr>
<tr>
<td>Godrej Hair Weave Nigeria Limited</td>
<td>0.00% -</td>
<td>0.00% -</td>
<td></td>
<td>0.00% -</td>
</tr>
<tr>
<td>Godrej Holdings (Chile) Limitada</td>
<td>5.39% 391.66</td>
<td>0.55% 12.99</td>
<td></td>
<td>0.52% 12.99</td>
</tr>
<tr>
<td>Godrej Household Products (Bangladesh) Pvt. Ltd.</td>
<td>0.13% 9.67</td>
<td>-0.55% (12.93)</td>
<td></td>
<td>-0.52% (12.93)</td>
</tr>
<tr>
<td>Godrej Household Products (Lanka) Pvt. Ltd.</td>
<td>0.16% 11.33</td>
<td>-0.22% (5.23)</td>
<td></td>
<td>-0.21% (5.23)</td>
</tr>
<tr>
<td>Godrej Household Insecticide Nigeria Limited</td>
<td>0.00% -</td>
<td>0.00% -</td>
<td></td>
<td>0.00% -</td>
</tr>
<tr>
<td>Godrej IP Holdings Ltd</td>
<td>12.09% 878.91</td>
<td>2.02% 47.24</td>
<td></td>
<td>1.90% 47.24</td>
</tr>
<tr>
<td>Godrej International Trading Company (Sharjah)</td>
<td>-0.01% (0.43)</td>
<td>0.00% (0.09)</td>
<td></td>
<td>0.00% (0.09)</td>
</tr>
<tr>
<td>Godrej Mauritius Africa Holdings Ltd</td>
<td>15.00% 1,090.24</td>
<td>1.74% 40.82</td>
<td>-4.26% (5.90)</td>
<td>1.41% 34.92</td>
</tr>
<tr>
<td>Godrej MID East Holdings Limited</td>
<td>12.32% 894.98</td>
<td>1.58% 37.06</td>
<td></td>
<td>1.49% 37.06</td>
</tr>
<tr>
<td>Godrej Netherlands B.V.</td>
<td>6.42% 466.72</td>
<td>11.35% 265.65</td>
<td></td>
<td>10.71% 265.65</td>
</tr>
<tr>
<td>Godrej Nigeria Limited</td>
<td>0.50% 36.12</td>
<td>0.49% 11.41</td>
<td></td>
<td>0.46% 11.41</td>
</tr>
<tr>
<td>Godrej Peru SAC</td>
<td>-0.02% (1.52)</td>
<td>-0.05% (1.24)</td>
<td></td>
<td>-0.05% (1.24)</td>
</tr>
<tr>
<td>Godrej SCN Holdings Inc</td>
<td>7.05% 512.26</td>
<td>0.44% 10.19</td>
<td>-3.96% (5.49)</td>
<td>0.19% 4.70</td>
</tr>
<tr>
<td>Godrej South Africa Proprietary Ltd.</td>
<td>1.27% 92.26</td>
<td>-0.44% (10.40)</td>
<td></td>
<td>-0.42% (10.40)</td>
</tr>
<tr>
<td>Godrej Tanzania Holdings LTD.</td>
<td>1.68% 122.12</td>
<td>-0.10% (2.28)</td>
<td></td>
<td>-0.09% (2.28)</td>
</tr>
<tr>
<td>Godrej (UK) Ltd</td>
<td>1.40% 101.54</td>
<td>6.67% 156.09</td>
<td></td>
<td>6.29% 156.09</td>
</tr>
<tr>
<td>Godrej West Africa Holdings Ltd.</td>
<td>1.55% 112.77</td>
<td>-0.01% (0.16)</td>
<td></td>
<td>-0.01% (0.16)</td>
</tr>
<tr>
<td>Hair Credentials Zambia Limited</td>
<td>-0.03% (2.13)</td>
<td>-0.40% (9.42)</td>
<td></td>
<td>-0.38% (9.42)</td>
</tr>
<tr>
<td>Hair Trading (offshore) S. A. L.</td>
<td>1.41% 102.61</td>
<td>3.25% 76.16</td>
<td></td>
<td>3.07% 76.16</td>
</tr>
<tr>
<td>Indovest Capital</td>
<td>0.01% 0.89</td>
<td>0.00% (0.07)</td>
<td></td>
<td>0.00% (0.07)</td>
</tr>
<tr>
<td>Issue Group Brazil Limited</td>
<td>0.01% 0.79</td>
<td>0.01% 0.17</td>
<td></td>
<td>0.01% 0.17</td>
</tr>
<tr>
<td>Kinky Group (Ph) Limited</td>
<td>0.22% 15.77</td>
<td>0.39% 9.07</td>
<td></td>
<td>0.37% 9.07</td>
</tr>
<tr>
<td>Name of the Enterprise</td>
<td>Net Assets (i.e. total assets minus total liabilities)</td>
<td>Share in Profit/Loss account</td>
<td>Share in Other comprehensive income (OCI)</td>
<td>Share in Total comprehensive income</td>
</tr>
<tr>
<td>------------------------</td>
<td>----------------------------------------------------</td>
<td>-----------------------------</td>
<td>------------------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td></td>
<td>As % of consolidated net assets</td>
<td>Amount (('l in crore)</td>
<td>As % of consolidated profits</td>
<td>Amount (('l in crore)</td>
</tr>
<tr>
<td>Laboratoria Cuenca S.A</td>
<td>0.61%</td>
<td>44.13</td>
<td>-0.52%</td>
<td>(12.17)</td>
</tr>
<tr>
<td>Lorna Nigeria Ltd.</td>
<td>2.56%</td>
<td>185.83</td>
<td>-0.68%</td>
<td>(15.92)</td>
</tr>
<tr>
<td>Old Pro International Inc</td>
<td>1.76%</td>
<td>127.66</td>
<td>0.00%</td>
<td>-</td>
</tr>
<tr>
<td>Panamar Producciones S.A.</td>
<td>0.02%</td>
<td>1.18</td>
<td>0.02%</td>
<td>(0.01)</td>
</tr>
<tr>
<td>PT Ekamas Sarjaya</td>
<td>0.19%</td>
<td>13.89</td>
<td>0.54%</td>
<td>12.65</td>
</tr>
<tr>
<td>PT Indomas Susemi Jaya</td>
<td>0.88%</td>
<td>63.88</td>
<td>0.54%</td>
<td>12.65</td>
</tr>
<tr>
<td>PT Intrasar Raya</td>
<td>1.17%</td>
<td>85.21</td>
<td>0.54%</td>
<td>12.65</td>
</tr>
<tr>
<td>PT Megasari Makmur</td>
<td>13.09%</td>
<td>951.01</td>
<td>10.05%</td>
<td>235.37</td>
</tr>
<tr>
<td>PT Sarico Indah</td>
<td>0.15%</td>
<td>10.56</td>
<td>0.01%</td>
<td>0.35</td>
</tr>
<tr>
<td>Sigma Hair Industries Limited</td>
<td>0.10%</td>
<td>6.99</td>
<td>-0.30%</td>
<td>(6.91)</td>
</tr>
<tr>
<td>Style Industries Uganda Limited</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00%</td>
<td>-</td>
</tr>
<tr>
<td>Strength of Nature LLC</td>
<td>29.81%</td>
<td>2,166.60</td>
<td>1.71%</td>
<td>40.00</td>
</tr>
<tr>
<td>Strength of Nature South Africa Proprietary Limited</td>
<td>0.06%</td>
<td>4.59</td>
<td>0.11%</td>
<td>2.51</td>
</tr>
<tr>
<td>Style Industries Limited</td>
<td>2.22%</td>
<td>161.54</td>
<td>-1.84%</td>
<td>(45.53)</td>
</tr>
<tr>
<td>Subinite (Pty) Ltd.</td>
<td>0.64%</td>
<td>46.25</td>
<td>0.21%</td>
<td>5.00</td>
</tr>
<tr>
<td>Weave Ghana Ltd</td>
<td>0.74%</td>
<td>53.97</td>
<td>0.02%</td>
<td>0.46</td>
</tr>
<tr>
<td>Weave IP Holdings Mauritius Pvt. Ltd.</td>
<td>0.02%</td>
<td>1.73</td>
<td>0.05%</td>
<td>1.10</td>
</tr>
<tr>
<td>Weave Mozambique Limitada</td>
<td>2.13%</td>
<td>154.85</td>
<td>-0.22%</td>
<td>(5.15)</td>
</tr>
<tr>
<td>Weave Senegal Ltd</td>
<td>-0.01%</td>
<td>(0.73)</td>
<td>-0.40%</td>
<td>(9.42)</td>
</tr>
<tr>
<td>Weave Trading Mauritius Pvt. Ltd.</td>
<td>0.01%</td>
<td>0.61</td>
<td>1.48%</td>
<td>34.56</td>
</tr>
<tr>
<td>Godrej Consumers Products Malaysia Ltd</td>
<td>0.00%</td>
<td>-</td>
<td>0.00%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Adjustment arising out of consolidation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE 57 : DETAILS OF SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE**

The companies considered in the consolidated financial statements are:

<table>
<thead>
<tr>
<th>Name of the entity</th>
<th>Country of Incorporation</th>
<th>Ownership interest held by the Group</th>
<th>Ownership interest held by non-controlling interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>March 31, 2019</td>
<td>March 31, 2018</td>
<td>March 31, 2019</td>
</tr>
<tr>
<td>Godrej Household Products (Lanka) Pvt. Ltd.</td>
<td>Srilanka</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej South Africa Proprietary Ltd</td>
<td>South Africa</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Consumer Products Bangladesh Ltd</td>
<td>Bangladesh</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Godrej Household Products (Bangladesh) Pvt. Ltd.</td>
<td>Bangladesh</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Bhabani Blunt Hairdressing Private Limited (Associate)</td>
<td>India</td>
<td>28%</td>
<td>30%</td>
</tr>
<tr>
<td>Beleza Mozambique LDA</td>
<td>Mozambique</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Consell SA</td>
<td>Argentina</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Cosmetica Nacional</td>
<td>Chile</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Charm Industries Limited</td>
<td>Kenya</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Canon Chemicals Limited</td>
<td>Kenya</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* On August 31, 2018, the Group sold 100% equity stake in Godrej Consumer Products (UK) Ltd
<table>
<thead>
<tr>
<th>Name of the entity</th>
<th>Country of Incorporation</th>
<th>Ownership interest held by the Group March 31, 2019</th>
<th>Ownership interest held by non-controlling interest March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Darling Trading Company Mauritius Ltd</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Deciral SA</td>
<td>Uruguay</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>DGH Phase Two Mauritius</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>DGH Tanzania Limited</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>DGH Uganda</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Frika Weave (PTY) LTD</td>
<td>South Africa</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Africa Holdings Limited</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Consumer Holdings (Netherlands) B.V.</td>
<td>Netherlands</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Consumer Investments (Chile) Spa</td>
<td>Chile</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Consumer Products (Netherlands) B.V.</td>
<td>Netherlands</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Consumer Products Dutch Coöperatief U.A.</td>
<td>Netherlands</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Consumer Products Holding (Mauritius) Limited</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Consumer Products International (FZCO)</td>
<td>Dubai</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej East Africa Holdings Ltd</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Global Mid East FZE</td>
<td>Sharjah</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Hair Care Nigeria Limited</td>
<td>Nigeria</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Hair Weave Nigeria Limited</td>
<td>Nigeria</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Holdings (Chile) Limitada</td>
<td>Chile</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Household Insecticide Nigeria Limited</td>
<td>Nigeria</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej IIP Holdings Ltd</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej International Trading Company (Sharjah)</td>
<td>Sharjah</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Mauritius Africa Holdings Limited</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej MID East Holdings Limited</td>
<td>Dubai</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Netherlands B.V.</td>
<td>Netherlands</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Nigeria Limited</td>
<td>Nigeria</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Peru SAC</td>
<td>Peru</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej SON Holdings INC</td>
<td>USA</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Tanzania Holdings Ltd</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej UK Ltd</td>
<td>UK</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej West Africa Holdings Ltd.</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Hair Credentials Zambia Limited</td>
<td>Zambia</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Hair Trading (offshore) S. A. L.</td>
<td>Lebanon</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Indovest Capital</td>
<td>Labuan</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Issue Group Brazil Limited</td>
<td>Brazil</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Kinky Group (Pty) Limited</td>
<td>South Africa</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Laboratoricia Cuenca S.A</td>
<td>Argentina</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Lorna Nigeria Ltd.</td>
<td>Nigeria</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Old Pro International Inc</td>
<td>USA</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Panamar Producciones S.A</td>
<td>Argentina</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>PT Ekamas Sarjaya</td>
<td>Indonesia</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>PT Indomas Susensi Jaya</td>
<td>Indonesia</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>PT Intrasari Raya</td>
<td>Indonesia</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>PT Megasari Makmur</td>
<td>Indonesia</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>PT Sarico Indah</td>
<td>Indonesia</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Sigma Hair Industries Limited</td>
<td>Tanzania</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Style Industries Uganda Limited</td>
<td>Uganda</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Strength of Nature LLC</td>
<td>USA</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Strength of Nature South Africa Proprietary Limited</td>
<td>South Africa</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Name of the entity</td>
<td>Country of Incorporation</td>
<td>Ownership interest held by Group</td>
<td>Ownership interest held by non-controlling interest</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>--------------------------</td>
<td>----------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Style Industries Limited</td>
<td>Kenya</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Subinite (Pty) Ltd.</td>
<td>South Africa</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Weave Ghana Ltd</td>
<td>Ghana</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Weave IP Holdings Mauritius Pvt. Ltd.</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Weave Mozambique Limitada</td>
<td>Mozambique</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Weave Senegal Ltd</td>
<td>Senegal</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Weave Trading Mauritius Pvt. Ltd.</td>
<td>Mauritius</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej Consumers Products Malaysia Ltd</td>
<td>Malaysia</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Godrej CP Malaysia SDN. BHD</td>
<td>Malaysia</td>
<td>100%</td>
<td>-</td>
</tr>
</tbody>
</table>

**NOTE 58 : GENERAL**

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crore as per the requirements of Schedule III, unless otherwise stated.

As per our report of even date attached
For B S R & Co. LLP  Chartered Accountants 
Firm Regn No. 101248/W/W-100022

For and on behalf of the Board
Nisaba Godrej  Executive Chairperson 
DIN: 00591503

Vijay Mathur  Partner 
M. No. 046476

V Srinivasan  Chief Financial Officer & Company Secretary 
DIN: 6527810

Vivek Gambhir  Managing Director & CEO

Mumbai: May 3, 2019
FORM AOC-I
(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 statement of subsidiaries/associate companies/joint ventures
Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Subsidiary</th>
<th>Date when subsidiary was acquired</th>
<th>Reporting period for the subsidiary concerned, if different from the holding company’s reporting period</th>
<th>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries</th>
<th>Share capital</th>
<th>Reserves &amp; surplus</th>
<th>Total assets</th>
<th>Total Liabilities</th>
<th>Investments</th>
<th>Turnover</th>
<th>Profit before taxation</th>
<th>Provision for taxation</th>
<th>Profit after taxation</th>
<th>Proposed Dividend</th>
<th>% of share holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Beleza Mozambique LDA</td>
<td>13-10-2011</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>MZN 1.094</td>
<td>13.53</td>
<td>41.12</td>
<td>170.97</td>
<td>116.31</td>
<td>0.00</td>
<td>174.11</td>
<td>22.96</td>
<td>0.00</td>
<td>22.96</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>2</td>
<td>Consell SA</td>
<td>02-06-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ARS 1.589</td>
<td>0.46</td>
<td>(0.46)</td>
<td>0.03</td>
<td>0.02</td>
<td>0.00</td>
<td>0.00</td>
<td>(0.04)</td>
<td>(0.01)</td>
<td>(0.05)</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>3</td>
<td>Cosmetica Nacional</td>
<td>20-04-2012</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>CPeso 0.101</td>
<td>130.39</td>
<td>35.38</td>
<td>210.25</td>
<td>44.48</td>
<td>0.00</td>
<td>167.62</td>
<td>6.61</td>
<td>0.86</td>
<td>5.76</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>4</td>
<td>Charm Industries Limited</td>
<td>09-09-2014</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>KES 0.688</td>
<td>0.69</td>
<td>6.78</td>
<td>23.67</td>
<td>16.20</td>
<td>0.00</td>
<td>26.81</td>
<td>0.49</td>
<td>3.15</td>
<td>(2.66)</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>5</td>
<td>Canon Chemicals Limited</td>
<td>05-05-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>KES 0.688</td>
<td>9.30</td>
<td>57.08</td>
<td>119.21</td>
<td>52.83</td>
<td>0.00</td>
<td>98.13</td>
<td>2.39</td>
<td>0.86</td>
<td>1.53</td>
<td></td>
<td>75%*</td>
</tr>
<tr>
<td>6</td>
<td>Darling Trading Company Mauritius Ltd</td>
<td>22-01-2015</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>6.93</td>
<td>101.52</td>
<td>142.90</td>
<td>34.45</td>
<td>6.93</td>
<td>75.70</td>
<td>7.55</td>
<td>0.00</td>
<td>7.55</td>
<td></td>
<td>90%*</td>
</tr>
<tr>
<td>7</td>
<td>Deciral SA</td>
<td>02-06-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ARS 1.589</td>
<td>9.33</td>
<td>1.09</td>
<td>20.08</td>
<td>9.65</td>
<td>0.00</td>
<td>13.08</td>
<td>(1.78)</td>
<td>(0.41)</td>
<td>(1.37)</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>8</td>
<td>DGH Phase Two Mauritius</td>
<td>09-05-2012</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>241.81</td>
<td>23.82</td>
<td>265.72</td>
<td>0.09</td>
<td>277.19</td>
<td>3.09</td>
<td>2.92</td>
<td>0.40</td>
<td>2.52</td>
<td></td>
<td>90%*</td>
</tr>
<tr>
<td>9</td>
<td>DGH Tanzania Limited</td>
<td>06-12-2012</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>66.66</td>
<td>(0.78)</td>
<td>65.96</td>
<td>0.08</td>
<td>31.21</td>
<td>0.00</td>
<td>(0.16)</td>
<td>0.00</td>
<td>(0.16)</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>10</td>
<td>DGH Uganda</td>
<td>31-01-2017</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>UGX 69.345</td>
<td>0.00</td>
<td>(0.23)</td>
<td>0.00</td>
<td>0.23</td>
<td>0.00</td>
<td>0.00</td>
<td>(0.09)</td>
<td>0.00</td>
<td>(0.09)</td>
<td></td>
<td>51%*</td>
</tr>
<tr>
<td>11</td>
<td>Frika Weave (PTY) LTD</td>
<td>06-01-2015</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ZAR 4.738</td>
<td>5.25</td>
<td>(2.49)</td>
<td>2.80</td>
<td>0.04</td>
<td>0.00</td>
<td>0.79</td>
<td>0.67</td>
<td>0.13</td>
<td>0.54</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>12</td>
<td>Godrej Africa Holdings Limited</td>
<td>19-01-2015</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>2230.89</td>
<td>171.91</td>
<td>2422.88</td>
<td>0.08</td>
<td>2420.63</td>
<td>17.33</td>
<td>17.28</td>
<td>0.00</td>
<td>17.28</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>13</td>
<td>Godrej Consumer Holdings (Netherlands) B.V.</td>
<td>31-03-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>0.18</td>
<td>685.42</td>
<td>685.68</td>
<td>0.08</td>
<td>685.64</td>
<td>0.00</td>
<td>(0.27)</td>
<td>0.00</td>
<td>(0.27)</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>14</td>
<td>Godrej Consumer Investments (Chile) Spa</td>
<td>28-03-2012</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>361.54</td>
<td>(15.95)</td>
<td>345.60</td>
<td>0.01</td>
<td>345.58</td>
<td>0.00</td>
<td>(0.01)</td>
<td>0.00</td>
<td>(0.01)</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>15</td>
<td>Godrej Consumer Products (Netherlands) B.V.</td>
<td>31-03-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>0.16</td>
<td>39.39</td>
<td>39.63</td>
<td>0.08</td>
<td>39.55</td>
<td>0.00</td>
<td>(0.25)</td>
<td>0.00</td>
<td>(0.25)</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>16</td>
<td>Godrej Consumer Products Bangladesh Ltd</td>
<td>13-04-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>Taka 0.823</td>
<td>0.04</td>
<td>(0.11)</td>
<td>0.04</td>
<td>0.12</td>
<td>0.00</td>
<td>0.00</td>
<td>(0.01)</td>
<td>0.00</td>
<td>(0.01)</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>SL No.</td>
<td>Name of the Subsidiary</td>
<td>Date when subsidiary was acquired</td>
<td>Reporting period for the subsidiary concerned, if different from the holding company's reporting period</td>
<td>Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries</td>
<td>Share capital</td>
<td>Reserves &amp; surplus</td>
<td>Total assets</td>
<td>Total Liabilities</td>
<td>Investments</td>
<td>Turnover</td>
<td>Profit before taxation</td>
<td>Provision for taxation</td>
<td>Profit after taxation</td>
<td>Proposed Dividend</td>
<td>% of share holding</td>
</tr>
<tr>
<td>-------</td>
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</tr>
<tr>
<td>17</td>
<td>Godrej Consumer Products Dutch Cooperative U.A.</td>
<td>24-03-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>594.70</td>
<td>146.75</td>
<td>743.80</td>
<td>3.35</td>
<td>740.77</td>
<td>0.00</td>
<td>(1.57)</td>
<td>(1.57)</td>
<td>(1.57)</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>18</td>
<td>Godrej Consumer Products Holding (Mauritius) Limited</td>
<td>23-04-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>1301.93</td>
<td>284.51</td>
<td>2147.70</td>
<td>561.26</td>
<td>1597.48</td>
<td>76.46</td>
<td>54.37</td>
<td>0.08</td>
<td>54.29</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>19</td>
<td>Godrej Consumer Products International (FZCO)</td>
<td>28-02-2017</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>6.94</td>
<td>(12.68)</td>
<td>451.35</td>
<td>457.09</td>
<td>0.00</td>
<td>606.70</td>
<td>45.49</td>
<td>0.00</td>
<td>45.49</td>
<td>-</td>
<td>90%*</td>
</tr>
<tr>
<td>20</td>
<td>Godrej East Africa Holdings Ltd</td>
<td>20-07-2012</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>268.38</td>
<td>(146.15)</td>
<td>1167.43</td>
<td>1047.20</td>
<td>1163.72</td>
<td>1.50</td>
<td>(41.73)</td>
<td>(41.73)</td>
<td>(41.73)</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>21</td>
<td>Godrej Global Mid East FZE</td>
<td>05-07-2011</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>AED 18.838</td>
<td>8.64</td>
<td>2.69</td>
<td>38.15</td>
<td>26.83</td>
<td>0.00</td>
<td>89.67</td>
<td>12.21</td>
<td>0.08</td>
<td>12.21</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>22</td>
<td>Godrej Hair Care Nigeria Limited</td>
<td>02-03-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>Naira 0.226</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>23</td>
<td>Godrej Hair Weave Nigeria Limited</td>
<td>02-03-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>Naira 0.226</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>24</td>
<td>Godrej Holdings (Chile) Limitada</td>
<td>29-03-2012</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>345.84</td>
<td>45.82</td>
<td>424.73</td>
<td>33.07</td>
<td>424.64</td>
<td>15.82</td>
<td>12.99</td>
<td>0.00</td>
<td>12.99</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>25</td>
<td>Godrej Household Products (Bangladesh) Pvt. Ltd.</td>
<td>01-04-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>Taka 0.823</td>
<td>87.84</td>
<td>(78.17)</td>
<td>35.11</td>
<td>25.44</td>
<td>0.00</td>
<td>61.92</td>
<td>(12.93)</td>
<td>(12.93)</td>
<td>(12.93)</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>26</td>
<td>Godrej Household Products (Lanka) Pvt. Ltd.</td>
<td>01-04-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>LKR 0.393</td>
<td>28.23</td>
<td>(16.91)</td>
<td>31.23</td>
<td>19.91</td>
<td>0.00</td>
<td>43.36</td>
<td>(5.23)</td>
<td>(5.23)</td>
<td>(5.23)</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>27</td>
<td>Godrej Household Insecticide Nigeria Limited</td>
<td>12-01-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>Naira 0.226</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>28</td>
<td>Godrej IIP Holdings Ltd</td>
<td>17-03-2015</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>87.86</td>
<td>0.24</td>
<td>87.98</td>
<td>0.07</td>
<td>87.83</td>
<td>47.15</td>
<td>47.24</td>
<td>0.00</td>
<td>47.24</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>29</td>
<td>Godrej International Trading Company (Sharjah)</td>
<td>01-09-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>0.00</td>
<td>(0.43)</td>
<td>0.03</td>
<td>0.46</td>
<td>0.00</td>
<td>0.00</td>
<td>(0.09)</td>
<td>(0.09)</td>
<td>(0.09)</td>
<td>51%*</td>
<td>-</td>
</tr>
<tr>
<td>30</td>
<td>Godrej Mauritius Africa Holdings Ltd.</td>
<td>14-03-2011</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>978.13</td>
<td>114.11</td>
<td>2827.74</td>
<td>1837.50</td>
<td>2325.44</td>
<td>81.27</td>
<td>40.82</td>
<td>0.00</td>
<td>40.82</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>31</td>
<td>Godrej MID East Holdings Limited</td>
<td>28-07-2015</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345</td>
<td>878.32</td>
<td>16.66</td>
<td>895.57</td>
<td>0.59</td>
<td>0.00</td>
<td>38.77</td>
<td>37.06</td>
<td>0.00</td>
<td>37.06</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>32</td>
<td>Godrej Netherlands B.V.</td>
<td>19-10-2005</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>GBP 90.478</td>
<td>4.23</td>
<td>462.49</td>
<td>466.92</td>
<td>0.20</td>
<td>354.42</td>
<td>268.77</td>
<td>265.65</td>
<td>0.00</td>
<td>265.65</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>33</td>
<td>Godrej Nigeria Limited</td>
<td>26-03-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>Naira 0.226</td>
<td>0.34</td>
<td>35.78</td>
<td>96.67</td>
<td>60.56</td>
<td>0.00</td>
<td>156.61</td>
<td>16.28</td>
<td>4.88</td>
<td>11.41</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>34</td>
<td>Godrej Peru SAC</td>
<td>11-04-2017</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ARS 1.589</td>
<td>0.00</td>
<td>(1.53)</td>
<td>21.22</td>
<td>22.74</td>
<td>0.00</td>
<td>16.82</td>
<td>(1.73)</td>
<td>(0.46)</td>
<td>(1.24)</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>Sl. No.</td>
<td>Name of the Subsidiary</td>
<td>Date when subsidiary was acquired</td>
<td>Reporting period for the subsidiary concerned, if different from the holding company’s reporting period</td>
<td>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries</td>
<td>Share capital</td>
<td>Reserves &amp; surplus</td>
<td>Total assets</td>
<td>Total Liabilities</td>
<td>Investments</td>
<td>Turnover</td>
<td>Profit before taxation</td>
<td>Provision for taxation</td>
<td>Profit after taxation</td>
<td>Proposed Dividend</td>
<td>% of share holding</td>
</tr>
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</tr>
<tr>
<td>35</td>
<td>Godrej SON Holdings INC</td>
<td>22-03-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345 538.12 (25.85) 1755.43 1243.17 1693.95 50.37 10.19 0.00 10.19</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>36</td>
<td>Godrej South Africa Proprietary Ltd</td>
<td>01-09-2006</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ZAR 4.738 8.55 83.71 96.88 4.62 0.00 50.64 (11.32) (0.92) (10.40)</td>
<td>-</td>
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</tr>
<tr>
<td>37</td>
<td>Godrej Tanzania Holdings Ltd</td>
<td>30-11-2012</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345 127.07 (4.95) 252.01 129.89 114.30 1.67 (2.28) 0.00 (2.28)</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>38</td>
<td>Godrej (UK) Ltd</td>
<td>24-10-2005</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>GBP 90.478 102.55 (1.01) 104.62 3.08 89.81 38.32 156.09 0.00 156.09</td>
<td>-</td>
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</tr>
<tr>
<td>39</td>
<td>Godrej West Africa Holdings Ltd</td>
<td>11-02-2014</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345 112.90 (0.13) 112.96 0.19 112.95 0.00 (0.16) 0.00 (0.16)</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>90%*</td>
</tr>
<tr>
<td>40</td>
<td>Hair Credentials Zambia Limited</td>
<td>23-12-2015</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ZMK 5.697 0.02 (2.15) 19.92 22.05 0.00 20.63 (7.36) 2.06 (9.42)</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>41</td>
<td>Hair Trading (offshore) S. A. L</td>
<td>23-12-2015</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345 0.14 102.48 137.99 35.37 0.00 171.13 76.17 0.00 76.16</td>
<td>-</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td>42</td>
<td>Indovest Capital</td>
<td>17-03-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345 0.08 0.81 1.01 0.12 0.00 0.00 (0.04) 0.03 (0.07)</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>43</td>
<td>Issue Group Brazil Limited</td>
<td>23-05-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ARS 1.589 19.55 (18.76) 2.85 2.07 0.00 0.19 0.17 0.00 0.17</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>44</td>
<td>Kinky Group (Pty) Limited</td>
<td>01-04-2008</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ZAR 4.738 0.00 15.77 34.01 18.24 0.00 72.02 7.18 (1.89) 9.07</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>45</td>
<td>Laboratoria Cuenca S.A</td>
<td>02-06-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ARS 1.589 2.47 41.56 131.71 87.59 2.49 182.32 (17.12) (4.95) (12.17)</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>46</td>
<td>Lorna Nigeria Ltd.</td>
<td>05-09-2011</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>Naira 0.226 124.34 61.49 283.55 97.72 0.00 408.32 (12.67) 3.25 (15.92)</td>
<td>-</td>
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<tr>
<td>47</td>
<td>Old Pro International Inc</td>
<td>28-04-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD 69.345 0.00 127.66 127.66 0.00 0.00 0.00 0.00 0.00 0.00</td>
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<tr>
<td>48</td>
<td>Panamar Producciones S.A</td>
<td>02-06-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ARS 1.589 0.90 1.09 1.18 (0.00) 0.90 0.00 (0.01) 0.00 (0.01)</td>
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<tr>
<td>49</td>
<td>PT Ekamas Sanjaya</td>
<td>17-05-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>IDR 0.005 1.22 12.67 14.20 0.31 0.00 1.46 0.63 0.08 0.55</td>
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<tr>
<td>50</td>
<td>PT Indomas Susemi Jaya</td>
<td>17-05-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>IDR 0.005 1.40 62.48 70.39 6.51 0.00 44.64 16.40 3.75 12.65</td>
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<tr>
<td>51</td>
<td>PT Intrasisi Raya</td>
<td>17-05-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>IDR 0.005 0.49 84.73 351.63 266.42 0.00 1619.62 17.32 4.77 12.55</td>
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<tr>
<td>52</td>
<td>PT Megasasi Makmur</td>
<td>17-05-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>IDR 0.005 71.39 879.63 1317.39 366.38 0.00 1353.46 313.75 78.38 235.37</td>
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<tr>
<td>Sl. No.</td>
<td>Name of the Subsidiary</td>
<td>Date when subsidiary was acquired</td>
<td>Reporting period for the subsidiary concerned, if different from the holding company’s reporting period</td>
<td>Reporting Currency</td>
<td>Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries</td>
<td>Share capital</td>
<td>Reserves &amp; surplus</td>
<td>Total assets</td>
<td>Total Liabilities</td>
<td>Investments</td>
<td>Turnover</td>
<td>Profit before taxation</td>
<td>Provision for taxation</td>
<td>Profit after taxation</td>
<td>Proposed Dividend</td>
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<tr>
<td>53</td>
<td>PT Saxico Indah</td>
<td>17-05-2010</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>IDR</td>
<td>0.005 3.27 7.29 13.66 3.10 0.00 24.18 0.41 0.06 0.35</td>
<td>- 100%</td>
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<tr>
<td>54</td>
<td>Sigma Hair Industries Limited</td>
<td>19-12-2012</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>TZS</td>
<td>0.030 29.33 (22.34) 54.29 47.30 0.00 76.08 (6.67) 0.24 (6.91)</td>
<td>- 100%</td>
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<tr>
<td>55</td>
<td>Style Industries Uganda Limited</td>
<td>15-06-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>UGX</td>
<td>0.019 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00</td>
<td>- 51%*</td>
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<tr>
<td>56</td>
<td>Strength of Nature LLC</td>
<td>28-04-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD</td>
<td>69.345 0.00 2166.60 2247.22 80.62 31.38 571.77 45.09 5.09 40.00</td>
<td>- 100%</td>
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<tr>
<td>57</td>
<td>Strength of Nature South Africa Proprietary Limited</td>
<td>28-04-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ZAR</td>
<td>4.738 0.00 4.59 5.20 0.61 0.00 0.35 3.48 0.98 2.51</td>
<td>- 100%</td>
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<tr>
<td>58</td>
<td>Style Industries Limited</td>
<td>01-11-2012</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>KES</td>
<td>0.688 0.84 160.70 292.13 130.60 0.00 334.96 (23.15) 22.37 (45.53)</td>
<td>- 90%*</td>
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<tr>
<td>59</td>
<td>Subnite (Pty) Ltd.</td>
<td>06-09-2011</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>ZAR</td>
<td>4.738 0.00 46.25 255.71 209.46 0.00 451.64 (37.77) (10.23) (27.54)</td>
<td>- 90%*</td>
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<tr>
<td>60</td>
<td>Weave Ghana Ltd</td>
<td>16-09-2014</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>CEDI</td>
<td>13.655 57.13 (3.16) 80.63 26.65 0.00 112.15 0.46 0.00 0.46</td>
<td>- 100%</td>
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<tr>
<td>61</td>
<td>Weave IP Holdings Mauritius Pvt. Ltd.</td>
<td>11-07-2011</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD</td>
<td>69.345 0.04 1.69 1.86 0.13 0.00 1.88 1.36 0.25 1.10</td>
<td>- 90%*</td>
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<tr>
<td>62</td>
<td>Weave Mozambique Limited</td>
<td>13-10-2011</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>MZN</td>
<td>1.094 13.51 141.35 165.90 11.05 0.00 96.00 (6.78) (1.63) (5.15)</td>
<td>- 90%*</td>
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<tr>
<td>63</td>
<td>Weave Senegal Ltd</td>
<td>08-04-2016</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>XOF</td>
<td>0.119 17.49 (18.23) 13.61 14.34 0.00 6.93 (9.42) 0.00 (9.42)</td>
<td>- 100%</td>
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<tr>
<td>64</td>
<td>Weave Trading Mauritius Pvt. Ltd.</td>
<td>05-07-2011</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>USD</td>
<td>69.345 0.01 0.61 0.83 0.22 0.14 34.67 34.56 0.00 34.56</td>
<td>- 51%*</td>
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<td>65</td>
<td>Godrej Consumers Products Malaysia Ltd</td>
<td>07-02-2018</td>
<td>01-Apr-2018 To 31-Mar-2019</td>
<td>MYR</td>
<td>17.005 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00</td>
<td>- 100%</td>
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<tr>
<td>66</td>
<td>Godrej CP Malaysia SDN. BHD</td>
<td>04-06-2018</td>
<td>04-Jun-2018 To 31-Mar-2019</td>
<td>MYR</td>
<td>17.005 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00</td>
<td>- 100%</td>
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</tbody>
</table>

* Financials of subsidiaries, associate and joint venture were considered 100% in consolidated financial statements

Names of subsidiaries which are yet to commence operations:
- Godrej Hair Care Nigeria Limited
- Godrej Household Insecticide Nigeria Limited
- Godrej Hair Weave Nigeria Limited
- Godrej Consumers Products Malaysia Limited
- Godrej CP Malaysia SDN. BHD

Names of subsidiaries which have been liquidated or sold during the year:
- Godrej Consumer Products (UK) Limited
## PART “B”: ASSOCIATES AND JOINT VENTURES

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

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of Associates/Joint Ventures</th>
<th>Latest audited Balance Sheet Date</th>
<th>Shares of Associate/Joint Ventures held by the company on the year end</th>
<th>Shares of Associate/Joint Ventures held by the company on the year end</th>
<th>Description of how there is significant influence</th>
<th>Reason why the associate/joint venture is not consolidated</th>
<th>Net worth attributable to Shareholding as per latest audited Balance Sheet</th>
<th>Profit / (Loss) for FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Bhabhani Blunt Hairdressing Private Limited</td>
<td>Year ended March 31, 2018</td>
<td>4967 Equity Instruments &amp; 3060 Debentures</td>
<td>₹ 20.04 cr &amp; ₹ 12 cr</td>
<td>28%</td>
<td>Godrej Consumer Products Ltd is holding more than 20% of share capital</td>
<td>Godrej Consumer Products Ltd stake is less than 51%</td>
<td>4.20</td>
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<td>0.63</td>
</tr>
</tbody>
</table>

1. Names of associate or joint venture which are yet to commence operations - NIL
2. Names of associate or joint venture which have been liquidated or sold during the year -
   - Godrej Easy IP Holdings (FZC)

For and on behalf of the Board

**Nisaba Godrej**
Executive Chairperson
DIN: 00591503

**Vivek Gambhir**
Managing Director & CEO
DIN: 6527810

**V Srinivasan**
Chief Financial Officer & Company Secretary

Date: May 3, 2019